

Sec. 9. *Minnesota Statutes 1967, Sections 387.17, 387.18, 387.19, 387.21, 387.23, 387.24, 387.26, 387.27, 485.011, 485.012, 485.013, 485.014, 485.016, 485.017, 485.24, 485.25, and 485.26, are repealed.*

Approved June 9, 1969.

CHAPTER 1152—H. F. No. 2892

[Coded]

An act relating to the Minnesota State College Board; appropriating money and authorizing loans to the board for the acquisition and betterment of public lands, buildings, and improvements of a capital nature needed to provide facilities and services at the state colleges; creating a state college bond account in the Minnesota state bond fund; authorizing the issuance and sale of bonds under the provisions of Article IX, Section 6 of the Constitution to provide money for such loans, and appropriating money in connection with such bonds.

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

Section 1. [136.40] **State college board; bonds.** Subdivision 1. **Purpose and appropriation.** For the purpose of providing money to be loaned to the Minnesota State College Board for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed to provide facilities and services at the state colleges, in anticipation of the receipt of net revenues derived from charges, fees, and rentals for such facilities and services, when authorized by law and requested by the board, the state auditor shall sell and issue bonds of the state of Minnesota for the prompt and full payment of which, with interest thereon, the full faith, credit, and taxing powers of the state are irrevocably pledged. The proceeds of such bonds are appropriated and shall be credited to the revenue fund of the board and shall be available until the purposes for which the bonds were authorized have been accomplished or abandoned, and none of such money shall be canceled. When the board shall certify to the state auditor that the purposes of any such issue have been accomplished or abandoned, the unexpended balance of the proceeds shall be transferred and credited to the state bond fund. Bonds shall be issued pursuant to this section only as authorized by subdivision 8 or by another law specifying the purpose or purposes thereof as herein authorized and the maximum amount of the pro-

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ceeds authorized to be expended for each purpose. Any act authorizing the issuance of bonds in the manner provided in this section shall, together with this section, constitute complete authority for such issue, and such bonds shall not be subject to restrictions or limitations contained in any other law.

Subd. 2. Loans of bond proceeds. Each loan authorized to be made under this section shall be payable solely from net revenues annually received by the board in its revenue fund from charges, fees, and rentals for the use and service of housing, food service, union, and other student facilities and activities, in excess of the current costs of operation and maintenance of such facilities, and in excess of net revenues from time to time needed to pay principal and interest due on revenue bonds of the board and to maintain all reserves securing such bonds in accordance with the provisions of the resolutions of the board authorizing their issuance. Each loan shall be made in a principal amount equal to the amount of the state bonds issued to provide the loan, and shall bear interest at the average annual rate borne by the bonds, and shall be payable in equal annual installments, including principal and interest, each in the amount required annually to retire the loan within the maximum term permitted by law for revenue bonds of the board. The annual payments shall be made by the board to the state auditor and credited by him to the state bond fund on November 1 immediately following the date of the issuance of the bonds and on November 1 in each year thereafter, until the bonds and any bonds refunding the same have been fully paid and redeemed, and until the total amount of such annual payments equals the total amount of principal and interest actually paid on the state bonds; at which time the state auditor shall cancel and satisfy the loan.

Subd. 3. Issuance of bonds. Upon request by resolution of the Minnesota State College Board and upon authorization as provided in subdivision 1 the state auditor shall sell and issue Minnesota state college bonds in the aggregate amount requested, upon sealed bids and upon such notice, at such price, in such form and denominations, bearing interest at such rate or rates, maturing in such amounts and on such dates, without option of prepayment or subject to prepayment upon such notice and at such times and prices, payable at such bank or banks within or outside the state, with such provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale or delivery of definitive bonds, and in accordance with such further regulations, as the auditor shall determine, subject to the approval of the attorney general, but not subject to the provisions of sections 15.0411 to 15.0422. The bonds shall be executed by the state auditor and attested by the state treasurer under

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their official seals. The signatures of the officers on the bonds and any appurtenant interest coupons and their seals may be printed, lithographed, engraved, or stamped thereon, except that each bond shall be authenticated by the manual signature on its face of one of the officers or of an officer of a bank designated by them as authenticating agent. The state auditor shall ascertain and certify to the purchasers of the bonds the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota, subject to the approval of the attorney general.

Subd. 4. Expenses. All expenses incidental to the sale, printing, execution, and delivery of bonds pursuant to this section, including but not limited to actual and necessary travel and subsistence expenses of state officers and employees for such purposes, shall be paid from the revenue fund of the Minnesota State College Board, and the amounts necessary therefor are appropriated from that fund; provided that if any amount is specifically appropriated for this purpose in an act authorizing the issuance of bonds pursuant to this section, such expenses shall be limited to the amount so appropriated.

Subd. 5. State college bond account in the state bond fund. The state auditor shall maintain in the state bond fund a separate bookkeeping account which shall be designated as the state college bond account, to record receipts and disbursements of money transferred to the fund to pay Minnesota state college bonds and income from the investment of such money, which income shall be credited to the account in each fiscal year in an amount equal to the approximate average return that year on all invested state funds, as determined by the state auditor, times the average balance in the account that year.

Subd. 6. Appropriations to state college bond account. All loan payments to be deposited in the state bond fund in accordance with subdivision 2 shall be credited to the state college bond account therein. In order to reduce the amount of taxes otherwise required to be levied, in accordance with Minnesota Statutes, Section 6.33, there shall also be transferred to the state college bond account from the property tax relief fund in the state treasury, on November 1 in each year, a sum of money sufficient in amount, when added to the balance then on hand therein, to pay all Minnesota state college bonds and interest thereon due and to become due to and including July 1 in the second ensuing year. All money so credited and all income from the investment thereof is annually appropriated for the payment of such bonds and interest thereon, and shall be available in the state college bond account prior to the levy of the tax in any year required by the

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Constitution, Article IX, Section 6, Subdivision 4. The legislature may also appropriate to the state college bond account any other moneys in the state treasury not otherwise appropriated, for the security of Minnesota state college bonds in the event that sufficient money should not be available in the account from the sources herein appropriated, prior to the levy of such tax in any year. The state auditor and treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Subd. 7. Tax levy. On or before December 1 in each year the state auditor shall levy on all taxable property within the state whatever tax may be necessary to produce an amount sufficient, with all money then and theretofore credited to the Minnesota state college bond account, to pay the entire amount of principal and interest then and theretofore due and principal and interest to become due on or before July 1 in the second year thereafter on Minnesota state college bonds. This tax shall be levied upon all real property used for the purposes of a homestead, as well as other taxable property, notwithstanding the provisions of Minnesota Statutes, Section 273.13, Subdivisions 6 and 7, and shall be subject to no limitation of rate or amount until all such bonds and interest thereon are fully paid. The proceeds of this tax are appropriated and shall be credited to the state bond fund, and the principal of and interest on the bonds are payable from such proceeds, and the whole thereof, or so much as may be necessary, is appropriated for such payments. If at any time there is insufficient money from the proceeds of such taxes to pay the principal and interest when due on Minnesota state college bonds, such principal and interest shall be paid out of the general revenue fund in the state treasury, and the amount necessary therefor is hereby appropriated.

Subd. 8. Bond authorization and appropriation. For the purpose of providing money to be loaned to the Minnesota State College Board for the acquisition and betterment of public land, buildings, and improvements of a capital nature, the state auditor is directed to sell and issue Minnesota state college bonds in the maximum amount of \$4,500,000 to be expended for dormitory, residence hall, and food service facilities at the state colleges, in accordance with the recommendations of the legislative buildings commission to the 1969 session of the legislature, and in the maximum amount of \$7,500,000 to be expended for student union facilities at said colleges, in the manner and upon the conditions provided in subdivisions 1 to 7, which total amounts are authorized to be expended for these purposes. No expenditures for the authorized purposes shall be made until the board has consulted the legislative buildings commission and the commission has made its recommendation thereon. Such recom-

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mentation shall be advisory only. Failure or refusal of the commission to make a recommendation promptly shall be deemed a negative recommendation. The bonds shall be sold, issued, and secured as provided in subdivisions 1 to 7 and in Article IX, Section 6, Subdivision 4 of the Constitution. In order to reduce the amount of taxes otherwise required by the Constitution to be levied for the payment of interest and principal thereon, there is appropriated annually to the Minnesota state college bond account in the state bond fund from the general revenue fund in the state treasury a sum of money sufficient in amount, when added to the balance on hand on November 1 in each year in said Minnesota state college bond account, to pay all principal and interest due and to become due on said bonds to and including July 1 in the second ensuing year. The moneys received and on hand pursuant to this annual appropriation are available in the state bond fund prior to the levy of the tax in any year required by the Constitution and by subdivision 7 and shall be used to reduce the amount of the tax otherwise required to be levied.

Sec. 2. This act is in effect from and after its final enactment.

Approved June 9, 1969.

CHAPTER 1153—H. F. No. 2974

[Coded in Part]

An act relating to the organization and operation of state government; appropriating money for the conservation and development of the state's natural resources; providing for maintenance of the Minnesota historical society; for county and district agricultural societies; for various stockbreeders', dairymen's horticultural and poultry associations and societies; for sheriffs' per diem and mileage in certain cases; for vessel tonnage tax; for maintenance of the Sibley house; for maintenance of various semi-state activities; for aids to local subdivisions of government and school districts; for maintenance of the uniform laws commission; and for other purposes.

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

Section 1. **State government; organization and operation; appropriation.** The sums hereinafter named, or so much thereof as may be necessary, are hereby appropriated out of the general fund in the state treasury not otherwise appropriated, or any other fund herein designated for the purposes specified in the following sec-

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