

Section 16. Dams to be maintained by state.—All dams owned by the state or erected upon lands owned by the state or for which the state has acquired permanent easement shall be maintained by the state from funds appropriated by the legislature directly for such purpose or from such other sources as may be provided by law. The commissioner is authorized to accept from local governmental and civic agencies, or persons, funds for the purpose of maintaining such dams and appurtenant or control structures.

Section 17. Not to affect existing contracts.—Nothing herein shall apply to existing contracts with or permits, grants, or other authorizations by this state, any other state or the federal government for the appropriation, use or diversion of public waters, nor shall apply to existing dams, reservoirs, or control structures, owned, leased, or operated by municipalities, individuals, private corporations or commercial companies operated for the production of power, except as may be necessary in emergencies to protect the health and safety of the people of the state.

Section 18. Inconsistent acts repealed.—All acts and parts of acts inconsistent herewith are hereby superseded, modified, or amended, so far as necessary, to give effect to the provisions of this act except that nothing in this act shall be construed so as to interfere with the exercise of the lawful jurisdiction of the government of the United States or its duly constituted agencies over the waters of the state and provided that nothing in this act shall in any way supersede, alter, or amend the provisions of Mason's Minnesota Statutes, 1927, Chapter 40, Section 6463, and Chapter 412, Laws 1933.

Section 19. Provisions severable.—The various provisions of this act are declared to be severable. If any provisions thereof shall be declared unconstitutional the remaining provisions shall remain in full force and effect.

Approved April 26, 1937.

CHAPTER 469—S. F. No. 1304

An act to amend Section 4 of Chapter 225, Laws 1923; as amended by Chapter 270, Laws 1925, Section 1, (Mason's Minnesota Statutes of 1927, Section 6033) as amended by Section 4, of Chapter 429, Laws 1933, as amended by Section 1, Chapter 298, Laws 1935, (1936 Supplement to Mason's Minnesota Statutes of 1927, Section 6033) authorizing the conservator of rural credit to

issue bonds and certificates of indebtedness to refund outstanding obligations of the department of rural credit and authorizing and directing the state board of investment of the State of Minnesota to sell to the department of rural credit such securities issued by the department of rural credit.

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

Section 1. **Law amended.**—That Section 4, Chapter 225, Laws 1923, as amended by Chapter 270, Laws 1925, Section 1 (Mason's Minnesota Statutes of 1927, Section 6033), as amended by Section 4, Chapter 429, Laws 1933, as amended by Section 1, Chapter 298, Laws 1935 (1936 Supplement to Mason's Minnesota Statutes of 1927, Section 6033) is hereby amended so as to read as follows :

“Section 4. **Powers and duties of conservator.**—a. The Conservator shall have power :

(1) To adopt such rules and regulations as may be necessary for the proper conduct of the business of the Department ;

(2) To issue certificates of indebtedness and tax levy certificates subject to the limitations of Section 12 of this act, to issue bonds payable by the State of Minnesota, bearing interest at a rate not to exceed 3% per annum, in an aggregate amount not to exceed \$60,000,000, said bonds to be issued only for the purpose of refinancing present outstanding indebtedness which is now bearing interest at a considerably higher rate, said bonds to be issued in denominations as the Conservator deems advisable.

(2-a) The State Board of Investment is *authorized and directed* to sell such securities issued by the Department of Rural Credit, now held by it, to said Department of Rural Credit, *and* the Conservator of Rural Credit is *authorized and directed* to issue bonds payable by the State of Minnesota, bearing interest at the lowest market rate not to exceed 3% per annum for a term of not to exceed twenty years for the purpose of refinancing present outstanding indebtedness ; provided, however, the Conservator may refinance 25% of the total authorized indebtedness by issuing short term certificates of indebtedness bearing interest at not to exceed 1.50% per annum which may be renewed from time to time.

(3) In the name of the state to acquire, own, hold, lease, sell and convey such property, real, personal or mixed, as may be necessary, convenient and proper for the transaction of the business of the Department ; but such property shall be taken by him only in payment of pre-existing debts owing the State ;

(4) To sell, grant and convey to any person, firm or corporation who shall apply therefor a right of way or easement to lay,

maintain, operate and keep up pipe lines for the transportation and transmission of gasoline and other petroleum products over and across lands subject to rural credit mortgages, and over and across such mortgage lands acquired by the State by foreclosure or deed, upon such terms and conditions as he shall deem advisable;

(5) To insure buildings and structures upon any such mortgaged property acquired by the State against loss by fire, tornado, windstorm and/or hail, in any insurance company or association, however organized, authorized to do business in this State, and to pay the premiums, assessments and dues thereby accruing; and to make such repairs and improvements upon such property as are essential to the operation and preservation thereof;

(6) To do all things that may be necessary and proper in carrying out the provisions of this act.

b. It shall be the duty of the Conservator:

(1) To maintain the office of the Department at the seat of government;

(2) To keep such books and records as are necessary for the conduct of the business of the Department and to keep in his custody all promissory notes, mortgages, securities, evidences of indebtedness, muniments of title, and all other papers, records and instruments of every kind now in the possession of or hereafter received or acquired by the Department.

(3) To diligently collect all moneys due the State under this act and to sell all property acquired by it but subject to the limitations herein provided; with a view to the complete and speedy liquidation of the business of the Department.

(4) To promptly meet all obligations of the Department to the end that no default shall occur in the payment of principal or interest on its bonds or certificates.

(5) To submit an annual report to the Governor."

Approved April 26, 1937.

CHAPTER 470—S. F. No. 1462

An act to amend Laws 1935, Chapter 331, relating to the conservation of evergreen and coniferous trees, providing for the supervision and control of the traffic in such trees intended for use as Christmas trees or for other decorative purposes, and for the licens-