

## CHAPTER 717—H. F. No. 1742

[Coded as Sections 197.851, 197.852]

*An act relating to the veterans compensation fund, providing for additional moneys therefor, levying a tax to provide funds therefor, including a tax on homesteads notwithstanding the provisions of Minnesota Statutes 1949, Section 273.13, Subdivisions, 6 and 7; authorizing the issuance and sale of bonds or certificates of indebtedness; and appropriating moneys.*

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

[197.851] Section 1. **Bond issue of \$4,000,000.** Subdivision 1. Subject to the limitations herein prescribed, the state auditor, with the approval of the executive council, is authorized and empowered to issue and sell bonds of the State of Minnesota in an amount not exceeding \$4,000,000. Payment of the bonds and the interest thereon shall be made from the supplementary bond account, which is hereby created, in the veterans compensation fund. The bonds shall be in a form approved by the attorney general and shall pledge the full faith and credit of the State of Minnesota to the payment of the same according to the terms thereof. The bonds shall be in the form of serial bonds numbered consecutively, one eighth of the total principal amount of which shall be payable each year beginning with the year 1952. The bonds shall be known as the veterans adjusted compensation bonds of 1951, shall be signed by the state treasurer, attested by the state auditor and the secretary of state, and sealed with the great seal of the state, and the facsimile signatures of the state treasurer, state auditor, attorney general, and secretary of state shall be sufficient upon the bonds and interest coupons. Before issuance, the state auditor shall make a record of all bonds showing the number, amount, date of issue, date of maturity and a bond issued hereunder shall not be a valid obligation of the State of Minnesota unless the state auditor shall have certified thereon that such record has been made. The state auditor, with the approval of the executive council, shall determine the date or dates of issue of the bonds, the denominations thereof, and the place or places at which the principal thereof and semiannual interest thereon shall be payable. The state auditor, with the approval of the executive council, shall fix the rate of interest on the bonds which shall not exceed an average rate thereon of two per cent per annum.

All expenses incident to the printing and the sale of the bonds, including actual and necessary traveling expenses of state officers and employees for such purpose, shall be paid from the veterans compensation fund and the amounts required therefor are hereby appropriated from said fund.

Subd. 2. Prior to the issuance of any bonds, the state auditor shall offer certificates of indebtedness, which shall be known as veterans compensation certificates of indebtedness, in the full amount of \$4,000,000 authorized by this act, at not less than their par value, to the state board of investment, without prior advertisement for bids, and upon such terms as to interest rates and prices as the state auditor, with the approval of the executive council, may determine, but the rate of interest shall not be more than two and one half per cent per annum. These certificates shall be in such form and of such denominations as the state auditor, with the approval of the executive council, shall prescribe and shall mature at such times as the state auditor, with the approval of the executive council, shall determine, not exceeding the time when funds shall be available for the payment thereof from the tax levies imposed by Section 2 of this act. These certificates shall be signed by the state treasurer and attested by the state auditor under their official seals, and the state auditor and state treasurer shall keep records thereof. Payment of the certificates of indebtedness and the interest thereon shall be made from the supplementary bond account in the veterans compensation fund. The state board of investment is authorized to invest any funds under its control or direction, in such certificates of indebtedness, notwithstanding any limitations imposed by Laws 1949, Chapter 110.

Subd. 3. If the state board of investment does not purchase within 10 days from the date of the offer thereof all or part of the certificates of indebtedness offered to it, then and only then, the bonds authorized in Subdivision 1 hereof shall be sold at not less than par upon competitive sealed bids after at least two weeks' published notice.

The state auditor, with the approval of the executive council, may reject any or all bids at any public sale of the bonds.

The state auditor, with the approval of the executive council, and without complying with Laws 1945, Chapter 452, is authorized and empowered to prescribe such rules and regu-

lations in connection with the public sale of the certificates of indebtedness, consistent with this act, as he finds necessary or advisable. Notwithstanding that the state board of investment shall have declined to purchase the certificates of indebtedness on the terms offered to it, it may bid for the purchase of the bonds at the public sale, at such prices as it may deem advisable, out of any funds under its control or direction, notwithstanding any limitations imposed by Laws 1949, Chapter 110.

Subd. 4. The proceeds of the sale of such bonds or certificates of indebtedness shall be deposited in the state treasury and credited to the veterans compensation fund.

Subd. 5. For the purpose of supplying deficiencies in the moneys in the supplementary bond account in the veterans compensation fund needed for the payment of the principal of the bonds or certificates of indebtedness authorized by this act and the interest thereon, the state auditor, pending the receipt of the proceeds of the taxes levied by this act, shall transfer the amount of such deficiencies from the general revenue fund in the state treasury to the veterans compensation fund and the moneys so required are hereby appropriated for the purposes of this provision. The state auditor shall promptly, from time to time as the proceeds of the taxes levied by this act are received, transfer from the veterans compensation fund to the general revenue fund sufficient moneys to reimburse the general revenue fund for the moneys transferred from it and the moneys so required are appropriated for the purposes of this provision. The state auditor and the state treasurer are authorized and directed to make the appropriate entries in their records.

[197.852] Sec. 2. Tax levy. For the purpose of providing funds with which to pay the principal and interest of the bonds or certificates of indebtedness issued under authority of Section 1 of this act, there is hereby levied upon all the taxable property in the state, including, notwithstanding the provisions of Minnesota Statutes 1949, Section 273.13, Subdivisions 6 and 7, all real property which is used for the purposes of a homestead, for each year, commencing in the year 1951, and for each of the next succeeding seven years, taxes sufficient to produce \$500,000 each year, together with such additional sum each year as may be necessary to pay the interest upon the bonds or certificates of indebtedness issued pursuant to the provisions of Section 1 of this act and to repay to the general revenue fund any moneys transferred therefrom

under authority of Section 1, Subdivision 5, of this act. The proceeds of the taxes levied by this section shall be deposited in the state treasury and credited to the supplementary bond account in the veterans compensation fund and are pledged to and appropriated for the payment of the bonds or certificates of indebtedness issued under authority of this act and the interest thereon. The taxes imposed by this act shall not be reduced or modified in any manner before the payment in full of all bonds or certificates of indebtedness issued under this act, together with the interest thereon. Any balance in said account, after all of said bonds or certificates of indebtedness and the interest thereon shall have been paid, shall be transferred to the general revenue fund and the state auditor and state treasurer are hereby directed to make the appropriate entries thereof on their accounts.

Approved April 23, 1951.

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CHAPTER 718—H. F. No. 1744

[Not Coded]

*An act to appropriate money for the payment of claims against the State of Minnesota; to provide for tax and other refundments; to provide for reimbursement and compensation of certain employees of the state having claims for personal injuries or for loss or damage of property incurred while employees were engaged in the performance of their duties and for the relief of dependents of certain employees of the state for the death of such employees while engaged in the performance of their duties; to provide for the reimbursement and compensation of persons for injuries sustained or for loss or damage to property by certain employees of the state while engaged in the performance of their duties; and by inmates of state institutions; and to provide payments to certain persons for services performed in the state; to authorize the state auditor to cancel certain land and other contracts heretofore entered into by certain persons with the state and to credit payments heretofore made upon other purchases or to refund same; to provide money for carrying on certain state activities as authorized by law; to authorize and direct certain claims to be paid out of game and fish funds; to authorize and direct certain claims to be paid out of department of ag-*