

# BILL.

## An Act to restrain Municipalities from issuing Debentures beyond a certain amount, and for other purposes.

**I**N amendment of the Act "respecting the Municipal Institutions of Preamble.  
"Upper Canada," Her Majesty, by and with the advice and consent  
of the Legislative Council and Assembly of Canada, enacts as follows:

I. Besides the restrictions upon Councils imposed by the two City, Town and Village  
5 hundred and fifteenth and following sections, and the two hundred and and Village  
twenty-second and following sections of the said Act, no Council of a Councils  
City, Town or Village in Upper Canada shall pass a By-law for con- restricted in  
tracting a debt, by borrowing money or otherwise, or for levying a rate the borrowing  
for payment of such debt, nor issue, make or give any Bond, Bill, Note, of money and  
10 Debenture or other undertaking for the payment of a debt, whereby the issuing of  
liabilities of such City, Town or Village would be made to exceed one- Debentures,  
half of the assessed yearly value of the rateable property within its &c.  
limits, on the average of the then last three years, and calculating the &c.  
yearly value at the rate of six per cent. on the actual value of such pro-  
15 perty; and any By-law passed, or Bond, Bill, Note, Debenture, or  
other undertaking issued, made, or given in contravention of this section,  
shall be void.

II. Besides said restrictions, no Council of a County or Township, County and  
in Upper Canada, shall pass a By-law for contracting a debt, by bor- Township  
20 rowing money or otherwise, or for levying a rate for payment of such Councils  
debt, nor issue, make or give any Bond, Bill, Note, Debenture or other restricted in  
undertaking for the payment of a debt, whereby the liabilities of such the borrowing  
County or Township would be made to exceed three per cent. on the of money and  
assessed actual value of the rateable property within its limits; and any issuing of De-  
25 By-law passed, or Bond, Bill, Note, Debenture or other undertaking debentures, &c.  
issued, made or given in contravention of this section, shall be void.

III. Nothing in this Act contained shall be construed to affect the Validity of  
validity of any By-law passed, or Bond, Bill, Note, Debenture or existing By-  
other undertaking issued, made or given before the passing of the same, laws, Bonds,  
30 nor to prevent the passing or affect the validity of any By-law, or Bills, Notes,  
prevent the issuing, making or giving, or affect the validity, of any Debentures,  
Bond, Bill, Note, Debenture or other undertaking which it may here- &c., not to be  
after be necessary for any Council to pass, or to issue, make or give, for affected by  
the purpose of redeeming any Bond, Bill, Note, Debenture or other this Act.  
35 undertaking heretofore lawfully issued, made or given by it, or by any  
Council whose liabilities have devolved upon it, or for the payment of  
interest on any such Bond, Bill, Note, Debenture or other undertaking; Validity of  
nor shall the validity of any By-law lawfully passed, or Bond, Bill, By-laws, &c.,  
Note, Debenture or other undertaking lawfully issued, made or given under this  
40 by any Council under this Act, be affected by any subsequent diminution Act not to be  
in the assessed yearly value, or the assessed actual value of the rateable affected by  
property under the jurisdiction of such Council; nor shall anything in diminution  
in value of  
property.