

(9) *Whenever the county agency of the county granting assistance to a recipient is satisfied that the collection of the amount paid him as old age assistance will not be jeopardized or that the release of the lien against his property in whole, or in part, is necessary for the maintenance or support of the recipient, his spouse, minor or incapacitated children, it may, with the approval of the state agency, release such lien with respect to all or part of the real property of the recipient, and such release, or a certified copy thereof, shall be filed with the register of deeds of each county where the lien certificate is filed.*

(10) *The recipient, his heirs, personal representatives, or assigns, may discharge such lien at any time by paying the amount thereof to the treasurer of the proper county who, with the approval of the county agency, shall execute a satisfaction thereof and file the same with the register of deeds of each county where the lien certificate is filed.*

(11) *Any recipient who has heretofore transferred or who hereafter transfers, or disposes of his property in order to avoid the application of this section shall be disqualified from receiving old age assistance."*

Sec. 2. Limit of property to be held.—That Extra Session Laws 1936, Chapter 95, Section 8, subdivision b, being the 1938 Supplement to Mason's Minnesota Statutes of 1927, section 3199-18, subdivision b, is hereby amended to read as follows:

"(b) If the net value of his property or the net value of the combined property of husband and wife exceeds \$5,000; provided however that household goods and furniture in use in the home, wearing apparel and a lot in the burial ground may be owned in addition to the property limitation provided in the subsection."

Sec. 3. Effective January 1, 1940.—This act shall take effect January 1, 1940.

Approved April 20, 1939.

CHAPTER 316—S. F. No. 1415

An act authorizing cities, however organized, situate within three miles of established toll bridges over interstate or international rivers or waters, or within whose corporate limits

are located any portions of such bridges, to purchase and acquire such bridges and to thereafter own, maintain and operate the same as toll bridges and to collect tolls and charges for the use thereof, providing the means thereof, providing for the issuance and disposal of revenue bonds for the purpose of purchasing such bridges, providing for the amortization of the cost thereof and providing for the subsequent operation of such bridges free of tolls with certain exceptions.

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

Section 1. Certain cities may buy toll bridges.—That whenever any bridge has been by any person or corporation constructed to extend over or partly over an interstate or international river or water into another state or country, and such bridge has for at least three years been privately owned and operated as a toll bridge by any person or corporation, any city of any class organized either under a home rule charter or under the general law and situated within three miles of the beginning of the nearest approach to such bridge, or within whose corporate limits is located any portion of such bridge, shall have power and authority to purchase and acquire such bridge and approaches thereto whenever at any general or special election, held in such city, the electors by an affirmative vote of three-fifths majority of all the votes cast upon said proposition, declare in favor thereof at the fair value thereof, determined as hereinafter provided, and thereafter to own, operate, repair, improve, extend and maintain the same as a toll bridge, whether all or any portion of such bridge and approaches be within or without the corporate limits of the city. Any such bridge over navigable waters of the United States shall be owned, operated and maintained by any city acquiring the same subject to and in accordance with the Act of Congress authorizing the construction thereof and the lawful rules and regulations of the Secretary of War relative thereto.

Sec. 2. May operate toll bridges and collect tolls.—That any such city, in addition and as a supplement to all other powers herein or by other law granted to it, when so authorized by the voters as set forth in Section 1 shall have power and authority to purchase, acquire, take and hold in fee simple, wherever located within or without the state, all land, structures, franchises, easements, approaches, buildings, equipment, appurtenances, machinery, and other real, personal or mixed property appurtenant to, or necessary and convenient for the owning, operation, repair, improvement, extension and maintenance of, any such bridge so purchased by it; and such

city shall have power and authority to charge and receive reasonable and uniform prices and tolls for transit over such bridge from all persons or corporations using the same, which charges and tolls shall be fixed and determined by the common council or chief governing body of such city and may be by such body changed and adjusted from time to time, provided that such charges and rates of toll shall be so fixed and adjusted as to provide a fund sufficient to pay for the reasonable expense of maintaining and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor as soon as possible under reasonable charges, or within any period fixed by law, and further provided that if any revenue bonds are issued in payment of said bridge as in this act provided the aggregate of such charges and rates shall also be sufficient to enable such sinking fund to meet the interest and principal requirements of any such outstanding revenue bonds as they mature. No person, firm or corporation shall be permitted to use such bridge except he or it pay the full and established rates of toll therefor. After a sinking fund sufficient to pay the cost of acquiring such bridge has been provided from bridge revenues only, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair and operation of the bridge.

Sec. 3. Council to adopt resolution.—Before any such city shall purchase any such toll bridge the common council or chief governing body shall, by resolution adopted by a five-sevenths majority vote of all the members of the council or governing body, find and determine that the purchase of the bridge will be of public benefit and in the interest of the city and the welfare of its inhabitants, and shall find and determine the fair value of the said bridge taking into consideration, so far as can be ascertained, the cost of construction and of maintenance thereof, the rate of depreciation thereon, the reasonably estimated amount of income to be derived therefrom as shown by the revenues received from such bridge during the three years immediately preceding such determination and any incidental expenses connected with the purchase thereof, which findings and which determination of fair value shall for all the purposes of this act be conclusive as to the matters therein found and determined.

Sec. 4. (a) May issue and sell bonds.—For the purpose of acquiring and purchasing any such toll bridge and paying

expenses incidental to such acquisition, any such city may when so authorized by the voters as set forth in Section 1, and by a five-sevenths majority of the city council or other governing body, issue and negotiate, sell or dispose of interest bearing bonds to be known as Toll Bridge Bonds and payable out of the revenue and income to be derived from the toll bridge for the acquisition of which said bonds are issued. Such bonds shall not be issued or secured on any such toll bridge in an amount in excess of the fair value thereof, determined as in this Act provided. All or part of such bonds may be by the city disposed of by delivering the same to the person or corporation from whom the bridge is acquired, as payment of or upon the purchase price thereof to the extent of the par value of such bonds so delivered and the accrued interest thereon at the time of delivery.

(b) Said bonds shall bear interest at not to exceed six (6) per cent per annum, payable semi-annually, shall mature either as a whole or serially on or before twenty years from their date and shall be subject to redemption in such manner and at such times as the city council or governing body may by resolution or ordinance determine at the time of issue.

(c). At the time of, or before the issuance and sale or disposal of any such bonds, the council or governing body shall by a five-sevenths majority vote, by resolution or ordinance, create and set aside a sinking fund for the payment of the bonds and the interest thereon, and shall pledge to such sinking fund and to the payment therefrom of the bonds and all interest thereon, the total net income and revenues of the toll bridge for the acquisition of which such bonds were issued. Such total net income and revenues shall for all the purposes of this Act be deemed to mean all the gross income from said bridge less only actual operating expenses and actual cost of maintenance, and while any of said bonds are outstanding such total net income and revenues shall be used only for the payment of the principal and interest of such bonds. The said bonds and the interest thereon shall constitute a first and prior lien on and against the total net income and revenue derived from said bridge and on and against all funds from whatever source paid into or set apart for said sinking fund. After all said bonds and the interest thereon shall have been fully paid, such sinking fund shall be maintained and continued for the purpose of repaying therefrom any payments previously made thereto from the general funds of the city.

Sec. 5. May mortgage toll bridge—In order to secure the

payment of such Toll Bridge bonds and the interest thereon the city may by a five-sevenths majority vote of the city council or other governing body convey by mortgage or deed of trust the bridge and any or all of the property acquired or to be acquired through the issuance of such bonds; which mortgage or deed of trust shall be executed in a manner directed by the council or other governing body of such city and acknowledged and recorded and filed in the manner provided by law for the acknowledgment and recording and filing of mortgages of real estate and of personal property, and may contain such conditions and provisions not in conflict with the provisions of this Act as may be deemed necessary to fully secure the payment of the bonds described therein. In the event that any portion of the bridge or property is within the corporate limits of said city, any such mortgage or deed or trust may carry the grant of a privilege or right to maintain and operate as a toll bridge the bridge and property covered thereby, for a period not exceeding twenty-five years from and after the date such bridge and property may come into the possession of any person or corporation as a result of foreclosure proceedings, which privilege or right may fix the rates which the person or corporation securing the same as a result of the foreclosure proceedings shall be entitled to charge in the operation of said property, for a period of not exceeding twenty-five years. Whenever, and as often as default shall be made in the payment of such bonds issued and secured by mortgage or deed of trust as aforesaid, or in the payment of the interest thereon when due, and when any such default shall have continued for the space of twelve months after notice thereof has been given to the mayor and treasurer or other financial officer of the city issuing such bonds, it shall be lawful for any such mortgagee or trustee under such indenture, upon the request of the holder or holders of a majority in amount of the bonds issued and outstanding under such mortgage or deed of trust, to declare the whole of the principal of such bonds as may be outstanding to be at once due and payable, and to proceed to foreclose such mortgage or deed of trust in any court of competent jurisdiction. At a foreclosure sale the mortgagee or trustee or the holder or holders of such bonds may become the purchaser or purchasers of such bridge and other property and of the rights and privileges sold, if he or they be the highest bidders.

Sec. 6. Not to become obligation of city.—In the event that any such bonds are secured by mortgage or deed of trust as in this Act provided, then such bonds shall under no circumstances be and become an obligation or liability of the city

issuing the same or payable out of the general funds of said city, but shall be payable solely out of the revenues or income to be derived from the toll bridge for the acquisition of which said bonds were issued.

Sec. 7. Deficiency and interest may be paid out of city funds.—In the event that any such bonds are not secured by mortgage or deed of trust as in this Act provided, in such case, and in the further event that in any year the total net income and revenues from said bridge, as in this Act defined, are insufficient to pay the interest on said bonds and the principal of any such bonds maturing in such year, or if no such bonds mature in such year then to pay into the sinking fund such amount as may have been by resolution or ordinance theretofore determined as the minimum payment necessary to be made in such year to the sinking fund in order to amortize the cost of the bridge within the time required by this Act, then the deficiency in such interest and principal or sinking fund payments shall be paid out of the general funds of said city, and the council or chief governing body of such city shall levy a general tax therefor and shall include in the next tax levy a sufficient amount to provide for the payment in full of said interest and principal or sinking fund payments.

Sec. 8. Not to be affected by former limitations.—The bonds authorized by this Act to be issued, whether or not secured by mortgage or deed of trust, may be issued and sold or disposed of by any such city notwithstanding any limitation contained in the charter of such city or in any law of the state prescribing or fixing any limit upon the bonded indebtedness of such city, and shall not create or constitute an indebtedness of the city within the meaning of any charter, statutory or constitutional limitation upon the incurring of indebtedness.

Sec. 9. Powers of city in issuance of bonds.—To any extent not in conflict with the provisions of this Act, any city issuing bonds under this Act shall have the right to covenant with the holders of the bonds, either by resolution or ordinance, adopted or passed by a five-sevenths majority vote of the council or other governing body or by the terms of said mortgage or trust indenture, or by separate written instrument if such bonds be not secured by mortgage or indenture, as to all matters concerning (a) the use and disposition of all income and revenues derived from the operation of any such toll bridge; (b) the manner and expense of operating and maintaining the bridge; (c) the insurance to be carried there-

on and the disposition of the insurance moneys; (d) its books of account and the inspection and audit thereof and its accounting methods; (e) the rates of tolls and charges for the use of said bridge and other matters pertaining to the care and operation thereof by the city; (f) the manner of conserving and applying the revenues therefrom to the payment of such bonds and the interest thereon; and (g) the depository of the sinking fund, the method of handling such fund, and the minimum annual requirements thereof.

Sec. 10. Revenues to be kept separate.—Every such city owning and operating a toll bridge under this Act must keep all income and revenues derived from the operation of such bridge separate and distinct from all other revenues, and shall keep the books of account for such bridge distinct from other city accounts, and in such manner as to show the true and complete financial results of such city ownership and operation. Such accounts shall be so kept as to show in detail the actual cost to such city of such bridge; the daily tolls collected therefrom; all cost of maintenance, repair and improvement; all operating expenses of every description; and the amounts set aside for sinking fund purposes. The council or chief governing body shall cause to be printed annually, for public distribution, a report showing the financial results of such city ownership and operation.

Sec. 11. Not to be included within limit of indebtedness.—Any bonds issued under this Act, whether secured or unsecured as herein provided, shall be excepted from and shall not constitute an obligation or indebtedness of such city within the meaning of any provisions contained in the charter of such city or in any law of the state prescribing, limiting or fixing the time and manner of payment of municipal bonds, and any such bonds may be issued and sold or disposed of by any such city as in this Act provided, notwithstanding any such charter or statutory provisions.

Sec. 12. Bonds may be registered.—Any bonds issued under this Act may be payable to bearer or to the order of the person or corporation to whom they may be delivered either for cash or property, and may be registered with the City Treasurer, or with the trustee under any indenture of trust.

Sec. 13. May sell bridge to the State of Minnesota.—
(a) Any city purchasing and acquiring any such bridge, as in this Act provided, shall thereafter have power and authority to sell, assign and transfer the same and its approaches,

or any interest therein, to the State of Minnesota or to any public agency or political subdivision thereof, or to any other state or public agency or political subdivision thereof within or adjoining which any part of the bridge is located, or to any two or more of them jointly, provided that any such sale or transfer shall not alter, change, modify or affect the rights, powers, securities and privileges of the holders of any outstanding bonds issued by said city in payment of said bridge as in this Act provided, or the payment of the principal and interest of such bonds when and as due; and any such sale or transfer made while any of such bonds are outstanding shall be subject to the payment thereof and to the assumption and performance by the vendee or transferee of all obligations, liabilities and covenants imposed upon said city by this Act or incurred and assumed by it in connection with the issuance of such bonds.

(b) Any city purchasing any such bridge, as in this Act provided, may thereafter acquire, condemn, occupy, possess and use real estate and other property needed for the operation, maintenance, improvement and extension of such bridge and its approaches by purchase or by condemnation or expropriation in accordance with the laws of the state of Minnesota governing the acquisition of private property for public purposes by condemnation or expropriation.

Sec. 14. Inconsistent acts repealed.—All acts and parts of acts inconsistent herewith are hereby repealed.

Sec. 15. Provisions severable.—If any provision of this Act shall be held invalid the remainder of this Act and the application thereof shall not be affected thereby.

Sec. 16. This Act shall take effect from and after its passage.

Approved April 20, 1939.

CHAPTER 317—S. F. No. 1467

An act to legalize proceedings heretofore taken by the board of county commissioners in certain counties for the issuance of bonds for the purpose of constructing a grand stand on the county fair grounds as a Works Progress Administration Project and authorizing the completion of such proceed-