

# CHAPTER 6

## STATE AUDITOR

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**6.01 DUTIES, SEAL.** The state auditor shall superintend and manage the fiscal concerns of the state as required by law. He may execute in behalf of the state assignments and satisfactions of judgments rendered in its favor. He shall have a seal bearing the words "Seal of the Auditor of Minnesota" and affix it to all official certificates and conveyances executed by him.

[R L s 33; 1955 c 863 s 1] (65)

**6.02 DEPUTY, EMPLOYEES.** The state auditor shall appoint a deputy, who may perform all the duties of the office when the auditor is absent or disabled. He may employ and at pleasure dismiss a private secretary.

[R L s 34; 1955 c 863 s 2] (66)

**6.03 WARRANTS.** Warrants shall be drawn on printed blanks progressively numbered and for every warrant issued the number, amount, date, and name of payee shall be entered in progressive order in warrant registers kept by him for that purpose.

[R L s 35; 1917 c 480 s 1; 1955 c 863 s 3] (67)

**6.04 CLAIMS AGAINST STATE.** Subdivision 1. When claims against the state for any purpose are made for which there is an appropriation available the official having authority over the appropriation from which the claim is to be paid shall cause the claim to be approved by certification thereon that the service was performed or the goods or material furnished. These claims shall be forwarded to the state auditor accompanied by such transmittal form as he prescribes.

Subd. 2. The state auditor may require any person making a claim against the state for any purpose to declare that the claim and the amount thereof is just and correct and that no part thereof has been paid. Such declaration if required by the state auditor is sufficient if in the following form:

"I declare under the penalties of perjury that this claim is just and correct and that no part of it has been paid.

Signature of Claimant."

Subd. 3. The effect of this declaration shall be the same as if subscribed and sworn to under oath.

[1905 c 96 s 1; 1909 c 120 s 1; 1917 c 480 s 2; 1955 c 863 s 4; 1957 c 93 s 1] (68)

**6.05 PRESCRIBES FORM OF CLAIM.** The form of the claim is prescribed by the state auditor. The warrant is completed and signed by the auditor and the treasurer, upon approval of the claim by the auditor, shall accept the warrant with his signature, making the warrant negotiable. The treasurer may confer authority upon one or more of his assistants to accept the warrant in his behalf. The warrant shall be entered in the warrant register the same as a cash payment.

[1905 c 96 s 1; 1909 c 120 s 2; 1909 c 169 s 1; 1917 c 480 s 3; 1955 c 863 s 5] (69)

**6.06 ENDORSEMENT OF WARRANT A RECEIPT.** The endorsement by the payee of the warrant constitutes a receipt in full for the claim therein.

[1905 c 96 s 2; 1909 c 120 s 3; 1917 c 480 s 4; 1955 c 863 s 6] (70)

6.07 [Repealed, 1955 c 863 s 22]

**6.08 SUBPOENAS.** The state auditor may issue subpoenas to any person who renders an account to the state in the nature of a bill for expenses for articles sold or purchased or involving any other transaction between the state and any person, corporation, or copartnership. He may place such individual under oath and examine him as to the correctness of any account rendered. He may subpoena witnesses, administer oaths, and examine witnesses under oath in any transaction entered into between the state and any person, copartnership, or corporation.

[1917 c 498 s 2; 1955 c 863 s 7] (72)

**6.09** [Repealed, 1955 c 863 s 22]

**6.10 OUTSTANDING UNPAID WARRANTS, CANCELATION.** At the beginning of each fiscal year the state auditor and the state treasurer shall cancel upon their books all outstanding unpaid state auditor's warrants that have been issued and delivered for more than six years prior to that date and credit to the general revenue fund the respective amounts of the canceled warrants. When any canceled warrant is presented for payment it shall be taken up by the auditor and a new warrant for the same amount, payable to the lawful holder thereof, but bearing a current number, shall be issued against the general revenue fund from which the amount necessary to pay the new warrant is hereby appropriated.

[1923 c 288 s 1, 2; 1955 c 863 s 8] (73)

**6.11 UNPAID WARRANT, ISSUANCE OF DUPLICATE.** When it is shown to the auditor by affidavit that any unpaid state warrant is lost or destroyed he may issue to the owner a duplicate thereof and thereupon the original is void. If it appears to the auditor that any person may be damaged thereby, he may require from the applicant a bond of indemnity to the state in double the amount of the warrant, conditioned for the benefit of the person so damaged. The auditor in his discretion may refuse to issue a duplicate of an unpaid state warrant. If he acts in good faith he is not liable, whether the application is granted or denied.

[R L s 36; 1955 c 863 s 9] (74)

**6.12 RECORD OF ACCOUNTS AND DOCUMENTS.** The state auditor shall enter and keep in his office, in suitable books, a record of all accounts and documents as are required by law to be returned to or filed with him. He shall file and preserve all receipts and other vouchers relating to his official business. He shall keep an account with the treasurer, charging him therein with all moneys paid into the treasury and crediting all warrants redeemed by him and returned. An account shall likewise be kept with each money appropriation made by the legislature, showing all disbursements made therefrom. He shall keep such other accounts as are necessary to exhibit the condition of the state finances from day to day.

[R L s 37; 1955 c 863 s 10] (75)

**6.13** [Repealed, 1955 c 863 s 22]

**6.135** [Repealed, 1947 c 416 s 3]

**6.136 REFUNDS.** Subdivision 1. Money paid into the state treasury through error or under circumstances such that the state is not legally entitled to retain it, may be refunded upon the submission of a verified claim therefor. The claimant shall present his verified claim, together with a complete statement of facts and reasons for which the refund is claimed, to the head of the state agency concerned, who shall forthwith examine it, attach thereto his approval or disapproval thereof together with his reasons therefor, and submit the claim to the state auditor for settlement in the manner provided by law.

Subd. 2. There is hereby appropriated to the persons entitled to such refund, from the fund in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

[1947 c 416 s 1, 2; 1955 c 863 s 11]

**6.137 REFUNDS, \$1 OR LESS.** Moneys in the state treasury shall not be used in making a refund where the amount thereof is \$1 or less except where the amount received by the state giving rise to the refund, is \$1 or less. Such refunds may be made in conformity with the requirements established by the commissioner of administration and may be in lieu of the conditions prescribed by section 6.136, subdivision 1.

[Ex 1967 c 48 s 69]

**6.14-6.17** [Repealed, 1955 c 863 s 22]

**6.18 REPORT TO LEGISLATURE.** On or before the third day of each regular session of the legislature the auditor shall report to each house thereof on account of the receipts and disbursements of the treasurer during the pre-

ceding two fiscal years, the unexpended balances of the several appropriations, the amount remaining in the treasury, and any warrants issued and unpaid, which report shall be accompanied by such remarks on the state finances as he deems proper.

[*R L s 40; 1955 c 847 s 1; 1955 c 863 s 12; 1959 c 51 s 1*] (79)

**6.19 UNPAID DRAFTS.** Subdivision 1. Except as provided in subdivision 2, drafts issued by the state auditor for claims due the state and delivered to the state treasurer for collection shall be paid within 30 days thereafter unless the claim be for services rendered by the public examiner in which case the draft may be paid within 90 days or unless the claim is to be paid by a county and is for services rendered by the university of Minnesota hospitals in which case the claim shall be paid within 60 days of the date the bill is presented to the county board. If not paid within that period interest shall accrue and be collected upon the principal of the claims at the rate of eight percent per annum from the due date of the draft.

Subd. 2. The provisions of subdivision 1 do not apply to drafts issued for timber stumpage, gross earning taxes, or for amounts due for principal or interest upon state loans, or other claims due the state where the interest is now provided by law.

[*1919 c 497 s 1; 1953 c 18 s 1; 1955 c 863 s 13; 1965 c 658 s 1*] (80-1)

**6.20 GRANTS FROM UNITED STATES, USE.** All funds received by the state from the government of the United States as grants in aid for the purpose of assisting in paying old age benefits, or aid to dependent children commonly called "mothers' pensions," or aid to the blind, or for maternal and child health services, or for the care of crippled children, or for the care of neglected children and child welfare generally, or for vocational rehabilitation, or for the extension of public health services, or for any other public assistance or public welfare purpose shall be used solely for the purpose for which the grant was made. Any interest or income arising from the funds so granted shall be accredited by the state treasurer to the particular account for which the grant was made and used solely for the purpose of that grant or repaid to the United States Treasury as the proper authorities or the government of the United States may require.

[*1937 c 25 s 1; 1955 c 863 s 14*] (53-18a)

**6.21 DUTIES.** The state auditor shall continue to exercise the rights, powers, and duties now vested in and imposed upon his office. He shall have charge of the administration of the financial affairs of the state. He shall keep the general books of account of the state. The general books of account shall be on a double entry control basis, with such revenue, expenditure, asset and liability accounts as will give complete control over all financial and expenditure operations of the state and over all officials, departments, and agencies of the state government. Accounts shall be set both as to expenditures and revenue according to generally accepted practice in governmental accounting. The auditor, with the advice and assistance of the commissioner of administration and the public examiner, shall formulate and prescribe for all departments and other state agencies a system of uniform records, accounts, statements, estimates, revenue receipt forms, vouchers, bills, and demands with suitable instructions governing the installation and use thereof. The accounting system and form so prescribed shall be adopted and employed by all officials, departments, and agencies of the state government. The auditor, with the assistance of the public examiner, shall exercise constant supervision and control thereof. All accounting and financial records shall be kept on the fiscal year basis of 12 months ending at midnight between June 30 and July 1. The auditor and his designated agents shall at all times have free access to the books, records, accounts, and papers of the several departments and agencies. The commissioner of administration and his designated employees shall have free access at all times to the books, records, accounts, and papers of the state auditor and the auditor shall allow the commissioner and his agents sufficient desk space for using and inspecting the same.

[*1939 c 431 art 3 s 1; 1955 c 863 s 15*] (80-2)

**6.211 POLICY.** In order to simplify the accounting system of the state, to fully utilize modern methods of accounting, and to enable the general books of account of the state to reflect expenditures and revenues according to generally accepted practices in governmental accounting, it is desirable to modify and change the accounting system of the state in accordance with the provisions of sections 6.212, 6.213, and 6.214.

[*1959 c 30 s 1*]

**6.212 BOOKKEEPING ACCOUNTS.** Whenever a provision of law now existing or hereafter enacted provides for creating a fund in the state treasury into which are deposited certain revenues and out of which certain expenditures are appropriated, the state auditor may consider the creation of such fund as the creation of a bookkeeping account in the general books of account of the state so as to reflect the revenues deposited in the state treasury and credited to such account and the expenditures appropriated from the state treasury and charged to such account. This section is inapplicable to any fund created by the constitution or to any fund required to be created in the state treasury by the provisions of any federal law or a rule or regulation promulgated by a federal authority pursuant thereto.

[1959 c 30 s 2]

**6.213 GENERAL REVENUE FUND DEFINED.** The term "general revenue fund" appearing in any existing or hereafter enacted law relating to revenues deposited in or expenditures appropriated from the state treasury means such moneys as have been deposited in the state treasury for the usual, ordinary, running, and incidental expenses of the state government and does not include moneys deposited in the state treasury for a special or dedicated purpose.

[1959 c 30 s 3]

**6.214 GROUPING OF BOOKKEEPING ACCOUNTS.** Subdivision 1. **Auditor's duty.** The state auditor, in maintaining the general books of account and in reflecting all revenues deposited in the state treasury and expenditures appropriated therefrom, shall group the various bookkeeping accounts in accordance with categories prescribed by this section.

**Subd. 2. General.** General. The general category consists of revenues deposited in the state treasury for the usual, ordinary, running, and incidental expenses of the state government which may be appropriated by the legislature for any lawful purpose.

**Subd. 3. Special revenue.** Special revenue. The special revenue category consists of such revenues from specific taxes or other sources deposited in the state treasury, the expenditures of which is limited by the constitution or law for special or dedicated purposes. Unless federal law otherwise provides, all expenditures appropriated from moneys in the state treasury or otherwise from federal sources shall be consolidated within the special revenue category, but each account shall also retain its individual account identity.

**Subd. 4. Bond.** Bond. The bond category consists of revenues deposited in the state treasury obtained from the sale of bonds, certificates of indebtedness, or similar obligations and expenditures appropriated from such sources.

**Subd. 5. Agency.** Agency. The agency category consists of moneys deposited in the state treasury, which are received, held, and disbursed by the state as a trustee or custodian.

**Subd. 6. Trust.** Trust. The trust category consists of moneys deposited in the state treasury pursuant to the requirements of the constitution providing for four trust funds, and moneys deposited in the state treasury pursuant to the terms of a devise, bequest, deed or gift which limits the use of such moneys.

**Subd. 7. Revolving.** Revolving. The revolving category consists of such revenues deposited in the state treasury and annually appropriated to finance activities of a manufacturing, sale, or service nature and including activities provided with working capital which might involve an element of profit or loss.

**Subd. 8. Other groupings.** Such other categories as may be required by specific amendment to the constitution, by specific statutory enactment, or by the state auditor when accepted governmental accounting practice so requires.

**Subd. 9. Alignment of groupings.** The state auditor shall so align the various categories of bookkeeping accounts as prescribed in this section so that the general and special revenue categories, when combined, shall reflect the actual cost of the operation of the state government.

[1959 c 30 s 4]

**6.22 SPECIFIC DUTIES.** The auditor or his designated agents shall examine every receipt, account, bill, claim, refund, and demand against the state, and if a legal, correct, and proper claim, he shall approve the same, designate the account to be charged therefor, and issue his warrant in payment thereof in the manner provided by law. He shall approve all documents and reports showing evidences of

payments into receipts by the state treasurer and shall designate the fund to be credited therewith.

[1939 c 431 art 3 s 2; 1955 c 863 s 16] (80-3)

**6.23 APPROPRIATION AND ALLOTMENT REQUIRED FOR EXPENDITURES.** Unless otherwise expressly provided by law, no money belonging to or for the uses of the state shall be expended or applied by any official, department, or agency of the state government or any institution under its control, except under authority of an appropriation by law and or allotment relating thereto as herein provided and upon warrant of the auditor.

[1939 c 431 art 3 s 3; 1955 c 863 s 17] (80-4)

**6.24 SUPERVISION OF ORIGINAL DOCUMENTS.** Except as otherwise provided by law, all original bills, claims, contracts, deeds, leases, demands, and vouchers on which money has been or may be paid by the state treasurer shall be kept in the office of the auditor and shall be under his supervision and control.

[1939 c 431 art 3 s 4; 1955 c 863 s 18] (80-5)

**6.25 QUARTERLY STATEMENTS.** At the end of every quarterly period and at the end of each fiscal year the auditor shall prepare and submit to the governor and make available to the public a summary statement showing all revenues and expenses for the period covered by the statement, including a comparison with the previous corresponding period. These statements shall be in sufficient detail as to appropriations and funds as to show the exact financial condition of the state and each department and agency thereof.

[1939 c 431 art 3 s 5; 1955 c 863 s 19] (80-6)

**6.26 SALARY, BOND.** The salary of the state auditor shall be as provided by law and he shall give a corporate bond of \$50,000 to the state for the faithful discharge of his duties.

[1939 c 431 art 3 s 6; 1955 c 863 s 20; 1961 c 561 s 2] (80-7)

6.27 [Repealed, 1955 c 863 s 22]

**6.28 STATE AUDITOR TO PROVIDE A SPECIAL ACCOUNT.** The state auditor is directed to deduct or reserve from the highway user tax distribution fund a sufficient sum of money which shall constitute a special account for the payment of costs of collecting the taxes provided for in Article XVI of the constitution of the state of Minnesota and for payment of refunds of such taxes as is authorized by law. A sum of money sufficient for such purpose is appropriated from the highway user tax distribution fund. Thereafter all monies in the highway user tax distribution fund not needed to reimburse such special account for money paid out of such special account for refunds and collection costs shall be transferred as provided in Article XVI of the constitution of the state of Minnesota.

[1959 c 403 s 1]

**6.29 TRANSFER OF MONEYS TO GENERAL REVENUE FUND.** The state auditor is hereby authorized and directed to transfer to the general revenue fund in the state treasury, all moneys credited to any fund established in connection with the payment of certificates of indebtedness when the purposes for which the act authorizing such certificates have been accomplished.

[Ex1961 c 88 s 57]

**6.291 SPECIAL FUNDS OR ACCOUNTS, TRANSFER.** Moneys deposited in the state treasury or on deposit on June 30 of each year from tax sources or otherwise to the credit of a special fund or account which is abolished by law shall be transferred to and credited to the general revenue fund.

[Ex1967 c 48 s 97]

**6.30 MINNESOTA STATE BUILDING FUND.** For the purpose of providing money to state agencies for the acquisition and betterment of public lands and other public improvements of a capital nature, the Minnesota state building fund is created as a separate bookkeeping account in the general books of account of the state. Proceeds of state bonds credited to this fund are appropriated for construction and other permanent improvement and shall be available until the purposes for which the appropriation was made have been accomplished or abandoned. None of such moneys shall be canceled. When the purpose of any such appropriation has been accomplished or abandoned, the authority to whom the appropriation was made shall so certify to the state auditor. Thereupon the unexpended balance of such appropriation, unless transferred under authority of the appropriation act to another purpose therein designated, shall be transferred and

credited to the state bond fund. Amounts so transferred and credited are appropriated for the purpose of reducing the amount of tax otherwise required to be levied for the state bond fund by Article IX, Section 6, Subdivision 4 of the Constitution.

[*Ex1967 c 8 s 20*]

**6.31 MINNESOTA STATE BUILDING BONDS.** Subdivision 1. For the purpose of providing money appropriated to state agencies from the Minnesota state building fund for the acquisition and betterment of public lands and buildings and other public improvements of a capital nature, when authorized by law, the state auditor shall issue and sell 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 shall be credited to said state building fund, except that accrued interest and any premium received on sale of the bonds shall be credited to the state bond fund created by the Constitution, Article IX, Section 6, Subdivision 4.

Subd. 2. The bonds shall be issued and sold upon sealed bids upon such notice, at such times, in such form and denominations, bearing interest at such rate or rates, maturing on such dates, either without option of prior payment or subject to prepayment upon such notice and at such times and prices, payable at such bank or banks, within or without the state, with such provisions for registration, conversion, and exchange and for the issuance of notes in anticipation of the sale and 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). Each bond shall mature within 20 years from its date of issue, shall be sold at not less than par plus accrued interest, and shall be executed by the state auditor and attested by the state treasurer under their official seals. The signature of one of these officers on the face of any bond, and their seals, and the signature of both officers on the interest coupons appurtenant to any bond, may be printed, lithographed, stamped, or engraved thereon.

Subd. 3. 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 in accordance with their terms, subject to the approval of the attorney general. Any act directing the issuance of bonds pursuant to this section shall, together with this section, constitute complete authority for such issue, and such bonds shall not be subject to the restrictions or limitations contained in any other law.

Subd. 4. 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 Minnesota state building fund, and the amounts necessary therefor are appropriated from said 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. The state auditor shall maintain in the state bond fund a separate bookkeeping account which shall be designated as the Minnesota state building bond account. The legislature may appropriate to this account, for the payment of Minnesota state building bonds and interest thereon, any moneys in the state treasury not otherwise appropriated. On the first day of November of each year there shall be transferred to the Minnesota state building bond account all of the moneys then available under any such appropriation or such lesser sum as will be sufficient, with all money previously transferred to said account, and all income from the investment of such money, to pay all principal and interest then and theretofore due and all principal and interest to become due within the next ensuing year and to and including July 1 in the second ensuing year on Minnesota state building bonds. All moneys so transferred and all income from the investment thereof shall be available for the payment of such bonds and interest thereon, and so much thereof as may be necessary is appropriated for such payments. The state auditor and the state treasurer are directed to make the appropriate entries in the accounts of the respective funds.

Subd. 6. The state auditor shall levy each year on all taxable property within the state whatever tax may be necessary to produce an amount sufficient, with all money then and theretofore transferred under subdivision 5, and all income from

the investment thereof, to pay the entire amount of principal and interest which is then due or is to become due within the then ensuing year and to and including July 1 of the second ensuing year on Minnesota state building bonds. Such 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 section 273.13, subdivisions 6 and 7. Such tax shall be subject to no limitation of rate or amount until all such bonds and interest thereon are fully paid. The proceeds of such taxes are appropriated and credited to the state bond fund, and the principal and interest of said bonds are payable from the proceeds of such taxes, and the whole thereof, or so much thereof as may be necessary, is appropriated for such payments. If at any time there is insufficient money from the proceeds of the taxes provided for herein to pay the principal and interest when due on such bonds, then 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. The general revenue fund shall be reimbursed from the proceeds of said taxes when received.

[*Ex1967 c 8 s 21*]

**6.32 PROPERTY TAX RELIEF FUND.** A property tax relief fund is hereby created in the state treasury. All funds made available from any sources to be deposited in the state treasury to the credit of such fund shall be deposited therein. All moneys to be paid from such fund pursuant to the provisions of Extra Session Laws 1967, Chapter 32, or any other law are hereby appropriated annually from said fund for the purpose for which payment is to be made.

[*Ex1967 c 32 art 1 s 1*]

**6.321 TEMPORARY BORROWING; TRANSFERS TO FUND.** (a) Whenever it becomes necessary in order to meet the current demands upon the property tax relief fund for the payment of warrants issued or to be issued against said fund pursuant to appropriations, the governor, after securing the recommendation of the legislative advisory committee, which shall be advisory only, or if there be no such committee, the governor, the state auditor, and the state treasurer, as a special committee, at any time prior to June 30, 1969, may authorize the issuance and sale of certificates of indebtedness of the state, pursuant to and in accordance with Article IX, Section 6, of the Constitution, in anticipation of the collection of taxes levied for the property tax relief fund, and any other revenues appropriated to that fund for expenditure during the biennium beginning July 1, 1967, in such amount as may be necessary to pay such warrants. The certificates shall be executed by the state auditor and attested by the state treasurer under their official seals, and shall be numbered serially and shall be of such denomination and shall bear such dates of issue and maturity and such rates of interest as the auditor shall determine, provided that no such certificates shall mature later than June 30, 1969, and provided further that the aggregate amount of such certificates at any time outstanding, and not previously repaid, shall not exceed \$50,000,000 and shall not exceed the limitation stated in the Constitution, Article IX, Section 6, Subdivision 3. The failure or refusal of the advisory committee, if there be one, to make a recommendation promptly shall be deemed a negative recommendation. If moneys on hand in the property tax relief fund are not sufficient to pay any such certificates at maturity, with interest thereon, the same may be refunded by the issuance of any certificates maturing not later than December 1, 1970. If moneys on hand in said fund are not sufficient to pay all certificates of indebtedness issued thereon and outstanding on December 1, 1969, the state auditor shall levy a tax for the payment of all such certificates and interest thereon, in accordance with the Constitution, Article IX, Section 6, Subdivision 3. Certificates issued and sold pursuant to this act shall be retired out of the receipts of the property tax relief fund appropriated to the payment of warrants which are issued against said fund but are taken up with the proceeds of such certificates. So much thereof as may be necessary is hereby appropriated from the property tax relief fund and made available for the fiscal year beginning July 1, 1967, to pay the interest upon such certificates. Any balance of this appropriation remaining on June 30, 1968, shall not cancel but be available for the second year of the biennium.

(b) The state board of investment, or its successor in authority, is hereby authorized to purchase the certificates of indebtedness herein authorized for any fund which it is authorized to invest, provided, it shall not purchase any such certificates bearing interest at the rate of less than one and one-half percent per annum.

(c) For the purpose of supplying deficiencies in the property tax relief fund, the treasurer may temporarily advance money to that fund from other public funds, not exceeding the aggregate \$50,000,000 in any year; provided that no fund shall be so impaired thereby that all proper demands thereon cannot be met. The power hereby conferred upon the treasurer is in addition to any other similar authority conferred by law.

[*Ex 1967 c 32 art 1 s 7*]

**6.33 STATE BOND FUND, APPROPRIATIONS.** Subdivision 1. In order to reduce the amount of taxes otherwise required to be levied, there is hereby appropriated annually to the state bond fund from the property tax relief fund in the state treasury such sums of money sufficient in amount when added to the balance on hand in the state bond fund to pay all principal and interest on state bonds issued for the purposes set forth in subdivision 2, due and to become due within the then ensuing year and including July 1 in the second ensuing year. The moneys received and on hand pursuant to the appropriation annually made by this subdivision are available in the state bond fund prior to the levy of the tax in any year required by the Constitution, Article 9, Section 6, Subdivision 4, and shall be used to reduce the amount of the tax otherwise required to be levied.

Subd. 2. The state bonds referred to in subdivision 1 are those issued pursuant to the Constitution, Article 9, Section 6, Subdivision 2 to provide funds for the acquisition and betterment of public land and buildings and other public improvements of a capital nature or for refunding certificates of indebtedness authorized by the legislature prior to January 1, 1963.

Subd. 3. In order to reduce the amount of taxes otherwise required to be levied, there is appropriated annually to the Minnesota state building fund from the property tax relief fund in the state treasury such sums of money sufficient in amount when added to the balance on hand in such state building fund to pay all principal and interest on certificates of indebtedness issued for the purpose of providing for the state building funds created prior to January 1, 1963, due and to become due within the ensuing year including July 1 in the second ensuing year. The moneys received and on hand pursuant to the appropriation annually made by this subdivision are available in the state building fund prior to the levy of the tax in any year required by the terms of the certificates of indebtedness and shall be used to reduce the amount of tax otherwise required to be levied for the payment of principal and interest on certificates of indebtedness. The moneys in the state building fund are appropriated annually for the purpose of paying the principal and interest on certificates of indebtedness as herein set forth. When all of the outstanding certificates of indebtedness issued as authorized by the legislature prior to January 1, 1963 have been fully paid including the interest thereon, any balances remaining in the state building fund are transferred and returned to the property tax relief fund.

[*Ex 1967 c 32 art 3 s 1*]

**6.35 CERTIFICATES OF INDEBTEDNESS.** Subdivision 1. For the purpose of supplying deficiencies in the general revenue fund certificates of indebtedness of the state may be issued in accordance with the provisions of Article IX, Section 6, Subdivision 3 of the Constitution and the further provisions of this section. No such deficiency is deemed to exist by reason of the fact that expenditures pursuant to appropriation and allotment for a particular purpose may at any time exceed the cash receipts from any source of special revenue appropriated to the fund for such purpose, notwithstanding that a "fund" may have been created by law for such purpose and may have been established by the state auditor as a bookkeeping account in the general books of account of the state for the purpose of reflecting the revenues deposited and expenditures appropriated for such purpose in accordance with the provisions of Section 6.212. A deficiency shall be deemed to exist only when the total amount of outstanding warrants drawn on such fund, pursuant to appropriation and allotment for all purposes and accounts of the fund, exceeds the cash balance in the fund. In this event a deficiency shall be deemed to exist in the general revenue fund, notwithstanding that there may then be a balance of cash or investments on hand in one or more special or dedicated funds created by the Constitution or required to be created and maintained as separate funds by federal law or by rules or regulations promulgated by federal authority pursuant thereto; and this section does not authorize a transfer of money from any special or dedicated fund to the general revenue fund, except by the issuance and sale of certificates of indebtedness as herein provided.



Subd. 2. Whenever it becomes necessary in order to avoid a deficiency in the general revenue fund for the payment of warrants issued or to be issued against such fund pursuant to appropriations, the governor may authorize the issuance and sale of certificates of indebtedness of the state pursuant to and in accordance with Article IX, Section 6, Subdivision 3, of the Constitution, in anticipation of the collection of taxes levied for any other revenues appropriated to the fund for expenditure during the current biennium. To determine such necessity the governor shall obtain from the commissioner of taxation an estimate of the probable receipts from taxes and from the commissioner of administration an estimate of the probable receipts from other sources for the fund during the biennium, and from the state auditor a statement of the total amount appropriated for expenditure from the fund during the biennium and the total amount of warrants drawn thereon to date, and from the state treasurer a statement of the cash balance in the fund. The total amount of certificates of indebtedness issued, plus the total amount of outstanding certificates of indebtedness issued against the same fund, plus the interest from date of issue to maturity on all such certificates of indebtedness, plus the total amount of warrants drawn on the fund during the current biennium and any interest theretofore paid on such warrants, plus the total cash balance then on hand in the fund, shall not exceed (a) the total amount appropriated for expenditure from the fund or (b) the total estimated collections of taxes and other revenues appropriated to the fund for the biennium, whichever is less; and the total amount of such certificates issued and outstanding at any time shall not exceed \$50,000,000.

Subd. 3. Before authorizing any such issue the governor shall secure the recommendation of the legislative advisory committee as to the necessity and amount thereof, which recommendation shall be advisory only. The failure or refusal of the advisory committee, if there be one, to make a recommendation promptly shall be deemed a negative recommendation. If there be no such committee, the governor, the state auditor, and the state treasurer, as a special committee, may authorize the issuance and sale of the certificates of indebtedness.

Subd. 4. When authorized, certificates of indebtedness shall be issued and sold by the state auditor upon sealed bids after two weeks' published notice, or they may be sold directly to the state board of investment without advertisements for bids, upon the same terms as those on which, in the judgment of the board, other investments of comparable character and security can at the time be purchased for funds under its control. Certificates of indebtedness shall mature not later than the last day of the biennium in which they are issued and shall be sold for not less than par plus accrued interest. Subject to the foregoing limitations, but not subject to the provisions of Sections 15.0411 to 15.0422, they shall be issued and sold in such number of series, at such times, in such form and denominations, bearing interest at such rate or rates, maturing on such dates, either without option of prior redemption or subject to prepayment upon such notice and at such times and prices, payable at such bank or banks, within or without the state, with such provisions for registration of transfer of principal or interest or both and for conversion and exchange, and in accordance with such further regulations, as the state auditor may determine with the approval of the attorney general. Certificates of indebtedness shall be executed by the state auditor and attested by the state treasurer under their official seals. The signature of one of these officers on the face of any certificate of indebtedness, and their seals, and the signatures of both officers on any appurtenant interest coupons, may be printed, lithographed, stamped, or engraved thereon.

Subd. 5. The state auditor shall ascertain and certify to purchasers of all certificates of indebtedness, subject to the approval of the attorney general, the performance and existence of all acts, conditions, and things necessary to make them valid and binding general obligations of the state of Minnesota in accordance with their terms. This section shall constitute complete authority for each such issue, and such certificates of indebtedness shall not be subject to the restrictions or limitations contained in any other law.

Subd. 6. The proceeds of all certificates of indebtedness issued pursuant to the foregoing provisions of this section are appropriated to the general revenue fund for any expenditure appropriated from that fund. The principal of and interest on all such certificates of indebtedness, and all expenses incidental to the sale, printing, execution, and delivery of such certificates, including, but not limited to, ac-

tual and necessary travel and subsistence expenses of state officers and employees for such purposes, shall be paid from the general revenue fund, and the amounts necessary therefor are appropriated from said fund.

Subd. 7. If moneys received in the fund during any biennium in which certificates of indebtedness are issued, pursuant to the foregoing provisions of this section, are not sufficient to pay all such certificates of indebtedness and interest thereon to maturity, the deficiency may be paid by the issuance and sale of refunding certificates of indebtedness in the same manner and upon the same conditions as the original certificates of indebtedness, except that such issuance may be authorized by the governor in the amount of the deficiency as certified to him by the state treasurer, and the refunding certificates of indebtedness shall mature not later than December 1, of the year following the close of the biennium in which the original certificates were issued. If moneys on hand in such fund on December 1 immediately following the close of said biennium are not sufficient to pay all of the original and refunding certificates of indebtedness which are then outstanding, with interest thereon to their maturities or earliest redemption dates, the state auditor shall levy upon all taxable property in the state a tax collectible in the then ensuing year, sufficient to make such payment.

[*Ex1967 c 48 s 58*]

**6.40 FEDERAL ACCOUNTS, TRANSFERS.** The Pittman-Robertson revolving account in the state treasury is abolished on July 1, 1963, and any balances therein are transferred to the game and fish receipts account in the state treasury. Federal aid reimbursements received on and after July 1, 1963, and due the Pittman-Robertson account shall be deposited to the credit of the game and fish receipts account in the state treasury. The Dingell-Johnson revolving account in the state treasury is abolished on July 1, 1963, and any balances therein are transferred to the game and fish receipts account in the state treasury. Federal aid reimbursements received on and after July 1, 1963, and due the Dingell-Johnson account shall be deposited to the credit of the game and fish receipts account in the state treasury.

[*Ex1967 c 48 s 74*]