

A BILL

FOR AN ACT AUTHORIZING INCORPORATED TOWNS AND CITIES OF THE SECOND CLASS TO ISSUE AND NEGOTIATE BONDS TO PROCURE FUNDS FOR THE PAYMENT OF OUTSTANDING WARRANTS AND NEGOTIABLE INSTRUMENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SECTION 1. That incorporated towns and cities of the second class, having at the time of the passage of this act, outstanding warrants and negotiable instruments, not however including bonds, aggregating not less than one thousand dollars (\$1,000), are hereby authorized by a vote of two-thirds of the town or city council to issue bonds of such town or city, for an amount not exceeding the aggregate amount of such warrants and negotiable instruments in sums not less than one hundred dollars (\$100), nor more than one thousand dollars (\$1,000), having not more than fifteen years to run, redeemable in lawful money of the United States at the pleasure of such town or city after three years from the date of their issue, and bearing interest payable semi-annually at a rate of not exceeding six per cent per annum.

SEC. 2. Such bonds shall be delivered to the treasurer of such town or city who shall execute his receipt therefor, and such treasurer shall, without unnecessary delay, negotiate the same for the most he can obtain therefor, but in no case for less than the par value thereof.

SEC. 3. The proceeds of such bonds so issued shall immediately be applied by the treasurer to the purpose for which they are issued, but should such proceeds exceed the aggregate amount of the outstanding warrants and negotiable instruments contemplated, the surplus shall be turned over to the general fund of the town or city and shall become a part of such fund.

SEC. 4. This act being deemed of immediate importance shall take effect from and after its publication in the Iowa State Register and the Des Moines Leader, newspapers published in Des Moines, Iowa.