

CHAPTER 254—S. F. No. 752

An act to amend Section 6303, General Statutes 1923, as amended by Chapter 131, Laws 1925, relating to the investment of the permanent trust funds.

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

Section 1. Investment of permanent trust funds.—That Section 6303, General Statutes 1923, as amended by Chapter 131, Laws 1925, be and is hereby amended to read as follows :

"Sec. 6303. The permanent school fund, permanent university fund, swamp land fund, internal improvement land fund, and all other permanent trust funds of the State of Minnesota, shall be invested in the bonds of the United States or of this state or the bonds of any school district, county, city, town or village of this state, bearing not less than four per cent interest, but no investment shall be made in bonds issued to aid in the construction of any railroad. Such funds shall be invested by a board of commissioners consisting of the governor, treasurer, auditor, attorney general and president of the board of regents of the state university, which shall be known as the State Board of Investment, and which shall hold regular meetings on the first and third Wednesdays of each month. The governor shall be ex-officio president of said board, which shall have a permanent secretary, who shall keep record of the proceedings. Both the secretary of the board and the auditor shall keep a record showing *the trust fund to which each bond belongs*, the number and amount of each bond, when issued, the rate of interest, when and where payable, by whom executed, when purchased, when withdrawn and for what purpose. *No loan shall be made and no bonds shall be purchased, sold, exchanged or transferred from one trust fund to another, except upon a majority vote of all members of said board of investment.* In investing the permanent school fund preference shall be given to applications for loans from school districts and priority shall be accorded such loans of \$25,000 and less. The board of investment shall have the power to fix and to change the rate of interest on loans to municipalities within the state provided such rate is never less than four percent, and whenever such rate is changed after any municipality has voted its bonds to the state such municipality is hereby authorized to pay the new rate so fixed and to issue its bonds bearing such rate upon approval and acceptance thereof by resolution of its governing body.

Approved April 19, 1929.