

proceeding, except actions for review of the determination of the school aids payable under this chapter.

Approved May 27, 1965.

CHAPTER 892—S. F. No. 1729

[Coded]

An act relating to the manner of the issuance and sale of Minnesota trunk highway bonds under the provisions of the Constitution, Article IX, Section 6, and Article XVI, Section 12, and the expenditure of the proceeds and the provision of funds for the payment thereof, authorizing an issue of such bonds, and appropriating money in connection therewith.

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

Section 1. **[167.50] Minnesota trunk highway bonds.**
Subdivision 1. For the purpose of providing money for trunk highway purposes, when authorized by law and requested by the commissioner of highways, the state auditor shall issue and sell bonds of the state of Minnesota, for the prompt payment of which, with the interest thereon, the full faith, credit, and taxing powers of the state are hereby irrevocably pledged. Such bonds shall be known as Minnesota trunk highway bonds. The proceeds thereof shall be credited to the trunk highway fund, except that accrued interest and any premium received upon sale of such bonds shall be credited to the state bond fund.

Subd. 2. Said bonds shall be issued and sold upon sealed bids after two weeks' published notice, or they may be sold directly to the state board of investment without bids. They shall mature serially over a term not exceeding 20 years from their respective dates of issue, shall not be sold for less than par and accrued interest, and shall not bear interest at a greater rate than five percent per annum. Subject to the foregoing limitations, and subject to any other limitations stated in the acts authorizing such bonds and appropriating the proceeds thereof, but not subject to the provisions of Minnesota Statutes, Sections 15.0411 to 15.0422, such bonds shall be issued and sold in such number of series, at such times, in such form and denominations, bearing interest at such rate or rates, maturing on such dates, either without option of prior redemption or subject to prepayment upon such notice and at such times and prices, payable at such bank

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or banks, within or without the state, with such provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale and delivery of definitive bonds, and in accordance with such further regulations, as the state auditor may determine. The bonds shall be executed by the state auditor and attested by the state treasurer under their official seals. The signature of one of these officers on the face of any bond, and their seals, and the signatures of both officers on the interest coupons appurtenant to any bond, may be printed, lithographed, stamped, or engraved thereon.

Subd. 3. The state auditor shall ascertain and certify to purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota in accordance with their terms. Any act authorizing the issuance of bonds pursuant to this section shall, together with this section, constitute complete authority for such issue, and such bonds shall not be subject to the restrictions or limitations contained in any other law.

Subd. 4. All expenses incidental to the sale, printing, execution, and delivery of state trunk highway bonds pursuant to this section, including, but not limited to, actual and necessary travel and subsistence expenses of state officers and employees for such purposes, shall be paid from the trunk highway fund, and the amounts necessary therefor are appropriated from said fund.

Sec. 2. [167.51] **Minnesota trunk highway bond account in the state bond fund; transfers.** Subdivision 1. The state auditor shall maintain in the state bond fund a separate account which shall be designated the Minnesota trunk highway bond account. On the first day of November of each year there shall be transferred from the trunk highway fund to the Minnesota trunk highway bond account a sum sufficient, with all money previously transferred to such account, and all income from the investment of such money, to pay all principal and interest then and theretofore due and to become due within the next ensuing year and to and including July 1 in the second ensuing year on Minnesota trunk highway bonds. There is annually appropriated from the trunk highway fund a sum of money sufficient to carry out the provisions of this subdivision.

Subd. 2. All money transferred from the trunk highway fund to the *Minnesota trunk highway bond account* and all income from the investment thereof shall be available for the payment of outstanding state trunk highway bonds and interest thereon, whether or not issued pursuant to section 1 hereof, in the same manner

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as the proceeds of taxes paid into the trunk highway fund, and so much thereof as may be necessary is appropriated for such payments. The legislature may appropriate and transfer to the Minnesota trunk highway bond account, for the payment of such trunk highway bonds and interest thereon, any other moneys in the state treasury not otherwise appropriated. The state auditor and the state treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Sec. 3. [167.52] **Tax levy.** The state auditor shall levy each year on all taxable property within the state whatever tax may be necessary to produce an amount sufficient, with all money then and theretofore transferred under section 2, and all income from the investment thereof, to pay the entire amount of principal and interest which is then due or is to become due within the then ensuing year and to and including July 1 of the second ensuing year, on Minnesota trunk highway bonds heretofore issued and all such bonds hereafter issued pursuant to section 1. Such tax shall be levied upon all real property used for the purposes of a homestead, as well as other taxable property, notwithstanding the provisions of Minnesota Statutes, Section 273.13, Subdivisions 6 and 7. Such tax shall be subject to no limitation of rate or amount until all such bonds and all interest thereon are fully paid. The proceeds of such taxes are appropriated and credited to the state bond fund, and the principal and interest of said bonds are payable from the proceeds of such taxes, and the whole thereof, or so much thereof as may be necessary, is appropriated for such payments. If at any time there is insufficient money from the proceeds of the taxes provided for herein to pay the principal and interest when due on such bonds, then such principal and interest shall be paid out of the general revenue fund in the state treasury, and the amount necessary therefor is hereby appropriated. The general revenue fund shall be reimbursed from the proceeds of said taxes when received.

Sec. 4. [167.521] **Bond issue and appropriation.** The state auditor is authorized and directed, upon request of the commissioner of highways, to issue and sell Minnesota trunk highway bonds under the provisions of sections 1 to 3 and of the Constitution, Article IX, Section 6 and Article XVI, Section 12, in an aggregate principal amount not exceeding \$1,400,000, which sum, or so much thereof as shall be required, is appropriated from the proceeds of the bonds to the trunk highway fund, and shall be used with any other money in that fund needed, in accordance with Laws 1965, Chapter 256, solely to purchase the bridge across the Rainy river now owned by the village of Baudette, Minnesota, for operation as part of the new route No. 325 added to the trunk

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highway system by Laws 1965, Chapter 207, and to assume the obligations of all outstanding bonds issued by the village for the construction of said bridge, as set forth in the resolutions and indenture authorizing and securing said bonds, and to call said bonds for redemption and retire the same.

Sec. 5. [167.522] **Rainy River toll bridge.** Tolls shall be collected for the use of this bridge at rates sufficient to liquidate the capital costs in a reasonable length of time.

Approved May 27, 1965.

CHAPTER 893—S. F. No. 1810

[Coded]

An act relating to the taxation of agglomerating facilities and agglomerate reserves, as defined herein, and providing methods of collecting and distributing such taxes and penalties for the violation thereof.

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

Section 1. [298.391] **Taxation; agglomerating facilities; definitions.** Subdivision 1. When used in this act, the following terms have the meaning assigned to them in this section, unless the context otherwise requires.

Subd. 2. “Agglomerates” means the merchantable iron ore aggregates which are produced by agglomeration.

Subd. 3. “Agglomerating facility” means a plant or plants, other than taconite plants or semi-taconite facilities for the production of agglomerates and other merchantable iron ore products not less than 80 percent of the total annual productive capacity of which is designed and used for the production of agglomerates, together with all lands, except iron ore and iron bearing material therein; all structures, buildings, machinery, equipment, tools and supplies which are used or to be used in connection with such plant or plants or in connection with the mining of agglomerate reserves; mined iron ore, iron bearing materials and concentrates stockpiled at said plant or plants for processing therein; and stockpiles of the merchantable iron ore products which have been produced therein.

Subd. 4. “Agglomeration” means the application of a proc-

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