

BONDS.

CHAPTER 37.

[H. B. No. 44.]

AUTHORIZING ISSUE OF STATE BONDS.

AN ACT Authorizing and Empowering the Governor, State Auditor and State Treasurer to Issue Bonds to Pay the State of North Dakota's Share of the Indebtedness of the Territory of Dakota, as Determined by the Joint Commission of the States of North Dakota and South Dakota, Appointed Pursuant to Law.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. BOND ISSUE AUTHORIZED.] That 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 \$106,000 to pay the State of North Dakota's share of the indebtedness of the Territory of Dakota, as determined by the joint commission of the States of North and South Dakota, appointed pursuant to law. Such bonds shall be made payable to the purchaser or bearer, and payable in thirty years from date of issue, and shall bear interest at a rate not to exceed $4\frac{1}{2}$ per cent. per annum, interest payable semi-annually on the first day of January and July each year, with coupons attached for each interest payment, said interest coupons to be made payable anywhere in the United States; 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. PROPOSALS.] The State Treasurer shall receive sealed proposals for the purchase of said bonds, and he shall give public notice for four successive weeks in two or more newspapers of general circulation, one of which shall be published in the city of New York, giving date of such sale; and the said bonds shall be sold to the highest bidder for cash, at not less than their par value.

§ 3. TAX LEVY FOR INTEREST.] 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, seven years before the maturity of 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. PAY AND COLLECTION OF COUPONS.] 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. TRANSFER OF RESIDUE OF FUND.] 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. WHEN BONDS OFFERED FOR SALE.] The State Treasurer is hereby authorized and empowered to offer for sale said bonds in such amounts and at such times as the Governor, State Auditor and State Treasurer may deem proper and for the best interests of the State.

§ 7. PROCEEDS, HOW PLACED.] The proceeds of the sale of such bonds shall be placed to the credit of the General Fund of the State, and whenever for any cause there are not sufficient funds to the credit of the Bond Interest Fund to pay the interest accrued on the bonds issued, it shall be the duty of the Treasurer to pay the interest out of any other unappropriated fund belonging to the State, and there is hereby appropriated out of the State General Fund a sum sufficient to pay such interest on said bonds as may become due before the funds and tax herein provided for can be made available, and it shall be the duty of the State Treasurer to pay such interest promptly at the time it falls due.

§ 8. STYLE OF BONDS.] Said bonds to be known and styled, "Bonds funding the territorial indebtedness of the State of North Dakota," which shall be of denominations of not less than \$1,000 each.

§ 9. EMERGENCY.] Whereas, an emergency exists in that the share of North Dakota's territorial indebtedness has been determined pursuant to law, and whereas, the available resources of the State Treasury have been exhausted to pay the same and it is necessary to provide funds to pay the legislative and current expenses of the State, therefore, this act shall take effect and be in force immediately upon its passage and approval.

Approved February 3, 1891.

CHAPTER 38.

[S. B. No. 74.]

REGISTRATION OF STATE BONDS.

AN ACT to Provide for the Registration by the Treasurer of State Bonds Issued or Assumed by the State of North Dakota.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. TREASURER TO REGISTER BONDS.] That the Treasurer of State, upon presentation to him of any bond or bonds issued by, or assumed by, the State of North Dakota, and upon application to him in writing by the owner or owners of such bond or bonds for the registration thereof, shall register such bond or bonds (first detaching and cancelling all unmatured coupons, in case such bonds are coupon bonds) in the name or names of the said owner or owners, in a book which he shall keep for that purpose; and after registration of ownership as aforesaid, duly endorsed by the Treasurer upon the bond or bonds so registered, no transfer of ownership of such bond or bonds shall be valid unless registration of such transfer shall have been made by the State Treasurer as aforesaid; and such bond or bonds shall continue subject to registration and to transfer at the option of the owner or owners.

§ 2. VESTED OWNERSHIP.] The registration of bonds, as provided in Section 1 or this act, shall vest the ownership thereof, both principal and interest, in the parties in whose name the last registration is made; and the State Treasurer shall remit in current exchange on New York City to the party in whose name the last registration is made, the interest on such bonds, as it from time to time becomes due, and the principal thereof at maturity.

§ 3. FEE FOR REGISTRY.] For each registration of ownership or transfer of ownership made as herein provided, the Treasurer shall be entitled to receive a fee of fifty (50) cents for each bond so registered; *Provided*, That all fees so received shall be covered into the General Fund of the State.

Approved March 6, 1891.

CHAPTER 39.

[H. B. No. 172.]

CIVIL TOWNSHIPS TO ISSUE BONDS TO PROCURE SEED.

AN ACT Authorizing Civil Townships to Issue Bonds to Procure Seed for Needy Farmers Resident Therein.

Be it Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. HOW BONDS MAY BE ISSUED—PETITION REQUISITE.] Whenever a petition, signed by three-fifths of the resident freeholders in any township in this State, shall be filed with the clerk of said township, praying the board of supervisors of said township to issue the bonds of said township for the purpose of buying seed grain for the needy farmers residing therein, it shall be the duty of said clerk immediately thereupon to call a meeting of the board of supervisors for said township, to be held not later than four days from the date of filing said petition, and it is hereby made the duty of said board of township supervisors, upon ascertaining that said petition contains the requisite number of names as shown by the total number of votes polled at the last annual election for township officers, to forthwith issue the bonds of said township in the denomination or denominations which the may deem best, but which shall not aggregate more than a given amount, to be stated in the aforesaid petition.

§ 2. BONDS HOW LEGALIZED, INTEREST ON SAME.] The acts of a majority of any township board of supervisors shall be sufficient to legalize the issuing of township bonds under this act. All bonds issued under the provisions of this act shall draw interest at the rate of 7 per cent. per annum, payable semi-annually, at such place and times as shall be determined by the board of supervisors; *Provided*, That said bonds shall be payable in not less than five nor more than ten years.

§ 3. HOW BONDS SIGNED AND VERIFIED.] Said bonds shall be signed by the chairman of the board of township supervisors, and attested by the clerk of said township; said bonds shall also be verified by a certificate, signed by both chairman and clerk, that the bonds are issued in accordance with the provisions of this act, and are within the debt limits.

§ 4. PROPOSALS FOR BONDS.] It shall be the duty of said township board of supervisors to receive sealed proposals for the purchase of said bonds, after having given ten days' notice by advertising, in any manner they may deem best. Said bonds shall be sold to the highest bidder for cash, and shall not be sold for less than their par value; *Provided*, That the board of township

supervisors shall have a right to reject all bids and postpone the sale of said bonds for a time not to exceed ten days.

§ 5. PROCEEDS HOW PAID.] The proceeds arising from the sale of said bonds shall be paid by the purchaser thereof to the township treasurer of said township, or to his authorized agent, upon the delivery of said bonds; and such proceeds shall be paid out only on the order of the township board of supervisors. The treasurer of any township shall be required to give additional bonds, with sureties to be approved by the board of township supervisors, before the proceeds from the sale of said bonds are turned over to him.

§ 6. SUPERVISORS MUST LEVY TAX.] Said board of township supervisors shall levy a tax, at the time and in the manner that other taxes are levied, sufficient to pay the interest, as it falls due, on the said bonds, and also a sinking fund tax sufficient to take up the bonds when they become due. Neither the interest fund nor the sinking fund shall be used for any other purpose than that for which it is levied; *Provided, however,* That the sinking fund may be deposited or loaned in any safe place, for the purpose of earning interest, which shall be credited to the sinking fund; and *Provided, further,* That any balances remaining in said fund, after the payment of said bonds, shall be transferred to any other township fund or funds designated by the board of township supervisors.

§ 7. COMPENSATION OF TREASURER AND HIS DUTIES.] The township treasurer shall receive 1 per cent for handling the proceeds of the sale of said bonds. Upon the payment of any of said bonds, or the coupons thereto attached, it shall be the duty of the township treasurer to cancel the same by writing the word "paid" across the face of the same and the date of payment. The township treasurer shall also keep a record of these bonds, showing date, maturity, rate of interest, to whom and when payable, and when any interest coupon is paid, it shall be credited on said record, with date of payment.

§ 8. PROCEEDS, HOW USED.] The proceeds arising from the sale of said bonds shall be applied exclusively, by the board of township supervisors, in the purchase of seed grain for needy farmers residing in said township, who are unable to procure seed elsewhere; *Provided,* That not more than one hundred and fifty bushels of wheat or its equivalent in other seed grain shall be furnished to any one person.

§ 9. TOWNSHIP CLERK TO FILE SEED LIENS.] It shall be the duty of the township clerk to file seed liens in the name of said township, against all persons securing seed from the township under the provisions of this act, within the time provided by law for the filing of seed liens by private parties, and said clerk shall be allowed a fee of twenty-five (25) cents for making and filing each of said liens, which fee shall be paid by the township, in cash or its equivalent.

§ 10. TREASURER TO COLLECT LIENS—DEPUTIES MAY BE APPOINTED.] The township treasurer is hereby authorized to collect all amounts due on the seed liens filed pursuant to the provisions of this act, and shall receive the same fee therefor as for handling other township funds; *Provided*, That the township treasurer shall have authority to appoint deputies, not to exceed three in number, to assist him, who shall receive the same fee as the treasurer; and *Provided, further*, That the treasurer and his deputies shall be allowed their actual expenses incurred in the course of the collection of said liens, in addition to the fee already allowed by law. Said expenses shall be charged to the person against whom the said [seed] lien is filed, but no expenses shall be made by the treasurer or his deputies against any one who shall pay the seed lien filed against him on or before October 1st of the year for which said seed liens is filed.

§ 11. SEED GRAIN FUND—HOW IT MAY BE LOANED.] All funds collected for seed grain furnished pursuant to the provisions of this act, shall constitute the seed grain fund, and shall not be used for any other purpose than to purchase seed for needy farmers in said township, which shall be applied each succeeding year in like manner as the proceeds of the bonds of said township. Said seed grain fund may be deposited or loaned for interest, which shall be credited to said fund. Said funds so deposited or loaned must be paid into the township treasury on or before the 15th day of March of each year, and the balance of said fund remaining in said treasury on May 1st of the same year may be deposited or loaned for interest until March 15th of next year, and so on; *Provided*, That upon presentation of a petition signed by a majority of the resident freeholders, shown as before mentioned in this act, the township supervisors shall transfer the balance on hand in said seed grain fund to any other fund of said township specified in said petition.

§ 12. REPEAL.] All acts or parts of acts in conflict with this act are hereby repealed.

§ 13. EMERGENCY.] Whereas, an emergency exists in that it is necessary to procure seed grain the coming spring under the provisions of this act; therefore, this act shall take effect from and after the day of its passage and approval.

Approved March 4, 1891.