

## CHAPTER 748—H. F. No. 1512

[Not Coded]

*An act authorizing the issuance and sale of trunk highway bonds of the state of Minnesota under the provisions of the constitution of the state of Minnesota, Article 16, Section 4.*

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

**Section 1. Trunk highway bonds, authorization.** The issuance and sale of bonds by the state of Minnesota under the provisions of the Constitution of the State of Minnesota, Article 16, Section 4, is hereby authorized in an amount not exceeding the sum of \$20,000,000, par value, during the calendar years of 1956, and 1961 inclusive, and the full faith and credit of the State of Minnesota is hereby irrevocably pledged to the payment of the principal of said bonds and the interest thereon. Said bonds shall be issued and sold, on competitive bids after reasonable notice, or direct to the state board of investment without bids, by a board consisting of the state auditor, the state treasurer and the commissioner of highways, under such rules and regulations and in such form and denominations as said board shall determine, shall be attested by the secretary of state, and shall be sold for not less than par and accrued interest. Such rules may provide for the maturity, registration, conversion and exchange of the bonds so issued. 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 trunk highway fund and the amounts therefor are hereby appropriated from said fund. The provisions of sections 15.041 to 15.044 shall not apply to the rules and regulations promulgated pursuant hereto.

**Sec. 2. Term.** No bond shall be issued for a term exceeding 20 years. Said bonds shall bear interest at a rate not exceeding 5 percent per annum, payable semi-annually. The state auditor shall keep a record showing the number, date of issue and date of maturity of each such bond.

**Sec. 3. Proceeds to trunk highway fund.** The proceeds of the sale of said bonds shall be paid into the treasury of the state and credited to the trunk highway fund and shall be used to aid in the construction of bridges and approaches thereto forming a part of the trunk highway system. Said bonds shall be redeemed and the interest thereon paid from the trunk highway sinking fund. In case the trunk highway sinking fund should not be adequate to meet the payment of the principal

and interest of the bonds uathorized herein, the state auditor shall levy a direct annual ad valorem tax on all the taxable property of the state in an amount sufficient to meet the deficiency.

**Sec. 4. Adoption of amendment to Constitution, effect.** In the event any amendment of the Minnesota State Constitution is adopted which provides that the proceeds of the motor vehicle tax shall be placed in some fund other than the trunk highway sinking fund, which amendment makes provisions for the payment of previously issued bonds for trunk highways, the bonds issued hereunder shall be payable from such fund so designated for payment of trunk highway bonds.

Approved April 23, 1955.

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CHAPTER 749—H. F. No. 1513

[Coded]

*An act relating to and providing for taxation of motor vehicles; amending Minnesota Statutes 1953, Section 168.013, by adding a new subdivision thereto.*

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

Section 1. Minnesota Statutes 1953, Section 168.13, is amended by adding a new subdivision as follows:

[Subd. 14] **Increase of 5 percent.** *Beginning in and for the first calendar year following the issuance and sale of bonds of the state of Minnesota under the provisions of the Contitution of the State of Minnesota, Article XVI, Section 4, the proceeds of the sale of which are to be used in the construction of bridges and approaches thereto forming a part of the trunk highway system, all motor vehicle taxes imposed by Minnesota Statutes 1953, Section 168.013, Subdivision 1 shall be increased by 5 per cent; such increased rate of tax shall remain in effect until and including the calendar year following the year in which all principal and interest on all of any such bonds shall be paid in full. Immediately upon the payment in full of all interest and principal on all of any such bonds, the state auditor shall certify that fact to the registrar of motor vehicles and the registrar shall, for the second calendar year and thereafter following his receipt of such certification, cease to collect motor vehicle taxes at the increased rate prescribed by this act.*

Approved April 23, 1955.