

## CHAPTER 145—H. F. No. 909

*An act permitting the commissioner of conservation to enter into leases, easements or permits to allow the passage of telephone, telegraph and electrical power or light lines over or across state lands.*

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

Section 1. **Commissioner of conservation to make leases and grant easements in certain cases.**—The commissioner of conservation may at public or private vendue and at such prices and under such terms and conditions as he may prescribe, lease, or grant easements or permits over and across any portion of any unsold school, university, internal improvement, swamp, tax forfeited or other lands subject to sale by or jurisdiction or control of the state, for the purpose of permitting the passage over or across such lands of telephone, telegraph and electrical power or light lines; provided all such agreements shall be made subject to sale and leasing of land for mineral or other legal purposes, and shall contain a provision for their cancellation at any time by the commissioner of conservation upon three months written notice. All money received therefrom shall be credited to the fund to which the land belongs.

Approved April 9, 1941.

## CHAPTER 146—H. F. No. 939

*An act relating to indebtedness, obligations and expenditures of certain villages; authorizing the funding or refunding and payment of outstanding indebtedness and obligations thereof; validating certain indebtedness so to be funded and refunded; limiting and controlling expenditures thereof; and prescribing penalties for violation of its provisions.*

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

Section 1. **Certain villages may issue funding bonds.**—Any village with a population of more than 4,800, according to the last federal census, and having an assessed valuation, exclusive of money and credits, of less than \$850,000, may issue bonds to pay its existing indebtedness and obligations, or any part or class thereof, and may include therein outstanding warrants or orders and outstanding bonds or certificates or other evidence of indebtedness or liability, whether due or to become due, and the interest thereon, or any part

thereof, in the manner hereinafter provided without submitting the question of such issue to the electors of the village, and notwithstanding any existing limitations.

**Sec. 2. Bonds to be direct obligation of the village—rate of interest—maturity.**—Such bonds shall be the direct and general obligations of the village issuing same and shall be authorized by resolution duly adopted by the village council of the village, which resolution shall set out the amount of the floating indebtedness to be funded and the amount of the bonds to be refunded and shall provide for the details of the bonds to be issued. The bonds shall bear interest at not to exceed three per cent per annum, payable semi-annually, and shall mature in not to exceed 15 years from the date thereof, but otherwise the bonds shall mature in the amounts and at the 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 village council.

**Sec. 3. Sale of bonds.**—Such bonds shall be sold in the amounts and at the times as may be determined by the village council of the village and pursuant to at least two weeks' notice asking for bids published in the official newspaper or newspapers of the village. The bonds shall not be sold for less than their par value. The proceeds from all bonds so sold shall be applied by the village to the payment of its outstanding bonded and floating indebtedness as set out in the resolution authorizing the bond issue, 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 the village.

**Sec. 4. Tax levy to retire bonds.**—The village council of any village 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 in excess of the sum required to pay the principal and interest thereof when and as same mature, notwithstanding any existing limitation. After the bonds have been delivered to the purchaser thereof, the tax shall be irrevocable until the bonds have been paid; and no further action of the village council shall be necessary to authorize the extensions, assessments and collection of the tax. The village clerk of the village shall forthwith furnish a certified copy of such levy to the county auditor of the county in which the village is situated, together with full information regarding the bonds for which the tax is levied;

and the county auditor shall enter the same in the register provided for such cases and shall extend and assess the tax so levied.

**Sec. 5. Act to be remedial in character.**—The fact that, due to delinquencies in tax collections, the villages have outstanding floating indebtedness which should be funded so as to protect the credit of such villages necessitates the passage of this act, which is hereby declared to be remedial in character. No funding or refunding bonds shall be issued under authority of this act unless a resolution authorizing the issuance, as hereinbefore provided, shall be adopted by the village council of the village before December 1, 1941. The term "floating indebtedness," as used in this act, shall include all the outstanding obligations of the villages, with accrued interest existing at the time the resolution shall be passed by the village council as hereinabove described, exclusive of bonded indebtedness and interest thereon.

In order to facilitate the issuance of the bonds herein authorized, the floating indebtedness of any such village outstanding at the time this act becomes effective is hereby validated.

**Sec. 6. Village council to make budget.**—The village council of each village issuing bonds under this act shall annually, at its first meeting in each fiscal year, determine the amount of funds which will be available during the current year for all and each of its public purposes from the proceeds of the tax levy lawfully made therefor in the preceding year and from other sources known and reasonably anticipated to be due and payable into its treasury during such year, and shall thereupon, at such meeting, make and spread on its minutes a definite budget of the expenditures made and to be made, and indebtedness incurred and to be incurred, by it for all and each of such purposes during the year, which expenditures and indebtedness shall in no case exceed the aggregate amount of revenues so determined to be available for all and each of such purposes for the year. The budget shall first allot, and there shall be first set aside and payable out of the receipts for such year, the amount required to meet principal and interest due in that year on the bonds herein authorized and on any outstanding bonds and items not funded or refunded. There shall then be allotted, respectively, such amounts as shall be required and appropriable to pay outstanding warrants or orders and for each of the necessary current purposes, and such amount as shall be deemed necessary for an emergency fund; and what remains may be allotted to be expended on new undertakings of construction, improvement,

extension or otherwise to which it is lawfully appropriable. As nearly as may be, a specific program of expenditures shall be determined upon, and the amount to be expended on each item determined and allotted; and no change in the program shall be made nor additional expenditures made nor indebtedness incurred which shall cause to be diverted to other purposes any part of the amount herein required to be allotted for payment of principal and interest, and for payment of outstanding warrants or orders, and for necessary current purposes, and for the emergency fund, nor which shall cause the expenditures made or indebtedness incurred in any one year to exceed the total revenues determined as aforesaid to be available during the year. The emergency fund may be used to pay extraordinary items of lawful expenditures occasioned by emergencies which could not be anticipated when the budget was made.

**Sec. 7. May apply to district court to increase expenditures.**—If in any year it shall become actually necessary to incur indebtedness or expend funds for items, the amounts of which are beyond the control of the village council of such village and could not be reasonably and definitely anticipated and fixed at the time of making the budget contemplated by Section 6 hereof, the village council of such village may apply to the proper district court for an order permitting the incurring and payment of such additional expenditures. Such application shall be publicly heard by the court at the county seat of the county after two weeks' published notice thereof; and, if the court shall find such additional indebtedness or expenditures to be actually necessary and within the terms of this section, that the amount thereof could not have been reasonably and definitely anticipated at the time of making the budget and could not reasonably be met by or out of allotments in the budget for such purposes and by or out of the emergency fund, the court may make an order permitting and authorizing the additional indebtedness or expenditures, or so much thereof as it shall find to be proper.

**Sec. 8. Officials violating provisions of act to forfeit office.**—Any member of the village council knowingly authorizing or participating in any violation of this act shall forfeit his or her office, and the forfeiture shall be made effective by order of the district court in the following manner, to-wit: A petition signed by at least ten free holders of the village, stating that they believe that such member of the village council has knowingly authorized or participated in a violation of this act, may be presented to the district court of the county in which the village is located; and, on presentation and filing

with the clerk, the judge to whom the same is presented shall make and file his order fixing a date of hearing to determine whether the member of the village council named in the petition has knowingly authorized or participated in a violation of this act. A copy of the order shall be served on the member therein named in such manner as the court shall direct at least five days before the date of the hearing. If, at the hearing, it shall appear to the satisfaction of the court that the member has knowingly authorized or participated in a violation of this act, then the court is authorized and required to make an order removing the member from the village council, and the office theretofore occupied by the member shall be declared vacated. Such vacancy shall then be filled in the manner provided by law for filling vacancies on the village council, except that, if two or more members of the village council are removed by the same order of the court, then the vacancies thereby created shall be filled by the governor. Persons so named by the governor to fill such vacancies shall thereupon qualify within ten days after they have received notice thereof. In the event of the failure of a person so named to qualify within the time herein set forth, the governor is hereby authorized and required to name another person to fill the position.

**Sec. 9. Voters may modify provisions of act.**—Except so far as the rights of creditors shall be substantially impaired thereby, the voters of any such village may at any regular or special election, upon due submission of the question to them, modify the application of any provision of this act to the extent that its application in the first instance was discretionary with them; and with like exception as to impairing substantial vested rights, nothing herein shall preclude amendment or repeal of this act, or any part of it.

Approved April 9, 1941.

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#### CHAPTER 147—H. F. No. 959

*An act authorizing the establishment of proof of corporate existence of certain corporations, validating acts thereof and authorizing the renewal of the period of corporate existence of certain corporations whose period of duration has expired without renewal thereof.*

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

**Section 1. Proof of corporate existence of certain corporations—acts validated.**—Any county agricultural society which is a member of the state agricultural society of the