

With respect to clauses (12), (13), and (15), the registrar may suspend or revoke a license immediately upon receiving certification of conviction or permanent injunction. A hearing is required under subdivision 13 within 30 days following a summary suspension or revocation under this paragraph, if a hearing is requested by the licensee.

Sec. 4. Minnesota Statutes 1984, section 168.27, subdivision 24, is amended to read:

Subd. 24. **BONDS.** All persons licensed hereunder shall keep in full force and effect a bond with a corporate surety to be approved by the registrar of motor vehicles in amounts as herein provided; in the case of boat, snowmobile trailer, or motorized bicycle dealers in the amount of \$5,000; and as to all other persons in the amount of \$25,000. The bond shall be conditioned on the faithful performance by the licensee of the obligations imposed by the laws of this state, including the conduct required of a licensee by this section and other sections governing the sale or transfer of motor vehicles, and the payment of all taxes, license fees and penalties. The bond shall be for the benefit of the state of Minnesota and any transferor, seller, or purchaser of a motor vehicle for any monetary loss caused by failure of the licensee to meet the obligations enumerated above. Proceedings on the forfeiture of the bonds shall be commenced in the district court of the county wherein the business of the licensed person was carried on, or if in more than one county, the county in which the offense occurred.

Sec. 5. Minnesota Statutes 1984, section 168A.02, subdivision 2, is amended to read:

Subd. 2. The department shall not register or renew the registration of a vehicle for which a certificate of title is required, ~~except in the name of a dealer~~, unless a certificate of title has been issued to the owner or an application therefor has been delivered to and approved by the department.

Sec. 6. EFFECTIVE DATE.

Sections 1 to 5 are effective the day following final enactment.

Approved May 23, 1985

CHAPTER 187 — S.F.No. 581

An act relating to commerce; authorizing certain investments in obligations of or guaranteed by the United States and certain other authorized securities; amending Minnesota Statutes 1984, sections 48.61, by adding a subdivision; 475.66, subdivision 3; 501.125, by adding a subdivision; and 501.66, subdivision 6.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1984, section 48:61, is amended by adding a subdivision to read:

Subd. 5. In the absence of an express provision to the contrary, whenever any statute, regulation, charter, trust indenture, authorizing resolution, or other instrument governing the investment of funds of a banking institution, as defined in section 48.01, subdivision 2, directs, requires, authorizes, or permits investment in obligations of the United States or obligations, the payment of the principal of and interest on which is unconditionally guaranteed by the United States, investment in these obligations may be made either directly or in the form of securities of, or other interests in, an investment company (1) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and (2) whose investments are limited to these obligations and repurchase agreements fully collateralized by these obligations, if the repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the 100 largest United States commercial banks.

Investment company shares authorized pursuant to this subdivision shall not exceed 20 percent of the banks' capital stock and paid in surplus. These obligations shall be carried at the lower of cost or market on the banks' books and adjusted to market on a quarterly basis.

Sec. 2. Minnesota Statutes 1984, section 475.66, subdivision 3, is amended to read:

Subd. 3. Subject to the provisions of any resolutions or other instruments securing obligations payable from a debt service fund, any balance in the fund may be invested

(a) in any security which is a direct obligation of or is guaranteed as to payment of principal and interest by the United States or any agency or instrumentality of the United States,

(b) in shares of an investment company (1) registered under the federal investment company act of 1940, whose shares are registered under the federal securities act of 1933, and (2) whose only investments are in securities described in the preceding clause and repurchase agreements fully collateralized by those securities, if the repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the 100 largest United States commercial banks,

(c) in any security which is a general obligation of the state of Minnesota or any of its municipalities,

(d) in bankers acceptances of United States banks eligible for purchase by the Federal Reserve System, or

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(e) in commercial paper issued by United States corporations or their Canadian subsidiaries that is of the highest quality and matures in 270 days or less.

The fund may also be used to purchase any obligation, whether general or special, of an issue which is payable from the fund, at such price, which may include a premium, as shall be agreed to by the holder, or may be used to redeem any obligation of such an issue prior to maturity in accordance with its terms. The securities representing any such investment may be sold or hypothecated by the municipality at any time, but the money so received remains a part of the fund until used for the purpose for which the fund was created.

Sec. 3. Minnesota Statutes 1984, section 501.125, is amended by adding a subdivision to read:

Subd. 6. INVESTMENT COMPANIES. In the absence of an express prohibition in the trust instrument, whenever the instrument directs, requires, authorizes, or permits investment in obligations of the United States or obligations, the payment of the principal of and interest on which is unconditionally guaranteed by the United States, the trustee may invest in and hold those obligations either directly or in the form of securities of, or other interests in, an investment company (1) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and (2) whose investments are limited to these obligations and repurchase agreements fully collateralized by these obligations, if the repurchase agreements are entered into only with those primary reporting dealers that report to the Federal Reserve Bank of New York and with the 100 largest United States commercial banks.

Nothing in this subdivision shall be construed to alter the degree of care and judgment required of trustees by subdivision 1.

Sec. 4. Minnesota Statutes 1984, section 501.66, subdivision 6, is amended to read:

Subd. 6. The trustee may invest and reinvest trust assets in any property or any undivided interest therein wherever located, including but not limited to bonds, debentures, notes, secured or unsecured, stocks of corporations, whether preferred or common, mutual funds, real estate or improvements thereon, or any interest therein, oil and mineral leases or royalty or similar interests and interests in trusts, including investment trusts and common trust funds maintained by a corporate trustee, contracts which insure the life of a person who is or may become a trust beneficiary, and any such investments may be made, regardless of any lack of diversification.

Sec. 5. **EFFECTIVE DATE.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sections 1 to 4 are effective the day following final enactment.

Approved May 23, 1985

CHAPTER 188 — S.F.No. 597

An act relating to the city of North Mankato; permitting the establishment of a port authority; authorizing the port authority to exercise the powers of a municipal housing and redevelopment authority.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. NORTH MANKATO; PORT AUTHORITY.

The city of North Mankato may establish a port authority commission that has the same powers as a port authority established under Minnesota Statutes, section 458.09 or other law. If the city establishes a port authority commission, the city shall exercise all the powers relating to the port authority granted to a city by Minnesota Statutes, chapter 458 or other law. Notwithstanding Minnesota Statutes, section 458.09, subdivision 1, or other law, the city may choose the name of the commission. Notwithstanding Minnesota Statutes, section 458.10, subdivision 1, or other law, the city may appoint a seven-member commission.

Sec. 2. NORTH MANKATO; MUNICIPAL HOUSING AND RE-DEVELOPMENT AUTHORITY.

If the city of North Mankato establishes a port authority commission under section 1, the commission may exercise the same powers as a municipal housing and redevelopment authority established under Minnesota Statutes, section 462.425 or other law. The city shall then exercise all the powers relating to the municipal housing and redevelopment authority granted to a city by Minnesota Statutes, chapter 462 or other law.

Approved May 23, 1985

CHAPTER 189 — S.F.No. 616

An act relating to the city of Warroad; permitting the establishment of a port authority.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.