

shall in the meantime have the same force and effect as the entry of a new certificate of title for the land described in said certificate of title.

Approved March 22, 1949.

CHAPTER 174—H. F. No. 570

[Not Coded]

An act relating to issuing bonds to retire unfunded indebtedness and providing additional levies to cover indebtedness in certain cities, villages or school districts, amending Laws 1943, Chapter 526, Section 2.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Laws 1943, Chapter 526, Section 2, is amended to read :

Sec. 2. Certain municipalities, issuance of bonds to retire unfunded indebtedness.

Subdivision 1. If any municipality, prior to January 1, 1943, (or, in the case of municipalities referred to in Subd. 2 of Section 1, hereof, prior to January 1 of the year preceding the adoption of the resolution referred to in said subdivision) has incurred by proper authority a valid, unfunded indebtedness in excess of its cash on hand not specifically set aside for the retirement of bonds and interest thereon, it may, for the purpose only of paying and discharging such indebtedness and interest thereon, issue its bonds in the manner now provided by law, except that such bonds may be issued by vote of the governing body without a vote of the electors. The purchasers of such bonds shall not be charged with notice of the invalidity of any indebtedness, and bonds issued hereunder, in the total amount of such indebtedness as determined by resolution of the governing body, in the hands of any purchaser, shall be valid obligations of the municipality notwithstanding any claim of invalidity of any indebtedness funded thereby. If any money received from taxes payable, or local income received, in 1943 (or, in the case of municipalities referred to in subdivision 2 of Section 1 hereof, in the year of the adoption of the resolution referred to in said subdivision) have been

used prior to the issuance of bonds authorized by this act for the retirement of indebtedness which could have been funded hereunder, the bonds issued hereunder may include the amount of such payments for the purpose of reimbursing the funds from which such moneys were paid.

Subd. 2. The governing body of any municipality issuing bonds hereunder shall, at the time of the issuance thereof, by resolution, provide for a levy or [of] taxes for the payment thereof, such levy to be in accordance with the provisions of Mason's Minnesota Statutes of 1927, Chapter 10. Levies for the payment of such bonds shall be within the limitations upon tax levies for the payment of funding bonds in the particular municipality issuing such bonds. In the case of cities or villages, such levies shall in no event exceed the limitations of Laws 1921, Chapter 417, as amended by Laws 1929, Chapter 206, but, insofar as they represent indebtedness existing on December 31, 1940, may be in excess of any specific limitations imposed by any amendments of such laws adopted subsequent to December 31, 1940, to the extent permitted by such amendments. In the case of school districts, such levies shall in no event exceed the limitations imposed by Laws 1921, Chapter 417, but, insofar as they represent indebtedness existing on December 31, 1940, may be in excess of any specific limitations imposed by any amendments of such law adopted subsequent to December 31, 1940, to the extent permitted by such amendments. *In the case of school districts having a population of less than 2750, bonds issued prior to December 31, 1943, may be paid by levies in excess of the limitations imposed by Laws 1941, Chapter 543.* In the case of towns, such levies shall in no event exceed the limitations of Laws 1927, Chapter 110, but may be in excess of any limitations imposed by any amendments of such law adopted subsequent to December 31, 1940. In all cases, the levies for such bonds shall be spread by the county auditor in full, and the levy of the municipality for other purposes shall be reduced, if necessary, so that the total amount levied for such municipality does not exceed said limitations.

Subd. 3. Such bonds may be issued and sold to the State of Minnesota pursuant to existing laws at the time of the issuance thereof, except as herein modified, or to private purchasers, or to both.

Approved March 22, 1949.