

period than *one* year nor for a longer period than *30* years and no change of the town, school district, city, village, or county lines shall relieve the real property in such town, school district, county, village or city in this state at the time of issuing such bonds from any liability for taxation to pay such bonds."

Sec. 2. Amendment submitted in 1942.—Such proposed amendment shall be submitted to the people for their approval or rejection at the general election for the year 1942 and the qualified electors of the state, in their respective districts, may at such election vote for or against such proposed amendment by ballot, and the returns thereof shall be made and certified within the time, such vote canvassed, and the result thereof declared in the manner provided by law with reference to the election of state officers, and if it shall appear thereon that a majority of all electors voting in such election shall have voted for and ratified said amendment, as provided in the next section thereof, then the governor shall make proclamation thereof, and such amendment so ratified shall take effect and be in force as a part of the constitution.

Sec. 3. Ballots.—Ballots used at said election, and said proposed amendment, shall have printed thereon: "Amendment of Section 6, of Article 8 of the Constitution, relating to changing the requirements for investment or loan of the permanent school and permanent university funds. Yes..... No....." Each elector voting upon such proposed amendment shall place a cross mark, thus, "X," in a space to be left on the ballot opposite the words "Yes" and "No," according as he may wish to vote for or against said amendment, and his vote shall be counted in accordance with the expressed will of such elector, as provided by the election laws of this state.

Sec. 4. Amendment to be No. 1 on ballot.—The secretary of state shall place this proposed amendment as No. 1 on the official ballot.

Approved April 10, 1941.

CHAPTER 172—H. F. No. 861

An act relating to the investment of the permanent trust funds; amending Mason's Supplement 1940, Section 6303.
Be it enacted by the Legislature of the State of Minnesota:

Section 1. Law amended.—Mason's Supplement 1940, Section 6303, is hereby amended to read as follows:

“6303. **Investment of permanent school fund—rate of interest.**—The permanent school fund, permanent university fund, swamp land fund, internal improvement land fund, and all other permanent trust funds of the state of Minnesota, may be invested in the bonds of the United States or of the state of Minnesota, and each of said funds, except the internal improvement land fund, may be invested in the bonds of any other state of the Union, yielding not less than *one* per cent interest, or in the bonds of any school district, county, city, town or village of this state, yielding not less than three per cent interest. Such funds shall be invested by a board of commissioners consisting of the governor, treasurer, auditor, attorney general and one commissioner to be appointed by the regents of the University of Minnesota from among their members, which shall be known as the state board of investment, and which shall hold regular meetings on the first and third Wednesdays of each month. The governor shall be ex-officio president of said board, which shall have a permanent secretary, who shall keep a record of its proceedings. Both the secretary of the board and the auditor shall keep a record showing the trust fund to which each bond belongs, the number and amount of each bond, when issued, the rate of interest, when and where payable, by whom executed, when purchased, when withdrawn and for what purpose. No loan shall be made and no bonds shall be purchased, sold, exchanged or transferred from one trust fund to another except upon a majority vote of all members of said board of investment. In investing the permanent school fund preference shall be given to applications for loans from school districts and priority shall be accorded such loans of \$25,000 and less. The board of investment shall have the power to fix and change the rate of interest on loans to municipalities within the state, provided such rate is never less than three per cent, and whenever such rate is changed after any municipality has voted its bonds to the state such municipality is hereby authorized to pay the new rate so fixed and to issue its bonds bearing such rate upon approval and acceptance thereof by resolution of its governing body.”

Approved April 10, 1941.