

To be expended
under whose di-
rection.

SEC. 3. Said trustees are hereby authorized to draw from the treasury, and expend for the purpose set forth in this act, so much of any unexpended balance of the sum of ten thousand dollars appropriated by said chapter nineteen, as may be necessary.

When act to take
effect.

SEC. 4. This act shall take effect and be in force from and after its passage.

Approved March 7, 1870.

CHAPTER XIII.

March 4, 1870

An Act to Dispose of the Five Hundred Thousand Acres of Internal Improvement Lands.

- SECTION 1. The proceeds arising from the sale of the 500,000 acres of land donated by Congress to be set apart as a separate fund denominated State Internal Improvement Fund.
2. The Commissioner of the State Land Office to provide notice to be published in the several cities herein designated—what notice to contain.
 3. Duty of Land Commissioner If two thousand Minnesota State Railroad Bonds with all unpaid coupons attached with written contract agreeing to purchase lands to the extent of bonds deposited previous to the day appointed for said sale, in case of failure on part of depositors—minimum price per acre of said lands—after all lands have been so offered and any remaining unsold to be sold at private sale—when Commissioner to set apart to said depositors an amount of lands equal to the amount of bonds, &c., so deposited.
 4. What Commissioner authorized to receive in payment of said lands.
 5. Bonds received in payment of lands shall be cancelled.
 6. Commissioner to execute and deliver to each purchaser a certificate—what certificate to contain—Governor to execute on demand a deed of the land described in said certificate.
 7. Said lands shall be exempt from taxation for a period of ten years.
 8. To be submitted to the legal voters of this State—when—ballots how prepared—manner of conducting said election.
 9. This act not to be construed as an acknowledgment of any other obligation prior to its passage.
 10. When act to take effect.

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

SECTION 1. The 500,000 acres of land which the state has received or which it shall hereafter receive under the eighth section of the act of congress, approved September four, one thousand eight hundred and forty-one, and the proceeds thereof are hereby set apart as a separate fund, to be denominated the "state internal improvement fund," and said lands shall be disposed of only in the manner following :

Land and proceeds set apart as a separate fund.

SEC. 2. The commissioner of the state land office shall cause a notice to be published in two daily newspapers in St. Paul, and in a daily newspaper in each of the cities of Chicago, Milwaukee, New York, Boston, Hartford and Philadelphia, containing a general description of the location and character of said lands, and that the same will be offered at public auction at the capitol in the city of St. Paul, on the first Wednesday in September, one thousand eight hundred and seventy, and on the following days until they shall all have been offered.

Commissioner to publish notice—what notice to contain.

SEC. 3. If on or before the day appointed in such notice there shall be deposited with said commissioner, not less than two thousand Minnesota state railroad bonds, with all unpaid coupons attached, with a written contract on part of the owner thereof, agreeing to purchase said land under this act to the extent of the bonds so deposited, and in case of failure to purchase said lands, authorizing the said commissioner to select and set apart for said depositor, from the lands remaining unsold which at the minimum price shall equal the amount of said bonds so deposited, with the interest thereon; then and in that case said commissioner shall proceed on the day named in said notice, and following days, at his office, to offer at public sale the said lands in tracts of one hundred and sixty acres, or smaller government subdivisions, and shall sell the same to the highest bidder, but in no case for less than eight dollars and seventy cents per acre. After all of said lands shall have been so offered at public sale, and any remain unsold, said commissioner is authorized to sell said remaining lands at private sale, on the terms herein stated, at said minimum price of eight dollars and seventy cents per acre, with interest on said price from the commencement of said public sale. If the holders or owners of the bonds, judgments or claims so deposited with the commissioner, do not purchase land at said public sale to the amount of

How lands to be disposed of—price per acre.

said deposits, and do not, within thirty days after the close of said public sale, come in and purchase at private sale to the amount of such deposit, or to the extent of the said lands remaining unsold, then and in that case, said commissioner shall select and set apart for said depositors respectively, from the lands remaining unsold, an amount thereof which, at said minimum price, shall equal the amount of said bonds, judgments and claims so deposited, with the interest thereon, and shall issue certificates thereof to said parties respectively, and shall retain as payment the said bonds, judgments and claims so deposited, the same as if said parties had purchased at public or private sale.

SEC. 4. In payment of said lands at such sale, the commissioner shall receive lawful money of the United States, Minnesota state railroad bonds, with all unpaid coupons attached, and the judgment legally transferred to the estate of McDonald & Graham, and Fitz, Grindall & Keepers, mentioned and referred to in chapter one hundred and fifty-two, on page three hundred and eighty-eight of the special laws of one thousand eight hundred and sixty-seven, with the accrued interest thereon for the construction of road bed of the St. Paul and Pacific railroad in one thousand eight hundred and fifty-eight and one thousand eight hundred and fifty-nine, for which no state railroad bonds were issued: *Provided, however,* That no interest shall be computed or allowed on the interest or coupons of said bonds or claims: *And provided further,* That the unmatured coupons of said bonds shall be surrendered with the bonds.

SEC. 5. All Minnesota state railroad bonds received in payment of said lands shall be cancelled by the state treasurer, and never again be re-issued.

SEC. 6. The commissioner shall execute and deliver to each purchaser a certificate, describing the lands purchased by him, and stating that the holder, his heirs, assigns and devisees shall be entitled to receive a deed of said lands upon demand, to be made within five years from the date of such certificate; and upon such demand the governor is authorized and directed to execute to the holders of such certificates a deed or deeds of any part or of the whole of the lands described in such certificates.

SEC. 7. In consideration of the purchase of said lands at or above the minimum price herein established, said lands shall be exempt from taxation for the period of ten years from and after said sale.

What may be received in payment of lands.

Bonds taken for lands to be cancelled.

Duty of commissioner—duty of governor.

Lands to be exempt from taxes for ten years.

SEC. 8. This act shall be submitted to the electors of this state for their approval or rejection, at a special election to be held on the last Tuesday in May, one thousand eight hundred and seventy. The ballots at such election upon the question submitted shall have written or printed thereon as follows: Those in favor of this act, "Payment of bonds with lands—Yes;" those against the act, "Payment of bonds with land—No." The polls at said election shall be opened during the time, and said election conducted and the returns thereof made and certified in the manner now provided by law for casting, canvassing and returning votes for state officers, except that said returns shall be made to the secretary of state within thirty days after said election, and within ten days thereafter the secretary of state, in connection with the governor and state auditor, shall canvass the returns so made, and if it shall be found that a majority of those voting at said election have approved of this act, then the governor shall issue his proclamation declaring said result, and thereupon this act shall take effect and be in force.

To be submitted to the people when—ballots how prepared—election how conducted.

SEC. 9. Nothing contained in this act shall be so construed as to have the effect of an acknowledgment on the part of the state of any or greater obligations of any kind that did not exist prior to its passage.

Not to bind the State for greater obligation than existed prior to this act.

SEC. 10. This act shall take effect and be in force from and after its passage.

When act to take effect.

Approved March 4, 1870.