

CHAPTER 348—S. F. No. 918

[Not Coded]

An act to legalize proceedings in certain cities of the third class for the refunding of water works bonds.

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

Section 1. Validating Water Works Bonds in certain cities of the Third Class. In all cases where any city of the third class has outstanding waterworks bonds bearing interest at the rate of not less than five per cent per annum, which bonds will fall due during the year 1949, and the city has in its sinking fund United States Government bonds or other securities which are not due, and where the governing body has heretofore by resolution duly adopted determined that it is for the best interests of the city to issue and sell refunding bonds maturing in five and one-half years from the date thereof bearing interest at the rate of not more than two per cent per annum, payable semi-annually, in order to refund said waterworks bonds, and has appropriated and pledged said sinking fund of the outstanding waterworks bonds to the payment of said refunding bonds, and has pledged the full faith and credit of the city to the payment of said refunding bonds at maturity in event of any deficiency in said sinking fund, all such proceedings are hereby legalized and validated and such city is authorized to issue and sell such bonds at public sale and when issued, sold and delivered in accordance with said resolution such bonds shall be valid and binding general obligations of such city according to their terms.

Sec. 2. Remedial. It is expressly found and determined that this act is remedial in nature, being necessary to protect the financial credit of such cities and to permit the refunding of such indebtedness at a lower rate of interest and at an actual saving to such cities.

Sec. 3. Limitation. This act shall not apply to or affect any action or appeal now pending in which the validity of any such proceedings is called in question.

Approved April 9, 1949.