

hereby are reappropriated for the payment of the salary of the Lieutenant Governor and the salary and the mileage of the members of the Legislature and for the payment of the per diem of the officers and the employees of and all other expenses of the Legislature—including payment for necessary supplies therefor.

Sec. 2. This Act shall take effect and be in force from and after its passage.

Approved April 21, 1933.

CHAPTER 402—H. F. No. 210

An act relating to and authorizing the creation, establishment and maintenance of state reforestation or flood control projects, or wild game preserves, or other public state purposes, and providing among other things for their management and control; defining certain offenses therein, and prescribing penalties for their violation; providing for the acquisition by the State of unredeemed tax delinquent lands therein and the use and disposition of such lands for such purposes; providing for the sale and exchange of such lands; providing means for the payment and retirement of county bonds secured in part by assessments on lands so to be acquired, and for the payment of school district and township bonds secured in part by tax levies thereon, and protecting the credit of the State, its political subdivisions and municipal corporations by preventing default in the payment of such bonds; defining the powers and duties of the counties and their officers in respect thereto; providing for the levy and collection of taxes for the purposes thereon and for the issuance of certificates of indebtedness in anticipation of such taxes.

Whereas, the laws of the State of Minnesota, in force prior to the year 1925, relating to public drainage ditches authorized the establishment of such ditches upon petitions signed by a small number of property owners, and upon hearings held thereon, the general tax payers were not adequately represented; and

Whereas, upon the establishment of each of such ditches it was found and determined by the constituted authorities that the establishment and construction thereof would be a public utility or benefit or would promote the public health; and

Whereas, under such laws it was mandatory upon the boards of county commissioners and other county officials to issue and

sell the general obligation bonds of the county secured by the pledge of the full faith, credit and resources and unlimited taxing powers of such county to the extent necessary to pay the cost of establishment, construction and repair of such ditches; and

Whereas, pursuant to such laws certain counties have heretofore incurred obligations to finance and refinance the cost of the construction and repair of such ditches upon lands which it now appears were and are not now primarily suitable for agriculture, and the special assessment levied upon lands supposedly benefited by said ditches cannot be collected in a sum sufficient to pay such bonds, and the payment of such bonds by the use of the taxing powers of such counties would result in confiscatory rates to the extent that taxes so levied would not be paid; and

Whereas, default in the payment of such bonds by certain counties is imminent, and the general credit of the State of Minnesota and all its political subdivisions and municipal corporations is thereby damaged, resulting in greatly added interest charges on all public financing for many years to come; and

Whereas, certain lands in such counties will become available for state ownership by reason of delinquent tax liens thereon, and such lands are suitable for state ownership and administration, for use as and for afforestation, reforestation, flood control projects, wild game and fish reserves, or other public state purposes, and will produce revenue to assist in relieving the tax burdens and preventing such bonds' default..

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

Section 1. State reforestation projects established.—For the purpose of vesting and revesting the state with title to lands suitable primarily for the development of forests and prevention of forest fires, and for experimenting in and practically advancing afforestation and reforestation, and for the purpose of impounding, controlling and regulating the water of meandered lakes and the flow of natural streams of the state, and for the purpose of creating and establishing wild game and fishing reserves, or for either or any of such purposes, or for any other public state purpose, the board of county commissioners of any county within which such lands are located, and in which on January 1, 1933 the taxes on more than 25 per cent of the acreage of the lands in any townships in said county, as shown by the tax books thereof, are delinquent, and in which on January 1, 1933 the taxes or ditch assessments on more than 50 per cent of the acreage of the lands included in the area or project herein provided for, as shown by the tax books of said county, are delinquent, and of which on January 1, 1933

the bonded ditch indebtedness of any county wherein any of said lands are located equals or exceeds 15 per cent of the assessed value of the county for the year 1932 as fixed and determined by the Minnesota Tax Commission, exclusive of moneys and credits, may by resolution duly adopted, propose to the State of Minnesota that any "area in said county consisting of one or more townships, or a part of any township, containing such lands be taken over by the state for afforestation, reforestation, flood control projects, wild game and fish reserves, or other public state purpose, to be managed, controlled and used for the development of forests and prevention of forest fires, and for the purpose of experimenting in and practically advancing afforestation, reforestation, or for the purpose of impounding, controlling and regulating the waters of meandered lakes and the flow of natural streams, or for the purpose of creating and establishing wild game and fishing reserves, or for either or any of such purposes," or for any other public state purpose, on lands to be acquired by the state within such projects as hereinafter set forth. Each such area shall include lands which have been assessed for all or part of the cost of the establishment, construction or repair of public drainage ditches under the laws of this state, and on which such assessments or installments thereon are overdue, delinquent and unpaid. A duly certified copy of such resolutions of the county board shall be submitted to and filed with the Department of Conservation of the State of Minnesota, or such department as shall be established in lieu thereof, and considered and acted upon by that department; if approved by that department it shall then be submitted to, considered and acted upon by the Executive Council of the state, or such department as shall be established in lieu thereof, and if approved by that department such proposition shall be formally accepted by the Governor and his acceptance shall be communicated in writing to and filed with the county auditor of such county. State school, swamp, indemnity and institutional lands which have heretofore or shall hereafter be sold as provided by law, and for which certificates of sale have been issued at the time of the passage of said resolution by the county board, and all lands owned by the Rural Credit Bureau of said state, shall be considered taxable lands within the meaning of this section and if the taxes or ditch lien installments on such lands or the interest of the purchaser therein are delinquent, shall be considered lands on which the taxes are delinquent within the meaning of this section.

Sec. 2. Definitions.—The word 'taxes' as used in this Act shall be held to include taxes of every kind, including special assessments of every kind. The word 'bonds' or 'bonded indebtedness' as

used in this Act shall be held to include bonds and accumulated interest thereon of every nature issued to finance or refinance the construction, maintenance or repair of public drainage ditches.

Sec. 3. **Forest to be under management of department of conservation.**—Each of such projects, so approved and accepted, shall be under the management and control of the Department of Conservation, which shall have and is hereby given full power and authority to make, establish, promulgate and enforce all necessary rules and regulations not inconsistent with the laws of this state for the care, preservation, protection and development of forests and for experimenting in and practically advancing afforestation and reforestation therein, and impounding, controlling and regulating the waters of meandered lakes and the flow of natural streams, or for other public state purposes, and for the prevention of forest fires therein, and for the sale of merchantable timber from lands acquired by the state therein when and where, in the opinion of such department, the same may be sold and removed without damage or injury to the purposes of such projects; provided, however, that no such rules or regulations shall in any manner interfere with, destroy or damage any private owned property without just compensation being made to the owner of such private property by purchase or in condemnation proceedings duly instituted pursuant to the laws of this state. Such rules and regulations may relate to the care, preservation, protection, breeding, propagation and disposition of any and all species of wild life therein and the regulation, issuance, sale and revocation of special licenses or special permits for hunting, fishing, camping or other uses of said areas not inconsistent with the terms of this Act, or of other laws of the state now or hereafter applicable thereto. The Department of Conservation may provide for the policing of each of such projects in such manner as may be needful for the proper development, use and protection thereof, and of its purpose, and all supervisors, guards, custodians and caretakers assigned to duty in any such project shall have and possess the authority and powers of peace officers while in its employment. All lands within the boundaries of any such project shall be subject to such rules and regulations, whether owned by the state or privately, consistent with the constitutional rights of such private owners or with the laws of this state now or hereafter applicable thereto; provided, however, that the department may exclude from the operation of any such rules or regulations any lands owned by private individuals, upon which taxes are delinquent for three years or less. All such rules and regulations shall be published once in the official newspaper of each county affected and shall take effect thirty days after such publication, and shall be, in addition thereto, posted on each of the four corners of each township of each project affected. In the management, opera-

tion and control of such areas as may be taken for afforestation, reforestation, flood control projects and wild game and fish reserves, nothing shall be done which will in any manner directly or indirectly obstruct or interfere with the operation of any ditches or drainage systems existing within such areas, nor shall anything be done which will in any manner directly or indirectly damage or destroy any of the existing roads or highways within said areas or projects, unless such ditches, drainage systems, roads or highways be first taken under the right of eminent domain and compensation made to the property owners and municipalities affected and damaged. Each such area or project shall contribute from the funds and moneys of the project, in proportion to the State Land within the project for the construction and maintenance of such roads and highways as may be necessary within such areas and projects in order to give the settlers therein and owners of privately owned lands within such areas access to their lands. The Department of Conservation and its successors may construct and maintain such roads and highways within such areas and projects as it may deem necessary.

Sec. 4. Proceeds to be paid into state treasury.—The proceeds of all certificates of indebtedness issued under the provisions of this Act, all moneys received from redemption as hereinafter provided, all moneys received as gifts to the state for the purpose of any such projects, and all income which may be received from the operation, development, management and use of such projects, including fees received from the sale of all birds, animals, fish and flora therefrom and the sale of all lands and timber thereon owned by the state within such area, other than University, school, swamp, indemnity or institutional lands, and state forests set apart pursuant to Article 8, Section 7, of the Constitution, and state lands acquired under the system of Rural Credits, and all moneys of the State which may hereafter be transferred thereto under any law of this State shall be paid into the State Treasury and credited to the project to which the same pertains and same are hereby annually appropriated for the purposes thereof; provided, that under the provisions of this act, the aggregate or total of all certificates of indebtedness issued shall not exceed the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00).

Sec. 5. County auditors to certify tax delinquent lands.—As soon as practicable after the approval of and acceptance of any such project, the county auditor of each county in which the same is situated shall certify to the State Auditor a list of all lands within the boundaries of any such project, except lands lying within the boundaries of any incorporated city or village, upon which taxes are delinquent for three years or more, which have been bid in for

the State at any delinquent tax sale heretofore or hereafter held for the nonpayment of taxes, and which have not been redeemed or assigned to any actual purchaser, and which certificates shall contain the following information:

(A) The legal description of each parcel of such land.

(B) The name and number of the ditch and the amount of the principal and interest of each delinquent drainage assessment as it appears on the tax books of said county for all years prior to the date of such certificate against each such parcel of land, together with interest thereon at six per cent per annum since the due date of said installment.

And on or before the 15th day of June in each year thereafter such county auditor shall certify to the State Auditor a list of all lands within the boundaries of any such project, except lands lying within the boundaries of any incorporated city or village, and except lands which have been described in any previous certificate, and upon which taxes are delinquent for three years or more and which have been bid in for the state at any delinquent tax sale heretofore or hereafter held for the nonpayment of taxes, and which have not been redeemed or assigned to an actual purchaser and which certificate shall contain the following information:

(C) The legal description of each parcel of such land, contained in any prior certificate upon which all taxes have been redeemed.

(D) The legal description of each parcel of such lands which on May 14th of the year in which said certificate is furnished is delinquent for three years or more.

(E) The name and number of the ditch and the amount of the principal and interest of each delinquent ditch assessment installment as it appears on the tax books of said county for all years prior to the date of such certificate against each such parcel of land, together with interest thereon at the rate of six per cent per annum since the due date of each said installment; provided, however, that said certificate shall not contain the delinquent drainage assessment installments included in any certificate theretofore furnished.

Whenever the delinquent drainage assessment installment on any such parcel of land included in any such certificate of the county auditor is redeemed, paid, or assigned to any person, the County Auditor shall forthwith report the same to the State Auditor, and the County Treasurer shall forthwith remit to the State Treasurer the amount so paid in the County Treasury on account of any such delinquent drainage assessment installment or installments.

Forthwith upon the approval and acceptance of any such project and thereafter, after each distribution has been made of the tax collections for the June and November tax settlements, such county auditor shall certify to the State Auditor the following information relating to bonds issued to finance or refinance public drainage ditches lying wholly or partly within such projects, and the collection of assessments levied on account of such ditches:

(F) The amount of principal and interest to become due on such bonds prior to the next ensuing tax settlement and distribution.

(G) The amount of moneys collected from such drainage assessments and credited to the funds of said ditches, not already transmitted to the state treasurer as provided in this Act.

(H) The amount of the deficit in the ditch fund of said county chargeable to such ditches.

Forthwith upon the approval of such certificate of the county auditor by the state auditor he shall draw a warrant or warrants on the State Treasurer, payable out of the Fund herein provided for and transmit the same to the County Treasurer of said county, and said moneys shall be credited to the proper ditch of said county and placed in the 'Ditch Bond Fund' of said county, which is hereby created, and shall be used to pay the ditch bonded indebtedness of said county assumed by the state under this Act and for no other purpose; provided, further, that the total amount of such warrants so to be drawn by the State Auditor shall not exceed in any one year the total amount of the deficit hereinafter provided for under subdivision 'H' of this section.

The state shall be subrogated to all title, right, interest or lien of said county in or on the lands so certified within said projects.

As to all public drainage ditches which lie wholly within any such project, the maximum amount of money which shall be paid to or for the benefit of said county in the manner above provided shall never exceed the principal and interest of the bonds issued to finance or refinance any such ditch outstanding at the time of the passage and approval of this Act, less moneys on hand in the county ditch fund, to the credit of any such ditch, and such liabilities shall be reduced from time to time by the amount of any and all payments of assessments hereafter extended, made by the owners of lands heretofore assessed for benefits on account of such ditches. As to all public drainage ditches which lie partly within and partly without the boundaries of any such project, the maximum amount which shall be paid from the fund pertaining to such project to or for the benefit of such county shall never exceed the percentage of

bonds issued to finance and refinance any such ditch so outstanding, less moneys on hand in the county ditch fund to the credit of any such ditch at the time of the passage and approval of this Act, which bears the same proportion to the whole amount of such bonds as the original benefits assessed against said lands within the project bear to the original total benefited assessed to the entire system for any such ditch, and such liability shall be reduced from time to time by the payments of all assessments hereafter extended, made by the owners of lands within such project of assessments for benefits heretofore assessed on account of any such ditch.

The State Auditor shall have authority to provide and prescribe the forms for any reports required by this Act to be made to him and to require any further and additional information from any officials of any such county which he deems necessary for the proper administration of this Act.

Sec. 6. State auditor to sell certificates of indebtedness.—For the purpose of anticipating the annual revenues of the fund pertaining to any such project, the State Auditor is hereby authorized and directed, upon the acceptance and approval of each such project and upon there being certified to him the information relating to bonds contemplated by Section 5 of this Act, to issue and sell certificates of indebtedness in an aggregate sum not exceeding the maximum amount of money payable to or for the benefit of the county in which such project is located, as prescribed by said Section 5, payable from said fund pertaining to such project, such certificates to be numbered serially and to be of such denominations and bear such dates of issue and of maturity and bear interest at such rate, not to exceed five per centum per annum, as the State Auditor shall determine; provided that none of such certificates of indebtedness shall run beyond the tax settlement dates for the next annual tax levy thereafter to be made by such auditor, as hereinafter required in anticipation of the collection of which such certificates of indebtedness are issued, except that such certificates of indebtedness as are required by this Act to be issued during the calendar years 1933 and 1934 shall bear maturity dates subsequent to the last settlement date for the annual tax levy for the year 1935, and no taxes shall be levied pursuant to this Act in either of the years 1933 or 1934, other than for such amounts as shall be sufficient, together with the funds otherwise available under this Act, for the payment of interest which shall become due and payable on said certificates during the years 1933 and 1934 respectively. In the year 1935 there shall be levied in the manner provided by this Act an amount sufficient for the payment of the principal of such certificates of indebtedness and interest to accrue and become payable thereon, in addition to such other amounts as shall be required under

this Act to be levied in said year. Such certificates shall be so issued from time to time as the proceeds thereof are needed for the demands of said fund. The interest on such certificates of indebtedness shall be payable with the principal thereof. Said certificates shall be in such form and upon such terms and conditions, not inconsistent with the terms of this Act as the State Auditor shall determine, shall be signed by the Governor and attested by the State Auditor and shall be sold for not less than par. Such certificates may be purchased by the State Board of Investment for the Permanent School Fund, Swamp Land Fund, Internal Improvement Fund or any other trust fund of the State of Minnesota, and shall be deemed "authorized securities" within the provisions of General Statutes 1923, Section 7714, and Acts amendatory thereof or supplementary thereto.

Sec. 7. Tax levies.—Whenever the State Auditor shall approve the certificate of the county auditor as specified in Section 5 of this Act, he shall compute the portion thereof which will exceed cash on hand in the fund pertaining to any such project available for its payment and shall make an entry in his record that such excess, plus the amount required to pay interest on certificates of indebtedness, to be issued to provide money for the payment thereof, is to be extended upon the tax rolls for the next succeeding tax year, and there is hereby levied for the year in which such entry is made the aggregate of the sums so entered for collection up to the time of the certification of state taxes for such year and for each year thereafter, until the maximum state liability prescribed by Section 5 hereof has been exhausted, the aggregate of such entries made since the last proceeding certification of state taxes, which taxes shall be extended and collected in the same manner as other state taxes, and the proceeds of such levies are hereby appropriated and pledged to the payment of the principal and interest of the certificates of indebtedness issued pursuant to this Act.

Sec. 8. Lands to be held by state in fee.—The title to all parcels of land lying within any such project, except lands lying within the boundaries of any incorporated city or village, which shall be acquired by the State under the provisions of Laws 1927, Chapter 119, or any amendments thereof, shall be held by the state free from any trust in favor of the taxing districts specified in said chapter, and shall be held and used or disposed of in accordance with the provisions of this Act or any other law of this state.

Sec. 9. State auditor to certify list to department of conservation.—Upon receipt by the State Auditor of the reports of the county auditor specified in Section 5 hereof, he shall certify a copy thereof to the Department of Conservation which shall

classify all such lands as to their suitability for agriculture or for afforestation, reforestation, or for the purpose of impounding, controlling and regulating the waters of meandered lakes and flow of natural streams, or for other public state purposes; and after the title to any such land has been acquired by the state in the manner herein provided, such lands may be reclassified from time to time. All such lands which become the absolute property of the state under the provisions of this Act which have been classified as suitable for agriculture, and timber from any lands so acquired, shall be subject to sale or rental by the state as provided by law.

Sec. 10. Department of conservation to receive gifts or bequests in behalf of the state.—The Department of Conservation is hereby authorized and empowered to receive for and in behalf of the state, and to make suitable acknowledgement thereof, any gift, bequest, devise or grant of land or interests in lands in any such project, or of money or personal property of any kind, which it may deem suitable for use in connection with the operation, control, development or use of any or all such projects.

Sec. 11. Department shall have right of eminent domain.—The Department of Conservation is hereby authorized and empowered to acquire, by exercise of the right of eminent domain, which right is hereby given it, to be exercised in the manner provided in General Statutes 1923, Chapter 41, and any amendments thereof, or by purchase, any privately owned lands or interests in lands within the boundaries of any such project which said department shall deem necessary for State ownership, use or development for the purposes of this Act; provided, however, that no moneys shall be used for the purposes specified in this section until and unless such department and the State auditor shall have determined that such moneys will not be required to meet the requisitions of the counties authorized under Section 5 of this Act or for the payment of certificates of indebtedness and interest thereon herein provided for.

Sec. 12. County may assume bonds.—Any county wherein any such project or portion thereof is located, may voluntarily assume in the manner hereinafter specified the obligation to pay that portion of the principal and interest of the bonds issued before the approval and acceptance of such project and remaining unpaid at maturity, of any school district or township situated in said county and wholly or partly lying within said project, which portion bears the same proportion to the whole of said unpaid principal and interest as the last assessed valuation, prior to the acceptance of said project, of lands then acquired by the state pursuant to this Act in such school districts or townships bears to the total assessed

valuation for the same year of such school district or township. Such assumption shall be evidenced by a resolution of the county board of said county, a copy of which shall be certified to the state auditor within one year after the acceptance of such project; and thereafter, if any of such bonds shall remain unpaid at maturity the county board shall upon demand of the governing body of such school district or township or of the holder of any such bond, provide for the payment of the portion thereof so assumed, and such county shall levy general taxes on all the taxable property of the county therefor, or shall issue its bonds to raise such sum as may be needed, conforming to the provisions of law respecting the issuance of county refunding bonds. The proceeds of such taxes or bonds shall be paid over by the county treasurer to the treasurer of the school district or township; provided, however, that no such payments shall be made by the county to such school district or township until such time as the moneys in the treasury of such school district or township together with the moneys so to be paid by said county shall be sufficient to pay in full each of said bonds as each may become due.

In the event that any such county shall fail or neglect so to adopt and certify such resolution, the state auditor shall withhold from the payments to be made to such county under the provisions of Section 5 of this Act, a sum equal to that portion of the principal and interest of such outstanding bonds which bears the same proportion to the whole thereof as the above determined assessed valuation of lands acquired by the State within such project bears to the total assessed valuation for the same year of such school district or township. Moneys so withheld from the county shall be set aside in the State Treasury and shall not be paid to the county until the full principal and interest of such school district and township bonds shall have been paid.

In the event that any such bonds remain unpaid at maturity, upon the demand of the governing body of such school district or township, or the holder of any such bonds, the State Auditor shall issue to the Treasurer of such school district or township a warrant on the State Treasurer for that portion of such past due principal and interest computed as in the case of the county's liability hereinbefore authorized to be voluntarily assumed. All moneys received by any school district or township pursuant to this section shall be applied to the payment of such past due bonds and interest.

Sec. 13. Violation of rules a misdemeanor.—Any person who within the limits of any such project shall wilfully violate or fail to comply with any rule or regulation of the Department of Conservation adopted and promulgated in accordance with the provisions of this Act shall be deemed guilty of a misdemeanor.

Sec. 14. **Provisions separable.**—This Act shall be held unconstitutional only in the event that some major provisions of the Act are found unconstitutional and invalid that would make the Act unworkable. If any minor provisions of this Act are held unconstitutional it shall in no way affect or invalidate any other provision or part thereof; and this Act shall be deemed workable if Section 5 thereof is constitutional.

Approved April 22, 1933.

CHAPTER 403—H. F. No. 247

An act requiring the Minnesota Rural Credit Bureau in certain cases to refrain from collecting installments due on outstanding mortgages for a period of three years from and after May 1, 1933, and providing for amortization thereof.

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

Section 1. Payments on rural credit mortgages postponed for three years.—Any owner of real estate, on which the Minnesota Rural Credit Bureau holds a mortgage, may make verified application to said Bureau asking that said Bureau refrain from the collection of installments due on said mortgage for a period of not to exceed two years from and after May 1, 1933. Such application shall set out that the owner of said real estate is unable to pay the installments due on the principal and interest of said mortgage without becoming delinquent in the payment of taxes; that the applicant will pay the taxes and insurance on said real estate in accordance with the terms of the mortgage; that the applicant will not commit waste on the premises; and that if said applicant fails to pay said taxes and insurance or commits waste, then and in that case the said Bureau would not be bound by the terms of any extension granted and could pursue its remedies under the mortgage as though no extension had been granted; and such other facts as the Bureau shall deem advisable. Upon the filing of such application, the Minnesota Rural Credit Bureau shall cause investigation to be made, and if the facts as stated in such application shall be found to be true, the said Bureau may grant the application and shall refrain from the collection of the current installments on the principal and interest of the mortgage for a period not to exceed two years from and after May 1, 1933, upon such terms as set forth in the application.