

SCHOOL DISTRICTS.

CHAPTER 186.

[S. B. 42.]

SPECIAL SCHOOL DISTRICTS.

AN ACT to Provide for the Creation of Special School Districts in Incorporated Cities, Towns and Villages Constituting a Part of a School District, and to Divide the Property and Indebtedness of Such School District.

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

§ 1. SPECIAL SCHOOL DISTRICTS. CREATION OF.] Whenever any incorporated city, town or village having a population of over two hundred inhabitants, shall constitute a portion of a school district, it may be organized into a special school district and the property and indebtedness of such organized school district divided as hereinafter provided.

§ 2. SUPERINTENDENT SHALL CALL ELECTION ON PETITION. WHEN.] In such case a petition, signed by a majority of voters of such school district as shown by the last school election therein, may be presented to the county superintendent of schools for the division of such school district and the organization of such city, town or village into a special school district, and setting forth in detail the manner and terms of the division of the property, real and personal, and of the indebtedness, bonded or otherwise, of such school district as desired by the petitioners, and thereupon such superintendent shall within five days call an election to be held in such incorporated city, town or village, and an election to be simultaneously held in that portion of such school district situated outside of the limits of such city, town or village.

§ 3. NOTICE OF ELECTIONS.] Such superintendent shall cause notice of each of such elections to be given by publishing notice thereof, stating the time and place of holding such elections, in a newspaper published in such school district, if any, and if there is no newspaper published in such school district, then by posting notices of the election to be held in such city, town or village, in five public places therein, and by posting notices of the election to be held outside such city, town or village in five public places in said district outside such city, town or village. Such notices shall be so published or posted not less than ten nor more than fifteen days before such elections. Such superintendent shall appoint judges and clerks of such elections, and the same shall be held and conducted in the same manner, and the polls shall be opened

and closed at the same time as in other school district elections, and the results of such elections shall be certified and delivered to such superintendent immediately upon the close of the polls.

§ 4. **BALLOTS. WHAT PRINTED ON.]** There shall be printed on the ballots used at such elections the following statement: "For the division of (here state the name of the school district to be divided) and the division of its property and debts as follows (here state the manner and terms of such division as set forth in the petition filed); The voter shall write after such statement the word "Yes" if in favor of such division, and the word "No" if against it.

§ 5. **SUPERINTENDENT SHALL NOTIFY PRESIDENT OF SCHOOL BOARD.]** Such superintendent shall thereupon forthwith notify the president of the school board of such school district, and the auditor or clerk of such city, town or village, of the result of such elections.

§ 6. **DIVISION OF DISTRICT. WHEN.]** If such elections shall each be in favor of the division of such school district, such incorporated city, town or village shall thereafter constitute a special school district, and such original school district situated outside such city, town or village shall constitute a school district.

§ 7. The county superintendents shall thereupon call an election for the election of officers of such special school district, and school district, of which notice shall be given for at least fifteen days, which election shall be held as in other cases, in school districts, and special school districts, and such special school district shall thereafter be subject to all provisions of law affecting other school districts.

§ 8. **DIVISION OF PROPERTY.]** Such school district and such special school district shall thereupon proceed to divide the property of such original school district according to such petition, and shall be bound respectively to pay the indebtedness of such district as provided in such petition, and may make any contracts or conveyances necessary to carry into effect all the provisions of such petition.

§ 9. **BONDED INDEBTEDNESS. TAX TO BE LEVIED TO PAY.]** In case such original school district shall have outstanding any bonded debt for the payment of which no sufficient levy of taxes has been made, the board of education of such special school district, and the school board of such school district, shall at the time of making the next annual tax levy, levy a tax sufficient to pay the interest and also the principal of so much of such bonded debt as shall be assumed by such special school district, and such school district respectively as the same mature, and shall designate the amount of such tax to be collected in each year thereafter, and shall certify such levy to the county auditor, who shall thereupon enter and extend upon the tax list in each year the amount of such tax to be collected in that year.

§ 10. **BONDED DEBT. SPECIAL SCHOOL DISTRICT AND SCHOOL DISTRICT TO PAY.]** Such special school district and such school district shall provide for and pay according to the terms of the bonds, such portion of such bonded debt as is assumed by it.

§ 11. **SPECIAL SCHOOL DISTRICTS. FORMATION OF UNDER PRESENT LAW NOT PROHIBITED.]** Nothing in this act shall be construed to pre-

vent or affect the formation of special school districts in accordance with the provisions of law now in force, or to require the equalization or adjustment of the property assets or indebtedness of districts formed under the provisions of this act, otherwise than as herein provided.

§ 12. EMERGENCY.] Whereas, there is no provision of law for the division of school districts and school property by mutual agreement, this act shall take effect and be in force from and after its passage and approval.

Approved March 12, 1901.

CHAPTER 187.

[H. B. 86.]

SCHOOL DISTRICT TREASURERS' BONDS.

AN ACT to Provide for the Giving of Proper Official Bonds by School District Treasurers, and to Provide for the Payment of the Premiums on Same.

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

§ BONDS. SCHOOL DISTRICT TREASURERS TO GIVE.] That every person hereafter elected to the office of district school treasurer, within the state of North Dakota, be, and is hereby required to give an official bond in a penal sum to be fixed by the board of directors, which bond shall not be in a less penal sum than double the amount of money likely to come into his hands in any one year, and such board may by resolution require that such bond shall be executed by some responsible fidelity or surety company authorized and qualified to do business in the state of North Dakota, and subject to approval as provided by law; provided, further, if a surety bond is given it shall be given for a sum fixed by the board of directors.

§ 2. PREMIUM. HOW AUDITED AND PAID.] The amount of premium for such surety or fidelity bond, shall be audited by the board of directors and paid out of the general fund of the district.

§ 3. REPEAL.] All acts and parts of acts in conflict with this act are hereby repealed.

Approved March 8, 1901.

CHAPTER 188.

[H. B. 126.]

STABLES AND HITCHING POSTS FOR PUBLIC SCHOOLS.

AN ACT Providing Stables and Hitching Posts on School Sites in Rural School Districts.

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

§ 1. STABLES AND HITCHING POSTS. SCHOOL SITES.] If in any rural school district, a petition signed by the persons charged with the support, and having the custody and care of eight or more children of school age, is presented to the school board asking for the building of a suitable stable upon the school site, the board shall provide such stable without unnecessary delay.

§ 2. HOW MANY.] It shall be the duty of the school board in rural districts to provide four substantial hitching posts for each school site in the district.

Approved March 12, 1901.

CHAPTER 189.

[S. B. 104.]

DIVISION OF SCHOOL DISTRICTS.

AN ACT to Amend Section 662, Revised Codes, 1899, Relating to Division of School Districts.

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

§ 1. AMENDMENT.] That section 662, of the Revised Codes, 1899, of North Dakota, be, and the same is hereby amended to read as follows:

§ 662. WHEN SCHOOL CORPORATIONS MAY BE DIVIDED AND ATTACHED TO OTHER DISTRICTS, OR ORGANIZED INTO DISTINCT DISTRICTS.] If a portion of any such school corporation having not more than ten children of school age residing therein, is separated from the other portion of such corporation by any natural obstacle which practically prevents such children from attending school in such other portion, the county commissioners of the county may annex such portion so separated to an adjoining school corporation, and the portion so annexed shall constitute a part of such adjacent corporation. If such adjacent corporation lies in another county, the county commissioners of the two counties may jointly make such annexation; provided, that when-

ever portions of a school corporation lie in different civil townships, there may be created therefrom two or more distinct school corporations, when, in the judgment of such commissioners and superintendent, such change can be made without detriment to the schools or to the pupils therein, and the division can be made by following the boundary line, or lines, of congressional townships, or the meander lines of the government survey.

Approved March 5, 1901.

CHAPTER 190.

[S. B. 225.]

SPECIAL SCHOOL FUNDS.

AN ACT to Provide for the Investment of the Sinking Funds of Special School Districts and to Prescribe a Mode of Executing, Satisfying, and Foreclosing Mortgages Taken Upon Such Investments.

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

§ 1. INVESTMENT OF SINKING FUNDS. SCHOOL DISTRICTS.] All moneys raised for the purpose of creating a sinking fund for the final redemption of all bonds issued under article 17 of chapter 9 of the Civil Code of this state shall be invested annually by the board of education of any special school district in this state as follows, viz.:

1. In the bonds of this state or of the United States.

2. Special school district board may designate one or more national or state banks in the county where such special school district is situated, as a depository for such sinking fund, and in such case the school board shall advertise for at least two (2) weeks in some newspaper printed within the limits of said special school district, if there be one, if not, in the county where said school district is situated, for sealed proposals for the deposit of the sinking fund of such school district, reserving the right to reject any and all bids, satisfying itself of the responsibility of all banks proposing to act as depositories. Before any bank shall be designated as such depository it shall present to the school board a sealed proposal stating in writing what rate of interest will be paid for the deposit of such sinking funds, and shall submit to the board for its approval, a bond payable to the special school district conditioned for the safe keeping and repayment of any funds deposited in such bank, which bond shall be signed by not less than three (3) freeholders of this state as sureties, or some surety bond company qualified to do business in this state, and such bond to be in the sum required by the school board and in no case to be less than double the probable amount of the funds to be deposited in such bank. The ap-

proval of such bond shall be indorsed thereon by the board and deposited with the county auditor, and any bank whose bond shall have been so approved shall thereupon be designated by the school board as a depository for the sinking fund, and shall continue as such, until such time as the board shall direct the withdrawal of such funds, or until such funds are needed for the payment or the purchase of bonds, as provided for in this act. When the sinking fund of any special school district is deposited by the treasurer of the board of education of said school district in the name of the school district as such depository, such treasurer and his sureties shall be exempt from all liability thereon by reason of loss of any such funds from the failure, bankruptcy or any other act of any such bank, to the extent only of such funds in the hands of such bank or banks at the time of such failure or bankruptcy. Such depository shall furnish to the clerk of the board of education of such special school district prior to the fifth day of July of each year, a verified statement of the school district account with such depository for the year ending June 30, which statement shall show a credit to such deposit account of all sums of interest accruing on the sinking fund deposited.

3. The board of education of any special school district may buy and cancel the bonds of such district and pay for the same with the moneys in the sinking fund created to pay such bonds.

4. In first mortgages on farm lands in this state only in the following manner, to-wit:

a. That said first mortgages and all of them, shall run for a period of time and not exceed ten (10) years, and that the funds so invested shall bear interest at a rate not less than six (6) per cent per annum and such interest when paid shall be covered into, and become a part of, the said sinking fund.

b. First mortgage loans shall only be made upon cultivated lands within the state, and to persons who are actual residents thereof. And in no case on lands of which the appraised value is less than seven dollars and fifty cents (\$7.50) per acre, and in sums not more than one thousand dollars (\$1,000) to any one person, firm or corporation. Such appraisement to be made by the school board of such special school district or by some competent person designated by them for the purpose.

c. All or any of said mortgages may be satisfied at any time after five (5) years from the date when made, on payment of the full amount due thereon, by an instrument in writing executed in the corporated name of the special school district which shall be the payee in all notes taken for loans as herein provided, and the mortgagee in all mortgages taken. Such instrument to be executed and acknowledged in the same manner as is or may be provided for by law for the execution and acknowledgment of transfers of real estate by corporations. Such mortgages may be foreclosed by advertisements or an action in the name of the special school district in any court of competent jurisdiction as is now or may be provided by law.

§ 2. REPEAL.] All acts or parts of acts inconsistent herein are hereby repealed.

§ 3. EMERGENCY.] Whereas, an emergency exists in that there is no present method authorizing the investment of sinking funds, as herein provided, owing to the difficulty of procuring bonds for the investment of such funds, such funds remain uninvested, this act shall be in force on and after its passage and approval.

Approved March 13, 1901.

SCHOOL LANDS.

CHAPTER 191.

[H. B. 59.]

LEASE AND SALE OF SCHOOL LANDS.

AN ACT to Amend Section 234b, Revised Codes of 1889, Being an Act Relating to the Charging and Collecting of Fees at the Leasing and Sale of School Lands.

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

§ 1. AMENDMENT.] That section 234b, Revised Codes of 1889, be revised to read as follows:

§ 234b. FEES FOR SERVICE. DUTY OF COUNTY TREASURERS.] It shall be the duty of the commissioner of university and school lands to charge and collect the following fees: For each one year lease of school or other state lands, \$1.50. For each lease for a period of more than one year, \$3. For each contract for lands purchased, \$5. For each patent, \$5. For approving and recording each assignment of school land contract, \$5. For furnishing certified copies of school land contracts, \$3. All fees must be paid in advance, and when collected must be paid into the state treasury at the end of each month and be placed to the credit of the expense fund of the board of university and school lands. It shall be the duty of the county treasurer of any county where any such lands are leased, or sold, to collect the fees hereinbefore provided for, at the time the first payment thereon is made for leases and contracts of sale, and transmit the same to the commissioner on the first day of each month.

§ 2. EMERGENCY.] Whereas, an emergency exists, in that there is now no adequate provision made for the collection of such fees, this act shall take effect and be in force from and after its passage and approval.

Approved March 7, 1901.