

## CHAPTER 302—H. F. No. 968.

*An Act to amend Section 3049, Revised Laws of 1905, as amended by Chapter 164, General Laws of 1909, relating to local building and loan associations.*

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

Section 1. **Superintendent of banks to approve application for extension of field of operation.**—That Section 3049, Revised Laws of 1905, as amended by Chapter 164, General Laws of 1909, be and the same is hereby amended so as to read as follows:

Section 3049. Every such corporation hereinafter formed, by provision in its certificate of incorporation or by-laws, within six (6) months after the revised laws take effect, shall confine its field of operation exclusively to the county of its principal place of business and those immediately contiguous thereto, and upon failure so to do shall, without any other act or proceeding, forfeit all corporate rights and franchises, except to close its affairs.

Provided, that any association now incorporated may enlarge its territory by making application to the *superintendent of banks*, specifying the added counties in which it desires to do business, and on receiving the approval of the *superintendent of banks* shall be duly authorized to do business in those counties, which shall not exceed *eight (8)* in number.

Approved April 15, 1913.

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CHAPTER 303—H. F. No. 1066.

*An Act to grant additional powers to cities of the state of Minnesota, having a population of twenty thousand or less inhabitants, and to empower such cities to issue their bonds for certain purposes therein mentioned.*

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

Section 1. **Extension of powers to cities of 20,000 or less.**—That in addition to the rights and powers heretofore granted by law to the several cities of the state of Minnesota, including cities having a home rule charter, which rights and powers shall not be abridged or affected by this act, there is hereby granted to all cities having a population of twenty thousand or less inhabitants that now or may hereafter be organized within the state of Minnesota, including cities having home rule charters, the right and power to issue bonds for municipal purposes, to-wit:

First: Permanent improvement fund bonds, which may be issued to defray the expenses of improving any street, avenue, alley, park, levee or other public ground within the corporate

limits of any city within this state, or any part of such expense, and which shall include the construction of sewers, sidewalks, bridges, culverts, the paving of streets and alleys, changing of water courses and all improvements of a permanent nature.

Second: Bridge bonds, which may be issued by any city within this state for the purpose of bridging any natural or artificial stream, river, lake, canal, bay, harbor or other water within or partly within the corporate limits of any city within or partly within the state of Minnesota, or for the purpose of bridging any such water, or part thereof, bordering upon or forming the boundary line of the state of Minnesota or any such city within said state, and the use of the proceeds of any such bonds for the construction of any bridge, so as to accommodate or facilitate the passage of any steam locomotives or cars, or electric cars, or street horse, cable or electric cars, whether alone, or in connection with teams, vehicles, and foot passengers, shall not invalidate, impair or affect the legality of any bridge bonds issued for the aforesaid purposes, provided that nothing herein contained shall be construed to prevent any city within this state from charging any railroad company using any such bridge a reasonable price for such use, and the making of such charge shall not be held to impair, affect or invalidate such bonds; and the authority herein given shall include the power to issue such bonds for the making of improvements to be used exclusively for steam or electric railway purposes.

Third: Shipping terminal bonds, which may be issued by any city within this state for the purpose of constructing, purchasing, acquiring, improving and maintaining boat dockage terminals, bridge terminals, or railroad terminals, provided that nothing herein contained shall be construed to prevent any city within this state from charging any railroad or boat company using such terminals a reasonable price for such use, and the making of such charge shall not be held to impair, affect or invalidate such bonds.

Fourth: Water and light bonds, which may be issued for the purpose of constructing, erecting, improving or purchasing water works, gas works, electric light and power plants, or other light and power plants for the use and benefit of the inhabitants of any city in this state.

Fifth: City hospital bonds, which may be issued for the purpose of erecting, maintaining, acquiring, or improving city hospitals.

Sixth: School bonds which may be issued for the purpose of constructing, erecting, acquiring, improving, repairing, furnishing, equipping and maintaining school houses.

Seventh: General fund bonds, which may be issued for the purpose of providing a general fund with which to meet and defray all contingent expenses, of whatever character, properly

arising out of municipal matters, and not otherwise, and which shall also include the payment of all outstanding debts and bonds which are due or to become due, or are redeemable, together with interest thereon.

Sec. 2. **Bonds issued not to exceed 10 per cent of assessed valuation of taxable property of city.**—None of such bonds above described shall be issued whereby the aggregate bonded indebtedness of the city, excluding any funds, bonds or balances held in a sinking fund, shall be made to exceed ten per cent of the assessed valuation of the taxable property within the city, provided, however, for the purpose of determining this limitation bonds issued for the purpose of acquiring, constructing, improving, operating or purchasing water power or lighting plants shall not be included. All sums realized from the sale of city bonds shall be applied to the purpose for which they are issued, and no other, and such purpose shall be distinctly stated in the resolution or ordinance authorizing their issue.

No bonds authorized by this act shall be issued by any city, until the issuance thereof shall have been first authorized by a three-fifths vote of the legal voters of the city voting upon the question, and the question of the issuance of such bonds shall be submitted to the electors of the city proposing to issue the same at a general or special election, called and conducted in the manner prescribed for municipal elections in such city, and the notices of such election shall contain a statement of the amount and purposes for which such bonds are proposed to be issued, with the date of their maturity, and the rate of interest which they shall bear.

All elections provided for in this act may be called by resolution in writing, of the common council or corresponding body, passed by a majority vote, which resolution shall distinctly state the purpose for which such bonds are proposed to be issued, and the question to be submitted to the people.

The ballot to be voted at all elections under this act may read as follows:

"Shall the proposed issuance of bonds in the amount of \_\_\_\_\_ dollars for the purpose of \_\_\_\_\_ be authorized."

Yes \_\_\_\_\_

No \_\_\_\_\_

If three-fifths of the votes cast upon the question at such election shall be in favor of issuing the kind and amount of bonds designated in said ballot, the city voting in favor thereof, shall, through its proper officers, without further act, be authorized to issue such bonds to the amount voted and to sell and negotiate the same.

The votes cast at such election shall be counted, returned and canvassed the same as in other municipal elections and the result certified to the city clerk, recorder or similar officer, by the canvassing board.

It shall be the duty of the common council or any body in a commission government corresponding thereto, to expend the moneys derived from the sale of said bonds in accordance with the directions of the voters, as shown by said election.

**Sec. 3. Thirty years at 5 per cent.**—All bonds authorized by this act shall run not more than thirty years from the date of their issuance, bearing interest at not more than five (5) per cent per annum, principal and interest payable at such time and place as may be fixed by the common council, or corresponding body, of any city; said bonds shall be sealed with the seal of the city issuing them, and signed by the mayor and attested by the clerk or recorder or similar officer, and shall be sold at not less than par value and accrued interest, to the highest responsible bidder, after notice published once in each week, for three successive weeks, in a daily paper, if one there be, if not, then in a weekly paper, in the city where such bonds are to be issued, and also in a daily paper published in the city of St. Paul, in the state of Minnesota.

**Sec. 4. What cities to come under provisions of this act.**—Any city in the state of Minnesota, heretofore incorporated, may become subject to the provisions of this act, and the city council of such city, or corresponding body in a commission form of government, may effect by a resolution duly passed by a majority of all the members elect of such council or body, and a copy of such resolution, duly certified, accompanied by a statement of the vote thereon, with the names of the members voting for and against said ordinance shall be forwarded to and filed in the office of the secretary of state and such city shall thenceforth be deemed subject to the provisions of this act, and shall be governed, controlled and regulated by and under the provisions of this act, and the city officers of said city shall thereupon exercise the powers conferred therein, and all courts of the state take judicial notice of the fact of such city becoming subject to the provisions of this act; and all laws in such city in conflict with this act shall thereupon be no longer applicable, but all laws or parts of laws not inconsistent with the provisions of this act, shall continue in force the same as if such city had not become subject to the provisions of this act.

Approved April 15, 1913.