

## CHAPTER 118

### DEPOSITORIES OF PUBLIC FUNDS

118.01 Depository bonds.

#### 118.01 DEPOSITORY BONDS.

Subdivision 1. Any bank, trust company or thrift institution authorized to do business in this state, designated as a depository of funds of a municipality, as provided by law may, in lieu of the corporate or personal surety bond required to be furnished to secure the funds, deposit with the custodian of the funds, the bonds or other interest bearing obligations which are legally authorized investments for savings banks under section 50.14, except as otherwise provided by this subdivision. Notes secured by first mortgages of future maturity, upon which interest is not past due, on improved real estate free from delinquent taxes, within the county wherein the depository is located, or within counties immediately adjoining the county in the state of Minnesota or, to the extent of the guarantee, loans guaranteed by the Small Business Administration under the Federal Small Business Act or, to the extent of the guarantee, loans or obligations secured or guaranteed by the United States or any department, bureau, board, commission, or establishment of the United States, including any corporation wholly owned directly or indirectly by the United States may also be deposited with the custodian of the funds in lieu of the corporate or personal surety bond required to be furnished to secure the funds. Industrial revenue bonds or notes issued pursuant to chapter 474 or similar bonds or notes of other states, territories, or their municipal subdivisions or bonds secured by real estate may not be deposited with the custodian of the funds in fulfilling the requirement of this subdivision.

*[For text of subds 2 to 11, see M.S.1982]*

**History:** 1983 c 91 s 1