

SEC. 6. This act shall take effect and be in force from and after its passage.

Approved, September 23d, 1862.

CHAPTER IX.

An Act entitled an act to provide for the borrowing of money to defray the expenses growing out of the present Indian war.

- SECTION 1. Governor and treasurer of State authorized to borrow money—for what purpose.
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Be it enacted by the Legislature of the State of Minnesota:

SECTION 1. That the Governor and treasurer of the State of Minnesota be, and they are hereby authorized to borrow, on the credit of the State, the sum of one hundred thousand dollars, at a rate of interest not exceeding eight per cent. per annum, payable semi-annually in the city of New York; which loan shall be called the war loan, and shall be paid and re-imbursed in ten years from the time on which the same is negotiated; which money so borrowed shall, on first being duly appropriated therefor, be applied to the defrayment of the expenses growing out of the present Indian war.

For what purpose
Governor author-
ized to borrow
money

How loan to be
made

SEC. 2. That the loan mentioned in section first of this act shall be made upon State bonds, with coupons attached, issued and signed by the treasurer, and countersigned by the secretary of State; which bonds shall

specify the rate of interest and time when the principal and interest shall be paid; and each bond so issued shall not be for a less sum than five hundred dollars, and shall specify therein to whom the same shall be made payable.

SEC. 3. The State shall annually, in addition to the taxes levied for the current expenses of the State, levy a tax sufficient to pay the interest of the loan provided for in this act.

Additional tax to meet interest on said loan

SEC. 4. There shall also be levied from and after the year 1867, an annual tax sufficient to be held and retained as a sinking fund with which to cancel the bonds mentioned in this act, at the time the same shall become due.

For what purpose annual tax to be levied after the year 1867

SEC. 5. The tax above mentioned, in section four of this act, shall be invested annually by the treasurer of State of Minnesota in United States and Minnesota State Stocks, or in case the same cannot be obtained at par or under, then in other State stocks on which the interest is regularly paid, which stocks shall be equal to six per cent. stocks, and which he shall procure at as low rates as the same can be purchased, which stocks shall be held and retained by the State treasurer until the time the loan mentioned in this act shall become due, and shall then be disposed of, and the proceeds of the sale of such stocks shall be appropriated to the payment of the loan authorized in this act.

How said tax to be invested

SEC. 6. That whenever the interest on the above mentioned bonds shall become due, the same shall be paid by the treasurer of the State upon presentation at such banking house in the city of New York as the treasurer shall designate, of the coupons for the interest then due.

Manner of paying interest on said loan

SEC. 7. The treasurer of the State is hereby authorized, and it is made his duty to obtain blank bonds, with suitable devices to prevent counterfeiting, and of such material as he may deem proper.

Who to procure blank bonds

SEC. 8. The credit of the State is hereby pledged to the payment of the interest and principal of the bonds mentioned in this act, as the same may become due.

Credit of the State pledged

SEC. 9. This act shall take effect from and after its passage.

Approved September 27th, 1862.