

body in reference to the issuance of its bonds for the purpose of refunding its outstanding floating indebtedness, such proceedings already had are hereby legalized, and any bonds issued in pursuance thereof made binding obligations of such corporation. Provided, that nothing herein shall be construed as authorizing or legalizing the issuing by any municipality of bonds which will increase its net indebtedness beyond the limit fixed by law; and, provided further, that, as between any municipality and any owner or holder of any warrant or order of such municipality, nothing herein shall be construed as validating any such invalid warrant or order.

Sec. 4. Application.—Nothing herein shall apply to any bonds or proceedings which are the subject of litigation now pending.

Sec. 5. This act shall take effect and be in force from and after its passage.

Approved April 7, 1921.

CHAPTER 185—S. F. No. 494.

An act in reference to bonds of municipal corporations issued to refund their floating indebtedness.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Definition.—“Municipal corporation,” as used herein means any of the corporations enumerated in Section 1847, General Statutes 1913.

Sec. 2. Purchaser of bonds need not inquire into validity.—No purchaser or owner of bonds already or hereafter issued by a municipal corporation for the purpose of refunding its outstanding floating indebtedness under any law of this state, shall be obligated to inquire into the validity of the debts by such bonds refunded, but the determination by resolution of the governing body of any such municipal corporation to issue its bonds for such purpose, shall be conclusive evidence as to such purchaser or owner of the validity of the debts thereby refunded. Provided, that nothing herein shall be construed as authorizing or legalizing the issuing by any municipality of bonds which will increase its net indebtedness beyond the limit fixed by law; and provided further, that, as between any municipality and any owner or holder of any warrant or order of such municipality, nothing herein shall be construed as validating any such invalid warrant or order.

Sec. 3. This act shall take effect and be in force from and after its passage.

Approved April 7, 1921.