

permit the inspection or copying of records as required hereunder, shall be guilty of a gross misdemeanor.

Sec. 11. Sections 2 and 5 of this act are effective January 1, 1977. Sections 1, 3, 4, 6, 7, 8, 9 and 10 are effective July 2, 1977.

Approved March 18, 1977.

CHAPTER 5—S.F.No.200

 *An act relating to banking; authorized investments and powers of savings banks; amending Minnesota Statutes 1976, Sections 50.14, Subdivision 5; 50.148; and 50.157.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1976, Section 50.14, Subdivision 5, is amended to read:

Subd. 5. **SAVINGS BANKS; INVESTMENTS.** (1) Class four shall be:

(a) Notes or bonds secured by mortgages or trust ~~deed~~ deeds on unencumbered real estate, whether in fee or in a leasehold of a duration not less than ten years beyond the maturity of the loan, in any state of the United States, worth at least twice the amount loaned thereon: ;

(b) Notes or bonds secured by mortgages or trust deed on unencumbered real estate in clause (1) (a) where such notes or bonds do not exceed 80 percent of the appraised value of the security for the same, provided that such notes or bonds are payable in instalments aggregating not less than five percent of the original principal per annum in addition to the interest; or, are payable on a regular amortization basis in equal instalments, including principal and interest, such instalments to be payable monthly in such amounts that the debt will be fully paid in not to exceed 30 years if the security is non-agricultural real estate, and such instalments to be payable annually or semi-annually in such amounts that the debt will be fully paid in not to exceed 25 years if the security is agricultural real estate. A construction loan shall be deemed amortized as required by this clause if the first instalment thereon shall be payable not later than 18 months after the date of the first advance in the case of residential construction or not later than 36 months after the date of the first advance in the case of nonresidential construction: ; and

(c) Notes or bonds secured by mortgages or trust deeds on unencumbered real estate in clause (1) (a) which are in an original principal amount of \$100,000 or more and which do not exceed 95 percent of the appraised value of the security for the same which may be payable in such manner as the trustees of the bank shall prescribe, provided that construction loans made by a savings bank pursuant to this clause (1) (c) shall not exceed in the aggregate five percent of the assets of the savings bank.

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(e) ~~Such~~ (2) Class four investments shall be made only on report of a committee directed to investigate the same and report its value, according to the judgment of its members, and its report shall be preserved among the bank's records.

(d) (3) Notwithstanding anything to the contrary in clause (1) (b), a mutual savings bank organized under the laws of this state may invest in notes or bonds secured by mortgages or trust deed where such notes or bonds do not exceed 95 percent of the appraised value of the security for the same. Except as modified herein, the other provisions of clause (1) (b) shall apply.

(e) (4) For purposes of this subdivision, real estate shall be deemed unencumbered if the only existing mortgage or lien against the real estate is a first mortgage lien in favor of the savings bank making a second mortgage loan.

Sec. 2. Minnesota Statutes 1976, Section 50.148, is amended to read:

50.148 AUTHORIZED INVESTMENTS; MOBILE HOME LOANS. In addition to other investments authorized by law, a savings bank organized and operated pursuant to this chapter, may make loans upon the security of mobile homes, and any equipment installed or to be installed therein, in an amount not exceeding ~~\$10,000~~ \$25,000 repayable in installments, and may make a charge for such loan computed at a rate not exceeding ~~six percent per annum upon the total amount of the loan from the date thereof until the stated maturity date of the final installment thereof; which 12 percent per annum upon the unpaid principal balance of the amount financed, the installment payments shall not exceed 12 years and 32 days from the date of the loan, notwithstanding that such loan is required to be repaid in installments or that the loan is secured by mortgage, pledge, or other collateral. If the charge so computed shall be less than \$5, the amount so charged may nevertheless be \$5. Any charge authorized by this section may be included in the principal amount of the note or other instrument evidencing said loan and the aggregate amount thereof be payable in installments. The provisions of sections 48.154 to 48.157, shall apply to all mobile home loans made pursuant to the authority granted by this section.~~ The authority granted by this section shall not extend to either the purchase of or investment in installment sales contracts secured by or constituting first liens upon mobile homes nor to loans which finance the acquisition of inventory by a mobile home dealer. ~~The provisions of sections 48.154 to 48.157, shall apply to all mobile home loans made pursuant to the authority granted by this section~~ A savings bank may purchase or invest in notes, bonds and retail installment sales contracts secured by or constituting first liens upon mobile homes.

Sec. 3. Minnesota Statutes 1976, Section 50.157, is amended to read:

50.157 LIMITED TRUSTESHIP. A savings bank shall have the power to act as trustee or custodian within the contemplation of the federal self-employed individuals tax retirement act of 1962, as amended, and also within the contemplation of the employee retirement income security act of 1974, as amended. The trustee or custodian may accept such trust funds provided such funds are invested only in savings accounts or deposits in such bank or in obligations or securities issued by such bank. All funds held in such fiduciary capacity may be commingled for appropriate purposes of investment, but

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individual records shall be maintained by the fiduciary for each participant and shall show in proper detail all transactions engaged in under authority of this section.

Approved March 24, 1977.

CHAPTER 6—H.F.No.511

[Not Coded]

An act relating to the state transportation system; correcting conditions of a bond authorization; amending Laws 1976, Chapter 339, Section 3.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1976, Chapter 339, Section 3, is amended to read:

Sec. 3. STATE TRANSPORTATION SYSTEM; BOND AUTHORIZATIONS.
 Subdivision 1. The commissioner of finance is authorized upon the request of the commissioner of transportation to sell and issue Minnesota state transportation bonds for the purposes provided in section 2, subdivision 1, in the aggregate principal amount of \$12,500,000, in the manner and upon the conditions prescribed in section 2 and in article XI of the constitution; ~~provided that no bonds may be sold in any year unless the money appropriated by section 4, subdivision 2, clause (a), has been expended.~~ The proceeds of the bonds, except as provided in section 2, subdivision 5, are appropriated to the Minnesota state transportation fund for expenditure in accordance with section 1 and section 4, subdivision 1, clause (a).

Subd. 2. The commissioner of finance is authorized upon the request of the commissioner of transportation to sell and issue Minnesota state transportation bonds for the purposes provided in section 2, subdivision 1, in the aggregate principal amount of \$12,500,000, in the manner and upon the conditions prescribed in section 2 and in article XI of the constitution; ~~provided that no bonds shall be sold in any year unless the money appropriated by section 4, subdivision 2, clause (b), has been expended.~~ The proceeds of the bonds, except as provided in section 2, subdivision 5, are appropriated to the Minnesota state transportation fund for expenditure in accordance with this section and section 1 and section 4, subdivision 1, clause (b).

Sec. 2. This act is effective the day after final enactment.

Approved March 24, 1977.

CHAPTER 7—S.F.No.21

An act relating to health; authorizing the licensing of physicians from Canada without
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