

CHAPTER 136

STATE COLLEGES

Sec.
 136.01 Designation
 136.015 State teachers colleges, redesignated state colleges
 136.02 State college board
 136.03 Management of state colleges
 136.036 In-service education
 136.045 General adult education
 136.06 Expenses, payment
 136.07 Exceeding appropriations; penalty
 136.09 Degrees
 136.10 Model schools
 136.11 Tuition; fees; activities funds
 136.12 Educational management
 136.13 Annual meeting; officers
 136.14 Duties of board
 136.141 Workshop courses
 136.142 Gifts, bequests, etc.
 136.143 Cooperation with others in promotion of college
 136.144 Promotion of college; acceptance of gifts, etc.
 136.145 Model school; injuries to school children, hospital and medical benefits
 136.15 Report to commissioner of education
 136.16 Compensation of board
 136.17 Summer sessions at colleges
 136.171 Receipts from summer sessions and off-campus courses
 136.18 Instruction to veterans

Sec.
 136.19 Examinations, tests, and occupational diagnoses covering veterans
 136.20 Book store
 136.21 Exchange teachers
 136.22 Classes on holidays
 136.31 State college board, duties
 136.32 Bonds, investments
 136.33 Resolution of board
 136.34 Student activities, fees charged
 136.35 Special revenue fund
 136.36 Allocation of receipts
 136.37 Administration
 136.38 Contracts of board, performance compelled
 136.41 Revenue bonds, issuance
 136.42 May apply to federal housing and home finance company for loan
 136.43 National defense education act of 1958; agreement with federal commissioner of education
 136.44 Acceptance of federal grant; use of grant
 136.45 Rules and regulations
 136.46 Acceptance of money from private sources; use
 136.47 Deposits; investments
 136.48 Available money
 136.49 Application for federal loans on behalf of state
 136.50 Eligibility for student loans

136.01 DESIGNATION. The six educational institutions in this state heretofore designated as state normal schools shall hereafter be designated as state colleges as follows: The "Winona State College," the "Mankato State College," the "St. Cloud State College," the "Duluth State College," the "Moorhead State College," the "Bemidji State College," respectively.

[1921 c 260 s 1; 1957 c 576 s 1] (3064)

NOTE: See section 137.13

136.015 STATE TEACHERS COLLEGES, REDESIGNATED STATE COLLEGES. Educational institutions heretofore known and described as state teachers colleges as designated in Minnesota Statutes, Section 136.01, are redesignated as state colleges.

[1957 c 576 s 1]

136.02 STATE COLLEGE BOARD. The board heretofore in charge of the state normal schools and referred to in the statutes as the normal school board and sometimes as the state normal school board shall hereafter be designated as the state college board, with the same powers and duties as heretofore, with the additions provided in section 136.09.

[1921 c 260 s 2; 1957 c 576 s 1, 2] (3065)

136.03 MANAGEMENT OF STATE COLLEGES. The state colleges shall be under the management, jurisdiction, and control of the state college board; and it shall have and possess all of the powers, jurisdiction, and authority, and shall perform all of the duties by them possessed and performed on and prior to April 1, 1901, except as hereinafter stated.

[1905 c 119 s 1; 1957 c 576 s 1, 2] (3140)

136.035 [Obsolete]

136.036 IN-SERVICE EDUCATION. Subdivision 1. **In-service defined.** As used in this section, the term "in-service education" means all types of education designed to improve the qualifications of teachers at the time that they are employed in teaching and during their summer vacations. The expression is used in contrast with "pre-service education" designed for the education of prospective teachers.

Subd. 2. **Provide for county superintendents and teachers.** The state college board is granted authority to provide in-service education, on or off-campus, for county superintendents and teachers in rural, village or city schools.

Subd. 3. **Credits recognized and evaluated.** Credits earned by the students in such in-service education may be recognized and evaluated in terms of the curriculum in which the student is enrolled.

Subd. 4. **Tuition.** The state college board may fix tuition for such instruction.

Subd. 5. [Repealed, 1951 c 41 s 1]

[1947 c 429 s 1-5; 1949 c 274 s 1-5; 1951 c 41 s 1; 1957 c 576 s 1, 2]

136.045 GENERAL ADULT EDUCATION. Any state college may establish and conduct a program of general adult education. The college shall fix the fees to be paid by the adults enrolled in the program. The fees collected shall be retained by each state college to be administered under the direction of the presidents of the respective colleges subject to audit of the public examiner. The money collected in fees is not subject to laws requiring budgeting, allotment, encumbrance, and deposit with the state treasurer as provided in Minnesota Statutes, Chapter 16.

[1957 c 600 s 1]

136.06 EXPENSES, PAYMENT. No member of the state college board and no person in its employ shall be paid for any expense incurred unless it shall appear that the expense was duly authorized by the executive committee or the president of the board and an itemized, verified account of the same, accompanied by sub-vouchers where sub-vouchers are practicable, is furnished by the claimant and filed with the state auditor for his written audit. Such verification shall state that the expense bill is just and correct and for money actually and necessarily paid or to be paid for the purposes therein stated. If the expense is to be incurred in visiting another state, then, before the visit is authorized or undertaken, the executive committee or president must certify in writing the purpose of the visit, the necessity existing for the same, and the maximum expense to be incurred therefor, which certificate must be presented to the governor for his approval. If he does not approve the same, the visit shall not be undertaken. If the above provisions are complied with, the state auditor shall pay such expense account in the same manner as monthly expenses and salaries are paid under the provisions of sections 136.03 to 136.08.

[1905 c 119 s 5; 1957 c 576 s 1, 2] (3144)

136.07 EXCEEDING APPROPRIATIONS; PENALTY. It shall be unlawful for the state college board to permit any expenditures for any purpose in excess of the amount appropriated or contemplated by law and any member or agent of the board violating this provision shall be deemed guilty of a gross misdemeanor; and, upon conviction thereof, fined not less than \$100, nor more than \$1,000, or be imprisoned in the county jail for not less than six months, or by both a fine and imprisonment.

[1905 c 119 s 6; 1957 c 576 s 1, 2] (3145)

136.08 [Superseded by 1925 c 426; 1939 c 431]

136.09 DEGREES. The state college board shall have authority to award appropriate degrees to persons who complete the prescribed four-year curriculum of studies and the five-year curriculum in teacher education in the state colleges.

[1921 c 260 s 3; 1953 c 428 s 1; 1957 c 576 s 1, 2] (3066)

136.10 MODEL SCHOOLS. The state college board may organize model schools in connection with each state college for illustrating methods of teaching and school government only.

[R L s 1437; 1957 c 576 s 1, 2] (3068)

136.11 TUITION; FEES; ACTIVITIES FUNDS. Subdivision 1. **Tuition.** There shall be a charge for tuition to students in state colleges. The board shall fix rates of tuition for the various instructional programs.

Nonresident students shall pay an additional tuition fee to be determined by the board. Resident status shall be determined at the time of each registration according to the permanent residence of the student's parents or guardian for minor students and according to the permanent residence of the student if he is of legal voting age.

Any student who registers for a term of instruction later than the stipulated date for such registration may be charged a late registration fee according to the rules to be established by the board.

Subd. 2. Fees chargeable. In addition thereto student activity fees shall be charged at the state colleges not to exceed \$15 per quarter, and in the model schools, not to exceed \$5 per quarter.

Subd. 3. [Repealed, 1945 c 394 s 4]

Subd. 3. College activity fund. The state college board shall establish in each college a fund to be known as the college activity fund. The purpose of this fund shall be to provide for the administration of college activities designed for student recreational, social, welfare, and educational pursuits supplemental to the regular

curricular offerings. The college activity fund shall encompass accounts for student activities, authorized college agencies, authorized auxiliary enterprises, and student loans, and in addition such other accounts as the board may prescribe.

Subd. 4. Student activities. Student activities as the term is used in Laws 1943, Chapter 611, means lecture courses, concerts, and other functions contributing to the mental, moral and cultural development of the student body and community in which they live, athletic activities, including intercollegiate contests, forensics, dramatics and such other activities of any nature as in the opinion of the state college board contribute to the educational, cultural, or physical well being of the student body.

Subd. 5. Administration of activity fund moneys. All college activity fund moneys collected shall be retained by the president of each state college to be administered under the rules of the state college board by the presidents of the respective colleges subject to audit of the public examiner. Moneys collected for the college activity fund are not subject to laws requiring budgeting, allotment, encumbrance, and deposit with the state treasurer provided in Minnesota Statutes, Chapter 16.

Subd. 6. Student union fees. The state college board may charge students in any state college a fee of not to exceed five dollars per school quarter for the purpose of acquiring, constructing, completing, remodeling, or equipping a student union at the college where the fee is collected, and for the purpose of providing for principal and interest and reserve requirements of revenue bonds issued by said board, in the event that such union is financed in whole or in part from the proceeds of any such bonds. The foregoing limitation on the amount of such fee is not intended to affect the obligation of the board under section 136.34 to establish fees and charges for student activities and student facilities sufficient at all times to meet bond principal and interest and reserve requirements. All student union fees shall be deposited in a student union subaccount of the capital expenditures account in the college board of the state of Minnesota revenue fund created by Minnesota Statutes, Section 136.35, and shall be used, with any private or public funds which are otherwise made available, solely for the payment of capital costs of a student union at the college where the fee is collected; except that if any part of the funds required for said purpose is provided from the proceeds of bonds issued by the board, then, from and after the issuance of such bonds, said fees shall be deposited in the maintenance and operation account of said revenue fund and applied, with revenues derived from the operation of the union and other facilities financed by bonds, to the payment of the costs of operation and maintenance of such facilities and the principal and interest on said bonds, in accordance with the board's resolutions authorizing such bonds. The state college board may accept gifts or donations made to any student union subaccount, and is authorized to comply with any terms and conditions upon which such gifts or donations are made. All moneys deposited in a student union subaccount pursuant to this subdivision are hereby appropriated to the board for the purposes for which received.

[*R L s 1438; 1933 c 294 s 1; 1943 c 611 s 1; 1945 c 394 s 1-4; 1949 c 720 s 1; 1953 c 599 s 1; 1957 c 576 s 1, 2; 1959 c 416 s 1-3; 1961 c 460 s 1*] (3069)

136.12 EDUCATIONAL MANAGEMENT. The educational management of the state colleges is vested in a board of eight directors who, with the commissioner of education, shall constitute the state college board. Such directors shall be appointed by the governor, subject to confirmation by the senate, for a term of four years. The governor shall in like manner fill for the unexpired term all vacancies in the board. There shall be one director resident in each county in which a state college is located and no two shall be residents of the same county.

[*R L s 1439; 1957 c 576 s 1, 2*] (3070)

136.13 ANNUAL MEETING; OFFICERS. The annual meeting of the state college board shall be held on the second Monday in May. At such meeting it shall choose by ballot a president, whose term of office shall be for two years and until his successor qualifies. In case of vacancy, the governor shall appoint one of the directors president until the next annual meeting and until his successor qualifies. The commissioner of education shall be secretary of the board.

[*R L s 1440; 1945 c 367 s 1; 1957 c 576 s 1, 2*] (3071)

136.14 DUTIES OF BOARD. The state college board shall have the educational management, supervision, and control of the state colleges and of all property appertaining thereto. It shall appoint all presidents, teachers, and other necessary employees therein and fix their salaries. It shall prescribe courses of study,

conditions of admission, prepare and confer diplomas, report graduates of the state college department, and adopt suitable rules and regulations for the colleges. It shall, as a whole or by committee, visit and thoroughly inspect the grounds, buildings, modes of instruction, discipline, and management of each college at least once in each year. It shall report to the governor, on or before December 1 in each even-numbered year, the condition, wants, and prospects of each college with recommendations for its improvement.

[*R L s 1441; 1913 c 436 s 1; 1957 c 576 s 1, 2*] (3072)

NOTE: Regulation of traffic and parking, see section 169.966.

136.141 WORKSHOP COURSES. The state college board is granted authority, in its discretion, to provide refresher and professional workshop courses for teachers in rural, village or city schools in areas contiguous to where such colleges are maintained for instruction of persons to whom the regular instruction now afforded by the colleges is unavailable. Courses of instruction may also be given in cooperation with agencies of the federal government in the interest of national defense.

Credits earned by the students in such courses may be recognized and considered by the state college board.

Tuition shall be fixed by the state college board for such instruction, taking into account the expense to the state in the particular class of course.

[*1943 c 519; 1957 c 576 s 1, 2*]

136.142 GIFTS, BEQUESTS, ETC. Subdivision 1. The state college board may receive and accept on behalf of the state and for the benefit of any state college any gift, bequest, devise, or endowment in the form of cash which any person, firm, corporation, or association may make to the board by will, deed, gift, or otherwise for the purpose of providing moneys for any aspect of the college activity funds. The state college board may use any moneys heretofore given it or any of the colleges under its jurisdiction by any person, firm, corporation, or association by will, deed, gift, devise, or endowment for the purpose of providing moneys for any aspect of the college activity funds, provided that such use of such moneys is not inconsistent with the terms and conditions under which the money was received by the board or a college under its jurisdiction. Moneys heretofore or hereafter so received are hereby appropriated to the board for the purposes stated. All other moneys deposited in the college activity funds are hereby appropriated to the board for use in the respective colleges where collected.

Subd. 2. The state college board shall provide by rule and regulation, in accordance with provisions of Minnesota Statutes, Chapter 118, for the deposit of all moneys received or referred to under the terms of this section. Whenever the board shall by resolution determine that there are moneys in the college activity funds not currently needed, the board may in and by such resolution authorize and direct the president of the college to invest a specified amount thereof in such securities as are duly authorized as legal investments for savings banks and trust companies. Securities so purchased shall be deposited and held for the board by any bank or trust company authorized to do a banking business in this state.

[*1959 c 416 s 4*]

136.143 COOPERATION WITH OTHERS IN PROMOTION OF COLLEGE. The state college board may cooperate by contractual arrangement or otherwise with responsible persons, firms, corporations, associations, or governmental agencies to promote short courses, research, and such other programs and activities in the state colleges as in the judgment of the board contribute to the development of the state colleges and the welfare of their students.

[*1959 c 416 s 5*]

136.144 PROMOTION OF COLLEGE; ACCEPTANCE OF GIFTS, ETC. The board may receive and accept on behalf of the state and for the state colleges any gift, bequest, devise, endowment, or grant in the form of cash which any person, firm, corporation, association, or governmental agency may make to the board by will, deed, gift, or otherwise to carry out the purposes of section 136.143. Unless otherwise so expressed in the terms of the gift, bequest, devise, endowment, or grant, moneys so received are not subject to the laws requiring budgeting, allotment, and encumbrance as provided in Minnesota Statutes, Chapter 16, or otherwise. Such moneys shall be deposited in the state treasury and are hereby appropriated to the board for use in accordance with this section.

[*1959 c 416 s 6*]

136.145 MODEL SCHOOL; INJURIES TO SCHOOL CHILDREN, HOSPITAL AND MEDICAL BENEFITS. The state college board may enter into a contract providing for the payment of cash benefits or the rendering or payment of hospital and medical benefits, or both, to school children injured while participating in the athletic or supervised physical activities of the model school of any state college, such contract to make the payment of such benefits or the rendering thereof the direct and sole obligation of the association or company entering into such contract with the board.

If the board deems it advisable, it may authorize employees to collect fees from the pupils enrolled in the model school who are to be or are covered by such contract, and to make payment of the premium or other charge for such contract or protection, providing payment of such premium or other charge shall not be made from funds received from the federal government or from the state nor from funds derived by the issuance of bonds.

The payment of any fees, premium, or other charge by such child shall not thereby make the board liable for any injuries incurred from such athletic or supervised physical model school activities.

[1959 c 416 s 7]

136.15 REPORT TO COMMISSIONER OF EDUCATION. The president of each state college shall make an annual written report to the commissioner of education on or before September 1, covering the term year of his school, and setting forth its general statistics, enrollment in each department and in each class of the college department, average attendance, the number graduating within the year, the number of teachers, the departments of each, and the general condition of its buildings, library, and apparatus, the number and names of all graduates then engaged in teaching, as far as known to him and the district or county in which each is teaching, and such other matters and suggestions as he may deem of interest to the public or conducive to the good of the college.

[R L s 1442; 1957 c 576 s 1, 2] (3077)

136.16 COMPENSATION OF BOARD. The directors shall be reimbursed for their actual expenses while engaged in duty for the state colleges out of the current funds belonging to such colleges.

[R. L. s. 1443] (3078)

136.17 SUMMER SESSIONS AT COLLEGES. There shall be held at each college in this state a summer session of 12 weeks under the direction of the state college board. These summer sessions shall be a part of and in all respects be the same as the session now provided for by law. The provisions for attendance at these summer sessions shall be the same as those now in force and the arrangements of the terms in the school year shall be such as to most fully serve the welfare of rural schools. The board may in its discretion and when the interests of the state may be best subserved thereby direct that a shorter session than 12 weeks be held at any state college.

[1907 c 164 s 1; 1909 c 112 s 1; 1957 c 576 s 1, 2] (3079)

136.171 RECEIPTS FROM SUMMER SESSIONS AND OFF-CAMPUS COURSES. All receipts received by the state as a result of or because of conducting of summer sessions and off-campus courses during such summer sessions at the state colleges are hereby reappropriated to the respective colleges receiving such moneys and shall be credited on the books of the state auditor to be available during the fiscal year beginning July 1 during such summer session.

[1949 c 518 s 1; 1957 c 576 s 1, 2]

136.18 INSTRUCTION TO VETERANS. Subdivision 1. **Compensation.** The state college board is authorized to contract with the government of the United States to furnish to veterans who have heretofore served or shall hereafter serve in the armed forces of the United States any instruction or service which is available at a state college to any other person who shall pay the tuition fees and other charges prescribed by law. The reasonable compensation to be paid by the United States to the state therefor shall be determined by the board, taking into consideration the service and things to be furnished by the state and that the designation of the persons to be so instructed and trained is to be determined by the United States government.

Subd. 2. **Qualification of applicant.** The board shall reserve the right to determine that a person designated by the United States to receive such training and instruction is unfit therefor, if such is the judgment of persons charged with such

determination for the state, in which case the state college board may refuse to receive such person for instruction.

[1945 c 251; 1957 c 576 s 1, 2]

136.19 EXAMINATIONS, TESTS, AND OCCUPATIONAL DIAGNOSES COVERING VETERANS. Subdivision 1. **Service to federal authorities.** The state college board is hereby authorized to contract in the name of the state with the government of the United States whereby the services of the staffs of any or all of the state colleges and their equipment shall be made available to the end that the state through such colleges shall furnish to the government of the United States examinations, tests and occupational diagnoses and reports covering veterans who heretofore served or who hereafter shall serve in the armed forces of the United States.

Subd. 2. **Meals and lodging included.** It is intended by this section that such board may contract to and may furnish meals and lodgings to such persons who undergo such tests and examinations.

Subd. 3. **Board to fix charges.** The state college board shall determine the sum which shall be paid to the state for such services which shall be not less than \$15 and not to exceed \$20 for each person to be examined and reported, and in addition thereto the board shall fix the charges for such meals and lodging to be furnished at a rate of not less than \$3.25 and not more than \$4 per day.

Subd. 4. **Medical care.** The board may contract further to furnish medical care and treatment for such veterans while undergoing such examination for which it shall charge the actual disbursements which it shall make on account thereof, plus a reasonable sum to cover accounting and such other overhead expense as it shall incur.

Subd. 5. **Fees reappropriated.** The state college board shall collect all sums due the state under contracts made by authority of this section and account therefor as for other moneys collected; but all proceeds of such contracts collected are hereby re-appropriated to the college board for use in carrying on the program herein authorized.

[1945 c 398 s 1-5; 1957 c 576 s 1, 2]

136.20 BOOK STORE. The state college board may allocate space in a college building and permit a person or corporation to conduct a book store therein without rent during the pleasure of the board upon such conditions as may be imposed by the board.

[1949 c 517 s 1; 1957 c 576 s 1, 2]

136.21 EXCHANGE TEACHERS. Subdivision 1. The state college board shall have authority to assign a member of its professional staff to teach in another institution of education beyond the borders of the state of Minnesota; when so assigned, the staff member is an exchange teacher.

Subd. 2. The state college board is authorized to assign a teacher for service in another institution of education beyond the borders of the state of Minnesota in exchange for services of a teacher with qualifications acceptable to the state college board.

Subd. 3. The exchange teacher shall retain all rights under contract with the state college board as though teaching in a Minnesota state college.

[1953 c 597 s 1-3; 1957 c 576 s 1, 2]

136.22 CLASSES ON HOLIDAYS. The state college board is hereby authorized to conduct classes in the several state colleges on either or any of the following holidays: Lincoln's Birthday, Washington's Birthday, Columbus Day, and Veterans Day, provided that when classes are held on Washington's Birthday, Lincoln's Birthday, or Veterans Day, that at least one hour of the school day be devoted to a patriotic observance of that day.

[1953 c 598 s 1; 1957 c 576 s 1, 2]

136.31 STATE COLLEGE BOARD, DUTIES. Subdivision 1. All references in sections 136.31-136.38 to The College Board of the State of Minnesota shall be deemed and construed to include any successor thereof created or established by law. The College Board of the State of Minnesota is hereby authorized to do the following, provided that no obligations shall be incurred, contracts made, or bonds issued unless prior approval of the proposed building or buildings or other facilities and the method of retirement of the bonds has been obtained from the legislature:

(a) acquire by purchase or otherwise, construct, complete, remodel, equip, operate, control, and manage residence halls, dormitories, dining halls, student

union buildings and any other similar revenue-producing buildings of such type and character as said board shall from time to time find a necessity therefor exists and as may be required for the good and benefit of any of the State Colleges under the jurisdiction of said board, and for that purpose may acquire property of any and every kind and description, whether real, personal or mixed, by gift, purchase or otherwise;

(b) maintain and operate any such buildings or structures and to charge for the use thereof, and carry on such activities, as are commonly conducted in connection with any such buildings or structures;

(c) enter into contracts touching in any manner or any matter within the objects and purposes of sections 136.31 to 136.38;

(d) acquire building sites and buildings or structures by gift, purchase or otherwise and to pledge the revenues thereof for the payment of any bonds issued for such purpose as provided in sections 136.31 to 136.38;

(e) borrow money and issue and sell bonds in such amount or amounts as said board may determine for the purpose of acquiring, constructing, completing, remodeling, or equipping any such buildings or structures, and acquiring sites therefor, and to refund and refinance the same from time to time as often as it should be advantageous to the public interest so to do. All such bonds shall bear interest at not more than 5 percent per annum and may be sold by said board in such manner as they may deem best in the public interest; provided that no issue of such bonds shall be sold at such price that the interest costs of the proceeds therefrom will exceed 5 percent per annum based on the average maturity of the bonds of such issue and computed according to standard tables of bond values. Such bonds shall be payable solely from and secured by an irrevocable pledge of the revenues to be derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of such bonds and in addition thereto from such other income and revenues described in section 136.33, clause (a) as said board by resolution shall specify, and notwithstanding this limitation all bonds issued hereunder shall have the qualities of negotiable instruments under the laws of this state.

Subd. 2. Such bonds may bear such date or dates and may mature serially at such time or times not exceeding 40 years from their date or dates, may be in such form, carry such registration privileges, may be payable at such place or places, may be subject to such terms of redemption prior to maturity with or without premium, may be delivered to the purchasers at such times and places, and may contain such terms and covenants, not inconsistent with Laws 1957, Chapter 603, all as may be provided by resolution of said board authorizing the issuance of such bonds.

Subd. 3. Such bonds shall be executed by such officers of said board as shall be designated by said board and countersigned by the treasurer of the board who shall be an officer duly elected by the board; provided that at least one of such officers shall sign each bond manually and the other signatures or countersignatures thereon and on the interest coupons may be printed, lithographed, stamped or engraved thereon. Any bonds bearing the signature of officers in office at the date of signing thereof shall be valid and binding for all purposes, notwithstanding that before delivery thereof any or all such persons whose signatures appear thereon shall have ceased to be such officers, or that any or all such persons did not hold such offices at the date of such bonds.

Subd. 4. Each such bond shall state upon its face that it is payable solely from and secured by an irrevocable pledge of the revenues derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of the sale of said bonds and from such other income and revenues described in section 136.33 clause (a) as specified in the resolution providing for its issue, and that it does not constitute a debt or obligation of the State of Minnesota within the meaning or application of any constitutional or statutory limitation or provision. Such bonds will be registered by the state auditor in a bond register to be kept for that purpose wherein shall be entered the amount and purpose of issue, the maturity and rate of interest, and the name of the original purchaser.

Subd. 5. Whenever the board shall by resolution determine that there are moneys in the possession of its treasurer not currently needed, or which are set aside in any reserve, the board may in and by such resolution authorize and direct the treasurer to invest a specified amount thereof in treasury bonds or bills, certifi-

cates of indebtedness, bonds or notes of the United States of America, all of which must mature not later than three years from the date of purchase: Securities so purchased shall be deposited with and held for the board by the state treasurer. Whenever funds so invested are needed by the board it shall direct the state treasurer to sell the same or a designated amount thereof. All moneys collected thereon by the state treasurer, as principal, interest, or proceeds of sales, shall be remitted by him to the treasurer of the board, and shall be credited to and constitute a part of the fund and account for which the investment was made.

[1955 c 715 s 1; 1957 c 603 s 1; 1957 c 576 s 1, 2]

NOTE: Regulation of traffic and parking, see section 169.966.

136.32 BONDS, INVESTMENTS. The state, including the state board of investment, and all counties, cities, villages, incorporated towns and other municipal corporations, political subdivisions and political bodies, and public officers of any thereof, all banks, bankers, trust companies, savings banks, and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds issued pursuant to sections 136.31 to 136.38, it being the purpose of this section to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that nothing contained in this section may be construed as relieving any person, firm or corporation from any duty of exercising due care in selecting securities for purchase or investment. Such bonds are hereby constituted "authorized securities" within the meaning and for the purposes of Minnesota Statutes, section 50.14, notwithstanding the restrictions in part (c) of subdivision 4 thereof. All bonds issued under sections 136.31-136.38 shall be exempt from all taxation. Interest paid on such bonds shall not be included in gross income for the purpose of computing any tax imposed by or under any provisions of Minnesota Statutes, chapter 290, or any act amendatory thereof or supplemental thereto.

[1955 c 715 s 2; 1957 c 603 s 2]

136.33 RESOLUTION OF BOARD. Upon the determination by said college board or its successor to acquire, construct, complete, remodel, or equip any student residence halls, dormitories, dining halls, student union buildings, or other similar revenue-producing building or buildings, said board or its successor shall adopt a resolution describing generally the contemplated project, the estimated cost thereof, including legal, engineering and financial expenses and interest on the bonds during the period of constructing the project and for six months thereafter, fixing the amount of bonds, the maturity or maturities, the interest rate, and all details in respect thereof. Such resolution shall contain such covenants as may be determined by said board or its successor as to:

(a) the pledging of all or any portion of the proceeds of any fees imposed upon students for student activities, student facilities, or for other purposes, and the net revenues from other buildings or facilities heretofore or hereafter constructed or acquired at any college under the jurisdiction of said board as additional security for the payment of said bonds;

(b) the regulation as to the use of such buildings or structures to assure the maximum use or occupancy thereof;

(c) the amount and kind of insurance to be carried, including use and occupancy insurance, the cost of which shall be payable only from the revenues to be derived from such buildings or structures;

(d) the operation, maintenance, management, accounting and auditing, and the keeping of records, reports and audits of such buildings or structures;

(e) the obligation of said board or its successor to maintain such buildings or structures in good condition and to operate the same in an economical and efficient manner;

(f) the amendment or modification of the resolution authorizing the issuance of any bonds hereunder, and the manner, terms and conditions, and the amount or percentage of assenting bonds necessary to effectuate such amendment or modification;

(g) such other covenants as may be deemed necessary or desirable to assure the prompt and punctual payment of all bonds issued under sections 136.31-136.38.

[1955 c 715 s 3; 1957 c 576 s 1, 2]

136.34 STUDENT ACTIVITIES, FEES CHARGED. Whenever bonds are issued as provided in sections 136.31-136.38, it shall be the duty of said board to establish charges or fees, including without limitation fees for student activities and fees for student facilities, for the use of any buildings or structures sufficient at all times to pay the principal of and interest on such bonds and to create and maintain suitable reserves therefor and the necessary expenses of the operation and maintenance thereof; and all revenues derived from the operation thereof shall be set aside in a separate fund and accounts as hereinafter provided and shall be irrevocably pledged for and used only in paying the principal of and interest upon the bonds issued for the purpose or purposes set forth and described in the resolution authorizing the issuance of said bonds, and the necessary expenses of the operation and maintenance thereof; and such charges and fees shall be sufficient at all times for such purposes.

[1955 c 715 s 4; 1957 c 608 s 3]

136.35 SPECIAL REVENUE FUND. The gross total income derived from the sale of bonds, and receipts and income derived from charges or fees, rentals, and all other revenue established for the use and service of any such buildings or structures shall, within three days after receipt thereof, be paid to the treasurer of the board and held by him as a special fund known as, "The College Board of the State of Minnesota, Revenue Fund." The treasurer shall be custodian of such special fund, which fund shall be held and disbursed for the purposes provided in sections 136.31-136.38. The said special fund shall be protected by a corporate surety bond executed by the treasurer of the board with a surety authorized to do business under the laws of the State of Minnesota. The amount of such bond shall be fixed by resolution of said college board or its successor and may be increased or diminished at any time. The premiums of such bonds shall be payable from "The College Board of the State of Minnesota Revenue Fund" and charged as an item of maintenance expense.

A certified copy of each resolution providing for the issuance of bonds under sections 136.31 to 136.38 shall be filed with the treasurer of the board, and it shall be the duty of said treasurer to keep and maintain separate accounts in said special fund for each bond issue in accordance with the covenants and the directions set out in the resolution providing for the issuance of said bonds and to disburse funds from the proper account for the payment of the principal of and interest on the bonds in accordance with the directions and covenants of said resolution authorizing the issue thereof. All disbursements for maintenance and operation costs shall be made from the proper maintenance and operation account upon order of said board or its successor in accordance with the covenants set out in the resolution authorizing the issuance of bonds. All disbursements for construction costs shall be made from a separate account in said special fund upon order of said board or its successor in accordance with the covenants set out in the resolution authorizing said bonds.

[1955 c 715 s 5; 1957 c 576 s 1, 2]

136.36 ALLOCATION OF RECEIPTS. All moneys now or hereafter in the College Board of The State of Minnesota Revenue Fund and all income from the operation of such dormitories, cafeterias and student facilities are hereby appropriated first to the payment of expenses of the operation of dormitories, cafeterias and other student facilities from which the revenues so appropriated are derived and second to the payment of the obligations herein authorized.

[1955 c 715 s 6; 1957 c 576 s 1, 2; 1957 c 608 s 4]

136.37 ADMINISTRATION. The administration of sections 136.31 to 136.38 shall be under the state college board independent of other authority and notwithstanding Minnesota Statutes, Chapter 16.

[1955 c 715 s 7; 1957 c 576 s 1, 2]

136.38 CONTRACTS OF BOARD, PERFORMANCE COMPELLED. The provisions of sections 136.31 to 136.38 and of any resolution or other proceedings authorizing the issuance of bonds shall constitute a contract with the holders of such bonds and the provisions thereof shall be enforceable either in law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction to enforce or compel the performance of any duties required by sections 136.31 to 136.38 and any resolution authorizing the issuance of bonds adopted

responsive hereto, including the establishment of sufficient charges or fees for use of any such buildings or structures and the application of the income and revenue thereof; and it shall be the duty of said college board or its successor upon the issuance of any bonds under the provisions of sections 136.31 to 136.38 to establish by resolution from time to time the fees or charges to be made for the use of any such buildings or structures, which fees or charges shall be adjusted from time to time in order to always provide sufficient income for payment of the principal of and interest on such bonds issued as provided for in sections 136.31 to 136.38, and for the necessary expenses of operation and maintenance.

If the existing college board of the State of Minnesota is abolished, all contracts made by said board and all things done or actions taken by said board under sections 136.31 to 136.38 shall be deemed to be contracts of, actions taken and things done by its successor and such successor shall be bound by all such contracts, actions taken and things done by said board and such successor shall be subject to all the obligations and duties of said board under sections 136.31 to 136.38.

[1955 c 715 s 8; 1957 c 576 s 1, 2]

136.41 REVENUE BONDS, ISSUANCE. Subdivision 1. The state college board of the state of Minnesota or any successor thereof created or established by law, is hereby authorized to issue revenue bonds under and pursuant to and in accordance with sections 136.31 to 136.38, and acts amendatory thereof and supplemental thereto, and payable solely from the revenue appropriated thereto by said law, in an aggregate principal amount not exceeding \$9,800,000 and to use the proceeds of their sale (a) to redeem and refund all outstanding revenue bonds theretofore issued by said board under said sections and (b) for acquiring, constructing, completing, remodeling or equipping structures to be used for dormitory, residence hall, or food service purposes at the Mankato, St. Cloud, Winona, Moorhead, and Bemidji colleges, including acquisition of any sites needed therefor.

Subd. 2. Such board or successor is authorized to issue additional revenue bonds under the law mentioned in subdivision 1, and payable solely from the revenue appropriated thereto by said law, in an aggregate principal amount not exceeding \$6,000,000, and to use the proceeds of their sale for acquiring, constructing, completing, remodeling, or equipping structures to be used for dormitory, residence hall, or food service purposes at any of the state colleges, including acquisition of any sites needed therefor.

[1957 c 576 s 1, 2; 1957 c 604 s 1; 1959 c 413 s 1]

136.42 MAY APPLY TO FEDERAL HOUSING AND HOME FINANCE COMPANY FOR LOAN. The state college board of the State of Minnesota, or any successor thereof created or established by law, is hereby authorized to apply to the federal housing and home finance agency for a loan or loans aggregating not to exceed \$3,000,000 in principal amount for the purpose of acquiring, constructing, completing, remodeling or equipping revenue-producing buildings, structures or facilities, or sites therefor, to be used for dining halls, food service, student unions, or related revenue-producing facilities at the Mankato, St. Cloud, Winona, Moorhead, and Bemidji Colleges, or any of them, such bonds, when and if issued, to be issued under and in accordance with sections 136.31-136.38 and acts amendatory thereof and supplemental thereto, and to be payable solely from the income and revenues appropriated thereto by said law and as specified in the resolutions authorizing such bonds. Bonds authorized by this section are in addition to the \$9,800,000 authorized by section 136.41, but no bonds shall be issued for the purposes specified in this section until further approval and authorization thereof shall have been obtained from the legislature.

[1957 c 576 s 1, 2; 1957 c 604 s 2]

136.43 NATIONAL DEFENSE EDUCATION ACT OF 1958; AGREEMENT WITH FEDERAL COMMISSIONER OF EDUCATION. The state college board is hereby authorized to enter into agreements with the United States commissioner of education pursuant to Title II of Public Law 85-864, 85th Congress, entitled the national defense education act of 1958, in order to provide the benefits of Title II of Public Law 85-864 at Bemidji state college, Mankato state college, Moorhead state college, St. Cloud state college, and Winona state college. Provisions of these agreements shall

(1) Provide for establishment of a special student loan account by each such institution;

(2) Provide for deposit in each such account of (A) the federal capital con-

tributions, (B) an amount, equal to not less than one-ninth of such federal capital contributions, contributed under section 136.46, (C) collections of principal and interest on student loans made from each such account, and (D) any other earnings of each such account;

(3) Provide that each such student loan account shall be used only for loans to students in accordance with such agreement, for capital distributions as provided in Title II of Public Law 85-864, and for costs of litigation arising in connection with the collection of any loan from each such account or interest on such loan;

(4) Provide that in the selection of students to receive loans from each such student loan account special consideration shall be given to (A) students with a superior academic background who express a desire to teach in elementary or secondary schools, and (B) students whose academic background indicates a superior capacity or preparation in science, mathematics, engineering, or modern foreign language; and

(5) Includes such other provisions as may be necessary to protect the financial interests of the United States and of the state of Minnesota and promote the purposes of Title II of Public Law 85-864 and as may be agreed to by the United States commissioner of education and the state college board acting in behalf of Bemidji state college, Mankato state college, Moorhead state college, St. Cloud state college, and Winona state college.

[1959 c 22 s 1]

136.44 ACCEPTANCE OF FEDERAL GRANT; USE OF GRANT. The treasurer of the state college board is authorized to accept any federal grant which will become available under provisions of Title II of Public Law 85-864 for use in the special student loan account in any of the Minnesota state colleges for which the grant is made. Any such federal grant is hereby appropriated to the state college board for use in the intended state college under terms of Title II of Public Law 85-864. The moneys of any such federal grant are not subject to any law requiring budget, allotment, encumbrance, and deposit with the state treasurer as provided in Minnesota Statutes, Chapter 16, or otherwise.

[1959 c 22 s 2]

136.45 RULES AND REGULATIONS. The state college board is hereby authorized and directed to establish rules and regulations for the conduct of the program contemplated by Title II of Public Law 85-864 which shall not be inconsistent with the provisions of Public Law 85-864.

[1959 c 22 s 3]

136.46 ACCEPTANCE OF MONEY FROM PRIVATE SOURCES; USE. The state college board may receive and accept on behalf of the state and for the benefit of the Bemidji state college, Mankato state college, Moorhead state college, St. Cloud state college, and Winona state college any gift, bequest, devise, or endowment which any person, firm, or corporation may make to the board by will, deed, gift, or otherwise for the purpose of providing moneys to meet the requirements of the federal act described in section 136.43 and any agreement made by the state college board with the United States commissioner of education pursuant thereto. The state college board may use any moneys heretofore given it or any of the colleges under its jurisdiction by any person, firm or corporation by will, deed, gift, devise, or endowment for the purpose of making student loans and meeting the requirements of the federal act described in section 136.43 and any agreement made pursuant thereto provided that such use of such moneys is not inconsistent with the terms and conditions under which the money was received by the board or a college under its jurisdiction. Moneys referred to in this section are not subject to the laws requiring budget, allotment, encumbrance, and deposit with the state treasurer as provided in Minnesota Statutes, Chapter 16, or otherwise. The moneys referred to in this section are appropriated to the board for the purposes stated.

[1959 c 22 s 4]

136.47 DEPOSITS; INVESTMENTS. The state college board shall deposit according to the provisions of Minnesota Statutes, Chapter 118, all moneys received or referred to under the terms of sections 136.43 to 136.50. Whenever the board shall by resolution determine that there are moneys in such student loan accounts not currently needed, the board may in and by such resolution authorize and direct the treasurer of the board to invest a specified amount thereof in such securities as are authorized for investment in Minnesota Statutes, Section 136.31, Subdivision

MINNESOTA STATUTES 1961

1377

STATE COLLEGES 136.50

5. Securities so purchased shall be deposited and held for the board by any bank or trust company authorized to do a banking business in this state.

[1959 c 22 s 5]

136.48 AVAILABLE MONEY. The only moneys other than federal moneys available to the state college board for the purposes of meeting the requirements of the federal act described in section 136.43 in any agreement made pursuant thereto are those moneys described in section 136.46.

[1959 c 22 s 6]

136.49 APPLICATION FOR FEDERAL LOANS ON BEHALF OF STATE. The state college board on behalf of the state and the state colleges under its jurisdiction, may apply for loans from the United States office of education for the purpose of providing, on a temporary basis, the share of the state colleges of the loan fund in accordance with the provisions of the federal act described in section 136.43. In applying for any loan, the state college board shall in no way whatsoever pledge the credit of the state of Minnesota for the repayment of such loans. It is intended by this section to the extent permissible under federal laws to borrow, if necessary, from the federal government the state share of funds necessary to enable the state college board and the colleges under its jurisdiction to participate in the student loan program established by the federal act described in section 136.43.

[1959 c 22 s 7]

136.50 ELIGIBILITY FOR STUDENT LOANS. Any person regardless of age eligible for admission to an institute of higher learning in the state of Minnesota and eligible to receive a loan pursuant to the terms of sections 136.43 to 136.50 and the federal act described in section 136.43 may execute a note or any other instrument of indebtedness agreeing to the repayment of the student loan. Any such note or instrument of indebtedness so executed is a valid legal obligation of the signer thereof notwithstanding the provisions of any other law indicating the contrary.

[1959 c 22 s 8]