

No. 105, S.]

[Published May 14, 1903.

CHAPTER 228.

AN ACT amendatory of section 926—11 of the statutes of 1898, relating to the issue of bonds by specially incorporated cities.

The people of the state of Wisconsin represented in senate and assembly do enact as follows:

Issue of bonds; purposes; procedure. SECTION 1. Section 926—11 of the statutes of 1898 is hereby amended by striking out the twelfth subdivision thereof and renumbering subdivision 13 accordingly, and also by adding at the end of said subdivision 11 of said section 926 the following:

The council may also issue negotiable bonds, constituting a general city liability, for the refunding of other bonds, or for the funding of general city indebtedness or liability in the following cases:

1. For the refunding of valid general city bonds issued under subdivisions 1 to 12 of this section, or issued by a village or other municipality to whose property, rights and liabilities the city has succeeded.

2. For the funding of general city liability existing by reason of the fact that the city has received and has had the use and benefit of moneys raised by the issue or sale of bonds purporting to be a general city liability, but which are technically invalid for the failure to levy a tax as required by section 3 of article 11, of the constitution, or are not in lawful form, or where there was some defect in holding an election, or in some of the proceedings upon which the bonds were based. This subdivision shall apply only to cases in which the moneys were applied to general city purposes, and ought justly to be repaid by the city, where there is an actual existing liability for such repayment, and where such liability did not at the time the money was so received exceed the five per cent. limit of the constitution.

3. For the funding of general city liability arising from the fact that the city has issued special street, sewer, harbor or other improvement bonds which do not constitute a general city liability, but where the city has collected assessments levied for the payment of the bonds and the same have been lost or di-

verted to other purposes, such bonds not to exceed the amount so collected with interest. Provided, however, that such collection and diversion actually constitute a general city liability.

4. For the refunding of street, sewer, harbor or other improvement bonds which for any reason constitute a general city liability not exceeding the constitutional debt limit.

5. For the funding of judgments against the city which cannot in the judgment of the council be paid by current taxation.

Such funding or refunding bonds may run not exceeding twenty years from the time of their issue and may be negotiable coupon bonds payable to bearer at a rate of interest not exceeding that of the debt funded or refunded. Such bonds may be sold at not less than par and accrued interest and the proceeds used to pay the liability for which they were issued, or may be exchanged for the evidences of liability replaced by them. No such bond shall be issued unless authorized by an ordinance adopted by a vote in favor of the same by at least three-fourths of all the members of the common council elect, said vote to be at a regular meeting not less than one week after the proposed ordinance shall have been published in the official paper of the city. All such bonds issued shall be payable at the option of the city in annual installments, the last installment being payable not more than twenty years after their issue. Before or at the time of issuing said bonds the council shall provide for the collection of a direct annual tax, sufficient to pay the interest thereon as it falls due and to pay and discharge the principal thereof within twenty years from the time of the issue of such bonds. Said funding or refunding bonds need not be authorized by vote of the people, and shall be signed by the mayor and clerk, countersigned by the comptroller or other like officer with the corporate seal. Said officers before executing said bonds shall ascertain that they do not exceed the limit prescribed by the constitution of the state of Wisconsin and that all provisions required by the constitution and laws of Wisconsin have been duly complied with, so that said section 926—11 when so amended, shall read as follows: Issue of bonds, purposes, procedure. Section 926—11. The common council of any city incorporated by and operating under a special charter may issue bonds, payable in lawful money of the United States within twenty years from their issue, bearing interest payable annually or semi-annually at a rate not exceeding six per cent. per annum, for the following purposes:

1. For the erection and construction of a city hall and the purchase of a site for the same.

2. For the construction and extension of waterworks or the purchase of the same, for constructing sewers, and the improvement and maintenance of the same; and in cities of the first class for the construction, improvement and maintenance of flushing tunnels with the buildings and machinery for operating the same.

3. For the erection, construction and completion of school buildings and the purchase of school sites.

4. For the purchase of sites for engine houses, for fire engines and other equipments of the fire department and for the construction of engine houses.

5. For the purchase of sites for police stations and for the construction of buildings thereon for the use of the police department.

6. For the construction of viaducts, bridges and for repairs of the same.

7. For the erection and construction of library and museum buildings and the purchase of sites for the same.

8. For the establishment of public baths and hospitals and the purchase of sites for the same.

9. For the purchase of lands for public parks and improvements thereof, and for the payment of purchase money and interest thereon which may be or become due for park lands already acquired or contracted for.

10. For permanently improving streets in such city, and for creating a fund out of which to advance the cost of repairs to sidewalks in anticipation of the collection of special assessments for such cost of repairs by the treasurer of such city.

11. For the construction or purchase of electric or gas light plants for lighting streets and public buildings.

12. For doing such dredging and docking and making such other harbor improvements as any such city can lawfully do or make.

No such bonds shall be issued and no contract entered into or obligation incurred by any such city in contemplation of their issue unless such contract or obligation and the issue of such bonds for the payment of the same shall have been authorized by a vote of at least three-fourths of all the members of the council elect, said vote to be at a regular meeting of such council not less than one week after the proposed ordinance shall have been published in the official city paper, nor unless, at or before the time of issuing the bonds, the council shall provide for a direct annual tax sufficient to pay the interest thereon as it falls due and the principal thereof within twenty years

from the time of their issue. Such bonds shall be executed and disposed of in the manner provided by the charter; if the charter does not cover the subject the council shall direct the manner in which the bonds shall be executed and disposed of. All such bonds shall bear an appropriate name, indicating the purpose of their issue, be consecutively numbered, have interest coupons attached, show on their face the amount of indebtedness of the city issuing them, the amount of the assessment of the taxable property therein for each of the five years next preceding their issue and the average amount thereof, and recite the fact that the city has provided for the collection of a direct annual tax sufficient to pay the interest thereof as it falls due and the principal within twenty years from their issue. Such bonds shall not be sold for less than their par value and accrued interest; provided, that it shall be competent for the common council to provide in said ordinance that the bonds to be issued may be registered instead of coupon bonds, and the registered bonds so to be issued shall be of such denomination as the common council shall, in the ordinance authorizing the issue of such bonds, determine and direct. And the council shall further, by general ordinance prescribe the form of such registered bonds or manner in which the same shall be registered and the interest thereon paid.

The council may also issue negotiable bonds, constituting a general city liability, for the refunding of other bonds or for the funding of general city indebtedness or liability in the following cases:

1. For the refunding of valid general city bonds issued under subdivisions 1 to 12 of this section, or issued by a village or other municipality to whose property, rights and liabilities the city has succeeded.

2. For the funding of general city liability existing by reason of the fact that the city has received and has had the use and benefit of moneys raised by the issue or sale of bonds purporting to be a general city liability, but which are technically invalid for the failure to levy a tax as required by section 3 of article 11, of the constitution, or are not in lawful form, or where there was some defect in holding an election, or in some of the proceedings upon which the bonds were based. This subdivision shall apply only to cases in which the moneys were applied to general city purposes, and ought justly to be repaid by the city, where there is an actual existing liability for such repayment, and where such liability did not at the time the money was so received exceed the five per cent. limit of the constitution.

3. For the funding of general city liability arising from the fact that the city has issued special street, sewer, harbor or other improvement bonds, which do not constitute a general city liability, but where the city has collected assessments levied for the payment of the bonds and the same have been lost or diverted to other purposes, such bonds not to exceed the amount so collected with interest. Provided, however, that such collection and diversion actually constitute a general city liability.

4. For the refunding of street, sewer, harbor or other improvement bonds which for any reason constitute a general city liability not exceeding the constitutional debt limit.

5. For the funding of judgments against the city which cannot in the judgment of the council be paid by current taxation.

Such funding or refunding bonds may run not exceeding twenty years from the time of their issue and may be negotiable coupon bonds payable to bearer at a rate of interest not exceeding that of the debt funded or refunded. Such bonds may be sold at not less than par and accrued interest and the proceeds used to pay the liability for which they were issued, or may be exchanged for the evidences of liability replaced by them. No such bond shall be issued unless authorized by an ordinance adopted by a vote in favor of the same by at least three-fourths of all the members of the common council elected. Said vote to be at a regular meeting not less than one week after the proposed ordinance shall have been published in the official paper of the city. All such bonds issued shall be payable at the option of the city in annual installments, the last installment being payable not more than twenty years after their issue. Before or at the time of issuing said bonds the council shall provide for the collection of a direct annual tax sufficient to pay the interest thereon as it falls due and to pay and discharge the principal thereof within twenty years from the time of the issue of such bonds. Said funding or refunding bonds need not be authorized by vote of the people, and shall be signed by the mayor, countersigned by the city clerk, and sealed with the corporate seal. Said officers before executing said bonds shall ascertain that they do not exceed the limit prescribed by the constitution of the state of Wisconsin and that all provisions required by the constitution and laws of Wisconsin have been duly complied with.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved May 11, 1903.