

CHAPTER 365—S.F.No.1243

[Not Coded]

An act relating to the tax levy for general revenue purposes in the county of Pine.

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

Section 1. PINE COUNTY; GENERAL REVENUE TAX LEVY. Notwithstanding the provisions and limitations of any law to the contrary, the board of county commissioners of the county of Pine may levy annually a tax for general revenue purposes at such a rate as will produce not to exceed \$275,000.

Sec. 2. Before any increase in the levy authorized by section 1 is made, the governing body of the governmental subdivision named in section 1 shall hold a public hearing on the question. Notice of the time and place of said hearing shall be published in one or more legal newspapers of general circulation in the area once in each week for two successive weeks prior to said hearing. The published notice shall be in a form determined by the governing body, which form shall be sufficient in size and prominent in format in order to attract the attention of the reader. In any event the notice shall be of a size at least two columns in width by six inches in length. The notice shall set forth the percentage of increase over the existing levy and the number of mills or dollars increase proposed.

Sec. 3. This act is effective upon its approval by the governing body of the governmental subdivision named in section 1, and upon compliance with the provisions of Minnesota Statutes, Section 645.-021.

Approved May 17, 1971.

CHAPTER 366—S.F.No.2676

An act relating to the state retirement systems; authorizing investment in the subordinated capital notes and debentures of Minnesota banks; amending Minnesota Statutes 1969, Section 11.16, Subdivision 14.

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

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

Section 1. Minnesota Statutes 1969, Section 11.16, Subdivision 14, is amended to read:

Subd. 14. **STATE RETIREMENT SYSTEMS; INVESTMENTS; BANK CERTIFICATES OF DEPOSIT, SAVINGS ACCOUNTS, AND SUBORDINATED DEBT SECURITIES.** Certificates of deposit or savings accounts in any bank which is insured by the Federal Deposit Insurance Corporation or in any savings and loan association insured by the Federal Savings and Loan Insurance Corporation to the extent such investment is insured are legal investments for the purposes of this section. It is the intent that these investments shall be only to maintain necessary and desirable liquidity.

The capital notes and debentures of Minnesota banks are eligible for use even though they may be subordinated in right of payment, in the event of the banks' insolvency or liquidation, to the prior payment of deposits in the banks and the claims of other creditors of the banks, provided:

(a) That all such securities be purchased from banks with total resources exceeding \$40,000,000;

(b) That all such notes or securities mature within ten years of date of issue;

(c) That, at the time of purchase, such securities comprise no more than an amount equal to 100 percent of the bank's unimpaired paid-in capital stock plus 50 percent of the amount of its unimpaired surplus fund;

(d) That no such securities be purchased unless, during the last five years, the aggregate earnings of such bank available for the payment of dividends on its common stock has been at least 50 percent greater than the aggregate of cash dividends paid to stockholders;

(e) That such securities shall, at no time, constitute more than 4 percent of the book value of the investments in any one fund;

(f) That the total holdings of these securities in all Minnesota state retirement funds comprise not over 25 percent of such securities issued or authorized to be issued by any one bank; and

(g) That such securities be used only when the net yield is equal to or greater than that obtainable from other securities of comparable quality.

Approved May 17, 1971.

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