

Sec. 3. School districts may purchase bonds.—The governing body of any school district lying wholly or partially within the corporate limits of such village may purchase any bonds refunded or funded pursuant to the provisions hereof by a resolution duly adopted to that effect by the governing body of such school district, and by a vote of the majority of the members of the governing body of such school district.

Sec. 4. Act now to limit power to levy tax.—This act shall not be construed as limiting the powers of a municipality to levy taxes to pay obligations issued hereunder, and the governing body of each municipality shall have authority and it shall be its duty to levy any taxes necessary to provide revenue to pay such obligations.

Sec. 5. Acts supplemental.—The provisions of this act shall be supplemental and additional to the powers in that regard now conferred by law on villages.

Sec. 6. Proceedings to be initiated within nine months.—Any proceedings initiated under the proceedings of this act shall be commenced within nine months after the enactment of this act.

Approved March 25, 1935.

CHAPTER 67—S. F. No. 556

An act relating to floating indebtedness of certain independent school districts; authorizing the governing body of any such district to issue funding bonds to retire such indebtedness and to levy taxes for the purpose of paying the principal and interest on such bonds and validating such floating indebtedness.

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

Section 1. Independent school district may issue bonds in certain cases.—Any independent school district with territorial limits which coincide with the territorial limits of any city of the first class in the State of Minnesota, and the government of which independent school district is not provided for in the charter of said city, may issue its bonds to an amount not exceeding one (1) per cent of the assessed value, as last determined, of all the taxable property within such district including moneys and credits, to fund its floating indebtedness or a portion thereof in the manner hereinafter provided,

without submitting the question of such issue to the electors of such district and without regard to the amount of any or all other outstanding debts of such district and notwithstanding any existing limitations.

Sec. 2. Issuance of bonds—rate of interest—maturity.—Such funding bonds shall be the direct and general obligations of the independent school district issuing same and shall be authorized by resolution duly adopted by the governing body of such district, which resolution shall set out the amount of the floating indebtedness to be funded and provide for the details of the bonds to be issued. Such bonds shall bear interest at not to exceed six per cent per annum payable semi-annually and shall mature in not to exceed twenty (20) years from the date thereof but otherwise said bonds shall mature in such amounts and at such times and shall be subject to such conditions as to redemption or payment before maturity as may be authorized by resolution duly adopted by the said governing body.

Sec. 3. Sale of bonds.—Such bonds shall be sold in such amounts and at such times as may be determined by the governing body of any such district and pursuant to at least two weeks' notice asking for bids published in a newspaper designated by said governing body. Said bonds shall not be sold for less than their par value. The proceeds from all bonds so sold shall be applied by said school district to the payment of its outstanding floating indebtedness set out in the resolution authorizing the funding bonds, but no purchaser or owner of any such bonds shall be under any obligation whatever with respect to the application of the proceeds when received by said school district.

Sec. 4. Tax levy.—The governing body of any independent school district issuing bonds under the provisions of this Act shall before the issuance thereof, levy for each year, until the principal and interest are paid in full a direct annual tax in an amount not less than five per cent (5%) in excess of the sum required to pay the principal and interest thereof when and as same mature notwithstanding any existing limitation. After such bonds have been delivered to the purchaser thereof, such tax shall be irrevocable until such bonds have been paid and no further action of the governing body shall be necessary to authorize the extensions, assessments, and collection of such tax. The recording officer of such independent school district shall forthwith furnish a certified copy of such levy to the County Auditor or County Audi-

tors of the county or counties in which such district is situated, together with full information regarding the bonds for which the tax is levied and such County Auditor or County Auditors shall enter the same in the register provided for such cases and shall extend and assess the tax so levied.

Sec. 5. Act remedial.—The fact that due to delinquencies in tax collections such independent school districts have outstanding floating indebtedness which should be funded so as to protect the credit of such districts necessitates the passage of this Act which is hereby declared to be remedial in character. No funding bonds shall be issued under authority of this Act unless a resolution authorizing such issuance as hereinbefore provided shall be adopted by the governing body of such independent school district within Four (4) months after this Act is in force. The term, "floating indebtedness," as used in this Act shall include all the outstanding obligations of said independent school district with accrued interest existing at the time this Act becomes effective, exclusive of bonded indebtedness and interest thereon.

In order to facilitate the issuance of the funding bonds hereinbefore authorized, the floating indebtedness of any such independent school district outstanding at the time this Act becomes effective is hereby validated.

Sec. 6. Act paramount and controlling.—The provisions of this Act shall be paramount and controlling, notwithstanding any other Act or part thereof which may be inconsistent herewith, and this Act shall take effect and be in force from and after its passage.

Approved March 26, 1935.

CHAPTER 68—S. F. No. 1353

An emergency act providing for the suspension of the cancellation of real estate contracts or contracts for deed; conferring jurisdiction upon the District Court to determine and prescribe the procedure for the cancellation of contracts for deed; extending the period of redemption under contracts for deed now or hereafter cancelled; suspending Section 9576 of Mason's Minnesota Statutes of 1927, relating to the termination of contracts for the conveyance of real estate or any interests therein.