

per annum shall be collected annually on all accounts remaining unpaid. The state shall have a first lien upon the land for the interest and unpaid principal of the cost of such improvements.

Sec. 11. **Revolving fund to be credited from proceeds of sale.**—As soon as any tract of land improved under this law shall have been sold or disposed of under contract of sale with agreement on the part of the purchaser to pay for such improvements, as provided, in this act, the state auditor shall credit to the revolving fund the principal amount contracted to be paid for such improvements by the purchaser. Such amount when collected in whole or in part shall thereupon become a part of the revolving fund provided for by this law, and may again be expended for the purpose of carrying out this act. It shall be a first lien on the interest of the person holding the certificate or other title to such land.

Sec. 12. This act shall take effect and be in force from and after its passage.

Approved April 9, 1917.

CHAPTER 165—S. F. No. 72.

An act to amend Sections 256, 257, 258 and 267 of Chapter 8, the General Laws of Minnesota for 1895, entitled, "An act to provide for the incorporation, organization and government of cities," and relating to the manner of ordering of public improvements and the collection of assessments therefor.

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

Section 1. **Order of improvement and award of contract and issuance of warrants together with limitation of same.**—That section 256 of chapter 8 of the General Laws of the State of Minnesota, of 1895, as amended by chapter 98 of the Laws of 1909 and by chapter 92 of the General Laws of 1911, be and the same hereby is amended so as to read as follows:

Section 256. At the time and place designated in such notice opportunity shall be given to any and all parties interested to be heard for or against such proposed work, and the clerk shall, in the presence of the city council, open and read all sealed proposals which may have been received for doing such work and furnishing the material therefor, and the city council may then or thereafter by a two-thirds (2/3) vote of all its members, accept the most favorable proposal (such proposal to be that of the lowest responsible bidder) and by resolution authorize the doing of said work or any part thereof, and may direct that a written contract be made therefor with the person whose proposal shall have been accepted; or they may reject all propos-

als offered and refuse to authorize the doing of such work or any particular part thereof, or may readvertise for bids therefor; or, if it is deemed by said council to be for the best interests of the city, and the city engineer's estimate is less than the lowest bid aforesaid for work and material, that they may reject all proposals offered, and by resolution, passed by a two-thirds ($2/3$) vote of the council, authorize the doing of said work under the direction of the city engineer, or said council, in its discretion, from lack of quorum, or for other reason, may postpone the consideration and decision of the whole matter, or any branch thereof, to a future time, of which postponement all parties interested shall be required and deemed to take notice.

At the time of the award of any such contract the city council shall appropriate from the proper fund, to the credit of such contract, a sufficient amount to defray the cost of such work; provided, however, that if at the time of awarding such contract, there shall not be sufficient funds applicable by law thereto in the treasury of such city for the payment of all liabilities arising under such contract, and a majority of the owners of property liable to be specially assessed therefor shall not prior to the time designated in such notice have filed with the city clerk a written protest against such improvement, a fund, specially designated for such contract, shall be created and maintained in such city treasury, to which the city council shall appropriate, at the time of the award of any such contract, from the proper fund the amount of the proportion, if any, of the entire cost of such improvement which the city council may determine, as hereinafter provided, shall be paid from the proper funds of said city and into such specially designated fund shall also be paid all moneys derived from special assessments for the payment of the cost of such improvement and they shall be diverted to no other purpose, and the city council may then or thereafter, authorize the doing of said work or any part thereof, and may direct that written contract be made therefor with the person whose proposals shall have been accepted, but such contract must state that the amount to be paid thereon by the city is to be paid only from such specially designated fund, and that the consideration of such contract is payable only in warrants drawn on such fund, and that the city incurs and assumes no general liability under such contract and the city comptroller, or city clerk, is thereupon expressly authorized to countersign any such contract; but in lieu of an appropriation from the proper fund to the credit of such contract of the amount of the proportion of the entire cost of such improvement which the city council may determine shall be defrayed by an assessment upon the property benefited, as hereinafter provided, when there shall not be sufficient funds, applicable by

law thereto in the treasury of such city for such appropriation, and in anticipation of the levy, and collection of such special assessments the city may, at any time after the making of such contract, but upon the filing with the city clerk of the commissioner's report of assessments, as hereinafter provided, shall issue warrants on such specially designated fund, payable at specified times, and in such amounts as, in the judgment of the city council, the taxes and assessments will provide for, which warrants shall bear interest at the rate of not to exceed six per cent per annum, payable annually, and may have coupons attached representing each year's interest. Such warrants shall state upon their face for what purpose they are issued, and the fund from which they are payable, and shall be signed by the mayor and countersigned by the city comptroller, *or the city clerk*, under the seal of the city, and be in denominations of not more than one thousand dollars each, *and shall not be issued for a longer period than fifteen years*. Such warrants may be used in making payments on contracts for making such improvements or may be sold for cash, at not less than the par value thereof, and the proceeds thereof credited to such fund, and used for paying for such improvements. It shall be the duty of the city treasurer to pay such warrants and interest coupons as they mature and are presented for payment, out of the specially designated fund on which they are drawn, and to cancel the same when paid. Any indebtedness created by the making of any such contract and any indebtedness created by the issuance of any such warrants, shall not be deemed a part of the total indebtedness of said city, which said city is hereinbefore forbidden to make to exceed five per cent of the total value of the taxable property in such city according to the last preceding assessment for the purpose of taxation.

The city engineer shall allow to the contractor, on the first day of each month an estimate of the amount already earned, which amount shall be due and payable on the tenth day of the month succeeding the month for which the estimate is allowed.

Sec. 2. Apportionment of cost to be determined by separate resolution of city council.—That section 257 of chapter 8 of the General Laws of 1895 be and the same hereby is amended so as to read as follows:

Section 257. At the time of the passing of the resolution for the doing of such work the city council may determine by separate resolution, what proportion of the entire cost of such improvement shall be defrayed by an assessment upon the property benefited, and what proportion, if any, shall be paid from the proper funds of said city, the amount of the bid accepted by the council to be taken as the entire cost; and in case no bid is accepted, and in case the city council has authorized the

doing of such work under the direction of the city engineer, without contract, then the city engineer's estimate shall be taken as the entire cost of such work for the purpose of assessment.

Sec. 3. Commissioners to assess benefits after city council shall have determined assessment to be made.—That section 258 of chapter 8 of the General Laws of 1895 be and the same hereby is amended so as to read as follows:

Section 258. The city council shall then, or thereafter, appoint commissioners in like manner and with the same qualifications as prescribed in this act for commissioners in condemnation proceedings, to view the property benefited by such proposed improvement, and to assess the cost of such proposed improvement (unless said council shall have determined that a portion only of the expense of such improvement shall be defrayed by assessments for benefits, and in such case they shall assess such portion) upon the property benefited by such improvement in proportion to the benefits actually received and without regard to cash valuation; provided, that in no case shall said commissioners assess upon any lot or parcel of land any greater amount than the amount of the benefit to such lot or parcel; *provided, that if the city council shall have determined that such assessment shall be made on the basis of the foot frontage of the property bounding or abutting upon the improvement, then such commissioners shall make such assessment on that basis, without regard to the benefits or value of the property to be assessed.*

Sec. 4. Division of and spreading of assessments.—That section 267 of chapter 8 of the General Laws of 1895 be and the same hereby is amended so as to read as follows:

Section 267. Whenever the amount of any special assessment on any lot or parcel of land so transmitted to the county auditor shall exceed the sum of twenty-five dollars (\$25.00), *the city clerk shall, when transmitting to the county auditor the list of unpaid assessments included in any special assessment, accompany said list with a certified copy of the resolution of the city council determining the number of payments into which such assessment shall be divided, and the county auditor shall then divide each such assessment in as many equal parts as the city council shall have fixed by said resolution, as nearly as the same can be divided, and shall, in proper books to be kept by him, extend the same in proper columns in such manner that said assessments shall extend over the number of successive years so fixed by said council; the first of such installments shall be entered by such auditor on the tax lists of said city for the next ensuing year and each of the said installments shall be entered on such tax list each succeeding year thereafter respectively; said audi-*

tor shall at the time of so extending each year's installment of said special assessment on the tax list, add to the amount of each installment after the first installment, interest for one year on the entire amount remaining unpaid, at the rate of six per cent per annum, which said interest in the whole amounts unpaid shall be paid each year at the same time and in the same manner as the installment for that year.

Sec. 5. All acts and parts of acts inconsistent with the provisions of this act are hereby repealed.

Approved April 9, 1917.

CHAPTER 166—S. F. No. 166.

An act to permit the school board of any independent school district in any city of the first class, operating under Article 4 of Section 36, of the State Constitution of Minnesota, to establish and supervise for children and adult persons, in school buildings and on the school grounds under the custody and management of school boards, or in such buildings or upon such grounds as may be placed under the custody and management of any such school board, vacation schools, reading rooms, library stations, debating clubs, gymnasia, playgrounds and similar activities, including social centers.

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

Section 1. Extension of powers of school board of Duluth school district.—The school board of any independent school district, in any city of the first class, operating under article 4 of section 36 of the State Constitution of Minnesota, is hereby authorized to establish and supervise for children and adult persons, in school buildings and on the school grounds under the custody and management of any such school board, or in such buildings or upon such grounds as may be placed under the custody and management of any such school board, vacation schools, reading rooms, library stations, debating clubs, gymnasia, play grounds and similar activities, including social centers.

Sec. 2. Tax levy authorized.—The school board of any such independent school district is hereby authorized to levy a tax upon all the taxable property within such independent school district, not exceeding three tenths (.3) of a mill for the establishment and maintenance of such vacation schools, reading rooms, library stations, debating clubs, gymnasia, play grounds and similar activities or any of the same, including social centers.

Sec. 3. This act shall take effect and be in force from and after its passage.

Approved April 9, 1917.