

**CHAPTER 339.**

AN ACT to amend 25.02 (1) and 67.03 (1) of the statutes, relating to the debt limitation of cities authorized to issue bonds for school purposes and the maximum amount of loans from certain state trust funds to such cities.

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

SECTION 1. 25.02 (1) of the statutes is amended to read:

25.02 (1) The loans provided for by section 25.01 (3), other than those to school districts, may be made for any term not exceeding 20 years, may be made payable in instalments, and be in such amounts as shall not, in connection with all other indebtedness of the municipality applying therefor, exceed 5 per cent of the average assessed valuation of the taxable property therein for the 3 years next preceding the application for such loan, *except that, as to any city which is authorized to issue bonds for school purposes, such debt limitation shall not exceed 8 per cent.* When such loan is made to pay off existing indebtedness it may be advanced to the borrower in instalments as fast as such indebtedness or the evidence thereof is canceled.

SECTION 2. 67.03 (1) of the statutes is amended to read:

67.03 (1) Every municipality may borrow money and issue municipal obligations therefor for the purposes specified and by the procedure provided in this chapter, and for no other purpose and in no other manner, except as provided otherwise in section 67.01 (7) and (8); but every municipality is forbidden to become indebted in any manner or for any purpose to any amount, including existing indebtedness, which in the aggregate exceeds, *as to cities which are authorized to issue bonds for school purposes, 8 per cent, and as to other municipalities, 5 per cent* of the value of the taxable property therein, and the principal indebtedness of any county is further limited to not exceeding 5 per cent of the last equalized assessment thereof for state taxes made by the department of taxation pursuant to section 70.57.

Approved June 8, 1951.

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