

## BONDS.

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### CHAPTER 54.

[S. B. No. 230—LaMoure.]

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#### MUNICIPAL REFUNDING BONDS.

AN ACT to Authorize Certain Municipal Corporations of This State to Issue Bonds for the Purpose of Refunding or Paying Outstanding Bonds, Regulating the Issuance and Providing for the Payment Thereof.

*Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ 1. WHAT CORPORATIONS MAY ISSUE.] Each incorporated town or village, school district or township in this state, that has heretofore issued, or shall hereafter issue bonds, purporting to have been issued for any purpose authorized by law, which bonds have been actually sold and delivered to purchasers for value, so that the same constitute a valid and existing indebtedness, may at any time after maturity or before maturity, with the consent of the holder, and while said bonds are a valid and existing indebtedness against such town or village, school district or township, refund the same and issue and negotiate new bonds for the amount of such indebtedness or any part thereof.

§ 2. AUTHORITY FOR ISSUE.] The necessity for issuing and negotiating bonds under the provisions of this act shall be determined as follows:

In case of incorporated towns or villages, by the board of trustees.

In case of school districts, by the board of school directors.

In case of townships, by the board of supervisors.

§ 3. BONDS. HOW ISSUED.] When in the judgment of the board of any of the municipal corporations herein enumerated, it shall be deemed to be to the best interests of such municipal corporations to issue its negotiable bonds in the name of such corporation for the purpose of refunding or paying the outstanding bonded indebtedness of such corporation, as enumerated in section 1 of this act, refunding bonds may be issued by resolutions duly and legally passed at a regular or special meeting of such board. Such bonds may be signed the same as the bonds refunded or by such officers of the municipal corporation issuing the same as may be designated in the resolutions providing for their issuance. Such bonds shall be made payable in not less than five and not more than twenty years from the date of their issue, and shall not draw a higher rate of interest than the

bonds refunded. Such bonds shall be in such denominations as shall be designated in the resolutions authorizing their issuance, shall bear the date of their issue and date of maturity, and shall recite on their face that they are issued under and by authority of this act, and shall be payable to the purchaser or bearer, and shall have interest coupons attached to each bond representing each interest payment.

§ 4. BONDS MAY BE EXCHANGED OR SOLD.] Said bonds may be exchanged at par for an equal amount of the old bonds of said municipal corporation with the holder of said indebtedness, or may be sold by the board at not less than their par value and the proceeds applied solely to the payment of the indebtedness for which they are issued.

§ 5. BONDS TO BE REGISTERED BY THE TREASURER.] A record of each and every bond issued under this act shall be kept by the treasurer of the municipal corporation issuing the same, showing the number of each bond, its date, amount, rate of interest, date due, where payable, and to whom sold.

§ 6. TAX TO BE LEVIED.] The resolutions authorizing the issuance of such bonds shall provide for the levy and collection of an annual tax sufficient to pay the interest and principal of such bonds, as provided by section 184 of the constitution, and the fund arising from such tax levy shall be kept by the treasurer of such corporation in a special fund to be used solely for the payment of the interest and principal of such bonds.

§ 7. LIMIT OF ISSUE.] No more of such bonds shall be issued than are necessary for the purpose of paying the outstanding bonds of the municipal corporations issuing the same, as stated in section 1 of this act, after applying the cash in the treasury available for the payment of the said maturing bonds, and no bonds issued under authority of this act shall be issued or negotiated for less than their par value.

§ 8. BONDS NEGOTIABLE, WHEN.] Bonds issued in substantial conformity with the provisions of this act, shall in the law be deemed negotiable.

Approved March 13, 1905.

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## CHAPTER 55.

[S. B. No. 234—LaMoure.]

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### STATE BONDS AUTHORIZED.

AN ACT to Provide for Borrowing Money to Defray the Extraordinary Expenditures of the State Government.

*Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ 1. STATE BONDS AUTHORIZED.] The governor, state auditor and state treasurer are hereby authorized and empowered to prepare

for issue negotiable bonds of the state of North Dakota to the amount of one hundred and fifty thousand dollars. Such bonds shall be made payable to the purchaser or bearer and payable in twenty years from date of issue and shall bear interest at a rate not to exceed four per cent per annum, interest payable semi-annually on the first day of January and July of each year, with coupons attached for each interest payment, said interest coupons together with the principal of said bonds to be made payable at the office of the state treasurer in Bismarck. Said bonds shall be executed under the great seal of the state by the governor and treasurer, and shall be attested by the secretary of state, and shall be negotiated by the treasurer.

§ 2. STATE TREASURER AUTHORIZED TO SELL.] The state treasurer is hereby authorized and empowered to offer the bonds herein provided for to the board of university and school lands and said board is authorized to purchase said bonds for cash at not less than their par value, with accrued interest to date of delivery.

§ 3. STATE BOARD OF EQUALIZATION SHALL LEVY ANNUAL TAX TO PAY INTEREST AND PROVIDE SINKING FUND TO PAY BONDS.] The state board of equalization, at the time other taxes are levied, shall levy a sufficient tax annually, to pay the interest on said bonds as the same shall become due, which tax shall be collected in the same manner that other state taxes are collected. Also, five years before the maturity of the said bonds, said board shall provide a sinking fund sufficient to retire and pay said bonds at their maturity, and for such purpose shall annually levy a tax sufficient to provide such funds. No tax or fund provided for the payment of such bonds or the interest thereon shall be used for any other purpose.

§ 4. STATE TREASURER TO PAY INTEREST AND BONDS WHEN DUE AND CANCEL SAME.] When the interest coupons attached to such bonds become due, and whenever said bonds mature, it shall be the duty of the state treasurer to pay the same on presentation out of any funds in the treasury applicable thereto, and to cancel the same when paid.

§ 5. RESIDUE OF FUND AND SUBSEQUENT TAXES COLLECTED TO BE TRANSFERRED TO GENERAL FUND OF THE STATE.] When said bonds are all redeemed and all interest thereon paid, the residue of said fund and all subsequent collections of said tax shall be transferred to the general revenue fund of the state.

§ 6. STYLE OF BONDS.] Said bonds shall be known and styled "North Dakota revenue bonds, series of 1905," and shall be of denominations as may be required by the purchaser of the same.

§ 7. EMERGENCY.] Whereas, an emergency exists in this, that there is no sufficient revenue by which the extraordinary expenditures of the state can be met; therefore, for the reasons stated, this act shall take effect and be in force from and after its passage and approval.

Approved March 7, 1905.

## CHAPTER 56.

[S. B. No. 171—Main.]

## STATE TREASURER.

AN ACT to Amend Section 118 of the Revised Codes of North Dakota, 1899, Relating to the Official Bond of the State Treasurer.

*Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ 1. AMENDMENT.] That section 118 of the revised codes of North Dakota, for the year 1899, be amended and re-enacted so as to read as follows:

§ 118. OFFICIAL BOND.) The state treasurer must execute an official bond in the sum of not less than five hundred thousand dollars, which bond shall be paid by the state.

Approved March 14, 1905.

## BRIDGES.

## CHAPTER 57.

[H. B. No. 37—Lyon.]

## BRIDGE OVER LAKE DES LACS.

AN ACT Granting the Consent and Permission of the State of North Dakota to the Construction and Maintenance of a Highway Across, Within, Under and Through the Water of Des Lacs Lake, on Township Line Between Townships 161 and 162 in Ward County, North Dakota.

*Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ 1. CONSENT OF STATE GRANTED.] There is hereby granted to the public, and to each and every municipal corporation and political subdivision interested in, affected or benefited by the provisions hereof, the consent and permission of the state of North Dakota to construct and at all times maintain a public highway, consisting either in whole or in part of grades, fills, embankment or bridges, or any combination thereof, or otherwise, across, within, under and through the waters of Des Lacs lake, on or as near as feasible and practicable to the township line between township 161 and township 162 in Ward county, North Dakota; provided, that said construction does not block nor interfere with the navigation on said lake; and