

## CHAPTER 419—S. F. No. 293

*An act proposing an amendment to section 10, article 9 of the constitution of the state of Minnesota, relating to taxation of lands acquired by the state through the operation of the system of rural credits and to appropriations of money from the funds of the department of rural credits.*

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

**Section 1. Proposed amendment for paying taxes on rural credit lands.**—The following amendment to Section 10 of Article 9 of the Constitution of the State of Minnesota to take the place of said section is hereby proposed to the people of the State of Minnesota for their approval or rejection, which amendment when adopted shall be known as Section 10 of Article 9; that is to say :

“Section 10. The credit of the state shall never be given or loaned in aid of any individual, association or corporation, except as hereinafter provided. Nor shall there be any further issue of bonds denominated ‘Minnesota State Railroad Bonds,’ under what purports to be an amendment to section ten (10) of article nine (9) of the Constitution, adopted April 15, 1858, which is hereby expunged from the Constitution, saving, excepting and reserving to the state, nevertheless, all rights, remedies and forfeitures accruing under said amendment. Provided, however, that for the purpose of developing the agricultural resources of the state, the state may establish and maintain a system of rural credits and thereby loan money and extend credit to the people of the state upon real estate security in such manner and upon such terms and conditions as may be prescribed by law, and to issue and negotiate bonds to provide money to be so loaned. The limit of indebtedness contained in section 5 of this article shall not apply to the provisions of this section, and the purposes for which the credit of the state or the aforesaid municipal subdivisions thereof may be given or loaned as herein provided are declared to be public purposes.

*The legislature may authorize the taxing of any lands, title to which is acquired by the state through the operation of such system of rural credits, during the period such lands are held by the state, and for the assessment thereof for benefits arising from improvements, and may provide for the payment of such taxes and assess-*

*ments out of the funds arising from the sale of such bonds or the operation of such system of rural credits. In lieu of such taxation the legislature may appropriate out of such funds without discrimination to all the school districts, towns, counties, cities, villages and boroughs in which such lands are located sums of money not exceeding the amounts which would have realized by such governmental subdivisions from the assessments against or taxation of such lands if privately owned."*

Sec. 2. Such proposed amendment shall be submitted to the people for their approval or rejection at the general election for the year of 1932, and the qualified electors of the state in their respective districts may, at such election, vote for or against such proposed amendment by ballot, and the returns thereof shall be made and certified within the time, and such votes canvassed, and the result thereof declared in the manner provided by law with reference to the election of state officers. If it shall appear thereupon that a majority of all electors voting at such election shall have voted for and ratified said amendment, as provided in the next section hereof, the governor shall make proclamation thereof, and such amendment so ratified shall take effect and be in force as a part of the constitution.

Sec. 3. The ballots used at said election on said proposed amendment shall have printed thereon: "Amendment to Section 10 of Article 9 of the Constitution of the State of Minnesota, to authorize the taxing of lands acquired by the state through the operation of the system of rural credits and the appropriation of moneys from the funds of the Department of Rural Credits."

"Yes ..... No ....."

Each elector voting upon such proposed amendment shall place a cross mark in a space to be left on the ballot opposite the words "yes" and "no", according as he may wish to vote for or against said amendment, and his vote shall be counted in accordance with the expressed will of such elector as provided by the election laws of this state.

Approved April 16, 1931