

Sec. 2. This act shall expire on July 1, 1975.

Approved May 21, 1973.

CHAPTER 497—H.F.No.685

An act relating to investments; legal investments for certain financial institutions; amending Minnesota Statutes 1971, Sections 48.67; and 50.14, Subdivision 8.

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

Section 1. Minnesota Statutes 1971, Section 48.67, is amended to read:

48.67 INVESTMENTS; FINANCIAL INSTITUTIONS; CAPITAL OF TRUST COMPANIES. The capital of every trust company hereafter organized, having its principal place of business in any city of less than 25,000 inhabitants, shall not be less than \$200,000; the capital of every trust company hereafter organized, having its principal place of business in a city of more than 25,000 inhabitants and less than 200,000 inhabitants, shall not be less than \$250,000; the capital of every trust company hereafter organized, having its principal place of business in a city of more than 200,000 inhabitants, shall be not less than \$500,000. There shall also be provided a surplus of at least 20 percent of capital in addition to such capital amounts in each case and neither the capital nor the surplus so provided shall be reduced without the approval of the commissioner of banks. No trust company hereafter organized shall transact any business until all of its authorized capital stock and required surplus have been paid in, cash, and at least 25 percent of the capital of all trust companies of \$200,000 or more, hereafter organized, has been invested in one or more of the first, second, third, and fourth classes of authorized securities and railroad bonds, as described by that statute, and also in the farm loan bonds issued by the federal land banks, federal intermediate credit banks, and the banks for cooperatives duly assigned and transferred to and deposited with the state treasurer, or, if its capital stock be more than \$200,000, until at least one-fourth thereof has been so invested, assigned, transferred, and deposited. The state treasurer shall submit the securities deposited to the commissioner, who shall carefully examine the securities offered for deposit and ascertain that they comply with all the provisions of law applicable thereto.

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

Upon receipt of an order of the commissioner, the state treasurer shall issue his receipt therefor. This deposit shall be maintained unimpaired as a guaranty fund for depositors and creditors and for the faithful discharge of its duties, with the right to collect the income thereof and to substitute other like authorized securities, of equal amount and value, upon approval and order of the commissioner.

If the securities comply with the law, the commissioner shall issue his certificate of authorization for the trust company to commence business.

The capital stock of any trust company may be reduced with the approval of the commissioner, but not below the respective minimum amounts aforesaid, and no assets shall be returned to the stockholders unless its deposits of authorized securities after such return equal one-fourth of the reduced capital, in no event less than \$100,000; nor shall the liability of any stockholder upon any existing contract be affected thereby.

When two or more trust companies have been or shall hereafter be consolidated under and pursuant to the provisions of sections 49.34 to 49.41, the capital of the consolidated trust company shall be considered as substituted for the capital of the several trust companies entering into the consolidation, and the aggregate of the securities of these trust companies on deposit with the state treasurer, pursuant to the provisions of this section, shall be increased or diminished accordingly; provided, that any company may hereafter be organized, with its principal place of business at any place within the state, with a capital of not less than \$10,000, to be paid in cash, of which 50 percent shall be invested in authorized securities and deposited with the state treasurer, as provided in this section. The powers and business of the company so organized shall be to act as assignee under any assignment for the benefit of creditors, or be appointed and act as a trustee or receiver, as a guardian, as executor of any will, or administrator of any estate, and the company so organized may accept and perform any other lawful trust over which any court, either state or federal, has jurisdiction. This company, before entering upon the duties of its trust, shall give a corporate surety bond in such sum as the court directs, with sufficient surety, conditioned for the faithful performance of its duties. The business of any company so organized shall be limited to the above matters; provided, that the company so organized with a capital stock of \$10,000 shall not use the word "trust" in the title or name of the company.

Sec. 2. Minnesota Statutes 1971, Section 50.14, Subdivision 8, is amended to read:

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Subd. 8. Class seven shall be farm loan bonds issued by any federal land bank, or by a joint stock land bank in the Federal Reserve district in which Minnesota is situated, in accordance with the provisions of an act of Congress of the United States of July 17, 1916, known and designated as "The Federal Farm Loan Act," and acts amendatory thereto; ~~and in;~~ bonds and obligations of the Federal Home Loan Banks established by Act of Congress known as the Federal Home Loan Bank Act approved July 22, 1932, and acts amendatory thereto; and bonds issued by the federal land banks, federal intermediate credit banks, and the banks for cooperatives in accordance with the provisions of an act of Congress of the United States known as the Farm Credit Act of 1971, and acts amendatory thereto.

Approved May 21, 1973.

CHAPTER 498—H.F.No.715

An act relating to metropolitan transit; exempting property not served by transit system from tax levies; amending Minnesota Statutes 1971, Section 473A.111, Subdivisions 1 and 2.

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

Section 1. Minnesota Statutes 1971, Section 473A.111, Subdivision 1, is amended to read:

473A.111 METROPOLITAN TRANSIT COMMISSION; TRANSIT TAX LEVIES. Subdivision 1. **AMOUNT.** For the purposes of chapter 473A, and the metropolitan transit system ~~on or after August 1 of 1971,~~ the metropolitan transit commission may levy upon all taxable property within the metropolitan transit taxing district, defined herein, a transit tax, which shall not in any year exceed the sum of the following:

(a) An amount equal to 2.9 mills times the assessed value of all such property some or all of the proceeds of which may be used to provide for the full and timely payment of its certificates of indebtedness and other obligations of the commission to which collections of the wheelage tax and replacement property tax under Minnesota Statutes 1969, Section 473A.14, have been pledged, plus any amount needed for compliance with any final judgment of a court of competent jurisdiction requiring payment of any amount of the wheelage tax levied by the commission for 1971 and prior years; plus

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