

MUNICIPAL IMPROVEMENT BONDS, REFUNDING

Act of Jun. 4, 1937, P.L. 1623, No. 334

Cl. 11

(Act repealed except as relates to cities of the
first class June 25, 1941, P.L.159, No.87)

AN ACT

Empowering municipalities to refund improvement bonds based solely on assessments for grading, street and sewer improvement; and imposing no municipal liability by a new issue of bonds.

Section 1. Be it enacted, &c., That in all cases where any municipality has issued improvement bonds, based solely upon assessments for any grading, street or sewer improvements and imposing no municipal liability, and such bonds have matured or are about to mature and become due and payable, and such assessments and the liens filed thereon remain unpaid, in whole or in part, for any reason whatever, it shall be lawful for such municipality for the purpose of redeeming, exchanging or paying off any or all of such bonds to issue and exchange or sell registered or coupon bonds, based solely upon the assessments and liens filed for such improvements which remain unpaid and the lien whereof has not been lost, which bonds shall impose no municipal liability. Such bonds shall bear a rate of interest not exceeding the rate expressed in the bonds to be redeemed, exchanged or paid off, shall be redeemable at any time not exceeding ten years from the date thereof, and shall not exceed in the aggregate the amount of bonds to be so redeemed, exchanged or paid off. Such bonds shall be exempt from taxation except for State purposes: Provided, however, That all moneys collected which are by law made applicable to the redemption of the issue of bonds proposed to be refunded shall first be applied to the payment of the principal of such bonds, and the balance of such issue only shall be redeemed by the issue of new bonds.