

SCHOOL AND STATE LANDS

CHAPTER 229 (H. B. No. 82—Halvorson.)

COLLECTION MONEYS DUE ON SCHOOL LANDS

An Act to amend and re-enact Section 326 of the Compiled Laws of North Dakota for 1913, relating to the collection by County Treasurers and the State Land Commissioner of moneys due on school lands held under contract of sale or leased from the state and providing the manner of reporting such collections to the State Auditor and the Commissioner of the Board of University and School Lands, and prescribing the duties of County Treasurers, County Auditors and State Land Commissioner in connection therewith.

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

§ 1. AMENDMENT.] That Section 326 of the Compiled Laws of North Dakota for 1913 be and the same is hereby amended and re-enacted to read as follows:

§ 326. COLLECTIONS BY COUNTY TREASURERS AND THE STATE LAND COMMISSIONER OF MONEYS DUE ON SCHOOL LANDS HELD UNDER CONTRACT OF SALE, EITHER PRINCIPAL, INTEREST OR PENALTY, OR LEASES FROM THE STATE, AND PROVIDING THE MANNER OF REPORTING SUCH COLLECTIONS AND THE DUTIES OF COUNTY TREASURERS, COUNTY AUDITORS AND STATE LAND COMMISSIONER.] The lessee of any land mentioned in this article or his executors, administrators, or assigns shall pay to the County Treasurer of the County in which such lands lie any and all amounts that may become due from time to time upon such leases, and for the amounts so paid the County Treasurer shall give to such persons a duplicate receipt, specifying the amount paid, date of payment, the number of the lease, and the description of the land for which the payment is made, name of the person making such payment, nature of the payment, whether for rent, interest or penalty, and for what year, and a separate receipt shall be given for each lease, and a separate receipt for each year's payment.

All moneys received by each County Treasurer under the provisions of this article shall at all times be held by him subject to the order and direction of the State Treasurer and the Board of University and School Lands, and on the first day of each month or within fifteen days thereafter, the County Treasurer of each county shall make report to the Commissioner of University and School Lands of all moneys so collected by him during the next preceding calendar month, which report shall be in such form and on such blanks as may be prescribed and furnished by the Commissioner, and such report shall embrace a list of all receipts for the month, briefly described, amount of each receipt, and the total amount collected for the month from each source. Such reports shall be duly certified by the County

Treasurer as correct and shall be by him transmitted forthwith to the Commissioner of University and School Lands, together with a triplicate of each receipt shown on each report. The County Treasurer shall also and at the same time that he makes his report to the Land Commissioner, make a similar report to the State Auditor, of the total amount collected from said sources for the month, which shall correspond with the amount reported to the Land Commissioner as herein provided. As soon as possible after he has received the reports from the several County Treasurers, as provided in this section, it shall be the duty of the Commissioner of University and School Lands to check up and verify said reports from the records of his office and to apportion the several amounts to the funds to which the same are applicable, which apportionment he shall certify to the State Auditor, who shall proceed to make drafts on the respective County Treasurers in the same manner as drafts are made for state taxes, and to the credit of the proper funds as certified to him by the Land Commissioner.

The purchaser of any land mentioned in this article, his executors, administrators or assigns shall pay to the Commissioner of University and School Lands any and all amounts that may become due from time to time upon such contracts for principal, interest and penalties, interest being payable annually, and the said State Land Commissioner shall daily report and pay to the State Treasurer all such collections of principal, interest and penalty payments, and shall so receipt therefor in conformity with the provisions heretofore made in this section for receipts to lessees, and at the time of such payment to the State Treasurer shall apportion the amounts so paid into the funds to which the same are applicable, which apportionment he shall certify to the State Auditor.

Approved March 10, 1931.

CHAPTER 230

(H. B. No. 81—Halvorson.)

INTEREST ON DAILY BALANCES SCHOOL LAND FUNDS

An Act relating to the disposition of interest on daily balances on all moneys in the hands of the Commissioner of University and School Lands and instructions to the Commissioner of University and School Lands.

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

§ 1. The Commissioner of University and School Lands is hereby authorized, instructed and directed to place all moneys either heretofore or hereafter received as interest on daily balances to the credit of the General Fund of the State in the manner and at the times now required for other payments to said General Fund by the said Commissioner.

Approved March 7, 1931.

CHAPTER 231

(H. B. No. 80—Halvorson.)

FEES LEASING AND SALE OF SCHOOL LANDS

An Act to amend and re-enact Section 363 of the Compiled Laws of North Dakota for 1913, relating to the fixing 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 363 of the Compiled Laws of North Dakota for 1913 be and the same is hereby amended and re-enacted to read as follows:

§ 363. FEES FOR SERVICE. DUTY OF COUNTY TREASURER.] 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 land \$1.50. For each lease for a period of three years \$3.50. For each lease for a period of five years \$5.00. For each contract for lands purchased, \$5.00. For each patent, \$5.00. For approving and recording each assignment of school land contract, \$5.00. For furnishing certified copies of school land contracts, \$3.00. 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.

Approved February 11th, 1931.

CHAPTER 232

(H. B. No. 83—Halvorson.)

LEASING SCHOOL LANDS SUPPOSED TO CONTAIN GAS,
SODIUM, CHEMICAL OR ALLODIAL AND OTHER CLAYS.

An Act providing for the leasing of state of (or) school lands supposed to contain gas, sodium, chemical substances or allodial and other clays and to make and establish rules and regulations relative to the development thereof; providing for rents to be collected therefrom, and for the sale of improvements on such lands; for the assignment thereof and for geological or chemical reports thereon.

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

§ 1. WHEN GRANTED.] The State Board of University and School Lands is hereby authorized to lease any State or School Lands supposed to contain gas, sodium, chemical substances or allodial and

other clays and to make and establish rules and regulations covering the conduct of development and drilling operations to be carried thereunder.

§ 2. RENTS.] Leases shall be issued by said board at such annual payments as shall be fixed by the board authorized to lease such lands.

§ 3. SALE. APPRAISAL OF IMPROVEMENTS.] If gas, sodium, chemical substances or allodial and other clay lands upon which improvements have been made, shall be sold, or if such lands shall be leased to other than the owner of the improvements thereon, then such purchaser or such new lessee shall pay to the owner thereof the value of said improvements, at an agreed price with the owner thereof; or if agreement cannot be reached, then at such price as shall be fixed by appraisement under the authority of the Board of University and School Lands. The word "improvements" shall not be construed to mean surface improvements, machinery and other equipment used and necessary for the operation of, and work performed in the development of the property for the drilling for gas, the extraction of any sodium, chemical substances, or allodial and other clays, unless such development work is of practical use for future operations or drilling upon such land. Wells drilled for gas which do not produce gas in commercial quantities shall not be considered as improvements.

§ 4. DISTINCT FROM SURFACE LEASE.] All leases made under this act shall be separate and distinct from any lease of the grazing and farming privileges thereon that may be made by said board, and the regulations so made by said board in connection therewith shall provide for the use of said lands for grazing and farming purposes without interference by the lessees herein provided for.

§ 5. ASSIGNMENTS.] No lease made under the provisions of this act shall be assignable or transferable except under the written consent of the board issuing the same; and the board in each case shall require the execution of a good and sufficient bond on the part of the lessee conditioned upon the payment of all moneys and rentals provided for by the terms of said lease, and for the full compliance and observance of all rules and regulations established by said board and for all other terms which may be set forth in said lease not inconsistent with the terms of this act.

§ 6. REPORTS UPON.] The State Geologist or State Chemist, when requested by the Board of University and School Lands of this state, shall visit and make a report upon any lands held under any lease issued under and by virtue of this act. Such report shall be made without any fee to the officer making the same, but said State Geologist or State Chemist shall be paid his necessary expenses therefor.

§ 7. EMERGENCY.] An emergency is hereby declared to exist and this act shall become effective immediately upon its passage and approval.

Approved March 7, 1931.

CHAPTER 233

(H. B. No. 114—Halvorson.)

REDEMPTION STATE AND SCHOOL LANDS.

An Act to amend and re-enact Section 319 of the Compiled Laws of North Dakota for 1913, relating to redemption of state and school lands, on which contracts have been cancelled, providing for the re-sale of such lands at public and private sale, interest rate on deferred and interest payments, publication of notice of sale, method of cancellation of contracts, taxation of lands sold, redemption, rights of tax certificate holder, and rules and regulations of the Board of University and School Lands.

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

§ 1. AMENDMENT.] That Section 319 of the Compiled Laws of North Dakota for 1913 be and the same is hereby amended and re-enacted to read as follows:

§ 319. REDEMPTION BEFORE RE-SALE, RE-SALE OF SUCH LANDS AT PUBLIC AND PRIVATE SALE, INTEREST RATE ON DEFERRED AND INTEREST PAYMENTS, PUBLICATION OF NOTICE OF SALE, METHOD OF CANCELLATION OF CONTRACTS, TAXATION OF LANDS SOLD, REDEMPTION, RIGHTS OF TAX CERTIFICATE HOLDER, AND RULES AND REGULATIONS OF THE BOARD OF UNIVERSITY AND SCHOOL LANDS.] In all cases where the rights of a purchaser, his heirs, or assigns, become forfeited under the provisions of this article, by failing to pay the amounts required, such purchaser, his heirs or assigns, may, before the resale at public auction of the lands described in such contract, pay to the Land Commissioner the amount of interest due and payable on such contract, and all costs which have been incurred in addition thereto, together with interest at the rate of six per cent per annum on the interest and costs so due from the date of delinquency to the date of payment, and such payment shall operate as a redemption of the rights of such purchaser, his heirs or assigns, and such contract from the time of such payment shall be in full force and effect, as if no forfeiture had occurred. Provided, further that whenever a contract made under the provisions of this chapter has been cancelled, the Board of University and School Lands may sell and convey said land at private sale to any person; provided, however, that such sale be subject to any then existing lease of such land and premises, and such land must be so sold for cash and for not less than the amount due upon said contract at the time of such cancellation with interest on such sums at five per cent per annum, and the amount of all taxes and recording fees paid by the State,

with interest at five per cent thereon to the date of conveyance, together with the costs and expenses of such sale. The Board of University and School Lands shall issue to the purchaser a quit claim deed conveying the right of the State in and to such land and premises, which deed shall be signed and executed in the manner provided as to assignments of mortgage by such Board.

The Board of University and School Lands may sell and dispose of said land at public sale to the highest bidder according to the terms fixed by said Board, but in no case shall said Board be authorized to accept less than one-fifth of the price in cash, nor shall the time of payment extend beyond the period of twenty years. All deferred payments and all past due interest shall draw interest at the rate of six per cent per annum. Such sale shall be subject to any then existing lease of such land and premises and such land must be sold for not less than the appraised value as determined by the County Board of Appraisal of the county in which said land is located. Provided, that in the case of public sale, the Board of University and School lands shall cause to be published once each week for a period of two weeks prior to the day of sale, in a legal newspaper published within the county in which said land is situated, a notice of such sale, properly describing said land, together with the appraised value thereof, and the terms and conditions of sale. The Land Commissioner shall execute and deliver a contract of sale to the purchaser, said contract to be in the form prescribed by the Board, and the purchaser at such sale shall also pay the costs and expenses thereof. When final payment has been made to the State, The Board of University and School Lands shall issue to the purchaser, his heirs, or assigns, a quit claim deed conveying such land and premises, which deed shall be signed and executed in the manner hereinbefore provided as to assignment of mortgages. In case the purchaser fails to pay either the principal, interest or taxes in accordance with the provisions of said contract, the Board of University and School Lands may in its discretion by resolution declare such contract null and void and cancelled and of no further force or effect; and in case of such declaration, shall notify the holder thereof of such declaration, by written notice mailed to his post office address. A certified copy of said resolution shall be forwarded to the County Auditor and the Register of Deeds of the county in which such land is situated. The Register of Deeds shall record such certified copy of said resolution in the proper records of his office, and said resolution, when so recorded, shall operate as a complete and final cancellation of said contract, without any order or decree of the court. When such contract has been cancelled, such land shall not thereafter be listed for taxation.

The Land Commissioner shall, as soon as possible after a sale of such land, transmit to the auditor of the county in which such

land is located, a detailed description of the land so sold, and the name of the purchaser, and the auditor shall extend the same upon his tax records for the purpose of taxation. Land contracted to be sold by the State shall be subject to taxation from the date of such contract and the taxes assessed thereon shall be collected and enforced in like manner as against other land. Such land may be sold for delinquent taxes as other lands are sold, and the purchaser shall only acquire, by virtue of such purchase, the right to be substituted in the place of such holder and owner of such contract of sale, as the assignee thereof; and upon the production to the Land Commissioner of the tax certificate given upon such tax sale, in case such land has not been redeemed, such tax purchaser shall have the right to have his name substituted in place of the original holder and owner of such contract, provided, however, that no substitution shall take place unless such tax purchaser makes payment of principal or interest then in default upon such contract of sale as the assignee thereof, and provided, further, that no substitution shall take place until three years after the date of such tax certificate. No tax deed shall be issued upon any tax certificate procured, while the legal title of said land remains in the State of North Dakota.

In all cases where the rights of a purchaser, his heirs, or assigns, become forfeited, by failing to pay the amounts required, such purchaser, his heirs and assigns may, before the re-sale at public auction of the land described in such contract, redeem the land and premises by paying all past due, deferred and interest payments, and all costs which have been incurred in addition thereto, together with interest on such sums at the rate of six per cent per annum, provided, however, that no redemption shall be made where the name of the tax purchaser has been substituted in place of the contract holder. In the event of a redemption of said land and premises, the Land Commissioner shall execute and deliver a new contract of sale to the purchaser, his heirs or assigns, said contract to be in the form prescribed by the Board.

The Board of University and School Lands is hereby authorized to make such rules and regulations, as shall be by it deemed necessary for the manner, place and time of payment of principal, deferred and interest payments, and for such other conduct of the business of selling and disposing of lands on which contracts have been cancelled, not in conflict with the provisions of law.

§ 2. EMERGENCY.] An emergency is hereby declared to exist, and therefore this Act shall take effect and be in force immediately upon its passage and approval.

Approved March 10, 1931.

CHAPTER 234
(H. B. No. 203—Halvorson.)

**SATISFACTION, FORECLOSURE, ETC., MORTGAGE LOANS
BOARD OF UNIVERSITY AND SCHOOL LANDS**

An Act to amend and re-enact Section 288 of the 1913 Compiled Laws of North Dakota, and Section 292 of the Supplement to the 1913 Compiled Laws of North Dakota, as amended and re-enacted by Chapter 214 of the Session Laws of North Dakota for 1929, relating to the satisfaction and foreclosure of mortgages held by the Board of University and School Lands, rate of interest required to be paid in case of redemption, assignments of mortgages, sale of foreclosed lands at public and private sale, interest rate on deferred and interest payments, publication of notice of sale, method of cancellation of contract, taxation of lands sold, redemption, rights of tax certificate holder, and rules and regulations of Board of University and School Lands.

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

§ 1. AMENDMENT.] That Section 288 of the 1913 Compiled Laws of North Dakota, be and the same is hereby amended and re-enacted to read as follows:

§ 288. SATISFACTION OF MORTGAGE LOANS ON REAL ESTATE.] The Commissioner of University and School Lands, who is also the Secretary of the Board of University and School Lands, is hereby empowered and required to satisfy real estate mortgages given to the Board of University and School Lands whenever the loans secured by such mortgages shall have been fully paid as certified to him by the State Treasurer.

§ 2. AMENDMENT.] That Section 292 of the Supplement to the 1913 Compiled Laws of North Dakota, as amended and re-enacted by Chapter 214 of the Session Laws of North Dakota for 1929, be and the same is hereby amended and re-enacted to read as follows:

§ 292. MORTGAGE LOANS, FORECLOSURE, RATE OF INTEREST REQUIRED TO BE PAID IN CASE OF REDEMPTION, ASSIGNMENTS, SALE AT PUBLIC AND PRIVATE SALE, INTEREST RATE ON DEFERRED AND INTEREST PAYMENTS, PUBLICATION OF NOTICE OF SALE, CANCELLATION OF CONTRACT, TAXATION OF LANDS SOLD, REDEMPTION, RIGHTS OF TAX CERTIFICATE HOLDER, AND RULES AND REGULATIONS OF BOARD OF UNIVERSITY AND SCHOOL LANDS.] Mortgage loans made under the provisions of this chapter may be foreclosed either by action or advertisement, in the same manner and upon the same notice as required in other real estate foreclosures. When foreclosure is made by action, said action shall be brought and prosecuted in the name of the State; provided, that the Board of University and School Lands may, and it is hereby authorized and empowered to assign any or all of said mortgages, whenever in the

judgment of said Board it shall be for the best interests of the State so to do; provided, however, that said Board shall not accept as a consideration for said assignment any amount less than the principal and interest due upon said mortgage or mortgages. Such assignments when made shall be executed by the Commissioner and Secretary of the Board of University and School Lands, and attested by the Secretary of State with the Great Seal of the State of North Dakota attached. Provided, further, that whenever a mortgage loan made under the provisions of this chapter has been foreclosed, the debtor or redemptioner may redeem the property from the purchaser within one year after the sale on paying the purchaser the amount of his purchase with five per cent interest thereon together with the amount of any assessment or taxes which the purchaser may have paid thereon after the purchase, and interest at the same rate on such amount; and if the purchaser is also a creditor having a prior lien to that of the redemptioner other than the mortgage under which such purchase was made, the amount of such lien with interest. Provided, further, that whenever a mortgage loan made under the provisions of this chapter has been foreclosed and a sheriff's deed to the mortgaged premises issued to the State, the Board of University and School Lands may sell and convey the said land at private sale to any person; provided, however, that such sale be subject to any then existing lease of such land and premises, and such land must be so sold for cash and for not less than the amount for which the land was sold to the State on mortgage foreclosure sale, with interest on such sums at five per cent per annum, and the amount of all taxes and recording fees paid by the State, with interest at five per cent thereon to the date of conveyance. The Board of University and School Lands shall issue to the purchaser a quit claim deed conveying the right of the State in and to such land and premises, which deed shall be signed and executed in the manner hereinbefore provided as to assignments of mortgages.

The Board of University and School Lands may sell and dispose of said land at public sale to the highest bidder according to the terms fixed by said Board, but in no case shall said Board be authorized to accept less than one-fifth of the price in cash, nor shall the time of payments extend beyond the period of twenty years. All deferred payments and all past due interest shall draw interest at the rate of six per cent per annum. Such sale shall be subject to any then existing lease of such land and premises and such land must be sold for not less than the appraised value as determined by the County Board of Appraisal of the county in which said land is located. Provided, that in the case of public sale, the Board of University and School Lands shall cause to be published once each week for a period of two weeks prior to the date of sale, in an official legal newspaper published within the date of sale, in an

official legal newspaper published within the county in which said land is situated, a notice of such sale, properly describing said land, together with the appraised value thereof, and the terms and conditions of sale. The Land Commissioner shall execute and deliver a contract of sale to the purchaser, said contract to be in the form prescribed by the Board. When final payment has been made to the State, the Board of University and School Lands shall issue to the purchaser, his heirs or assigns, a quit claim deed conveying such land and premises, which deed shall be signed and executed in the manner hereinbefore provided as to assignment of mortgages. In case the purchaser fails to pay either the principal, interest or taxes in accordance with the provisions of said contract, the Board of University and School Lands may in its discretion by resolution declare such contract null and void and cancelled and of no further force or effect; and in case of such declaration, shall notify the holder thereof of such declaration, by written notice mailed to his post office address. A certified copy of said resolution shall be forwarded to the county auditor and the register of deeds of the county in which such land is situated. The register of deeds shall record such certified copy of said resolution in the proper records of his office, and said resolution, when so recorded, shall operate as a complete and final cancellation of said contract, without any order or decree of the court. When such contract has been cancelled, such land shall not thereafter be listed for taxation.

The Land Commissioner shall, as soon as possible after a sale of such land, transmit to the auditor of the county in which such land is located, a detailed description of the land so sold, and the name of the purchaser, and the auditor shall extend the same upon his tax records for the purpose of taxation. Land contracted to be sold by the State shall be subject to taxation from the date of such contract and the taxes assessed thereon shall be collected and enforced in like manner as against other land. Such land may be sold for delinquent taxes as other lands are sold, and the purchaser shall only acquire by virtue of such purchase, the right to be substituted in the place of such holder and owner of such contract of sale, as the assignee thereof; and upon the production to the Land Commissioner of the tax certificate given upon such tax sale, in case such land has not been redeemed, such tax purchaser shall have the right to have his name substituted in place of the original holder and owner of such contract, provided, however, that no substitution shall take place unless such tax purchaser makes payment of principal or interest then in default upon such contract of sale as the assignee thereof, and provided, further that no substitution shall take place until three years after the date of such tax certificate. No tax deed shall be issued upon any tax certificate procured, while the legal title of said land remains in the State of North Dakota.

In all cases where the rights of a purchaser, his heirs or assigns, become forfeited, by failing to pay the amounts required, such purchaser, his heirs and assigns, may, before the resale at public auction of the land described in such contract, redeem the land and premises by paying all past due deferred and interest payments, and all costs which have been incurred in addition thereto, together with interest on such sums at the rate of six per cent per annum, provided, however, that no redemption shall be made where the name of the tax purchaser has been substituted in place of the contract holder. In the event of a redemption of said land and premises, the Land Commissioner shall execute and deliver a new contract of sale to the purchaser, his heirs or assigns, said contract to be in the form prescribed by the Board.

The Board of University and School Lands is hereby authorized to make such rules and regulations, as shall be by it deemed necessary for the manner, place and time of payment of principal, deferred and interest payments, and for such other conduct of the business of selling and disposing of foreclosed land not in conflict with the provisions of law.

Approved March 11, 1931.

SCHOOLS

CHAPTER 235

(H. B. No. 128—Bishop by Request.)

ADVERTISEMENT SCHOOL DISTRICT CONTRACTS

An Act to provide for the manner of letting contracts other than building contracts in all classes of school district and to repeal Sections 1259 and 1356, Compiled Laws of 1913.

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

§ 1. CONTRACTS LET TO LOWEST BIDDER.] No contract other than a building contract involving the expenditure of an aggregate amount greater than \$200.00 shall be entered into by any school district of any kind or class in this state except upon sealed proposals and to the lowest responsible bidder, after ten days notice by at least one publication in a legal newspaper in the county in which the school district or a portion thereof is located or if no newspaper is published in said county, then in a newspaper in an adjacent county.

§ 2. EXCEPTIONS.] No notice need be given nor proposals requested with reference to contracts for personal service of employees of the district, school text or reference books, or any article which is not for sale on the open market or any patented, copyrighted