pensation in villages, townships and certain cities in counties having a population of more than 450,000 inhabitants and an assessed valuation, including monies and credits, of more than $450,000,000.00.

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

Section 1. **Compensation of assessors in certain counties.**—That in all towns, villages and cities other than cities of the first class and cities now or hereafter having home rule charters containing provisions in conflict with this Act which are situated in counties having a population of not less than 450,000 inhabitants and an assessed valuation, including monies and credits, of more than $450,000,000.00, the assessor and each deputy assessor of each such town, village and city, shall be entitled to compensation for each day's service necessarily rendered by him, the sum of Five dollars, not exceeding, however, 120 days in any one year, and mileage at the rate of Five cents per mile for each mile necessarily traveled by him in going to and returning from the County Seat of such county to attend any meeting of the assessors of such county which may be legally called by the Minnesota Tax Commission and also for each mile necessarily traveled by him in making his return of assessment to the proper officer of such county.

Sec. 2. **Time for performance of duties of assessors in certain counties.**—The duties of the assessor in towns, villages and cities affected by this Act shall be as now prescribed by law, and shall be performed between the first Monday in April and the last Monday in July of each year.

Sec. 3. **Inconsistent acts repealed.**—All acts and parts of acts inconsistent herewith are hereby superseded, modified, or amended so far as necessary to give effect to the provisions of this act.

Approved April 5, 1935.

CHAPTER 119—S. F. No. 116.

An act authorizing counties, cities, villages, boroughs, towns and school districts to effect agreements for adjustment of their indebtedness, with or without use of Sections 78, 79 and 80 of the act of Congress of July 1, 1898, as amended by the act approved May 24, 1934, being Public Number 251 of the 73rd Congress, 48 United States Statutes at Large 798, *and acts amendatory thereof or supplementary thereto, and relating to the issuance of bonds to fund and refund the indebtedness so adjusted.*

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

Section 1. **Funding and refunding bonds may be issued in certain cases.**—A municipality may issue bonds under the provisions of this act for the purpose of funding and refunding existing indebtedness at any time prior to May 24, 1938, provided that any plan which has been approved and accepted, in any proceeding taken under or by authority of this act, on or before said date may be consummated within a reasonable time thereafter. The terms "municipality" and "obligations" as used herein shall mean the same as defined in Section 1938-3 Mason's Minnesota Statutes. The term "governing body" as used herein shall refer to the board of county commissioners, board of supervisors, board of trustees, school board, or other body of the particular municipality exercising the administrative functions thereof.

Sec. 2. **Resolution to recite plan in detail.**—Any municipality may by resolution of the governing body propose or accept and adopt a plan of adjustment of its now existing indebtedness and provide therein for funding and refunding its obligations heretofore incurred or any part thereof. Such a resolution shall recite the plan in detail, containing such provisions, not inconsistent with this act, as shall be found to be for the best interests of the municipality, its creditors, and its taxpayers. The plan may contemplate the issuance of bonds to refund any or all of its outstanding obligations, including those not matured; and may provide that bonds be exchanged, in whole or in part, for such obligations with the consent of the holders thereof given voluntarily or obtained in proceedings authorized in Section 3 hereof, or may provide for the sale or exchange of bonds from time to time as needed to meet maturing obligations. Any such plan may provide for the issuance of one series of bonds or more than one series. The governing body may fix a time limit within which creditors may surrender obligations for payment or exchange and may thereafter extend such time if it is found beneficial to the municipality to do so. The plan may require the consent of any specified percentage or amount of the holders of the obligations included in such plan before it becomes effective, and may provide that it shall become effective only upon condition that plans adopted under this act by any other municipality or municipalities whose territorial limits overlap, in whole or in part, those of the particular municipality shall also become effective.

Sec. 3. **May file petitions—court approval.**—In connection with, or independently of, a plan proposed or adopted under this act and for the purpose of rendering effective the privileges and benefits of Sections 78, 79 and 80 of the Act of Congress of July 1, 1898, as amended by the Act approved May 24, 1934, being Public Number 251 of the 73rd Congress, 48 United States Statutes at Large 798, and acts amendatory thereof or supplementary thereto, municipalities are hereby authorized and empowered to avail themselves of the provision of said Act, and acts amendatory thereof or supplementary thereto, to file petitions and otherwise institute, conduct and carry out any and all proceedings provided for thereunder, including the payment, subject to approval by the court having jurisdiction, of any fees and expenses necessary to make use of said Act. Such proceedings may be instituted pursuant to a resolution of the governing body of the municipality without the necessity of any further action by the State of Minnesota.

Sec. 4. **Must list indebtedness.**—Such resolution must list, or refer to a document on file in the office of the recording officer which lists, all indebtedness proposed to be funded or refunded thereunder with sufficient detail to identify the obligations referred to, and, if the governing body so directs, the recording officer shall cause to be published in one issue of an official newspaper or other newspaper designated by the governing body a notice of the filing of such plan and list and a statement that notice is given pursuant to this section. The validity and enforcibility of any item of indebtedness so listed shall never be questioned in any action or proceeding unless the same shall be commenced prior to a date sixty days after the date of such publication. The failure to correctly describe any valid obligation shall not prevent the refunding of such obligation.

Sec. 5. **May sell funding or refunding bonds.**—Upon any plan becoming effective according to its provisions, the municipality may sell or exchange funding and refunding bonds. The bonds shall be issued upon authority of a resolution adopted by a majority vote of the governing body, without submitting the matter to a vote of the electors, and no such resolution or any proceedings respecting any such plan or any such bond issue shall be subject to referendum vote under any law or home rule charter provision. The bonds shall be in such form and shall be executed in such manner as the governing body may determine and shall bear interest at a rate or rates fixed by the governing body, not to exceed six per cent per annum, payable semi-annually. The annual interest rate on the bonds shall not exceed the annual rate on the indebtedness funded or refunded thereby. Each bond shall recite on its face that it is issued pursuant to this act. Bonds may be issued hereunder without regard to any limitation on net indebtedness. In event the debt refunded thereby shall be payable only from a special fund, such bonds shall be payable from such fund. All other bonds shall be general obligations of the municipality and the full faith, credit and unlimited taxing powers shall be pledged to their payment unless the plan and the terms of the bonds expressly provide otherwise.

The bonds of any series may mature serially. In such case, the first installment shall become due in not more than five years and the last installment in not more than thirty years from the date of issue; one *installment shall fall* due each year; and the largest installment shall not be more than five times the smallest preceding installment. Serial bonds may be made redeemable on any specified date or dates by appropriate provisions therein.

In the event that the bonds of any series do not mature serially, all such bonds must mature on a single date not more than thirty years after the date of issue, and shall be redeemable on any interest payment date at par and accrued interest, and the municipality shall agree to retire not less than a certain percentage of such bonds each year commencing not later than the fifth year. Said bonds may be retired by purchase or by redemption. At any time there is any money in the special fund for such series in excess of the amount required to pay interest during the next ensuing year, the governing body may cause pubished advertisement to be made for offers to surrender bonds, and may use such money to purchase bonds below par by accepting the offers deemed most favorable. Any money not so used prior to thirty days before the next ensuing interest payment date shall be used for redemption. At least thirty days before each interest payment date, the treasurer shall specially deposit in the bank or with the institution at which such bonds are payable any money then remaining in such fund in excess of said interest requirements sufficient to retire one or more bonds, together with a list of the serial numbers and denominations of the bonds of such series then outstanding and a list of the names and addresses of holders thereof in so far as they are known. *For such purpose, the recording officer shall keep a register* showing the names and addresses of the holders in so far as such information is furnished to him by the holders of any such bonds. Thereupon the paying agent shall determine by lot which of the outstanding bonds shall be redeemed. Notices of call for redemption shall be mailed to the holders thereof, if known, at the last known address. The bonds so called, with interest to the redemption date, shall be paid out of the money so specially deposited on presentation thereof with all unmatured coupons attached. The bonds called for redemption shall cease to bear interest on the redemption date, and the accrued interest thereon shall not be paid unless the bond with unmatured coupons shall be surrendered for payment. The municipality shall pay to the paying agent reasonable compensation for its services hereunder.

Sec. 6. **May be sold for cash or exchanged.**—Bonds may be sold for cash or may be exchanged for outstanding obligations or part sold and part exchanged, but none shall be sold or exchanged upon such terms that the interest costs of the proceeds will be more than six per cent per annum computed to the maturities of the bonds of the series according to standard tables of bond values now in general nationwide use by financial institutions and insurance companies. The officers may use the proceeds of bonds sold to purchase outstanding obligations, for the refunding of which such bonds were issued, at the best price obtainable, not exceeding par and accrued interest to date of purchase, or may use such proceeds to pay a certain percentage of all obligations surrendered for exchange and deliver bonds in exchange for the remainder of said bonds or indebtedness. Prior to or contemporaneously with the delivery of bonds, at least an equal par value of outstanding bonds or other indebtedness shall be surrendered and cancelled. In so far as any exchanges are made, the outstanding obligations shall be taken at not more than the face amount with accrued interest, and the bonds delivered shall be valued at not less than the face amount with accrued interest.

Sec. 7. **Tax levy to retire bonds.**—Prior to the issuance of bonds, the governing body shall cause a levy to be made upon all the taxable property in the municipality of a direct, annual, irrepealable tax for each series of general obligation bonds sufficient to pay the principal of and interest on the bonds of such series when due. The levy for each of the years during which the bonds shall be outstanding shall be separately stated. If the bonds are of serial maturities, the levy shall be at least in such amount that if collected before delinquency the proceeds, together with any other money appropriated to such fund, will be sufficient to meet the payment of principal and interest as the same become due. If the bonds are of a single maturity, the levy for the first three years must be sufficient to pay the interest, and thereafter each annual levy shall be not less than an amount such that levies in the same amount for each ensuing year would be sufficient to amortize and pay the full principal and interest of the bonds on or before maturity date. A certified copy of the tax levy resolution or ordinance shall be filed with the county auditor of the county in which the municipality is located prior to the delivery of the bonds, and the tax shall be carried into the tax roll of the municipality from year to year and collected as other taxes are collected. In the event that, after a certified copy of the levy is delivered to the county auditor, any part of the bonds shall not be issued or a part of the issued bonds shall be cancelled, the governing body may cancel a proportionate amount of the levy, but the amount of taxes remaining uncancelled shall not be less than the amount required to pay principal of and interest on the bonds issued and then remaining outstanding. The governing body shall create a special fund for each series of bonds and shall cause to be placed therein all proceeds of taxes levied on account thereof, together with the proceeds of taxes levied for the payment of bonds or other indebtedness funded or refunded thereby and any other money appropriated thereto. The special fund shall be used for no other purpose than to pay principal of and interest on the bonds of such series or to purchase the same as herein provided. If upon payment of all the bonds of any series any money remains in the special fund, the same may be transferred to the general fund. The foregoing provision shall not be construed as limiting the power of any municipality to levy taxes for the payment of the bonds and it shall be the duty of the proper officers to levy any and all taxes which may be necessary to pay or discharge principal and interest of all general obligation bonds issued hereunder regardless of any statutory or charter tax levy limitation. At the time of making the annual tax levy, the governing body shall determine the amount of taxes which will be collected during the ensuing year from property on which no taxes are then delinquent, and if such amount will not be sufficient to meet principal and interest requirements during said year an additional tax levy shall be made sufficient to make up such deficiency. Provided, that nothing herein shall authorize levies in excess of the limitations contained in Laws 1921, Chapter 417, as amended by Laws 1929, Chapter 206, or contained in Laws 1927, Chapter 110, except as excess levies are specifically authorized by such laws; provided, further, that nothing herein shall modify the requirements of any cash basis laws or cash basis charter provisions governing the manner of levying for bonded or floating indebtedness in cities, villages, towns or school districts, more than 60 per cent of the assessed valuation of which consists of mined or unmined iron ore.

Sec. 8. **Shall operate under budget.**—Any municipality issuing bonds hereunder shall thereafter operate under a budget as provided in Chapter 351, Laws of 1929 and amendments thereto, and all provisions of said act and amendments relating to the manner of making a budget, payment of claims, and levying taxes and imposing penalties for violation thereof, shall apply to municipalities issuing bonds hereunder.

Sec. 9. **Trustees or savings bank may enter into agreement.**—All corporate trustees and savings banks, sinking fund commissions of municipalities, and any other person, board, or body whose investments are regulated or restricted under any law of this state or any home rule charter adopted pursuant to Article IV, Section 36 of the Constitution of Minnesota, which may have any of the funds under its or their control invested in any obligations of any municipality or adopting a plan under this law, may, notwithstanding any provision of law regulating or restricting said investments, enter into such plan and accept funding or refunding bonds issued hereunder in exchange for said obligations.

Sec. 10. **State board of investment may purchase bonds.**—The State Board of Investment is authorized to purchase bonds issued pursuant to this act in the same manner and subject to the limitations as expressed in Laws 1933, Chapter 389, and any amendments thereof and all the powers granted to the State Board of Investment by Laws 1933, Chapter 389, and any amendments thereof shall apply in connection with the purchase of bonds issued hereunder.

Sec. 11. **Bonds shall be binding and valid obligations.**—This act shall be deemed and construed as complete in and of itself, and the bonds issued in compliance herewith shall be the valid and binding obligations of the municipality according to their terms, whether or not such municipality shall have complied with any other law or charter provision authorizing or regulating the issuance of bonds by such municipality. This act is intended to be an additional remedial measure and shall not be deemed to have amended or repealed any existing law.

Sec. 12. **Provisions severable.**—If any section, clause, sentence, or provision of this act or the application of such section, clause, sentence, or provision to any person, party or circumstance shall be held unconstitutional or otherwise invalid, the remainder of this act or the application of such section, clause, sentence, or provision to parties or circumstances other than those as to which it is held invalid shall not be affected thereby.

Approved April 5, 1935.

CHAPTER 120—S. F. No. 334.

An act to amend Mason's Minnesota Statutes of 1927, Section 1049, and to provide for the payment of membership fees in the national association of town officers, and for other expenses.

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

Section 1. **How constituted—duties.**—That Mason's Minnesota Statutes of 1927, Section 1049, be amended to read as follows:

"1049. The supervisors of each town shall constitute a board to be designated 'The town board of . . . .', and any two shall constitute a quorum, except when otherwise provided. They shall have charge of all the affairs of the town not by law committed to other officers. They shall draw orders on the treasurer for the disbursement of money to pay the town expenses and for all moneys raised by the town to be disbursed for any other purpose. They may prohibit or license and regulate the keeping of billiard, pool, and pigeon-hole tables, bowling alleys and may license and regulate public dancing places, fix the price and time of continuance of such license, and, whenever in their opinion the public interest requires it, revoke the same. *They may appropriate out of the general fund of the town and draw orders on the treasurer for the disbursement of money to pay the annual dues in the National Association of Town Officers, the actual and necessary expenses of such delegates as the town board may designate to attend meetings of such Association; provided that the aggregate amount for such purposes so expended by any such town in any one year shall not exceed the sum of $25.00, provided, however, that such expenditures to pay actual and necessary expenses of delegates and annual dues in the National Association of Town Officers can only be appropriated out of the general fund of the town when such appropriation has been duly authorized by the annual town meeting, and that notice of such proposed appropria-*