
EDUCATION

CHAPTER 124

H. B. No. 536
(Legislative Research Committee)

INVESTMENT OF FUNDS OF COMMON SCHOOLS AND OTHER PUBLIC INSTITUTIONS

AN ACT

To amend and reenact sections 15-0304 and 15-0307 of the North Dakota Revised Code of 1943, and section 15-0309 of the 1949 Supplement to the North Dakota Revised Code of 1943, relating to the investment of funds of the common schools and other public institutions, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-0304 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-0304. INVESTMENT OF FUNDS; PURCHASE OF BONDS AND MORTGAGES; APPRAISAL.) Subject to the provisions of section 15-0305, the board of university and school lands shall invest the money belonging to the permanent funds of the common schools, the state university and school of mines, the state training school, the agricultural college, the school for the deaf and dumb of North Dakota, the state normal schools, and other permanent funds derived from the sale of original grant lands or from any other source, in the following securities:

1. Bonds of school corporations, counties, townships, and municipalities within the state;
2. Bonds issued for construction of drains within the state;
3. Bonds of the United States;
4. Bonds of the state of North Dakota; or
5. First mortgages on farm lands in this state to the extent such mortgages are guaranteed or insured by the United States or any instrumentality thereof, or if not so guaranteed or insured, not exceedng in amount one-half of

the actual value of any subdivision on which the same may be loaned such value to be determined by the board of appraisal of school lands.

§ 2. AMENDMENT.) Section 15-0307 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-0307. LIMITATIONS ON FARM LOANS.) Farm loans secured by a first mortgage shall be made only upon farm land in this state, and only to persons who are actual residents of this state. Loans shall not be made to any person in an amount exceeding twenty-five thousand dollars and shall not be made when the appraised valuation of the land is less than ten dollars an acre.

§ 3. AMENDMENT.) Section 15-0309 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-0309. TERM, INTEREST, PAYMENT OF FARM LOANS.) If the mortgage on farm lands is guaranteed or insured by the United States or any instrumentality thereof it may run for a period of not more than forty years and the fund so invested shall bear interest at a rate not less than three per cent per annum. If the mortgage is not so guaranteed or insured it shall be for a period of not more than twenty years and the funds so invested shall bear interest at a rate not less than three and one-half per cent per annum. The principal and interest shall be payable to the commissioner of university and school lands at Bismarck, North Dakota and the interest shall be payable annually or at shorter intervals. The payment of such mortgage, both principal and interest, may be amortized over the period of such mortgage. The commissioner shall report and pay into the state treasury daily all collections of principal and interest payments. The borrower shall have the option of paying ten per cent of the principal or any multiple thereof at any interest paying date. Any mortgage may be satisfied at any interest paying date on payment of the entire amount of the indebtedness. When the interest is paid it shall become a part of the interest and income fund.

§ 4. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 11, 1953.

CHAPTER 125

S. B. No. 54
(Legislative Research Committee)
(at the request of)
(State Land Department)

FARM LOAN INVESTMENTS BY BOARD OF UNIVERSITY
AND SCHOOL LANDS

AN ACT

To amend and reenact section 15-0309 of the 1949 Supplement to the North Dakota Revised Code of 1943, relating to investment in farm loans by the board of university and school lands.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-0309 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-0309. TERM, INTEREST, PAYMENT OF FARM LOANS.) First mortgages on farm lands shall be for a period of not more than forty years, and the funds so invested shall bear interest at the rate of not less than three per cent per annum. The principal and interest shall be payable to the commissioner of university and school lands at Bismarck, North Dakota, the interest to be payable annually. The commissioner shall report and pay into the state treasury daily, all collections of principal and interest payments. The borrower shall have the option of paying ten per cent of the principal, or any multiple thereof, at any interest paying date. Any mortgage may be satisfied at any interest paying date on payment of the entire amount of the indebtedness. When the interest is paid, it shall become a part of the interest and income fund.

Approved March 11, 1953.

CHAPTER 126

S. B. No. 152
(Freed by request)

SALE AND CONVEYANCE OF STARK COUNTY LAND BY
BOARD OF HIGHER EDUCATION

AN ACT

Authorizing the state board of higher education to sell and convey sixty eight and nine tenths acres, more or less, of section five, township one hundred thirty nine north, range ninety six west in Stark County, North Dakota, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1.) It is hereby determined that the property hereinafter described is no longer suitable for the purpose of an experiment farm because of its isolated situation and that it will be advantageous to the state to dispose of the same now when the property is being sought as a site for an industrial area and the proceeds used to purchase land more suitable for experimental purposes or otherwise used to promote agricultural experimentation.

§ 2.) The state board of higher education, with the approval of the governor and the attorney general, is hereby authorized to sell and convey the property described as follows, to-wit: all that part of the south half of the south half of section five, township one hundred thirty nine north, range ninety six west of the fifth P. M., Stark County, State of North Dakota, said tract of land being bounded on the north side by the right-of-way for a state highway two hundred feet in width, lying one hundred feet on each side of the following described center-line: Beginning at a point on the east line of said section five, said point being four thousand one hundred fifty two feet south of the northeast corner of said section five; thence on a bearing of north eighty nine degrees twenty four minutes west a distance of eight hundred fifty six and one tenth feet; thence on a one degree curve to the left a distance of one thousand six hundred seventy three and three tenths feet; thence on a bearing of south seventy three degrees fifty two minutes west a distance of two thousand five hundred sixty two and four tenths feet; thence on a one degree curve to the right to the point where such curve intersects the west line of said section five; and bounded on the south side by the south line of said section five; and the north line of the right-of-way of the

Northern Pacific Railway Company right-of-way, as the same is surveyed, platted, and extended across the said south half of the south half of section 5, excepting therefrom a tract of land in the southwest quarter of the southwest quarter of said section five, embracing two acres, owned by one Frank Hurish and recorded and described on page one hundred twenty-five of book fifty-five, register of deeds for Stark County. The tract described contains sixty-eight and nine tenths acres, more or less, and is subject to road rights-of-way and easements of record. Such land shall be sold in its entirety as a unit at public auction or under sealed bids to the highest responsible bidder, except that the board of higher education shall have the power to reject any and all bids where such bids are deemed inadequate.

§ 2. EMERGENCY.) This Act is hereby declared to be an emergency and shall be in full force and effect from and after its passage and approval.

Approved February 28, 1953.

CHAPTER 127

H. B. No. 807
(Siverson and Poling)

RELOCATION OF WILLISTON EXPERIMENT STATION

AN ACT

Providing for the relocating of the Williston experiment station, sale of portion of lands used by the experiment station, and reserving portion of said lands to be held for educational purposes, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. PURPOSE.) It is hereby determined that the lands hereinafter described are no longer suitable for experiment station purposes and are urgently needed for the further development and expansion of the city of Williston and can be sold advantageously at this time.

§ 2. AUTHORIZE RELOCATION OF WILLISTON EXPERIMENT STATION.) The board of higher education is hereby authorized and directed to effect the relocation of the Williston experiment station from its present site to a suitable location which shall

be selected by the state board of higher education and which shall comprise not less than 320 acres and not more than 480 acres. Such experiment station shall be under the direction of the state board of higher education and shall be operated in connection with the North Dakota agricultural college.

§ 3. PARTIAL SALE OF PRESENT SITE AUTHORIZED; USE OF FUNDS.) The following described state-owned lands comprising a part of the Williston experiment station shall be sold under the supervision and the direction of the state board of higher education:

S $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$; N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$; S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ and N $\frac{1}{2}$ -SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 13, Township 154 North, range 101, West of the 5th P. M.

Such sale shall be made in compliance with chapter 302 of the session laws of 1951. The board of higher education shall have the authority to plat said property and dedicate streets and right of ways for public use. That such incidental expenses as may be incurred through the sale of such land, such as platting, advertising or other necessary expenses, may be paid out of the income from such sale. The funds derived from such sale shall be used by the board of higher education for the purpose of relocating the Williston experiment station in Williams County including the purchase of lands, erection of buildings, and other incidental and necessary expenses not to exceed \$250,000.00. Any funds received over that amount by reason of sale of said lands shall be retained by the board of higher education in a special fund, the disposition of which shall be determined by future legislative action.

§ 4. RETENTION AND USE OF LANDS NOT SOLD.) The remaining lands comprising such experiment station shall be held in the name of the state of North Dakota and shall be used for educational purposes.

§ 5. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 14, 1953.

CHAPTER 128

S. B. No. 46
(Legislative Research Committee)

**REPEAL OF SALARY OF STATE GEOLOGIST AND
DEPUTY STATE GEOLOGIST**

AN ACT

To repeal section 15-1110 of the 1949 Supplement to the North Dakota Revised Code of 1943, relating to the salary of state geologist and deputy state geologist.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REPEAL.) Section 15-1110 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby repealed.

Approved February 28, 1953.

CHAPTER 129

S. B. No. 252
(Appropriations Committee)

**PAYMENT OF ARTIFICIAL ICE EQUIPMENT FROM THE
UNIVERSITY ATHLETIC GATE RECEIPTS**

AN ACT

Authorizing the athletic department of the university to pledge future gate receipts to pay for artificial ice equipment on the university campus.

§ 1.) The university of North Dakota is authorized to pledge future hockey admission receipts to repay any loan or loans made for the purpose of remodeling buildings and purchasing and installing artificial ice equipment for hockey and skating purposes at the university.

Approved March 13, 1953.

CHAPTER 130

H. B. No. 717

(Schmalenberger, Gress, Sticka, Maher, Roen)

ESTABLISHMENT OF VETERINARY DIAGNOSTIC LABORATORY
AT NORTH DAKOTA AGRICULTURAL COLLEGE

AN ACT

To create and establish a veterinary diagnostic laboratory to be located at the North Dakota Agricultural College at Fargo, under the supervision and direction of the North Dakota Agricultural College, providing for conducting diagnosis of farm and domestic animals and poultry suspected of having diseases.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1.) There is hereby created and established a veterinary diagnostic laboratory to be located at the North Dakota agricultural college at Fargo.

§ 2.) Said veterinary diagnostic laboratory shall be under the supervision and direction of the North Dakota agricultural college.

§3.) Said veterinary diagnostic laboratory shall conduct diagnosis of farm and domestic animals and poultry suspected of having diseases and make reports thereon.

Approved March 14, 1953.

CHAPTER 131

H. B. No. 775

(Nygaard, Freadhoff, Anderson of Ransom)

MILEAGE AND TRAVEL EXPENSE OF
COUNTY SUPERINTENDENT

AN ACT

To amend and reenact section 15-2205 of the 1949 Supplement to the North Dakota Revised Code of 1943 as amended by the 1951 Session Laws relating to mileage and travel expense of county superintendents.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-2205 of the 1949 Supplement to the North Dakota Revised Code of 1943 as amended by the 1951 session laws is hereby amended and reenacted to read as follows:

15-2205. MILEAGE AND TRAVEL EXPENSE; AMOUNT, HOW PAID.) A county superintendent of schools, and his duly appointed deputy, shall receive ten cents per mile for travel by motor vehicle for trips necessarily made within his county in the performance of his duty. For any other travel authorized by law, he shall receive for each mile actually and necessarily traveled in the performance of his duties, the following amounts: when travel is by motor vehicle, the sum of ten cents per mile; when travel is by rail or other common carrier, the amount actually and necessarily expended therefor. Before any allowance for mileage or travel expense may be paid by the county, the county superintendent or deputy, as the case may be, shall file with the county auditor an itemized statement verified by his affidavit showing the mileage traveled, the manner of travel, the day or days upon which the traveling was done, and the purpose or purposes and destinations of such travel. The statement and affidavit shall be submitted to the board of county commissioners, and the claim shall be approved by the board before it shall be allowed or paid.

Approved March 5, 1953.

CHAPTER 132

H. B. No. 683
(Esterby)

COMPENSATION AND MILEAGE FOR COMMON
SCHOOL OFFICERS

AN ACT

To amend and reenact subsection 2 of section 15-2505 of the 1949 Supplement to the North Dakota Revised Code of 1943 as amended by chapter 129 of the 1951 Session Laws, relating to compensation and mileage of common school district officers.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Subsection 2 of section 15-2505 of the 1949 Supplement to the North Dakota Revised Code of 1943 as amended by chapter 129 of the 1951 session laws is hereby amended and reenacted to read as follows:

2. In districts containing more than four townships and in which ten or more schools are operated, a school board member shall receive six dollars for each meeting attended and mileage at the rate of seven and one-half cents for each mile actually and necessarily traveled to and from such meetings. In addition each board member shall be allowed each year one compensated visit to the schools in his district. For making such visits each board member shall receive four dollars per diem plus his actual and necessary expenses, but not to exceed forty dollars.

Approved March 10, 1953.

CHAPTER 133

H. B. No. 678
(Engen, Sortland, and Simenson)

ADMISSION OF PUPILS FROM OTHER COMMON SCHOOL
DISTRICTS; TUITION

AN ACT

To amend and reenact section 15-2511 and section 15-29082 of the 1949 Supplement to the North Dakota Revised Code of 1943, relating to the admission of pupils from other districts; tuition.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-2511 and section 15-29082 of the 1949 Supplement to the North Dakota Revised Code of 1943 are hereby amended and reenacted to read as follows:

15-2511. PUPILS: ADMISSION OF FROM OTHER DISTRICTS; DISTRIBUTION WITHIN DISTRICTS; TUITION.) The school board shall admit to the schools of the district pupils other than high school pupils from other districts when it can be done without injuring or overcrowding the schools, and shall make regulations for the admission of such pupils. When a pupil is admitted from another district, credit on his tuition shall be given by the district admitting him to the extent of school taxes paid in the admitting district by the parent or guardian of the admitted pupil, or if such parent or guardian is a tenant, then to the extent that the landlord pays school taxes in that district. If the attendance of a pupil from another district is necessitated by shorter distance or other reasons of convenience and is approved by the county superintendent of schools, the balance of the tuition, after credit for taxes paid, shall be paid by the district from which the pupil is admitted, but the whole amount of the tuition shall not exceed the average cost of elementary education per child in the county. Such costs shall include expenditures from the general and sinking and interest funds. The board may admit to the schools in the district pupils residing in unorganized territory adjacent to the district and may arrange with the parents or guardians of such pupils for the payment of tuition. The board shall not refuse school privileges to, nor collect tuition from, pupils residing in adjacent unorganized territory if the parents or guardians of such pupils are the holders of property and taxpayers in the district. The board may make proper and necessary rules for the assignment and distribution of pupils to and among the schools in the district and for their transfer from one school to another.

15-29082. ADMISSION OF PUPILS FROM OTHER DISTRICTS; TUITION.) The board of education of any special school district shall admit to the schools of the district pupils other than high school pupils from other districts when it can be done without injuring or overcrowding the schools, and shall make regulations for the admission of such pupils. When a pupil is admitted from another district, credit on his tuition shall be given by the district admitting him to the extent of school taxes paid in the admitting district by the parent or guardian of the admitted pupil. If the attendance of a pupil from another district is necessitated by shorter distance or other reasons of convenience and is approved by the county superintendent of schools, the balance of the tuition, after credit for taxes paid, shall be paid by the district from which the pupil is admitted, but the whole amount of tuition shall not exceed the average cost of elementary education per child in the county. Such costs shall include expenditures from the general and sinking and interest funds.

Approved March 11, 1953.

CHAPTER 134

H. B. No. 753

(Hammer and Larson of Burleigh)

COMPENSATION OF COMMON SCHOOL DISTRICT TREASURER

AN ACT

To amend and reenact section 15-2524 of the North Dakota Revised Code of 1943 relating to the compensation of the treasurer in a common school district.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-2524 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-2524. COMPENSATION OF TREASURER.) The treasurer of a common school district shall receive an amount equal to one per cent of all moneys paid out of the district treasury during his term of office as compensation for receiving, safely keeping, and paying over the funds according to law, but such compensation shall not include a percentage on the balance

turned over by him to his successor in office, and shall not be less than ten dollars nor more than one hundred dollars in any one year.

Approved March 14, 1953.

CHAPTER 135

H. B. No. 603
(Committee on Education)

SCHOOL DISTRICT TREASURER'S ANNUAL REPORT

AN ACT

To amend and reenact section 15-2528 of the North Dakota Revised Code of 1943, relating to the school district treasurer's annual report, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-2528 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-2528. TREASURER'S ANNUAL REPORT.) The school district treasurer, at the annual meeting of the school board held on the second Tuesday in July, shall make his report in triplicate containing the following information:

RECEIPTS

1. The balance at the beginning of the fiscal year;
2. The amount received from the apportionment of the state tuition fund;
3. The amount received from the apportionment of the county tuition fund;
4. The amount received from the state equalization fund;
5. The amount, if any, received from federal aid;
6. The amount received from taxes levied by the district school board other than for sinking fund;
7. The amount received for tuition, interest on deposits, and from similar sources;

8. The amount received from the sale of bonds;
9. The amount received from the sale of certificates of indebtedness;
10. The amount received from other nonrevenue receipts;
11. The amount received into the sinking fund, if any.

EXPENDITURES

1. The amount paid for services and expenses of school officers;
2. The amount paid for instructional service including teachers' salaries, textbooks, library books, supplies, and teachers' retirement fund;
3. The amount paid for incidental expenses, including transportation, tuition, medical inspection, play equipment, and related items;
4. The amount paid for the operation of school plants;
5. The amount paid for the maintenance of the school plants including repairs of buildings and equipment and upkeep of grounds;
6. The amount paid for fixed charges, including insurance, rent, and other charges;
7. The amount paid for schoolhouses, sites, and equipment;
8. The amount paid for debt service, including principal and interest paid on certificates of indebtedness and interest on warrants, but excluding payments from the sinking fund, if any;
9. The amount expended from the sinking fund, if any;
10. Cash on hand at the close of the fiscal year.

The report shall include such other items as may be required by the school board or by the superintendent of public instruction and shall be made upon and in conformity with the forms furnished for such purpose. One copy of the report shall be preserved in the treasurer's office, one copy shall be filed with the clerk of the school board, and one copy shall be transmitted to the county superintendent of schools. The superintendent of public instruction may eliminate from the report any of the foregoing requirements when such requirements shall have become obsolete.

§ 2. EMERGENCY.) This Act is declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 4, 1953.

CHAPTER 136

H. B. No. 533
(Legislative Research Committee)
(at the request of)
(Department of Public Instruction)

STATE SCHOOL CONSTRUCTION FUND AND STATE SCHOOL
CONSTRUCTION BOARD

AN ACT

To promote the education and educational facilities of the people of the State of North Dakota; creating a state school construction fund and a state school construction board with power to construct, improve and operate projects and to lease the same and to fix and collect fees, rentals and charges for the use thereof; authorizing school districts to enter into contracts to lease; granting the right to eminent domain; increasing the powers and duties of the department of public instruction; and making appropriations to said fund and to said board to pay expenses incident to its formation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITIONS.) The following terms whenever used or referred to in this Act shall have the following meanings, except in those instances where the context clearly indicates otherwise:

1. "Fund" shall mean the state school construction fund created by this Act;
2. "Department" shall mean the department of public instruction;
3. "Project" shall mean any structure, facility or undertaking which the state school construction board is authorized to construct or improve, under the provisions of this Act;
4. "Construction" shall mean and include acquisition and construction, and the term "to construct" shall mean and include to acquire and to construct in such manner as may be deemed desirable;
5. "Improvement" shall mean and include extension, enlargement and improvement, and the term "to improve" shall mean and include to extend, to enlarge and to improve in such manner as may be deemed desirable;
6. "Board" shall mean the state school construction board.

§ 2. STATE SCHOOL CONSTRUCTION BOARD.) The state school construction board shall consist of the superintendent of public instruction who shall be chairman, the director of the state equalization fund who shall be secretary, the manager of the bank of North Dakota or someone designated by him, and the attorney general or one of his assistants designated by him. Said members of the board shall be entitled to no compensation for their services as members but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

§ 3. PURPOSES AND GENERAL POWERS.) The state school construction fund is created for the purpose of constructing and improving public school buildings, and furnishing and equipping the same for use as public schools, as a part of the public school system of the state of North Dakota under the jurisdiction of the department of public instruction. The board is hereby granted and shall have and may exercise all the powers necessary or convenient for the carrying out of the aforesaid purposes including, but without limiting the generality of the foregoing, the following rights and powers:

1. To sue and be sued, implead and be impleaded, complain and defend, in all courts;
2. To acquire, purchase, hold, lease as lessee, and use any property real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the state school construction fund, and to sell, lease as lessor, transfer and dispose of any property or any interest therein at any time acquired by it;
3. To acquire by purchase, lease or otherwise, and to construct, improve and repair projects;
4. To make by-laws for the management and regulation of its affairs;
5. To appoint officers, agents, employees and servants, to prescribe their duties and to fix their compensation;
6. To fix, alter, charge and collect rentals, and other charges for the use of the facilities or, for the services rendered by, the board or projects thereof, at reasonable rates to be determined by it for the purpose of providing for the payment of the expenses of the board, the construction, improvement and repair of its facilities and properties, and to fulfill the terms and provisions of any agreements made with the purchasers or holders of any such obligations.

7. To make contracts of every name and nature, and to execute all instruments necessary or convenient for the carrying on of its business;
8. To have the power of eminent domain;
9. To pledge, hypothecate and otherwise encumber, all or any of the revenues or receipts of the fund as security for all, or any of, the obligations of the board;
10. To do all acts and things necessary or convenient to carry out the powers granted to it by this Act or any other Acts;

Provided, however, that the board shall have no power, at any time or in any manner to pledge the credit or taxing power of the state or any other school districts, nor shall any of its obligations or debts be deemed to be obligations of the state or any other school districts, nor shall the state or any other school districts be liable for the payment of principal or interest on such obligations, provided, further, that the board shall at no time enter into any contract with a school district under the provisions of this Act, unless such school district is at that time annually levying the maximum mill levy for the maintenance of a building fund, which levy must be maintained over the life of such contract, and has at that time an existing bonded indebtedness to the maximum limit permitted by law, except such bonded indebtedness shall not apply to schools established under section 15-4201 of the North Dakota Revised Code of 1943 relating to county agricultural schools; provided, further, that all contracts between the board and school districts shall be conditioned upon the preparation of general plans for the orderly development of improved attendance areas, and administrative units and for the improved housing of the public schools of the state. These plans shall be prepared cooperatively by local, county, and state school authorities, in accordance with standards and regulations prescribed by the department. The department shall have authority and its duty shall be to review all construction projects to determine:

1. The extent to which they conform to state plans;
2. The amount of improvement to be brought about in attendance areas and administrative units;
3. The usefulness and adequacy of the proposed building for classroom purposes with respect to design, location, safety, comfort and convenience;
4. The ability of the local school district or districts to amortize the cost of construction, and to defray the cost of operation and maintenance.

No contract shall be executed between the board and school district without the specific written approval of the department.

§ 4. LIMITATIONS OF PURPOSES AND AMOUNT EXPENDED.) The governing board shall limit the total amount expended for construction or improvements for any district to 10 per cent of its taxable valuation and under extreme emergency conditions the board may expend 15 per cent of its taxable valuation, but in no case shall the amount expended to any one school district exceed one hundred fifty thousand dollars. Be it further provided that no money shall be expended for gymnasiums or auditoriums except that in event an entire school unit is destroyed, the auditorium or gymnasium may be considered as part of the total plant and the district may be eligible.

§ 5. CONTRACTS TO LEASE AND LEASES BY SCHOOL DISTRICTS FROM BOARD.) Any school district within the state shall have power and authority to enter into contracts with the board to lease as lessee from the board, any school building constructed or improved by the board, for a term not exceeding twenty years, at such rental or rentals as may be determined by the board, and upon the completion of said school building the school district shall have power and authority to lease as lessee any school building completed by the board for a term, with respect to each not exceeding twenty years, at such rental or rentals as may be determined by the board. Such rental or rentals shall be applied on the total cost of the construction or improvement for such district until the full amount expended by the board shall have been repaid together with two and one-half per cent interest per annum. Any unexpended proceeds of any bond issue of any school district may be paid over to the fund in the form of advance rentals under such contract. Upon full payment of all rentals by the school district, the board shall execute and deliver such deeds or bills of sale as may be necessary to transfer complete title and interest to the school district.

§ 6. GOVERNING BODY.) Upon the effective date of this Act or as soon as possible thereafter, the board shall meet for the purpose of making plans for the administration of the school construction fund and the receiving and reviewing of applications for construction or improvements. The total membership of the board shall constitute a quorum for the purpose of conducting the business thereof and for all other purposes, and all other actions shall be taken by a unanimous vote of the members of the board. The board shall have full authority to manage the properties and business of the board. The board shall fix and determine the number of officers, agents and employees it shall employ and their respective compensation

and duties, and may delegate to one or more of their number, or to one or more of said officers, agents or employees, such powers and duties as it may deem proper.

§ 7. MONEYS OF THE FUND.) The custodian of the building fund of any school district for which a building or an addition to an existing building has been constructed shall pay annually to the state treasurer all moneys due as rental or rentals together with two and one-half per cent interest as herein provided, which money shall be credited to the state school construction fund. The moneys in said account shall be paid out on the warrant or other order by the chairman and secretary of the board. The state examiner or his legally authorized representatives are hereby authorized and directed to examine the accounts and books of the board, including its receipts, disbursements, contracts, leases, sinking funds, investments, and any other matters relating to its finances, operation and affairs annually.

§ 8. COMPETITION IN AWARD OF CONTRACTS.) If any project of any portion thereof, or any improvement thereof, shall be constructed pursuant to a contract, and the estimated cost thereof exceeds five hundred dollars, such contract shall be awarded to the lowest responsible bidder after advertisement for bids once a week for three weeks in at least one newspaper of general circulation in the county where the project or improvement is located. The board may make rules and regulations for the submission of bids and the construction or improvement of any project or portion thereof. No contract shall be entered into for construction or improvement of any project or portion thereof, or for the purchase of materials, unless the contractor shall give an undertaking with a sufficient surety or sureties approved by the board, and in an amount fixed by the board, for the faithful performance of the contract. All construction contracts shall provide, among other things, that the person or corporation entering into such contract with the board will pay for all materials furnished and services rendered, for the performance of the contract, and that any person or corporation furnishing such materials or rendering such services may maintain an action to recover for the same against the obligor in the undertaking as though such person or corporation was named therein, provided the action is brought within one year after the time the cause of action accrued. Nothing in this section shall be construed to limit the power of the board to construct any project or portion thereof of any addition, betterment or extension thereto, directly by the officers, agents and employees of the board, or otherwise than by contract. Subject to the aforesaid, the board may, but without intending by this provision to limit any powers of

such board, enter into and carry out such contracts, or establish or comply with such rules and regulations concerning labor and materials and other related matters in connection with any project or portion thereof as the board may deem desirable, or as may be requested by any federal agency that may assist in the financing of such project or any part thereof.

§ 9. ACQUISITION OF LANDS.) The board shall have the power to acquire by purchase or eminent domain proceedings, either the fee or such right, title, interest or easement in such lands as it may deem necessary for any of the purposes mentioned in this Act.

§ 10. APPROPRIATION.) There is hereby appropriated out of any moneys in the state equalization fund, not otherwise appropriated, the sum of five million dollars to establish the state school construction fund, which shall be a permanent and continuous fund. There is also hereby appropriated out of any moneys in the state equalization fund, not otherwise appropriated, the sum of twenty-five thousand dollars, or so much thereof as may be necessary, for the payment of costs and expenses incurred in commencing the work of the board, and administering such fund. There is also appropriated out of the state school construction fund such amount as is paid therein as interest or as much thereof as is necessary for use by the board for the cost of the administration of this Act.

Approved March 11, 1953.

CHAPTER 137

S. B. No. 151
(Committee on Education)

FIRST GRADE ELEMENTARY TEACHERS CERTIFICATE;
PERMITS

AN ACT

To amend and reenact section 15-3603 of the North Dakota Revised Code of 1943, and repealing sections 15-3602 and 15-3613 of the 1949 Supplement to the North Dakota Revised Code of 1943 relating to teacher certification.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§1. AMENDMENT.) Section 15-3603 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3603. FIRST GRADE ELEMENTARY CERTIFICATE ISSUED WITHOUT EXAMINATION; PERMITS.) A first grade elementary certificate shall be issued upon a high school diploma and the one year normal school course. Graduates from high schools who have completed four years of standard work and who, in addition, have completed the one-year teacher training course at a state teachers' college or normal school, or an equivalent course in an institution outside the state, and who are at least eighteen years of age, shall be granted a first grade elementary certificate. Such certificate shall be valid for three years. It shall qualify the holder to teach in the public schools of the state up to and including the eighth grade except in schools which, under rules of standardization, require higher qualifications, and it shall be renewable by not less than twelve quarter hours credit earned at a state teachers' college or normal school. In event of an emergency the superintendent of public instruction may issue permits to persons who cannot meet the requirements as specified by law but who possess such teaching qualities as vocational adaptability, health, character, personality, experience, capacity and willingness. Such permits shall be valid for only one year and shall not be granted without the recommendation of the school board and county superintendent.

§ 2. REPEAL.) Sections 15-3602 and 15-3613 of the 1949 Supplement to the North Dakota Revised Code of 1943 are hereby repealed.

Approved February 28, 1953.

CHAPTER 138

S. B. No. 227
(Schrock and Bilden)

ASSESSMENTS, OPTIONS, ANNUITIES, WITHDRAWALS AND
INVESTMENT OF TEACHERS INSURANCE AND
RETIREMENT FUND

AN ACT

To amend and reenact sections 15-3914, 15-3928, 15-3929, 15-3931 of the 1949 Supplement to the North Dakota Revised Code of 1943, sections 15-3926 and 15-3938 of the North Dakota Revised Code of 1943, and chapter 135 of North Dakota Session Laws of 1951 and renumber the subsections thereof; all relating to assessments, options, annuities, withdrawals and investment of funds of the North Dakota teachers insurance and retirement fund.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-3914 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3914. AMOUNT OF ASSESSMENTS.) Every teacher who is a member of the fund shall be assessed upon his salary as teacher as follows:

1. Four percent per annum, but not more than fifty dollars per year, for each of his first eight years of service as a teacher; and
2. Four percent per annum, but not more than one hundred twenty dollars per year, for each of the second eight years of service as a teacher; and
3. Six percent per annum, but not more than one hundred eighty dollars per year, for each successive year of service as a teacher thereafter.

The total amount of assessments paid, however, shall not be less than the full amount of annuity to which the teacher shall be entitled under the provisions of this chapter for the first year of retirement. When a political subdivision or institution covered by the benefits of the teachers' retirement fund provides sick leave and employs substitute teachers at additional cost to said subdivisions or institutions, they shall in no event be required to pay in excess of one hundred twenty dollars per year as matching fund for any one teaching position.

§ 2. AMENDMENT.) Section 15-3929 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3929. OPTIONS OF TEACHERS ELIGIBLE TO RECEIVE ANNUITIES.) At any time after his retirement under the circumstances provided in this chapter and before the first annuity payment shall become due, a teacher may elect to receive the actuarial equivalent, at that time, of the regular retirement allowance for life, in the form of a reduced retirement allowance payable throughout his life with either, but not both of the following additional provisions:

OPTION ONE. Upon the death of the teacher, the reduced retirement allowance shall be continued throughout the life of, and paid to, such person as the teacher shall have nominated by written designation filed with the board at the time of retirement; or

OPTION TWO. Upon the death of the teacher, one-half of the reduced retirement allowance shall be continued throughout the life of, and paid to, such person as the teacher shall have nominated by written designation filed with the board at the time of retirement.

The amount of the reduced retirement allowance payable upon the exercise of either of such options shall be computed upon an actuarial basis through the use of standard actuarial tables and based upon the ages of the teacher and his designated beneficiary.

In the event that a teacher's death occurs subsequent to July 1, 1941, who has met all requirements for an annuity, but who fails to select Option 1 or Option 2, as provided in Section 15-3929, the deceased teacher shall be deemed to have selected Option 2 with the spouse named as the beneficiary. Such annuities to commence as of the day of the teacher's death but in no event prior to July 1, 1953.

A teacher who has met all requirements for an annuity, except that of actual retirement from teaching, but continues to teach shall have the right to select Option One or Option Two, as described in section 15-3929, and to name a beneficiary to receive, in the event of the teacher's death, the reduced retirement allowance as provided in sections 15-3928 and 15-3929. A written designation of the choice of option and beneficiary must be filed with the board of trustees of this fund in order for such choices to be effective. If a continuing teacher who has duly registered such choices with the board should die before retiring from teaching, he shall be considered to have retired on the date of his death, and his designated beneficiary,

if living, shall receive the retirement allowance for life as provided by the terms of the option previously selected by the teacher. The reduced retirement allowance shall be computed on the ages of teacher and beneficiary as of the date of death of the teacher. Should a continuing teacher later retire voluntarily, before death, then sections 15-3928 and 15-3929 shall apply. If an applicant for annuities under subsections of this section has not paid into the fund assessments equal to the amounts required to be paid under section 15-3914, he shall pay any deficiency into the fund before receiving the annuity.

§ 3. AMENDMENT.) Section 15-3931 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3931. BOARD MAY DIMINISH ANNUITIES.) The board may reduce the annuities provided in this chapter ratably whenever, in its judgment, the conditions of the fund require a reduction in such annuities.

§ 4. AMENDMENT.) Section 15-3926 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3926. INVESTMENT OF MONEYS IN FUND.) The board, when authorized to do so by a resolution duly adopted by the industrial commission of the state of North Dakota, may invest moneys in the fund in bonds and mortgages or other securities the payment of which is guaranteed by the United States of America, bonds of the state of North Dakota or any other state, in certificates of indebtedness of the state of North Dakota or in bonds or certificates of indebtedness of any political subdivision of the state of North Dakota which constitutes the general obligations of the issuing tax authority. Before any investment is made in any securities, however, the investment shall be approved by the board and the securities shall be approved by the attorney general as to the form and legality thereof. The state treasurer shall be the custodian of all such bonds and certificates, and the board shall deliver any securities so purchased to the state treasurer as such custodian. This section shall constitute a continuing appropriation out of the fund of all moneys that may be required for the making of the investments authorized by this section. Any member of the board and any officer thereof who shall participate in the investment of any moneys in the fund without first having obtained the authorization of the industrial commission as provided in this section shall be guilty of a misdemeanor.

§ 5. AMENDMENT.) Section 15-3938 of North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3938. WITHDRAWAL FROM FUND BY MEMBERS OF ARMED FORCES.) Any person mentioned in section 15-3937, at any time within eighteen months from and after his discharge from such service, may apply for withdrawal from the state teachers' insurance and retirement fund and shall be entitled to the return of one-half of the amount, without interest, theretofore paid into the fund by such teacher, on salaries earned prior to July 1, 1947, and the return of the full amount of assessments which he has paid into the fund on salaries earned after July 1, 1947 without interest.

§ 6. AMENDMENT.) Chapter 135 of the North Dakota session laws of 1951 is hereby amended and reenacted to read as follows:

15-3928. RETIREMENT ANNUITY.) Each teacher who shall have retired from service in the public schools, or state institutions under the provisions of section 15-3927 shall be entitled to receive an annuity as follows:

1. If said teacher shall have attained the age of fifty-five years at the time of applying for the annuity, he annually and for life, shall be entitled to receive as an annuity a sum equal to two percent of the total earnings as salary for the years of teaching service for which assessments were paid. Said annuity, however, shall not exceed twelve hundred dollars in any one year nor be less than six hundred dollars in any one year and shall be subject to all the provisions of this chapter.
 - a. A teacher who has completed all requirements for retirement previous to July 1, 1947, may choose to retire under the provisions of the insurance and retirement fund then in effect. This does not preclude, however, continuation of payments to the retirement fund after July 1st, 1947, at the rate prescribed by law for the remaining teaching career of such person.
 - b. A teacher who has completed all requirements for retirement previous to July 1, 1947, and does not teach after July 1, 1947, must retire under the provisions of the insurance and retirement fund act in effect prior to July 1st, 1947.
 - c. A teacher in service after July 1, 1947, who had previous to that date completed all requirements for retirement under the insurance and retirement fund act may at his own option pay into the fund assessments on salaries earned between the date of completing payments and July 1, 1947. The rate of pay-

ment shall be six percent on the total salary earned, plus six percent interest on such assessments per annum.

- d. If a teacher chooses not to pay the assessments on the interim period, those years may not be used in calculating the final annuity payment.
2. If said teacher shall have retired and applied for an annuity under the provisions of section 15-3927, subsection 2, he shall receive as an annuity a sum equal to two percent of the total earnings at salary for the years of teaching service for which assessments were paid. Said annuity, however, shall not exceed twelve hundred dollars in any one year nor be less than three hundred dollars in any one year and shall be subject to all the provisions of this chapter.
3. If any person retiring under this chapter shall resume service as a teacher of a public school or state institution in this or any other state the retirement allowance paid to such person shall cease during the time of such employment but shall again be paid at the same amount and under the same conditions after subsequent retirement, except that in addition to retirement benefits earned prior to the resumption of teaching, such teacher shall be entitled to such additional retirement benefits as may be earned during the period in which teaching is resumed.
4. No annuity payments shall commence before the applicant shall have arrived at the age of fifty-five years except in the case of retirement based on disability as provided in section 15-3927.

Approved February 28, 1953.

CHAPTER 139

H. B. No. 761
(Link, Rolfsrud, Larsen)

EFFECT OF TEACHERS MILITARY SERVICE ON TEACHERS
RETIREMENT BENEFITS

AN ACT

To amend and reenact sections 15-3936 and 15-3937 of the 1949 Supplement to the North Dakota Revised Code of 1943, pertaining to the effect of military service of teachers on teachers' retirement benefits.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-3936 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3936. MILITARY SERVICE IN WAR COUNTED AS TEACHING SERVICE.) A teacher who has been granted an honorable discharge from the United States armed forces for services rendered during a national emergency, if he was engaged in the occupation of teaching in North Dakota at the time of entering the service, or who had been engaged in teaching in North Dakota prior to such time but was attending an institution of higher learning for the purpose of improving himself in such profession at the time of entry into the armed services, shall be entitled to have the time of such service counted as teaching service under the provisions of this chapter, upon the payment of the assessments which would have been collected from him if he had continued as a teacher during the time of such service.

§ 2. AMENDMENT.) Section 15-3937 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-3937. PARTICIPATION IN FUND BY MEMBERS OF ARMED FORCES.) Any person who, since the first day of January, 1940, entered into active service in the army, navy, marine corps, air force, or coast guard, including the specialist's corps of the United States army during a period of national emergency, and who, immediately prior to the entry into such active service was a teacher or who had been a teacher but at such time was attending an institution of higher learning for the purpose of improving himself in such profession, and who at such time had made contributions into the state teachers' insurance and

retirement fund, shall be entitled, upon his resumption of the teaching profession in the state of North Dakota, to have the time of his service in such armed forces credited as "teaching service" under said teachers' insurance and retirement fund law upon payment by him of the assessments for said period of service, based upon the salary received by him during the first school year during which teaching is resumed.

Approved March 17, 1953.

CHAPTER 140

H. B. No. 601
(House Committee on Education)

SCHOOL CENSUS AND REPORT

AN ACT

To amend and reenact section 15-4713 of the North Dakota Revised Code of 1943, relating to the school census and report, and declaring an Emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-4713 of the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-4713. SCHOOL CENSUS; REPORT.) The school board or board of education in all classes of school districts, including common, special, and independent, and school districts organized under special laws, shall cause an enumeration to be made between the first and twentieth days of June of each odd numbered year, of all unmarried persons under twenty-one years of age, as of such twentieth day of June, having their legal residence in the district. The census also shall include the following information:

1. The names and ages of such persons and the names of parents or guardians having the care and custody of each;
2. The names and ages of all deaf and dumb, blind, and feeble-minded persons between the ages of five years and twenty-five years residing in the district, including all such persons who are too deaf or feeble-minded to acquire an education in the common schools;

3. The names and ages of all crippled persons of any age residing in the district; and
4. The names and post office addresses of the parents or guardians of all of the persons mentioned in subsections 2 and 3 of this section.

The enumeration shall be made upon and in accordance with forms furnished by the county superintendent of schools, and shall be approved by the school board of education and returned to the county superintendent prior to the fifteenth day of July in the year in which it is made, and immediately upon receipt of such report the county superintendent of schools shall furnish a copy of the enumeration of deaf and dumb persons to the superintendent of school for the deaf, a copy of the enumeration of blind persons to the superintendent of the school for the blind, and a copy of the enumeration of feeble-minded persons to the superintendent of the institution for the feeble-minded.

§ 2. EMERGENCY.) This Act is declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 4, 1953.

CHAPTER 141

S. B. No. 184
(Stucke, Bridston, Streibel, Day)

EXPENDITURE OF PROCEEDS OF MEDICAL CENTER LEVY

AN ACT

To amend and reenact section 15-5209 of the 1949 Supplement to the North Dakota Revised Code of 1943, relating to the expenditure of proceeds of levy for the medical center.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-5209 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby amended and reenacted to read as follows:

15-5209. EXPENDITURE OF PROCEEDS OF ONE MILL LEVY AUTHORIZED; LIMITATION.) The proceeds of the one mill tax

levy established by article sixty of the amendments to the constitution of North Dakota, together with any other funds that may be received by the state treasurer, from time to time, for the benefit of the North Dakota state medical center, shall be expended to establish, develop and maintain said North Dakota state medical center, as provided in chapter 15-52, by the issuance of state warrants drawn on such funds by the state auditor in payment of vouchers approved by the state board of higher education, or its successor in authority. A sufficient portion of such funds, however, shall be retained by the board of higher education to permit the establishment of a third year course in medicine at the center not later than 1955, and a fourth year course not later than 1956, provided that this limitation shall not interfere with the intended purpose of any private grants or special appropriations made for the support of such medical center.

Approved March 13, 1953.

CHAPTER 142

S. B. No. 200
(Committee on Education)

REORGANIZATION OF SCHOOL DISTRICTS

AN ACT

Relating to schools; defining terms; providing for state committee and county committees for the reorganization of school districts; defining the powers and duties of county committees and state committee; providing for school boards in reorganized school districts; prescribing duties of state and county officers; providing for appeals; making an appropriation; and providing for a savings clause.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. TITLE AND PURPOSE.) This Act shall be known and may be cited as an "Act to provide for the reorganization of school districts." It shall have for its purpose the formation of new school districts and the alteration of the boundaries of established school districts in order to provide a more nearly equalized educational opportunity for pupils of the common schools, a higher degree of uniformity of school tax rate among districts, and a wiser use of public funds expended for the support of common school system.

§ 2. DEFINITIONS.) In this Act unless the context or subject matter otherwise clearly requires:

1. "Reorganization of school district" shall mean and include the formation of new school districts, the alteration of the boundaries of established school districts, and the dissolution or disorganization of established school districts, through or by means of:
 - a. The uniting of two or more established districts;
 - b. The subdivision of one or more districts;
 - c. The transfer to an established district of a part of the territory of one or more districts; or the attachment thereto of all or any part of the territory of one or more districts subject to disorganization for any of the reasons now specified by law; or the transfer therefrom of any part of the territory of one or more districts subject to disorganization for any of the reasons now specified by law; or the transfer therefrom of any part of the territory of said established districts;
 - d. And any combination of the methods of aforementioned.
2. "County committee" and "state committee" shall mean respectively, the county committee for the reorganization of school districts and the state committee for the reorganization of school districts hereinafter provided for by this Act; and
3. "County superintendent" shall mean the county superintendent of schools.

§ 3. STATE COMMITTEE; MEMBERS; EXPENSES.) The state committee shall be composed of the superintendent of public instruction together with the attorney general and state treasurer, as advisory members. All members of the committee shall be paid their actual expenses in attending meetings and in the performance of their official duties.

§ 4. ORGANIZATION OF STATE COMMITTEE.) The state committee shall organize by electing from its membership, a chairman, vice-chairman, and a secretary.

§ 5. COUNTY COMMITTEES; SIZE; COMPENSATION; VACANCIES; AND TERM.) The size of the county committee shall be dependent upon and shall have the same number of members as there are county commissioner districts in the county. At least one member of such county committee shall be chosen from each commissioner district of the county. The county committee that has been duly selected and is serving at the time that this Act

takes effect shall continue to serve in like capacity unless such committee seeks and secures from the state committee a discharge showing that the duties imposed upon it by this Act have been fully performed, or, in case a county committee shall fail or refuse to submit plans, records, reports and other data as provided for in this Act, until a new committee is appointed by the state committee. Each member shall receive his actual and necessary expenses incurred by him in attending scheduled meetings and in the performance of his official duties. The term of each county committee member shall be three years except that the county committee members serving at the time this Act takes effect shall choose by lot one member whose term shall expire one year from the effective date of this Act; and one member, or two members in the case of a five member committee, whose term shall expire two years from the effective date of this Act. The remaining member or members of the county committee shall serve for a three year period. Vacancies in any county committee shall be filled by appointment by the county superintendent of schools.

§ 6. COUNTY COMMITTEE; MEETINGS; QUORUM.) The county superintendent shall be the secretary of the committee. Meetings of the committee shall be held upon call of the chairman or a majority of the members thereof. A majority of the members of the committee shall constitute a quorum. The county superintendent shall be allowed and paid his actual and necessary expenses incurred while in the performance of his duties under the provisions of this Act. Such additional expenses shall be chargeable and payable as an expense of the county.

§ 7. COMPREHENSIVE STUDY OF COUNTY MADE BY COMMITTEE; CONSIDERATIONS.) The county committee may make comprehensive study of the county school system whenever it deems necessary in order to consider and determine:

1. The taxable assessed valuation of existing districts and the differences in such valuation under possible reorganization plans;
2. The size, geographical features, and boundaries of the districts;
3. The number of pupils attending school and the population of the districts;
4. The location and condition of school buildings and their accessibility to the pupils;
5. The location and condition of roads, highways and natural barriers within the districts;
6. The school centers where children residing in the districts attend high school;

7. Conditions affecting the welfare of the teachers and pupils;
8. The boundaries of other governmental units and the location of private organizations; and
9. Any factors concerning adequate school facilities for the pupils.

Such committee shall also give due consideration in the preparation of a plan for the reorganization of school districts to the educational needs of local communities; to economies in transportation and in administration costs; to the future use of existing satisfactory school buildings, sites and playfields; to a reduction in disparities in per pupil valuation among school districts; to the equalization of the educational opportunity of pupils, and to any other matters which in its judgment are of importance.

§ 8. DETERMINATION AND ADJUSTMENT OF PROPERTY, ASSETS, DEBTS AND LIABILITIES AMONG DISTRICTS.) The county committee shall determine the value and amount of all school property and all bonded and other indebtedness of each school district affected in a reorganization plan and consider the amount of all outstanding indebtedness and shall make an equitable adjustment of all property, assets, debts and liabilities among the districts involved after the hearing provided for in section 9.

§ 9. PUBLIC HEARING ON PROPOSALS FOR REORGANIZATION; HEARING TESTIMONY FOR ADJUSTING.) The county committee shall hold a public hearing on the advisability of any proposal by such committee for the reorganization of school districts which involves the formation of a new district or the transfer from one established district to another of any territory in which children of school age reside. Notice of such hearings as are held under the provisions of this section shall be given by publishing a notice in the official county newspaper at least ten days prior to the date of such hearing. Such committee shall also hear at such time as may be fixed by it, testimony offered by any person or school district interested in any proposal of the county committee to form a new district or to transfer territory from one school district to another or to attach to an established district or districts all or any part of another district subject to disorganization for any of the reasons now specified by law, said testimony to be heard for the purpose of finding and determining the value and amount of all school property of whatever nature involved in the proposed action, the nature and amount and value of all bonded, warrant and other indebtedness of each school district affected by the proposed action, including all legal uncompleted obliga-

tions then existing and in so doing to consider the amount of such outstanding indebtedness incurred for current expenses, the amount incurred for permanent improvements and the location of such improvements and to make an equitable adjustment of all property, debts, and liabilities among the districts involved; and to keep a record of all hearings on the reorganization of school districts and of all findings and terms of adjustment of property, debts and liabilities among the districts involved, and to submit the same to the state committee at the time of submitting a plan for the reorganization of school districts as provided in section 10 of this Act. A subcommittee composed of less than three members of a county committee, or three members of the county committee of each county concerned in case territory in two or more counties is involved, may hold any hearing that the county committee is required to hold.

§ 10. REORGANIZATION PLAN PREPARED AND SUBMITTED TO STATE COMMITTEE.) The county committee shall prepare and submit to the state committee a comprehensive plan for the reorganization of school districts within the county. Such plan shall be accompanied by:

1. A map showing the boundaries proposed under any plan for the reorganization of school districts, prepared and submitted in compliance with the provisions of this Act;
2. A description of the boundaries aforementioned;
3. Recommendations respecting the location of schools, the utilization of existing buildings, the construction of new buildings, including dormitories, and the transportation requirements under the proposed plan for the reorganization of school districts. Such recommendations shall not be binding upon such proposed school district except as otherwise provided by law;
4. A summary of the reasons for such proposed reorganization of school districts;
5. Recommendations specifying whether such reorganized districts shall be common school districts with three directors, common school districts with five directors to be selected at large, common school districts with five directors to be elected from designated geographic districts, special school districts with the five members of the board of education to be elected at large, or special school districts with the five members of the board of education to be from designated geographic areas, which classification shall be based upon and subject to the laws existing in regard thereto; and

6. Such other reports, records and materials as the state committee may require.

§ 11. PLAN INVOLVING TERRITORY IN MORE THAN ONE COUNTY.) A plan for the reorganization of school districts involving territory lying in two or more counties shall be prepared by joint action of a special committee composed of not less than three members of the county committee of each county involved, which plan for purposes of submission to the state committee shall be incorporated into the comprehensive plan of the county which has the largest number of pupils residing in the proposed joint district.

§ 12. COMPLETED PLANS FOR DISTRICT OR DISTRICTS MAY BE SUBMITTED PRIOR TO COMPREHENSIVE COUNTY PLAN.) The county committee, from time to time, may submit to the state committee a plan for the reorganization of one or more joint districts comprising territory within the county without awaiting the completion of a comprehensive plan; provided, however, that such plan fit into and become an integral part of such comprehensive plan as the county committee is required to prepare.

§ 13. STATE COMMITTEE, POWERS AND DUTIES.) The state committee shall:

1. Director to appoint and employ personnel. The superintendent of public instruction shall be the director of school reorganization. The director shall appoint and employ such personnel as may be necessary to enable the committee to carry out the powers and duties imposed upon it by this Act and to fix the compensation for such appointees and employees.
2. Aid County Committee. Aid county committees in carrying out the powers and duties vested in and imposed upon them by this Act by furnishing such committees with the assistance of the employed staff of the state committee, with other necessary clerical assistance, and with such plans of procedure, standards, data, maps, forms and other materials and services as may be necessary.
3. Receive, Examine, Approve or Disapprove Reorganization Plans. Receive, file and examine the plans for the reorganization of school districts and reports of findings and terms of adjustment of property, debts and liabilities among the districts involved, submitted to the state committee by county committees, and to approve such plans and terms of adjustment when they are found by the state committee to provide for a satisfactory school district system for the counties and the state and for an

equitable adjustment of property, debts and liabilities. Whenever a plan submitted by a county committee is found by the state committee to be unsatisfactory, or whenever the terms of adjustment so submitted are found not to be fair and equitable, the state committee shall so notify the county committee and upon request shall assist said county committee in the revision of such plan or terms of adjustment, which revision shall be completed by the county committee and resubmitted within ninety days after such notification;

4. **Appoint County Committee.** Appoint a county committee, in case no county committee is elected, as required in section 5 of this Act, or in case a committee so elected shall fail or refuse to submit plans, records, reports and other data as provided for in this Act;
5. **Transmit Approved Plans to County Superintendent.** Transmit to the county superintendent of each county a copy of the plan for the reorganization of the school districts of a county approved by the state committee; a copy of approved terms of adjustment of property, debts and liabilities; a statement of the findings and conclusions of the state committee respecting such approved plans and terms of adjustment; and copies of maps, reports, records and all other pertinent material submitted to the state committee by the county committee of his county.

§ 14. **APPROVED PLAN RECEIVED BY COUNTY SUPERINTENDENT; DUTY OF SUPERINTENDENT TO CALL SPECIAL ELECTION; DEFINITION OF VOTING UNITS; FAVORABLE RESULTS.)** Upon receipt from the state committee of an approved plan for the reorganization of school districts, and approved terms of adjustment of property, debts and liabilities among the districts involved, the county superintendent shall call a special election of the voters residing within the territory of each district, such election to be held at the place or places therein which have been determined by the county superintendent to be convenient for the voters. In holding such election each existing district shall vote as a unit except in districts in which the electors agree that the district shall be divided for purposes of this Act because of natural barriers or other reasons. Notice of such election, stating the time and place of holding the election, shall be published by the county superintendent in the official county newspaper once each week for two consecutive weeks at least thirty days next preceding such election, and by posting not less than fourteen days before the election one such notice on each schoolhouse door of each school district containing a school building and included in the proposed

change. The election notices shall clearly state that the election has been called for the purpose of affording the voters an opportunity to approve or reject a proposal for the formation of a new school district and shall also contain a description of the boundaries of the proposed new district and a statement, if there be any, of the terms of adjustment of property, debts and liabilities applicable thereto. The county superintendent shall appoint judges and clerks of the elections and the election shall be held and conducted in the same manner and the polls shall open and close at the same time as is specified for elections in special school districts. The result of the elections shall be certified and delivered to the county superintendent within three days after the closing of the polls. If a majority of all votes cast by the electors residing within each of the existing districts or parts of existing districts of a proposed new district are in favor of the formation of the district, the county superintendent shall make the proper adjustment of the property, assets, debts, and liabilities as provided in such approved plan and shall organize and establish such districts and in so doing shall perform all other necessary duties that are required by law to be performed by the county superintendent in connection with the organization and establishment of new school districts of any kind or type.

§ 15. TRANSPORTATION REQUIRED.) Whenever any reorganization plan provides for the transportation of students from one part of such new district to a central point, and such plan is approved by the voters of such new district, then it shall be mandatory upon the school board of such new school district to provide adequate and practical transportation.

§ 16. PROPOSAL REJECTED, REVISION MADE; NEW ELECTION HELD.) If a proposal for the formation of a new school district is rejected by the voters at the election provided for in the preceding section, the county committee may make such revision as it deems advisable in the boundaries proposed for such new district and in the terms of adjustment of the property, debts and liabilities thereof, as the case may be, and submit the same to the state committee for approval. If the boundaries of the proposed new district or the terms of adjustment, as the case may be, as revised, are approved by the state committee, notice thereof shall be transmitted to the county superintendent, as provided for in section 13. Upon receipt of such notice the county superintendent shall call, in the manner and for the purpose specified in section 14, a special election of the voters residing within the revised boundaries of the proposed new district. If a majority of all votes cast by the electors residing within each of the existing districts or parts of existing districts of the proposed new district are in favor of the

formation of the district, the county superintendent shall proceed to organize and establish such district and to perform the necessary duties related thereto in the same manner and to the same effect as it is provided in section 14.

§ 17. CLASSIFICATION AND TYPE OF SCHOOL DISTRICTS.) The identity and classification as to type of school districts reorganized under the provisions of this Act shall be subject to the provisions of subsection 5 of section 10 of this Act; provided, however, that any school district existing prior to the effective date of this Act and not having had its boundaries changed under the provisions of this Act, and all independent school districts and school districts organized under a special law shall keep and retain their present identity.

§ 18. SCHOOL BOARDS IN REORGANIZED AND ORIGINAL DISTRICTS.) After the establishment of any new school district, the school board for such new school district shall be elected at the regular annual school district election or at a special election called by the county superintendent of schools for that purpose. At the first election to elect a school board in a newly reorganized district constituting a common school district the provisions of sections 15-2401, 15-2402, and 15-2409, of the North Dakota Revised Code of 1943 shall govern; and in a district constituting a special school district the election shall be governed by the provisions of section 15-2801 and 15-2802, of the North Dakota Revised Code of 1943. Members of school boards elected in the newly reorganized districts shall not enter upon the duties of such office until the time specified in section 20 of this Act. School boards in original school districts included within a reorganized district shall continue and remain in existence until the time specified in section 20 of this Act at which time the new school board elected for the newly reorganized district as provided in this section shall become the governing body of such school districts; provided, however, that prior to the completion of the reorganization of any school district under the provisions of this Act the existing school board of any school district shall not contract or place such district under any obligation, except upon the recommendation of the county committee. Subsequent annual elections in such school district shall be governed by the laws pertaining hereto.

§ 19. CONTINUANCE OF ELEMENTARY SCHOOLS IN REORGANIZED DISTRICTS.) Each common school in the local districts included in reorganized school districts shall be kept in session as provided by law, except that any school may be discontinued when the people in the old district where the school is located, by a majority vote, approve its closing, or when a petition requesting that the school is discontinued is signed by two-thirds of the electors in the old district where the school

is located and is presented to the school board or board of education in the reorganized district. The board shall reopen any school which has been closed for the next ensuing term upon the written demand of the parents or guardians of six or more children of compulsory school age residing within two and one-half miles of the school. The parents or guardians of at least four such children must be residents of the district. The board may reopen such school at any time upon its own motion.

20. EFFECTIVE DATE OF APPROVED REORGANIZATION PLANS.) Any reorganization plan voted upon and approved shall become operative and effective on the first day of July succeeding final approval of the same.

§ 21. VOLUNTARY PROPOSALS FOR ORGANIZATION OR ALTERATION OF SCHOOL DISTRICTS.) After the effective date of this Act, proposals for the organization of a new school district, for the consolidation of two or more districts, and for the alteration of the boundaries of established school districts, through or by any of the means provided for by any law in effect at the time, must be submitted by the board of county commissioners, and the county superintendent, or the county committee and county superintendent, as the case may be, to the state committee for approval before any hearings on petitions are held by the board of county commissioners or the county superintendent, or final action is taken by the board of county commissioners, or the county superintendent in cases where no petition is required, or where proposals are submitted to the vote of the electors as the law may require in each case. Such proposals shall be approved by the county committee and county superintendent or the board of county commissioners and the county superintendent, as the case may be, and approved by the state committee, so notified if in the judgment of said committees they constitute an acceptable part of a comprehensive program for the reorganization of the school districts of the county.

§ 22. COUNTY AND STATE OFFICERS TO COOPERATE WITH COMMITTEES.) The county and state officers shall make available to the county committee and the state committee such information from public records in their possession as is essential to such committees in the performance of their duties.

§ 23. REORGANIZED BOUNDARIES OF SCHOOL DISTRICTS NOT TO BE ALTERED WITHIN FIVE YEARS; EXCEPTION.) The boundaries of a school district established through and by means of the reorganization of school districts provided for in this Act shall not be altered within five years of such establishment, except upon recommendation of the county superintendent and approval by the county committee and the state committee during the life of said committee except as provided for by chapter 131 of the 1951 session laws.

§ 24. DUTIES IMPOSED UPON COUNTY SUPERINTENDENT AND OFFICERS WHERE REORGANIZED DISTRICTS CONSTITUTE JOINT DISTRICTS.) The duties imposed upon and required to be performed by the county superintendent under the provisions of this Act or under other provisions of law are in like manner imposed upon and required to be performed by all county superintendents affected by a reorganization of school districts involving territory in two or more counties. Duties that are required by law to be performed by any other county officers or by any school district officers in connection with the operation of joint school districts established under the provisions of existing law shall likewise be performed by such officers in connection with the operation of such joint districts as are organized and established pursuant to the provisions of this Act.

§ 25. APPEAL FROM DECISION OF COUNTY COMMITTEE IN MAKING ADJUSTMENTS OF PROPERTY, DEBTS AND LIABILITIES.) An appeal may be taken to the district court on any question of adjustment of property, debts and liabilities among the districts involved in which the power to make an adjustment or adjustments has been extended by this Act. Any person feeling aggrieved by the decision of the county committee after the hearing provided for in section 9 may appeal from such decision. Such appeal shall be taken within thirty days after the decision of the committee on the adjustment of the property, debts and liabilities, by serving a written notice of appeal upon a member of the county committee. If such court finds the terms of the adjustment in question not to be equitable or in conformity with any provisions of the constitution of North Dakota, such court shall make an adjustment that is equitable and in conformity with every provision of the state constitution of which such adjustment shall be deemed by the court to be violative. Any determination by the court with respect to the adjustment of property, debts and liabilities among the districts or areas involved shall not otherwise affect the validity of the reorganization or creation of any district or districts under the provisions of this Act.

§ 26. ANNEXATION OF REMAINING PORTIONS OF REORGANIZED DISTRICT TO OTHER DISTRICTS.) When a portion of any common or special school district has become a part of a reorganized school district under chapter 15-53 of the 1947 (1949) Supplement to the North Dakota Revised Code of 1943, and a portion of the common or special school district is not included in the reorganized district, such remaining portion, having a taxable assessed valuation of less than one hundred thousand dollars for each teacher employed in the remaining territory, shall become a part of a school district adjacent thereto in the following manner:

1. The county school district reorganization committee shall, within forty-five days after the reorganized district has been approved by the voters, order a hearing for the purpose of determining to which district or districts said remaining territory shall be annexed;
2. The hearing shall be held in a designated school house or a designated place located in the remaining territory and notice of the time and place of the hearing shall be given by publication in the official county newspaper at least ten days before the date of the hearing. Within ten days after the hearing, the county committee shall make an order annexing the territory to adjacent school district or districts; and
3. The decision of the county committee shall be subject to review by the state school district reorganization committee upon petition by a majority of the electors residing in said territory.

§ 27. SALE OR REMOVAL OF SCHOOL BUILDINGS IN REORGANIZED DISTRICTS.) On petition of a majority of the electors in an original school district included in a reorganized district established in accordance with the provisions of chapter 15-53 of the 1949 Supplement to the North Dakota Revised Code of 1943, for the sale or removal of a school house in such original school district, if the conduct of a public school has been discontinued in such building for at least one year, the school board of the reorganized district may have the school building moved to the place designated in the petition, or sold if the petition so provides. The proceeds of such sale shall be placed in the general fund of the reorganized district.

§ 28. REPEAL.) Chapter 15-53 of the 1949 Supplement to the North Dakota Revised Code of 1943 is hereby repealed.

Approved March 20, 1953.

CHAPTER 143

H. B. No. 850
(Delayed Bills Committee)

**TRANSPORTATION PAYMENTS FROM COUNTY
TUITION FUND**

AN ACT

To create subsection 6 of section 15-5601 of the 1949 Supplement to the North Dakota Revised Code of 1943, as amended by Chapter 148 of the North Dakota Session Laws of 1951, relating to transportation payments from the county tuition fund.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Subsection 6 of section 15-5601 of the 1949 Supplement to the North Dakota Revised Code of 1943, as amended by chapter 148 of the North Dakota session laws of 1951, is hereby created to read as follows:

6. It is further provided that a district shall receive payments under subsections 1 and 2 of this section providing the school board has made a written agreement for the attendance of the pupils in another public school and vehicular transportation is furnished. Districts receiving payments under subsections 1 and 2, where less than four pupils are enrolled, shall receive a proportional amount of the payments provided in such subsections as the total enrollment bears to four.

Approved March 10, 1953.

CHAPTER 144

H. B. No. 602
(Committee on Education)

TEACHER PREPARATION SCHOLARSHIPS

AN ACT

Relating to teacher preparation scholarships, amending and reenacting sections 15-5704, 15-5707, and 15-5708 of the 1949 Supplement to the North Dakota Revised Code of 1943, as amended by Chapter 150 of the Session Laws of 1951, and making an appropriation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.) Section 15-5704 of the 1949 Supplement to the North Dakota Revised Code of 1943, as amended by chapter 150 of the session laws of 1951, is hereby amended and reenacted to read as follows:

15-5704. CERTIFICATION OF CANDIDATES AND ALTERNATES.) On or before July fifteenth of each year the county superintendent of schools of each county in this state shall certify to the board, the names of five candidates and five alternates from his county for scholarships. The candidates shall be selected according to the provisions of this chapter and the rules established by the board, and consideration shall be given first to high school graduates of the school year just preceding the selection.

§ 2. AMENDMENT.) Section 15-5707 of the 1949 Supplement to the North Dakota Revised Code of 1943, as amended by chapter 150 of the session laws of 1951, is hereby amended and reenacted to read as follows:

15-5707. SELECTION OF ADDITIONAL CANDIDATES AT LARGE.) If a county fails to provide five candidates who accept the scholarship by August fifteenth, of each year the board may accept alternates from other counties. If less than two hundred sixty-five scholarships have been awarded in the state in either year, the board may select from the alternates certified and from the list of qualified and partially qualified candidates such additional candidates, chosen at large, without regard to county quota, as may be necessary to fill the state quota for such year.

§ 3. AMENDMENT.) Section 15-5708 of the 1949 Supplement to the North Dakota Revised Code of 1943, as amended by

chapter 150 of the session laws of 1951, is hereby amended and reenacted to read as follows:

15-5708. SCHOLARSHIP PAYMENTS; CONDITIONS; NOTES REQUIRED; SCHOLARSHIP CONTINUED.) Upon the granting of a scholarship and the acceptance thereto, the recipient shall be entitled to the sum of one hundred dollars, for each college quarter to cover the cost of tuition, books and other institutional expenses and to provide a part of the subsistence costs of the recipient. The scholarship payment shall be given only to regularly enrolled students taking a full load of college work in a one-year course leading to a first grade elementary certificate, who have declared their intent to enter teaching in North Dakota in a rural school for a term equal to the length of time the scholarship is held. At the beginning of each quarter of a regular college year, the board shall certify to the state auditor the name of each recipient of a scholarship, the auditor shall issue his warrant to the state treasurer who shall pay the amount of the scholarship through the secretary of the college in which the recipient is enrolled. Each recipient of a scholarship shall sign and execute notes to the state treasurer, endorsed by a responsible adult for the amount of such scholarship. The notes shall bear interest at the rate of three percent per annum and shall become due and payable with accrued interest twenty-one months after the date of issue, except as otherwise provided in this chapter. The board may grant scholarships to a scholarship recipient to be used during the summer quarter of any year whenever the recipient may thereby qualify for a first grade elementary certificate in time to begin teaching at the beginning of the rural school year following the completion of the summer quarter. Such scholarship shall be in the same amount as for any other quarter. The recipient of a scholarship who has successfully completed the one-year course leading to a first grade elementary certificate and who has successfully completed a full eight or nine months term of teaching in a one-room rural school may apply for a scholarship to be used for a second year of college training leading to a second grade professional certificate. Upon the granting of the scholarship and the acceptance thereto, payment shall be made only to candidates who declare their intent to teach a second year in a North Dakota rural school. The scholarship shall be paid from any moneys remaining in the scholarship fund after the requirements of the candidates for the one-year course have been met and on the same terms.

§ 4. APPROPRIATION.) There is hereby appropriated out of the equalization fund the sum of one hundred and sixty-four thousand dollars or whatever portion may be necessary for the purpose of paying teaching preparation scholarships in an

amount not to exceed one hundred and fifty-nine thousand dollars and for the administration of the teacher preparation scholarship program not to exceed five thousand dollars, for the biennium beginning July 1, 1953 and ending June 30, 1955.

Approved March 11, 1953.

CHAPTER 145

H. B. No. 614
(Committee on Education)

PAYMENT OF HIGH SCHOOL LEAGUE ATHLETIC INSURANCE
PREMIUMS FROM SCHOOL FUNDS

AN ACT

To authorize grade and high schools which are members of the North Dakota high school league to contribute out of the funds of such schools to pay the premium for insurance against injuries due to such athletic programs.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. MEMBERSHIP; COST OF PROTECTION PAYMENTS OUT OF SCHOOL FUNDS; MANNER OF DISBURSEMENTS.) Any grade or high school in the state of North Dakota which is now or which may hereafter become a member of the North Dakota high school league and which desires to secure protection for such grade and high school students who may be injured on the school premises or who may be injured by their participation in school athletic activities or physical education programs may in its discretion pay for the cost of such protection to such North Dakota high school league out of funds belonging to such school district in the same manner as any valid school expense is paid.

Approved February 27, 1953.