

CHAPTER 9—H. F. No. 115

An act authorizing the governing body of 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, to issue its improvement bonds in the amount of not to exceed \$17,500 for the purpose of paying the cost to said school district of making certain improvements on the property of said school district; and repealing Chapter 75, Extra Session Laws of Minnesota for 1933.

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

Section 1. Independent school districts 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 \$17,500, to pay the cost to said school district of making certain improvements on the school property of said school district, as shall be determined by the governing body of said school district, without submitting the question of such bond issue to the electors of such district, and without regard to the amount of any or all other outstanding debts of said school district and notwithstanding any existing debt limitations.

Sec. 2. Bonds—interest rate—maturity.—Such bonds shall be the direct and general obligations of the independent school district issuing the same and shall be authorized by a resolution duly adopted by the governing body of such district which resolution shall describe the improvements to be made on the school property of said district with the proceeds of said bonds, and provide for the details of the said bonds to be issued. Such bonds shall bear interest at the rate of 4 percent per annum, payable semi-annually, and shall mature in not to exceed 20 years from the date thereof. Said bonds shall mature serially, the first maturity to be not more than three years from the date of said bonds, and no annual maturing installment of principal shall exceed two and one half times the amount of the smallest installment thereof maturing in any one year.

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; or said bonds may be sold to the United States of America under a contract entered into between said United States of America and said school district through the Public Works Administrator of said United States of America or other board or body succeeding to the powers of said administrator pursuant to Federal Law, upon such terms and conditions as may be agreed upon, without asking for bids. Said bonds shall not be sold for less than the par value thereof. The proceeds from all bonds so sold shall be used by said school district for the payment of indebtedness set out in the resolution authorizing the issuing of said bonds and for no other purpose.

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 on all the taxable property in said school district in an amount not less than 5% in excess of the sum required to pay the principal and interest thereof when and as the 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 said governing body shall be necessary to authorize the extension, assessment, and collection of such tax. The recording office of such independent school district shall forthwith furnish a certified copy of such levy to the County Auditor of the County in which said district is situated, together with full information regarding the bonds for which the tax is levied and such county auditor shall enter the same in the register provided for such cases and shall extend and assess the tax so levied.

Sec. 5. May be issued to match federal aid.—The bonds herein authorized are to be issued and sold for the purpose of taking advantage of Federal aid that may be obtained from the United States of America through its Public Works Administrator for the purpose of furnishing employment to unemployed persons and to complete needed school property improvements.

Sec. 6. Law repealed.—*That Chapter 75, Extra Session Laws of Minnesota for 1933, is hereby repealed.*

Sec. 7. The provisions of this Act shall be paramount and complete; 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 February 8, 1935.