

Subd. 34. Floyd A. Wilson, 4341 Monroe Street N.E., Minneapolis

Subd. 35. Omar E. Rood, Crookston, Minnesota

Subd. 36. Henry Keyser, Elk River, Minnesota

Subd. 37. Henry Hjalmer Johnson, 3424 Fifth Avenue S., Minneapolis

Subd. 38. Jarl E. and Clara Tilleskjor, Rockford, Minnesota

Subd. 39. Clarence H. Klinker, Woodstock, Minnesota

Subd. 40. Jerome Breberg, Dawson, Minnesota

Subd. 41. Lena Mock, Woodstock, Minnesota

Subd. 42. Richard A. Anderson, 3048 Edgewood Ave. S., Minneapolis

Subd. 43. Geo W. Bottolfson, Route 2, Forest Lake, Minnesota

Subd. 44. Dale Swenson

Subd. 45. Elizabeth Davidson, Rogers, Minnesota

Sec. 15. Unless otherwise specified, payment pursuant to this act shall constitute full and final release of any and all claims against the State of Minnesota.

Sec. 16. This act is in effect upon its final enactment.

Approved May 19, 1961.

EXTRA SESSION

CHAPTER 14—S. F. No. 14

[Not Coded]

An act proposing an amendment to the constitution of the state of Minnesota, Article VIII, Sections 2, 5, and 6; providing for consolidation of the permanent school and swamp land funds and regulating the investment thereof, and making the net fund perpetual.

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

Changes or additions indicated by italics, deletions by ~~strikeout~~.

Section 1. Constitutional amendment; permanent school and swamp land funds. The following amendment of the constitution of the state of Minnesota, Article VIII, Sections 2, 5, and 6, is hereby proposed to the people of the state for their approval or rejection. Sections 2 and 5 are consolidated into a new section 4, which section shall read as follows:

Sec. 4. The permanent school fund of the state shall consist of (a) the proceeds of such lands as are or hereafter may be granted by the United States for the use of schools within each township, (b) the proceeds derived from swamp lands granted to the state, and (c) all cash and investments now or hereafter credited to the permanent school fund and to the swamp land fund. No portion of said lands shall be sold otherwise than at public sale, and in the manner provided by law. All funds arising from the sale or other disposition of such lands, or income accruing in any way before the sale or disposition thereof, shall be credited to the permanent school fund. Within limitations prescribed by law, to secure the maximum return thereon consistent with the maintenance of the perpetuity of the fund, such fund may be invested in: (1) interest bearing fixed income securities of the United States and of its agencies, fixed income securities guaranteed in full as to payment of principal and interest by the United States, bonds of the state of Minnesota, or its political subdivisions or agencies, or of other states, but not more than 50 percent of any issue by a political subdivision, shall be purchased; (2) stocks of corporations on which cash dividends have been paid from earnings for five consecutive years or longer immediately prior to purchase, but not more than 20 percent of said fund shall be invested therein at any given time, nor more than one percent in stock of any one corporation, nor shall more than five percent of the voting stock of any one corporation be owned; (3) bonds of corporations whose earnings have been at least three times the interest requirements on outstanding bonds for five consecutive years or longer immediately prior to purchase, but not more than 40 percent of said fund shall be invested in corporate bonds at any given time. The percentages referred to above shall be computed using the cost price of the stocks or bonds. The principal of the permanent school fund shall be perpetual and inviolate forever; provided, that this shall not prevent the sale of any public or private stocks or bonds at less than the cost thereof to the fund; however, all losses not offset by all gains, shall be repaid to the fund from the

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interest and dividends earned thereafter. The net interest and dividends arising from the investment thereof shall be distributed to the different school districts of the state in proportion to the number of scholars in each district between the ages of five and twenty-one years. No such investment shall be made until approved by a board of investment consisting of the governor, the state auditor, the state treasurer, the secretary of state, and the attorney general, who are hereby constituted a state board of investment for the purpose of administering and directing the investment of all state funds.

The state board of investment shall not permit the fund to be used for the underwriting or direct purchase of municipal securities from the issuer or his agent.

Sec. 2. An amendment to Article VIII, Section 6, is hereby proposed, which section when amended shall read as follows:

Sec. 6. The permanent university fund of this state may be loaned to or invested in the bonds of any county, school district, city, town, or village of this state and in first mortgage loans secured upon improved and cultivated farm lands of this state, but no such investment or loan shall be made until approved by the board of commissioners designated by law to regulate the investment of the permanent school fund and the permanent university fund of this state; nor shall such loan or investment be made when the bonds to be issued or purchased would make the entire bonded indebtedness exceed 15 percent of the assessed valuation of the taxable property of the county, school district, city, town, or village issuing such bonds; nor shall any such farm loan or investment be made when such investment or loan would exceed 30 percent of the actual cash value of the farm land mortgaged to secure said investment; nor shall such investments or loans be made at a lower rate of interest than two percent per annum, nor for a shorter 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. 3. Article VIII, Sections 3, 4, 6, 7, and 8 are renumbered 2, 3, 5, 6, and 7, respectively; and old sections 2 and 5 are repealed.

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Sec. 4. This proposed amendment shall be submitted to the voters for their approval or rejection at the general election for the year 1962 in the manner provided by law. The ballots used at the election shall have printed thereon:

"Shall the Constitution of the State of Minnesota, Article VIII, Sections 2, 5, and 6, be amended to consolidate the swamp land fund and the permanent school fund; making the fund created thereby, perpetual, and distributing the net interest and dividends arising from the investment thereof to the different school districts of the state in proportion to the number of scholars in each district between the ages of five and twenty-one years; and authorizing the investment of not more than 20 percent thereof in certain corporate stocks and not more than 40 percent thereof in certain corporate bonds, subject to limitations to be prescribed by law, to secure the maximum return thereon consistent with the maintenance of the perpetuity of the fund?

Yes
No"

Approved May 19, 1961.

EXTRA SESSION

CHAPTER 15—S. F. No. 43

An act relating to judges; providing for retirement and compensation allowance for district judges; and compensation and allowance for widows of district judges and widows of supreme court judges; amending Minnesota Statutes 1957, Section 490.102, Subdivisions 2 and 3, as amended by Laws 1959, Chapter 688, Section 3, and Subdivision 6 as added by said Section 3; and 490.103, as amended by Laws 1959, Chapter 688, Section 4.

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

Section 1. Minnesota Statutes 1957, Section 490.102, subdivision 2, as amended by Laws 1959, Chapter 688, Section 3, is amended to read:

Subd. 2. If, at the time of retirement, *he has attained the age of at least 70 years and he has served for 15 years as such judge, or as such judge and as judge of a court of*

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