

of the number of persons who are beneficial owners of the stock or shares of an issuer, the issuer or broker-dealer may rely in good faith for the purposes of this clause upon written information furnished by the record owners.

Sec. 2. **EFFECTIVE DATE.** This act is effective the day following its final enactment.

Approved May 25, 1979.

CHAPTER 229—H.F.No.1377

An act relating to financial institutions; providing intervals for examination of institutions by state or federal agencies; amending Minnesota Statutes 1978, Section 46.04.

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

Section 1. Minnesota Statutes 1978, Section 46.04, is amended to read:

46.04 COMMISSIONER; POWERS. The commissioner of banks, referred to in Minnesota Statutes, Chapters 46 to 59, as the commissioner, is vested with all the powers, authority, and privileges which, prior to the enactment of Laws 1909, Chapter 201, were conferred by law upon the public examiner, and he shall take over all duties in relation to state banks, savings banks, trust companies, savings associations, and other financial institutions within the state which, prior to the enactment of chapter 201, were imposed upon the public examiner. The commissioner of banks shall exercise a constant supervision, either personally or through the examiners herein provided for, over the books and affairs of all state banks, savings banks, trust companies, savings associations, and other financial institutions doing business within this state; and shall, through examiners, examine at least once a year ~~such in every 18 month period~~ the state banks and savings banks as are also subject to annual examinations by the federal deposit insurance corporation or the federal reserve bank ~~and twice a year where they are not subject to such examinations~~. If any state bank or savings bank is not examined by one of these federal agencies annually, the commissioner shall examine the bank or savings bank, so that the bank or savings bank is examined at least once annually by either one of these federal agencies or the commissioner. Trust companies, savings associations, credit unions, industrial loan and thrift companies and other financial institutions shall be examined once a year. With the exception of industrial loan and thrift companies which do not have deposit liabilities and small loan companies, it shall be the principal purpose of these examinations to inspect and verify the assets and liabilities of each and so far investigate the character and value of the assets of each such institution as to determine with reasonable certainty that the values are correctly carried on its books. Assets and liabilities shall be verified in accordance with methods of procedure which the commissioner may determine to be adequate to carry out the intentions of this section. None of the above provisions shall limit the commissioner in making additional examinations as he deems necessary or advisable. He shall investigate the methods of operation and conduct of these institutions and their systems of accounting, to ascertain

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whether these methods and systems are in accordance with law and sound banking principles. He may make such requirements as to records as he deems necessary to facilitate the carrying out of his duties and to properly protect the public interest. He may examine, or cause to be examined by these examiners, on oath, any officer, director, trustee, owner, agent, clerk, customer, or depositor of any such financial institution touching the affairs and business thereof, and may issue, or cause to be issued by the examiners, subpoenas, and administer, or cause to be administered by the examiners, oaths. In case of any refusal to obey any subpoena issued by him or under his direction, the refusal may at once be reported to the district court of the district in which the bank or other financial institution is located, and this court shall enforce obedience to these subpoenas in the manner provided by law for enforcing obedience to subpoenas of the court. In all matters relating to his official duties, the commissioner of banks has the power possessed by courts of law to issue subpoenas and cause them to be served and enforced, and all officers, directors, trustees, and employees of state banks, savings banks, trust companies, savings associations, and other financial institutions within the state, and all persons having dealings with or knowledge of the affairs or methods of these institutions, shall afford reasonable facilities for these examinations, make such returns and reports to the commissioner of banks as he may require; attend and answer, under oath, his lawful inquiries; produce and exhibit such books, accounts, documents, and property as he may desire to inspect, and in all things aid him in the performance of his duties.

Sec. 2. This act is effective July 1, 1979.

Approved May 25, 1979.

CHAPTER 230—H.F.No.1444

An act relating to the city of McGregor; authorizing the issuance of bonds for the acquisition and betterment of a municipal fire hall and community center.

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

Section 1. The city of McGregor in Aitkin County, by resolution or resolutions of its city council, may sell and issue general obligation bonds of the city in a principal amount not exceeding \$125,000 to finance the acquisition and betterment of a municipal fire hall and community center. The bonds shall be sold and issued in accordance with the provisions of Minnesota Statutes, Chapter 475, except that no election shall be required to authorize their issuance and the amount of bonds issued shall not be included in computing any debt limit applicable to the city, and the taxes required by section 475.61 to be levied to pay the principal of and interest on the bonds shall not be subject to any levy limitation, or be included in computing or applying any levy limitation applicable to the city.

Sec. 2. This act shall be effective upon its approval by the governing body of the city of McGregor, and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 25, 1979.

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