

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1961, Section 340.11, Subdivision 4, is amended to read:

Subd. 4. **Intoxicating liquors; on sale licenses.** All "on sale" licenses shall be granted and the annual license fee therefor *shall be fixed in advance at a specified sum for the year* by the respective local governing bodies of the various municipalities of the state, and such governing bodies shall have the right to revoke licenses issued by them, for cause. The governing body of any municipality issuing "on sale" licenses shall within ten days after such issuance submit to the liquor control commissioner the full name and address of each person granted such license, and other information shall include the trade name, the effective license date, the date of expiration and any change of address, transfer, cancellation or the revocation of such license by the governing body during the license period. No "on sale" licenses shall be issued contrary to any of the provisions of sections 340.07 to 340.40.

Sec. 2. *This act shall become effective on January 1, 1966.*

Approved May 6, 1965.

CHAPTER 331—S. F. No. 994

[Coded in Part]

An act relating to state colleges; confirming the designation of state colleges; prescribing the investments authorized for certain state college board funds; prescribing the terms and conditions for the issuance of refunding revenue bonds by the state college board; amending Minnesota Statutes 1961, Sections 136.01, 136.015, and 136.31, Subdivisions 1 and 5; amending Section 136.31 by adding a new subdivision.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1961, Section 136.01, is amended to read:

136.01 **State colleges; designation.** ~~The six following educational institutions in this state heretofore designated as state normal schools shall hereafter be~~ *have been* designated as state colleges as follows: The "Winona State College," the "Mankato State College," the "St. Cloud State College," the "Duluth State College," the

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"Moorhead State College," the "Bemidji State College," and *Southwest State College* respectively.

Sec. 2. Minnesota Statutes 1961, Section 136.015, is amended to read:

136.015 Changes in designation and status of educational institutions. Educational institutions heretofore known and described as *state normal schools* and state teachers colleges as designated in Minnesota Statutes, ~~Section 136.01~~, *are have been* redesignated as state colleges. *All property of the Duluth State College has been transferred and all obligations of the college have been assumed by the regents of the University of Minnesota in accordance with section 137.13, and this college is now part of the university. The Southwest State College has been established in accordance with the provisions of Laws 1963, Chapter 689.*

Sec. 3. Minnesota Statutes 1961, Section 136.31, Subdivision 1, is amended to read:

Subdivision 1. All references in sections 136.31 to 136.38 to the *state* college board of the State of Minnesota shall be deemed and construed to include any successor thereof created or established by law. The *state* college board of the State of Minnesota is hereby authorized to do the following; ~~provided that no obligations shall be incurred, contracts made, or bonds issued unless prior approval of the proposed building or buildings or other facilities and the method of retirement of the bonds has been obtained from the legislature:~~

(a) acquire by purchase or otherwise, construct, complete, remodel, equip, operate, control, and manage residence halls, dormitories, dining halls, student union buildings and any other similar revenue-producing buildings of such type and character as said board shall from time to time find a necessity therefor exists and as may be required for the good and benefit of any of the state colleges under the jurisdiction of said board, and for that purpose may acquire property of any and every kind and description, whether real, personal or mixed, by gift, purchase or otherwise; *provided that no contract for the construction of any building shall be entered into until financing therefor has been approved by the legislature;*

(b) maintain and operate any such buildings or structures and ~~to~~ charge for the use thereof, and carry on such activities, as are commonly conducted in connection with any such buildings or structures;

(c) enter into contracts touching in any manner or any matter within the objects and purposes of sections 136.31 to 136.38;

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(d) acquire building sites and buildings or structures by gift, purchase or otherwise and ~~to~~ pledge the revenues thereof for the payment of any bonds issued for such purpose as provided in sections 136.31 to 136.38;

(e) borrow money and issue and sell bonds in such amount or amounts as ~~said board may determine~~ *the legislature shall authorize* for the purpose of acquiring, constructing, completing, remodeling, or equipping any such buildings or structures, and acquiring sites therefor, and ~~to~~ refund and refinance the same from time to time *by the issuance and sale of refunding bonds as often as it should shall in the board's judgment* be advantageous to the public interest so to do. All such bonds shall bear interest at not more than 5 percent per annum and ~~may be sold by said board in such manner as they may deem best in the public interest; shall be sold by said board in the manner as provided by Minnesota Statutes 1961, Section 475.60;~~ provided that no issue of such bonds shall be sold at such price that the interest costs of the proceeds therefrom will exceed 5 percent per annum based on the average maturity of the bonds of such issue and computed according to standard tables of bond values. Such bonds shall be payable solely from and secured by an irrevocable pledge of the revenues to be derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of such bonds and in addition thereto from such other income and revenues described in section 136.33, clause (a) as said board by resolution shall specify, and notwithstanding this limitation all bonds issued hereunder shall have the qualities of negotiable instruments under the laws of this state.

Sec. 4. Minnesota Statutes 1961, Section 136.31, Subdivision 5, is amended to read:

Subd. 5. Whenever the board shall by resolution determine that there are moneys in the possession of its treasurer not currently needed, or which are set aside in any reserve, the board may in and by such resolution authorize and direct the treasurer to invest a specified amount thereof in treasury bonds or bills, certificates of indebtedness, bonds or notes of the United States of America, ~~all of which must mature not later than three years from the date of purchase.~~ Securities so purchased shall be deposited with and held for the board by the ~~state board~~ treasurer. Whenever funds so invested are needed by the board it shall direct ~~the state its~~ treasurer to sell the same or a designated amount thereof. All moneys collected thereon by the ~~state board~~ treasurer, as principal, interest, or proceeds of sales, ~~shall be remitted by him to the treasurer of the board;~~

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and shall be credited to and constitute a part of the fund and account for which the investment was made.

Sec. 5. Minnesota Statutes 1961, Section 136.31, is amended by adding a subdivision to read:

Subd. 6. In any case where the board determines to issue and sell refunding revenue bonds six months or more before the earliest date on which all bonds of the series to be refunded thereby will have matured or will have been redeemed upon call as herein-after provided, the proceeds of the refunding revenue bonds shall be deposited, together with any revenues available and designated by the board for the purpose, in escrow with a suitable banking institution within or without the state, whose deposits are insured by the Federal Deposit Insurance Corporation and whose combined capital and surplus is not less than one million dollars, and shall be invested, simultaneously with the delivery of the bonds, in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as shall be required to provide funds sufficient, with any cash retained in the escrow account, to pay when due the interest to accrue on each bond of the series refunded to its maturity or, if prepayable, to an earlier designated date on which it may be called for redemption, and to pay the principal amount of each such bond at maturity or, if prepayable, at its designated earlier redemption date, and to pay any premium required for redemption on such date; and before the refunding revenue bonds are delivered, the board shall by resolution irrevocably appropriate for these purposes, and for the payment of the reasonable charges of banks designated as escrow and paying agents, the escrow account and all payments of principal and interest on the securities held therein, and shall provide for the call of all prepayable bonds of such series, in accordance with their terms, on the redemption date or dates designated. The board may place in escrow pursuant to this subdivision any funds previously pledged and appropriated for the payment of principal and interest on bonds to be refunded; and it may, when deemed necessary in the public interest, issue refunding revenue bonds in the amount necessary to place in escrow the funds required to pay any premium for redemption of refunded bonds before their stated maturities. Investments of the escrow account shall be limited to general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following agencies of the United States: Banks for Co-operatives, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal National Mortgage Association. No refunding revenue bonds shall be issued more than ten years before the last date on which all revenue bonds of the series to

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be refunded thereby will mature or are directed to be prepaid in accordance with their terms.

Approved May 6, 1965.

CHAPTER 332—S. F. No. 995

[Coded]

An act relating to state colleges, authorizing the state college board to issue revenue bonds and to expend the proceeds thereof and other moneys to acquire, construct, complete, remodel, and equip structures for dormitory, residence hall, student union, and food service purposes; amending Minnesota Statutes 1961, Section 136.41, as amended, by adding a new subdivision.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1961, Section 136.41, as amended by Laws 1963, Chapter 479, is amended by adding a subdivision to read:

Subd. 5. State colleges; revenue bonds. The state college board or any successor thereof is authorized to issue additional revenue bonds under sections 136.31 to 136.38, subject to the provisions of the resolutions authorizing its outstanding revenue bonds, and payable solely from the revenue appropriated thereto by section 136.11, subdivision 6, and sections 136.31 to 136.38, in an aggregate principal amount not exceeding 11 million dollars, over and above the amounts of bonds authorized elsewhere in this section, and to use the proceeds of their sale, together with other public or private money which may otherwise become available, for acquiring, constructing, completing, remodeling, and equipping structures to be used for dormitory, residence hall, student union, and food service purposes at the state colleges, in accordance with the recommendations of the legislative buildings commission to the 1965 session of the legislature; and the buildings and facilities to be financed in this manner are hereby approved.

Sec. 2. *The bonds authorized to be issued by the state college board under the provision of this act shall be sold at public sale as provided by Minnesota Statutes 1961, Section 475.60.*

Approved May 6, 1965.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.