

CHAPTER 255—H. F. No. 1507

An act to amend Laws 1933, Extra Session, Chapter 52, Section 1, being an act providing for the issuance and sale of certificates of indebtedness to pay revenue fund warrants in certain cases.

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

Section 1. **Executive council may issue certificates of indebtedness in certain cases.**—Laws 1933, Extra Session, Chapter 52, Section 1, be and the same is hereby amended so as to read as follows:

“Section 1. Whenever it becomes necessary in order to meet the current demands upon the revenue fund for the payment of warrants issued or to be issued against said fund for the payment of appropriations, the executive council at any time prior to June 30, 1937, upon adopting a resolution determining such necessity, may issue and sell certificates of indebtedness of the state payable out of said revenue fund in such amount as may be necessary to pay such warrants, such certificates to be numbered serially and to be of such denomination and bear such dates of issue and of maturity and such rate of interest as the said council shall determine, provided that no such certificates shall mature more than six months after the date of its issuance or sale, whichever is later, and providing further the aggregate amount of such certificates at any time outstanding shall never exceed \$9,000,000. *If funds are not available to retire any such certificates at maturity, the same may be refunded by the issuance of new certificates or may be extended by agreement with the holders thereof.* Certificates issued and sold pursuant to the authorization of this act shall be retired out of the receipts of the revenue fund appropriated to the payment of the warrants issued against said fund but taken up with the proceeds of such certificates. \$200,000 or so much thereof as may be necessary is hereby appropriated *and made available for the biennium ending June 30, 1937, to pay the interest upon such certificates.*”

Approved April 24, 1935.

CHAPTER 256—H. F. No. 1615

An act to amend Mason's Minnesota Statutes of 1927, Section 1938-4, relating to the incurring and payments of municipal and school district obligations in certain cases.

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

Section 1. **Certain school districts may incur indebtedness.**—Mason's Minnesota Statutes of 1927, Section 1938-4, is hereby amended so as to read as follows:

"1938-4. No municipality, except school districts, shall hereafter incur or be subject to a net debt beyond ten per cent of the last assessed valuation, as finally equalized, of all taxable property therein, including moneys and credits, and no school district shall incur or become subject to a net debt beyond twenty per cent of such assessed valuation; *provided, however, that any independent school district having an indebtedness in excess of 20 per cent of such assessed valuation and whose school building and equipment has been destroyed by fire, or otherwise, which building and equipment have not been rebuilt or replaced, may for the purpose of constructing a school building and equipping the same incur an indebtedness and become subject to a net debt not to exceed 40 per cent of such assessed valuation;* provided that no city of the first class shall be subject to a net debt beyond five per cent of such assessed valuation unless the charter for such city contains a provision to that effect; provided that this act shall not be construed as increasing the limit of debt, if any, prescribed by the special law or home rule charter under which any municipality is organized; provided, further, that no independent school district located wholly or partly within a city of the first class shall have power to issue any bonds or any evidence of indebtedness unless first thereunto authorized by a two-thirds vote of the legislative body of the city within which such school district is situated in whole or in part; and no such school district shall have power to issue bonds or any evidence of indebtedness running more than two years, whenever the aggregate of the outstanding bonds and evidences of indebtedness of such district equals or exceeds three and one-half per cent of the assessed value of all the taxable property within such school district; provided, further, however, that if the net indebtedness of any municipality shall exceed the limit applicable thereto, as provided herein, at the time this act takes effect, but was not in excess of the limit of debt prescribed by law at the time the indebtedness was incurred, such municipality may issue and sell, pursuant to the provisions hereof, obligations to refund any of such indebtedness at the time of the maturing thereof, if there are not sufficient funds to pay the same."

Approved April 24, 1935.