

CHAPTER 476

STATE LOANS

476.01 SPECIAL TAX LEVY.

When refunding a bond issue through the state board of investment the proceeds of the tax levy for the purpose of paying the bonds must remain in the county treasury and cannot be used for any other purpose than the purpose stated in the levy. OAG July 2, 1945 (928-A-11).

Any money remaining out of a tax levy to retire bonds after the state loan has been paid, reverts to the municipality. OAG Sept. 14, 1945 (928-A-11).

476.02 MUNICIPALITY.

A town wishing to obtain funds for reconstruction of poorly or improperly built roads must proceed under sections 476.02 to 476.11, as amended. OAG May 20, 1946 (43-B-4).

476.03 MUNICIPALITY MAY SELL ITS BONDS TO STATE.

Before a vote is taken authorizing a village to borrow from the state to pay the cost of drilling a well, the electors should be advised as to the financial condition of the village. OAG July 12, 1945 (928-A-8).

The purchase of a motor patrol is not an authorized purchase under which a town may borrow money from the state board of investment or otherwise. OAG Feb. 21, 1946 (928-A-9).

Outline of municipal bond procedure in Minnesota. 20 MLR 583.

476.06 ELECTION; BALLOT; SEVERAL PROPOSITIONS.

A town is not authorized to borrow money from the state board of investment to invest in a motor patrol. OAG Feb. 21, 1946 (928-A-9).

476.07 CONDUCT OF SPECIAL ELECTION; APPLICATION TO STATE FOR LOAN.

The notice of election stated that the bonds were to be used for "building and equipment including buses." The ballots stated they were to be used for "building and equipment." The variance does not affect the validity of the election, or the bonds, nor does the fact that the judges of election were not sworn. Hagen v Consolidated School District, 156 M 268, 194 NW 756.

476.08 PURCHASE OF BONDS BY STATE.

The state board of investment may purchase bonds issued by a town for the purpose of laying out and opening town roads provided (1) the amount of the bonds will not make the net debt as defined by section 475.03 exceed ten per cent of the assessed valuation of the taxable property of the town, and (2) the amount of the bond issue would not make the entire bonded indebtedness of the town exceed 15 per cent of the valuation of the taxable property. OAG July 13, 1945 (928-A-9).

A municipality may establish an electric light plant and borrow the money from the state board of investment. OAG Jan. 22, 1946 (928-A-8).

476.12 BOARD OF INVESTMENT TO BUY MUNICIPAL BONDS.

Based upon information the state board of investment may purchase bonds issued under the provisions of L. 1945, c. 58. OAG Nov. 9, 1945 (928-A-8); OAG Nov. 20, 1945 (928-A-8).