

CHAPTER 77—S. F. No. 305

An act relating to indemnification for destruction of livestock; amending Minnesota Statutes 1967, Section 35.133.

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

Section 1. Minnesota Statutes 1967, Section 35.133, is amended to read:

35.133 Swine; indemnification for destruction; state's share. The board shall appraise any swine destroyed or ordered destroyed pursuant to sections 35.131 to 35.137 and shall indemnify the owner of such swine ~~in an amount not to exceed \$50 for registered stock and \$40 for grade stock.~~ *The state's share of indemnity shall not exceed \$50 per head for registered stock and \$40 per head for grade stock.*

Approved March 26, 1969.

CHAPTER 78—S. F. No. 436

An act relating to depositories of public funds; establishing rules governing the furnishing of security in lieu of corporate or personal surety bonds; amending Minnesota Statutes 1967, Sections 118.01 and 427.02.

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

Section 1. Minnesota Statutes 1967, Section 118.01, is amended to read:

118.01 Depositories; bonds. Any bank or trust company authorized to do a banking business in this state, designated as a depository of county, city, village, borough, town, school district, or county sanatorium commission funds as provided by law may, in lieu of the corporate or personal surety bond required to be furnished to secure such funds, deposit with the treasurer of the municipality making such designations, such bonds, certificates of indebtedness, or warrants, except bonds secured by real estate, as are legally authorized investments for savings banks under the laws of the state, or the bonds of any of the insular possessions of the United States, or the bonds of any state, or its agency, the payment of the principal and interest of which, or either, is provided for otherwise than by direct taxation, or notes secured by first mortgages of future maturity, upon which interest is not past due, on improved real estate free from de-

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linquent taxes, within the county wherein the bank or trust company is located, or within counties immediately adjoining such county in the state of Minnesota. The total in amount of such collateral computed at its market value shall be at least ten percent more than the *limit of deposit* which would be permitted if a corporate or personal surety bond was furnished. The depository may at its discretion furnish both a bond and collateral aggregating the required amount. Any collateral so deposited shall be accompanied by an assignment thereof to the municipality designating such depository, which assignment shall recite that such depository shall pay over to the treasurer or his order on demand or, if a time deposit, when due, free of exchange or any other charges, all moneys deposited therein at any time during the period such collateral shall be so deposited and to pay the interest thereon when due at the agreed rate; and that, in case of any default upon the part of the depository, the governing body of the municipality making the designation shall have full power and authority to sell such collateral, or as much thereof as may be necessary to realize the full amount due the municipality and to pay over any surplus to the depository or its assigns. A depository may in its discretion deposit collateral of a value less than the total designation and may from time to time, during the period of its designation, deposit additional collateral and make withdrawals of excess collateral or substitute other collateral for that on deposit or any part thereof. Authority is vested in the treasurer to return the collateral to the depository when the trust so created is terminated and he shall, in the case of a reduction of the deposit, permit the depository to withdraw the excess portion thereof. All interest on the collateral so deposited when collected shall be paid to the depository so long as it is not in default. Before any collateral is deposited with the treasurer it shall first be approved by the same authority that designated the depository, but no such authority shall be necessary for the withdrawal of collateral. The closing of a depository shall be deemed a default upon the part of the depository and no demand upon the part of the municipality or its treasurer shall be necessary to establish such default. If a depository shall close, any time deposit placed therein shall immediately become due and payable. If both bond and collateral are furnished by a depository, all or any part of the collateral may be withdrawn without in any way impairing, the full force and effect of the bond unless it shall contain a provision that the collateral shall not be withdrawn without the consent of the surety thereon. If a corporate surety bond is furnished by a depository, it shall be in a penal sum not to exceed the amount designated as the limit of deposit therein, notwithstanding any other provisions of law to the contrary. At no time shall the treasurer maintain a deposit in any depository against collateral in excess of 90 percent of the market value thereof. Any provision of law authorizing any county, city, vil-

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lage, borough, town, school district, or county sanatorium commission to designate banks as depositories shall be construed to include trust companies authorized to do a banking business. All bonds furnished under the provisions of this section shall be approved by the governing body of the municipality making such designation and filed in the office of the county auditor as provided by section 124.05, and all collateral deposited under the provisions of this section shall be approved by the governing body of the municipality making such designation and after such approval deposited with the treasurer of such municipality, unless the governing body of such municipality shall by resolution fix and determine some other place for the safe-keeping of such collateral. Such collateral shall not be redeposited in the bank or trust company furnishing the same.

Any banking corporation pledging such securities, at any time it deems it advisable or desirable, may substitute obligations of the United States of America for all or any part of the securities pledged, *except that no such banking corporation shall substitute obligations of the United States which mature within one year from the date such obligations are first considered as a part of the bank's reserve and which reserves are required by Minnesota Statutes 1967, Section 48.22.* The collateral so substituted shall be approved by the treasurer of the county, or by the governing body of the city, village, borough, town, school district, or county sanatorium commission making such designation at its next official meeting.

Such securities so substituted shall, at the time of substitution, have a market value sufficient, together with the market value of the original securities for which no substitution is made, to equal or exceed \$110 for every \$100 of public deposits.

In the event of such substitution the holder or custodian of the securities shall, on the same day, forward by registered or certified mail to the public corporation and the depository bank, a receipt specifically describing and identifying both the securities so substituted and those released and returned to the depository bank.

"Municipality" for the purpose of this section means county, city, village, borough, town, school district, or county sanatorium commission.

Sec. 2. Minnesota Statutes 1967, Section 427.02, is amended to read:

427.02 **Depositories.** The council of any city in this state, but not including cities when governed under a charter adopted under and pursuant to the Constitution of the State of Minnesota, Article 4,

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Section 36, and sections 410.03 to 410.25, and 441.01 to 441.09, and all acts supplemental thereto, in which charter the matter of designating depositories for city funds and the protection thereof is provided for, or in which charter it shall hereafter be provided for, shall have the power and authority to designate or redesignate at the beginning of each calendar year, or from time to time, the banks or other legal depositories of any city in which the treasurer of the city shall deposit and keep the moneys of the city, designating in each instance the maximum amount which may at any time be kept in any one of these depositories, which maximum amount shall in no case exceed 25 percent of the paid-up capital and surplus of the depository, unless the depository shall deposit with the treasurer of the city United States government bonds to secure the deposit of the funds of the city; and, in that event, the amount so deposited shall not exceed the amount of the United States government bonds so deposited. *No depository shall deposit United States government bonds which mature within one year from the date such bonds were first considered as a part of the bank's reserve and which reserves are required by Minnesota Statutes 1967, Section 48.22.* The council of each city shall, at all times, designate depositories in the city, or elsewhere in the United States, sufficient for the depository of all funds which are likely to be in the hands of the treasurer of the city at any one time and shall, so far as consistent with the best interest of the city, designate these depositories in the city and require from these depositories good and sufficient bonds payable to the city in a penal sum not to exceed the amount designated as the limit of deposit therein, and conditioned for the safe-keeping and payment of funds so deposited, or, in lieu thereof, good and sufficient collateral as provided for by section 118.01.

Approved March 26, 1969.

CHAPTER 79—S. F. No. 448

[Coded]

An act authorizing the gift of all or part of a human body after death for specified purposes; repealing Minnesota Statutes 1967, Section 525.18, Subdivision 2 and Section 390.08.

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

Section 1. [525.921] **Uniform anatomical gift act;**

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