

temporary improvement bonds. If any temporary improvement bonds are not paid in full at maturity, the holders may require the issuance in exchange for them, at par, of new temporary improvement bonds maturing within one year from their date of issue (but not subject to any other maturity limitation), and bearing interest at the maximum rate permitted by law.

Sec. 3. Minnesota Statutes 1980, Section 429.091, is amended by adding a subdivision to read:

Subd. 6. INVESTMENT OF OTHER MUNICIPAL FUNDS. Funds of a municipality may be invested in its temporary improvement bonds in accordance with the provisions of section 471.56, and may be purchased upon their initial issue, but shall be purchased only from funds which the council determines will not be required for other purposes before the maturity date, and shall be resold before maturity only in case of emergency. If purchased from a debt service fund securing other bonds, the holders of those bonds may enforce the municipality's obligations on the temporary improvement bonds in the same manner as if they held the temporary improvement bonds.

Sec. 4. Minnesota Statutes 1980, Section 429.091, is amended by adding a subdivision to read:

Subd. 7. GENERAL OBLIGATION TEMPORARY IMPROVEMENT BONDS. The council may by resolution adopted prior to the sale of any temporary improvement bonds pledge the full faith, credit, and taxing power of the municipality for the payment of the principal and interest, in addition to all provisions made for their security in subdivision 5. In this event the bonds shall be designated as general obligation temporary improvement bonds, and the council shall levy taxes for their payment in accordance with section 475.61. Proceeds of improvement bonds or temporary improvement bonds not yet sold may be treated as pledged revenues, in reduction of the tax otherwise required by section 475.61 to be levied prior to delivery of the obligations.

Sec. 5. **EFFECTIVE DATE.**

This act is effective on the day following final enactment.

Approved May 11, 1981

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## CHAPTER 172 — S.F.No. 1278

*An act relating to elections; providing for special elections to fill vacancies in statutory city offices; amending Minnesota Statutes 1980, Sections 205.10; 205.17, by adding a subdivision; and 412.02, Subdivision 2, and by adding a subdivision.*

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 205.10, is amended to read:

**205.10 SPECIAL CITY ELECTIONS.**

Subdivision 1. QUESTIONS. Special elections may be held in any statutory or home rule charter city on any question on which the voters are authorized by law or charter to pass judgment. A special election may be ordered by the city council on its own motion or, on a question that has not been submitted to the voters in an election within six months previously, upon a petition signed by a number of voters equal to 20 percent of the votes cast at the last regular city election. No question so submitted shall be deemed carried without such a majority in its favor as may be required by law or charter in the particular instance. The election officials for any special election shall be the same as for the last preceding regular city election unless changed according to law. Otherwise special elections shall be conducted and the returns made in the manner provided for the regular municipal election. This section is not applicable to any city the charter of which specifically prohibits or regulates the holding of special elections.

Subd. 2. VACANCIES IN CITY OFFICES. Special elections shall be held in statutory cities in conjunction with regular city elections to fill vacancies in elective city offices as provided in section 4.

Sec. 2. Minnesota Statutes 1980, Section 205.17, is amended by adding a subdivision to read:

Subd. 6. In statutory cities, the names of candidates to fill vacancies at any special election held as provided in section 4 shall be placed on the city primary and regular election ballots. The names of candidates to fill a vacancy in the office of councilman in a statutory city shall be listed under the separate heading "Special election for councilman to fill vacancy in term expiring .....", with the date of expiration of the term and any other information as may be necessary to distinguish the office. Under the heading for the office of mayor in a special election shall be the words "To fill vacancy in term expiring ....."

Sec. 3. Minnesota Statutes 1980, Section 412.02, Subdivision 2, is amended to read:

Subd. 2. COMMENCEMENT OF TERMS. Terms of elective officers shall commence on the first business day of January following the election at which the officer is chosen. All officers chosen and qualified as such shall hold office until their successors qualify. ~~Vacancies in office shall be filled for the remainder of the term by the council. In case of a tie vote on such appointments the mayor shall fill the vacancy by appointment for the unexpired term.~~

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

Sec. 4. Minnesota Statutes 1980, Section 412.02, is amended by adding a subdivision to read:

Subd. 2a. VACANCY IN OFFICE. A vacancy in an office shall be filled by council appointment until an election is held as provided in this subdivision. In case of a tie vote in the council, the mayor shall make the appointment. If the vacancy occurs before the first day to file affidavits of candidacy for the next regular city election and more than two years remain in the unexpired term, a special election shall be held at the next regular city election and the appointed person shall serve until the qualification of a successor elected at a special election to fill the unexpired portion of the term. If the vacancy occurs on or after the first day to file affidavits of candidacy for the regular city election or when less than two years remain in the unexpired term, there shall be no special election to fill the vacancy and the appointed person shall serve until the qualification of a successor elected at a regular city election.

Sec. 5. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Approved May 11, 1981

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#### CHAPTER 173 — H.F.No. 28

*An act relating to agriculture; prohibiting pension or investment funds from farming or acquiring certain farm land; amending Minnesota Statutes 1980, Section 500.24, Subdivisions 2, 3, 4 and 5.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 500.24, Subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** For the purposes of this section, the terms defined in this subdivision have the meanings here given them:

(a) "Farming" means the production of (1) agricultural products; (2) livestock or livestock products; (3) milk or milk products; or (4) fruit or other horticultural products. It does not include the processing, refining or packaging of said products, nor the provision of spraying or harvesting services by a processor or distributor of farm products. It does not include the production of timber or forest products or the production of poultry or poultry products.

(b) "Family farm" means an unincorporated farming unit owned by one or more persons residing on the farm or actively engaging in farming.

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