

CHAPTER 140.

SCHOOL DISTRICT BONDS.
H. F. 390.

AN ACT to repeal section twenty-eight hundred and twelve-b (2812-b) of the supplement to the code, relating to school district bonds, and to enact a substitute therefor.

Be it enacted by the General Assembly of the State of Iowa:

SECTION 1. Repealed. That section twenty-eight hundred and twelve-b (2812-b) of the supplement of the code be and the same is hereby repealed, and the following enacted in lieu thereof:

SEC. 2. Bonds. The board of directors of any school corporation, may issue the bonds of said school corporation, to pay any judgment against said school corporation or any indebtedness under bonds lawfully issued and redeemable by their terms, and for any money borrowed for the completion and improvement of school houses, when authorized by the voters at a regular or special meeting called for that purpose said bonds to be known as "school funding bonds". The board of directors may also issue bonds to be known as "school tax funding bonds", to the extent of an uncollected lawful school house tax, duly authorized by the voters, to be paid out of said tax when said tax is collected. All of said bonds shall be authorized by resolution of the board. The board of directors may also, when authorized by the voters at the annual meeting, or at a special meeting called for that purpose, issue bonds to be known as "school building bonds", for the purpose of providing for the erection, completion and improvement of school houses, and the purchase of sites therefor. Each of such classes of bonds shall be substantially in the form provided for county bonds, but subject to changes that will conform them to the action of the board providing therefor, shall not run more than ten years, be in denominations of not more than one thousand nor less than one hundred dollars, and bear a rate of interest not exceeding six per cent (6%) per annum, payable semi-annually, to be signed by the president and countersigned by the secretary, and shall not be disposed of for less than par value, nor issued for other purposes than this section provides. They shall be payable, respectively, at the pleasure of such corporation at any time after the expiration of five years, but may be sooner paid if so nominated in the bond, be registered in the office of the county auditor, numbered consecutively, and redeemable in the order of their issuance. Upon being issued they shall be delivered to the treasurer thereof, the president taking a receipt therefor, and thereupon the treasurer shall stand charged on his official bond with their amount. He shall sell the bonds for not less than par value, and apply the proceeds thereof in payment of outstanding indebtedness, and for no other purpose than in this act authorized, or he may exchange the new bonds for outstanding bonds without discount, the cost of engraving and printing the bonds to be paid out of the contingent fund. The treasurer shall keep a record of the name and post-office address of all persons to whom bonds are sold. The provisions relating to payment of county bonds and notice to the owner thereof, shall also apply to school bonds issued under this act.

SEC. 3. In effect. This act, being deemed of immediate importance, shall take effect and be in force from and after its publication in the Register and Leader and the Des Moines Daily News, newspapers published in Des Moines, Iowa.

Approved April 9, A. D. 1906.

I hereby certify that the foregoing act was published in the Des Moines Daily News, April 14, 1906, and the Register and Leader, April 21, 1906.

W. B. MARTIN,
Secretary of State.