

Sec. 2. Not to affect pending litigation.—This act shall not affect any bonds the validity of which is questioned in any litigation pending when this act shall take effect.

Approved January 28, 1937.

CHAPTER 3—S. F. No. 101

An act to authorize and empower the governing body of any city of the first class in this state which has a total bonded indebtedness not exceeding the sum of \$10,000,000 to issue and sell negotiable municipal bonds in a sum not exceeding \$50,000 for the purpose of financing or aiding in the financing of the cost of the portion of any public improvement in any such city in cases where any such city has been granted federal or state aid in connection with any unemployment relief program, and prescribing the procedure relative to the issuance, sale, and negotiation of such bonds.

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

Section 1. Sale of bonds authorized.—That the governing body of any city of the first class in this state, now or hereafter existing, and which city has a total bonded indebtedness not exceeding the sum of \$10,000,000, is hereby authorized and empowered to issue and sell negotiable municipal bonds in a sum not exceeding, in any case or event, nor during any time fixed by this act, nor for any or all purposes provided for in such act, the aggregate total sum of \$50,000, in such denominations and in such amounts as such governing body may determine by ordinance; and to appropriate the proceeds from the sale of such bonds for the sole and specific purpose of financing, aiding in the financing of, or paying for the cost of such portion of any public improvement of any such city, in any case where such financing, aiding in the financing of, or paying for the cost of any such public improvement has been or will be made necessary as the result of action taken or which may be taken by any such governing body in applying for grants or loans and/or loans and grants made by or under the authority of any such governing body under any application to the United States of America and/or the State of Minnesota for any public work, public undertaking or public project through the Federal Emergency Administrator of Public Works, and/or to any agency of this State or of the United States for the purpose of financing, aiding in the financing of, or paying for any such work, undertaking, project, and/or other unemployment relief program proposed or adopted by such governing body of any such city, except that none of the proceeds from the sale or sales of the bonds authorized by this act shall be used in financing or aiding

in the financing of any self-liquidating project as, or which may be approved or which has been approved by any Federal or State agency; provided, that the proceeds of such bonds may be used by any such city to pay any obligation heretofore incurred by any such city on account of, or in connection with, any unemployment relief project, except any self-liquidating project.

Sec. 2. **Bonds—interest, etc.**—That the governing body of any such city may, by resolution, authorize and direct the proper officer or officers of any such city to deliver any of such bonds, when issued under the terms of this act; and such bonds may be issued, sold and negotiated by any such city notwithstanding any limitation contained in the charter of such city, or in any statute of this state prescribing or fixing any limit upon the bonded indebtedness of any such city; but the full faith and credit of any such city shall at all times be irrevocably pledged for the payment of such bonds and for the payment of current interest thereon; and the governing body of any such city shall, before the issuance of any such bonds, fix and determine, by ordinance, the amount of the tax to be levied in each year sufficient for the payment of the interest as it accrues upon any of such bonds, and for the accumulation of a sinking fund for the redemption of such bonds at maturity, such sinking fund to be kept distinct and apart from all other funds of any such city and to be known as “Unemployment Projects Fund.”

Sec. 3. **Rate of interest.**—That such bonds shall bear interest at a rate not exceeding six per cent per annum, and shall be payable serially in annual installments as determined by the governing body of any such city, the first installment thereof to become due and payable in not more than five years from the date of such bonds, and the last installment thereof to become due and payable in not more than twenty years after the date of such bonds.

Sec. 4. **Issuance of bonds.**—That except as otherwise specifically provided by this act, such bonds shall be controlled as to procedure in all other respects by the terms of Laws 1927, Chapter 131.

Sec. 5. **To be construed liberally.**—That the terms of this act shall be liberally construed in order to make effective its purposes in any proceeding, action or suit wherein the reasonableness or validity of this act may or shall be challenged.

Sec. 6. **Provisions to be severable.**—That the terms and provisions of this act are hereby declared to be separable, and that if any part or provision of this act shall be declared unconstitutional by any court of competent jurisdiction, such judicial declaration shall not affect or invalidate any other part or provision of this act.

Sec. 7. **Are additional powers.**—That the powers granted in and by this act are in addition to all existing powers of any such city, and this act shall apply to such cities as now are, or hereafter may be, governed by a charter adopted pursuant to the Constitution of the State of Minnesota, Article 4, Section 36.

Sec. 8. **Construction of act.**—That nothing contained in this act shall be construed to repeal or modify the provisions of any charter of any city adopted under and pursuant to the Constitution of the State of Minnesota, Article 4, Section 36, requiring any ordinance of any such city to be subject to the right of referendum secured to the electors of any such city by the charter thereof.

Sec. 9. **Act additional to existing bond authority.**—That this act shall be construed to confer authority to issue bonds, as aforesaid, in addition to the authority to issue bonds contained in Extra Session Laws of Minnesota, for the year 1935-36, Chapter 44, approved January 18, 1936, which said last mentioned act is hereby in all things ratified and confirmed.

Approved January 28, 1937.

CHAPTER 4—H. F. No. 90

An act appropriating money for the purpose of enabling the State Agency to carry out certain provisions of Extra Session Laws 1935, Chapter 95, relating to a state wide system of Old Age Assistance; providing for a tax levy and the issuance of certificates of indebtedness in anticipation of the collection of such taxes; authorizing the State Board of Investment to invest the state trust funds in such tax levy certificates, and authorizing the Board of Investment to purchase said certificates of indebtedness.

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

Section 1. **Appropriation for old age assistance.**—There is hereby appropriated out of the general revenue fund, and from moneys not otherwise appropriated, the sum of \$1,000,000 to be immediately available for the purpose of enabling the State Agency as defined in Chapter 95 of the Extra Session Laws of 1935 to pay the state's share of payments to recipients of Old Age Assistance and also for the cost of supervision of said act by said State Agency but not exceeding \$11,000 of the funds appropriated by this act may be used by said State Agency to reimburse counties for not over a 1/6 share of such Old Age Assistance as may have been granted to persons of Indian blood.