CHAPTER 407-H: F. No. 660

An act relating to and authorizing the creation, establishment and maintenance of state reforestation or flood control projects or other public state purposes, and providing among other things for their management and control; defining certain offenses therein, and prescribing penalties for their violation; providing for the acquisition by the state of unredcemed tax delinquent lands therein and the use and disposition of such lands for such purposes; providing means for the payment and retirement of county bonds secured in part by assessments on lands so to be acquired, and for the payment of school district and township bonds secured in part by tax levies thereon, and protecting the credit of the state, its political subdivisions and municipal corporations by preventing default in the payment of such bonds; defining the powers and duties of the counties and their officers in respect thereto; providing for the levy and collection of taxes for the purposes thereof and for the issuance of certificates of indebtedness in anticipation of such taxes.

"Whereas, the laws of the State of Minnesota, in force prior to the year 1925, relating to public drainage ditches authorized the establishment of such ditches upon petitions signed by a small number of property owners, and upon hearings thereon, at which the general tax payers were not adequately represented, and

Whereas, upon the establishment of each of such ditches it was found and determined by the constituted authorities that the establishment and construction thereof would be a public utility or benefit or would promote the public health, and

Whereas, under such laws, it was mandatory upon the boards of county commissioners and other county officials to issue and sell the general obligation bonds of the county secured by the pledge of the full faith, credit and resources and unlimited taxing powers of such county to the extent necessary to pay the costs of establishment and construction of such ditches, and

Whereas, pursuant to such laws certain counties have heretofore incurred obligations to finance and refinance such ditches upon lands which it now appears were and are not now primarily suitable for agriculture, and the assessments levied upon lands supposedly benefited thereby cannot be collected in a sum sufficient to pay such bonds, and the payment of such bonds by the use of the taxing powers of such counties would result in confiscatory rates such that taxes so levied would not be paid, and

Whereas, default in the payment of such bonds by certain of such counties is imminent, and the general credit of the State of Minnesota and all its political subdivisions and municipal corporations would thereby be damaged, resulting in greatly added interest charges on all public financing for many years to come, and

Whereas, certain lands in such counties will become available for State ownership by reason of delinquent tax liens thereon, and such lands are suitable for State ownership and administration, for use for afforestation, reforestation, flood control projects or other public state purposes, and will produce revenue to assist in relieving the tax burdens and preventing such bonds' default,

Now therefore, be it enacted by the Legislature of the State of Minnesota:

Section 1. Reforestation areas to be set off.—For the purpose of vesting and revesting the State with title to lands suitable primarily for the development of forests and prevention of forest fires, and for experimenting in and practically advancing afforestation and reforestation, or for the purpose of impounding, controlling and regulating the waters of meandered lakes and the flow of natural streams in the State, or for either or any of such purposes, or for other public state purposes, the board of county commissioners of any county within which such lands are located, and in which on January 1, 1931, the taxes on more than 35 per cent of the taxable land are delinquent and of which on January 1, 1931, the bonded ditch indebtedness, including accrued interest, equals or exceeds nine percent of the assessed valuation of the county, exclusive of monies and credits, may, by resolution duly adopted, propose to the State of Minnesota that one or more areas in such county, containing such land be taken over by the State for afforestation, reforestation, flood control projects, or other public state purposes, to be managed, controlled and used for the development of forests and prevention of forest fires, and for the purpose of experimenting in and practically advancing afforestation, reforestation, or for the purpose of impounding, controlling and regulating the waters of meandered lakes and the flow of natural streams, or for other public state purposes, on lands to be acquired by the State within such projects as hereinafter set forth. Each such area shall

include lands which have been assessed for all or part of the cost of the establishment and construction of public drainage ditches under the laws of this State, and on which such assessments or installments thereof are over due, delinquent and unpaid. A duly certified copy of each such resolution of the county board shall be submitted to and filed with the Department of Conservation of the State of Minnesota and considered and acted upon by that Department; if approved by that Department, it shall then be submitted to, considered and acted upon by the Executive Council of the State, and if approved by the Executive Council such proposition shall be formally accepted by the Governor and his acceptance shall be communicated in writing to and filed with the county auditor of such county. State lands which have been sold as provided by law, and for which certificates of sale have been issued, shall be considered taxable lands within the meaning of this section, and if the taxes against such lands or the interest of the purchaser therein are delinquent, shall be considered lands on which the taxes are delinquent within the meaning of this section, until such time as the title of the certificate holder shall have been terminated by the State Auditor in accordance with the provisions of Mason's Minnesota Statutes of 1927, Section 6285.

Department of conservation to manage areas.—Each of such projects, so approved and accepted, shall be under the management and control of the Department of Conservation, which shall have and is hereby given full power and authority to make, establish, promulgate and enforce all necessary rules and regulations not inconsistent with the laws of the State for the care, preservation, protection and development of forests and for experimenting in and practically advancing afforestation and reforestation therein. and impounding, controlling and regulating the waters of meandered lakes and the flow of natural streams, or for other public state purposes, and for the prevention of forest fires therein, and for the sale of merchantable timber from lands acquired by the State therein when and where, in the opinion of such Department, the same may be sold and removed without damage or injury to the purposes of such project. Such rules and regulations may relate also to the care, preservation, protection, breeding, propagation and disposition of any and all species of wild life therein and the regulation, issuance, sale and revocation of special licenses or special permits for hunting, fishing, camping and other uses of said areas not inconsistent with the terms of this Act or of other laws of the State now or hereafter applicable thereto. The Department may provide for the policing of each of such projects in such manner as may be needful for the proper development, use and protection thereof, and of its purposes, and all supervisors, guards, custodians and caretakers assigned to duty in any such project shall have and possess the authority and powers of peace officers while in their employment. All lands within the boundaries of any such project shall be subject to such rules and regulations, whether owned by the State or privately, consistent with the rights of such private owners or with the laws of this State now or hereafter applicable thereto. All such rules and regulations shall be published once in one qualified newspaper in each county affected and shall take effect after such publication, and shall be, in addition thereto, posted on the boundaries of each project affected.

- Sec. 3. Disposition of proceeds.—The proceeds of all certificates of indebtedness issued under the provisions of this Act, all monies received from redemption as hereinafter provided, all monies received as gifts to the State for the purposes of any such project. and all income which may be received from the operation, development, management and use of such projects, including fees received from such licenses and permits, all income which may be received from the sale of all birds, animals, fish and flora therefrom and from the sale of lands and timber thereon owned by the State within such area, other than university, school and swamp lands, State forest lands set apart pursuant to Section 7 of Article 8 of the Constitution and State lands acquired under the system of rural credits, and all monies of the State which may hereafter be transferred thereto under any law of this State shall be paid into the State Treasury and credited to the project to which the same pertain and same are hereby annually appropriated for the purposes thereof; provided that, under the provisions of this act, the aggregate or total of all certificates of indebtedness issued shall not exceed one million five hundred thousand dollars.
- Sec. 4. County Auditor to make list of lands.—As soon as practicable after the approval and acceptance of any such project, the county auditor of each county in which the same is situated shall certify to the State Auditor a list of all the lands within the boundaries of said project, except lands lying within the boundaries of any incorporated city or village, which have been bid in for the State at the delinquent tax sale held in the year of 1928 for the

nonpayment of taxes or special drainage assessments and not redeemed or assigned to an actual purchaser, which certificate shall contain the following information:

- A. The legal description of each parcel of such lands.
- B. The amount of the principal and interest of delinquent drainage assessments, if any, or installments thereof for all years prior to the date of such report against each such parcel of land.
- C. The amount of drainage assessments thereof assessed against each such parcel of land, which have been or are to be extended upon the tax rolls of such county for collection with the taxes for the year of 1927 and subsequent years.

On or before June 15th of each year thereafter such county auditor shall certify to the State Auditor a supplemental report giving the information contained in said original report covering such lands within each such project bid in for the State at the annual tax sale of that year and not included in the previous reports.

When redemption is made of any parcel of such land within any such project which has been bid in for the State at any tax sale for taxes heretofore levied, or when tax liens on such lands are assigned to an actual purchaser, the County Auditor shall report the same forthwith to the State Auditor, and the County Treasurer shall transmit forthwith the proceeds of such redemption or assignment to the State Treasurer.

Forthwith upon the approval and acceptance of any such project and thereafter, after each distribution has been made of the tax collections on the June and November tax settlements, such County Auditor shall certify to the State Auditor the following information relating to bonds issued to finance or refinance public drainage ditches lying wholly or partly within such projects, and the collection of assessments levied on acount of such ditches:

- A. The amount of principal and interest to become due on such bonds prior to the next ensuing tax settlement and distribution.
- B. The amount of monies collected from such drainage assessments and credited to the funds of said ditches.
- C. The amount of the deficit in the ditch fund of said county chargeable to such ditches.

Upon the approval of said certificate by the State Auditor, he shall draw a warrant or warrants on the State Treasurer payable out of the fund pertaining to such project for the amount of said deficit in favor of such county.

As to all public drainage ditches which lie wholly within any such project, the maximum amount of money which shall be paid to or for the benefit of said county in the manner above provided shall never exceed the principal and interest of the bonds issued to finance and refinance such ditches outstanding at the time of the passage and approval of this Act, less monies on hand in the county ditch fund to the credit of such ditches, and such liabilities shall be reduced from time to time by the amount of any and all payments of assessments hereafter extended, made by the owners of lands heretofore assessed for benefits on account of such ditches. As to all public drainage ditches which lie partly within and partly without the boundaries of any such project, the maximum amount which shall be paid from the fund pertaining to such project to or for the benefit of such county shall never exceed the percentage of bonds issued to finance and refinance such ditches so outstanding, less monies on hand in the county ditch fund to the credit of such ditches at the time of the passage and approval of this Act, which bears the same proportion to the whole amount of such bonds as the original benefits assessed against lands within the project bear to the original total benefits assessed to the entire system of such ditches, and such liability shall be reduced from time to time by the payments of all assessments hereafter extended, made by the owners of lands within such project of assessments for benefits heretofore assessed on account of any such ditch.

The State Auditor shall have authority to provide and prescribe the forms for any reports required by this Act to be made to him, and to require any further and additional information from any officials of any such county which he deems necessary for the proper administration of this Act.

Sec. 5. State Auditor to sell certificates of indebtedness.—For the purpose of anticipating the annual revenues of the fund pertaining to any such project, the State Auditor is hereby authorized and directed, upon the acceptance and approval of each such project, and upon there being certified to him the information relating to bonds contemplated by Section 4 of this Act, to issue and sell certificates of indebtedness in an aggregate sum not to exceed the maximum amount of money payable to or for the benefit

of the county in which such project is located, as prescribed in said Section 4, payable from said fund pertaining to such project, such certificates to be numbered serially and to be of such denominations and bear such dates of issue and of maturity and bear interest at such rate, not exceeding five per cent per annum, as the State Auditor shall determine; provided that none of such certificates of indebtedness shall run beyond the tax settlement dates for the next annual tax levy thereafter to be made by such Auditor, as hereinafter required in anticipation of the collection of which such certificates of indebtedness are issued. Such certificates shall be so issued from time to time as the proceeds thereof are needed for the demands on said fund. The interest on such certificates of indebtedness shall be payable with the principal thereof. Said certificates shall be in such form and upon such terms and conditions, not inconsistent with the terms of this Act as the State Auditor shall determine, shall be signed by the Governor and attested by the State Auditor and shall be sold for not less than par. cates may be purchased by the State Board of Investment for the Permanent School Fund, Swamp Land Fund, Internal Improvement Land Fund or any other trust fund of the State of Minnesota, and shall be deemed "authorized securities" within the provisions of Section 7714, General Statutes, 1923, and Acts amendatory thereof or supplemental thereto.

Sec. 6. State Auditor to make tax levy.—Whenever the State Auditor shall approve a deficiency certificate of the County Auditor as specified in Section 4 of this Act, he shall compute the portion thereof which will exceed cash on hand in the fund pertaining to any such project available for its payment and shall make an entry in his records that such excess plus the amount required to pay interest on certificates of indebtedness, to be issued to provide money for the payment thereof, is to be extended upon the tax rolls for the next succeeding tax levy, and there is hereby levied for the year in which such entry is made the aggregate of the sums so entered for collection up to the time of the certification of state taxes for such year, and for each year thereafter, until the maximum state liability prescribed by section 4 hereof has been exhausted, the aggregate of such entries made since the last preceeding certification of state taxes, which taxes shall be extended and collected in the same manner as other state taxes, and the proceeds of such levies are hereby appropriated and pledged to the payment of the principal and interest of the certificates of indebtedness issued pursuant to this Act.

- Sec. 7. Lands to be held by state.—The title to all parcels of land lying within any such project, except lands lying within the boundaries of any incorporated city or village, which shall be acquired by the State under the provisions of Chapter 119, Laws 1927, or any amendments thereof, shall be held by the State free from the trust in favor of the taxing districts specified in said chapter, and shall be held and used or disposed of in accordance with the provisions of this Act.
- Sec. 8. Auditor to certify to the department of conservation. —Upon receipt by the State Auditor of the reports of the County Auditor specified in Section 4 hereof, he shall certify a copy thereof to the Department of Conservation which shall classify all such lands as to their suitability for agriculture or for afforestation, reforestation, or for the purpose of impounding, controlling and regulating the waters of meandered lakes and flow of natural streams, or for other public state purposes; and after the title to any such lands has been acquired by the State in the manner herein provided, such lands may be reclassified from time to time. All such lands which become the absolute property of the State under the provisions of this Act which have been classified as suitable for agriculture, and timber from any lands so acquired, shall be subject to sale by the State as provided by law.
- Sec. 9. Department of conservation to accept gift.—The Department of Conservation is hereby authorized and empowered to receive for and in behalf of the State, and to make suitable acknowledgments of, any gift, bequest, devises or grants of land or interests in lands in any such project, or of money or personal property of any kind, which it may deem suitable for use in connection with the operation, control, development or use of any or all of such projects.
- Sec. 10. Department of conservation to have right of eminent domain.—The Department of Conservation is hereby authorized and empowered to acquire, by exercise of the right of eminent domain, which right is hereby given it, to be exercised in the manner provided in Chapter 41, General Statutes 1923, and any amendments thereof, or by purchase, any lands or interests in lands in any such project which said Department shall deem necessary for State ownership, use or development for the purposes of this Act; provided, however, that no monies shall be used for the purposes specified in this Section until and unless such Department and the

State Auditor shall have determined that such monies will not be required to meet the requisitions of the counties authorized under Section 4 of this Act or for payment of certificates of indebtedness and interest thereon herein provided for.

Sec. 11. Counties may assume obligations.—Any county wherein any such project or portion thereof is located, may voluntarily assume in the manner hereinafter specified the obligation to . pay that portion of the principal and interest of the bonds issued before the approval and acceptance of such project and remaining unpaid at maturity, of any school district or township situated in said county and wholly or partly lying within said project, which portion bears the same proportion to the whole of such unpaid principal and interest as the last assessed valuation, prior to the acceptance of said project, of lands then acquired by the State pursuant to this Act in such school district or township bears to the total assessed valuation for the same year of such school district or township. Such assumption shall be evidenced by a resolution of the county board of said county, a copy of which shall be certified to the State Auditor within one year after the acceptance of such project; and thereafter, if any of such bonds shall remain unpaid at maturity, the county board shall upon demand of the governing body of such school district or township or of the holder of any such bonds provide for the payment of the portion thereof so assumed, and such county boards shall levy general taxes on all the taxable property of the county therefor, or shall issue its bonds to raise such sum as may be needed, conforming to the provisions of law respecting the issuance of county refunding bonds. The proceeds of such taxes or bonds shall be paid over by the County Treasurer to the Treasurer of the School District or Township.

In the event that any such county shall fail or neglect so to adopt and certify such resolution, the State Auditor shall withhold from the payments to be made to such county under the provisions of Section 4 of this Act, a sum equal to that portion of the principal and interest of such outstanding bonds which bears the same proportion to the whole thereof as the above determined assessed valuation of lands acquired by the State within such project bears to the total assessed valuation for the same year of such school district or township. Monies so withheld from the county shall be set aside in the State Treasury and shall not be paid to the County until the full principal and interest of such school district and township bonds shall have been paid.

In the event that any such bonds remain unpaid at maturity, upon the demand of the governing body of such school district or township, or the holder of any such bonds, the State Auditor shall issue to the Treasurer of such school district or township a warrant on the State Treasurer for that portion of such past due principal and interest computed as in the case of the county liability hereinbefore authorized to be voluntarily assumed. All monies received by any school district or township pursuant to this section shall be applied to the payment of such past due bonds and interest.

- Sec. 12. Violations a misdemeanor.—Any person who within the limits of any such project shall wilfully violate or fail to comply with any rule or regulation of the Department of Conservation adopted and promulgated in accordance with the provisions of this Act shall be deemed guilty of a misdemeanor.
- Sec. 13. Provisions separable.—This Act shall be held unconstitutional only in the event that some major provisions of the Act are found unconstitutional and invalid that would make the Act unworkable. If any minor provisions of this Act be held unconstitutional it shall in no way affect or invalidate any other provision or part hereof."

Approved April 25, 1931

CHAPTER 408-H. F. No. 671

An act creating an official board to improve poultry breeding and to control and eradicate communicable diseases of poultry; authorizing the board to formulate plans and to prescribe, adopt and enforce rules and regulations for the accreditation and certification of poultry hatcheries and poultry breeding flocks from the standpoint of breed improvement: authorizing the state livestock sanitary board to prescribe, adopt and enforce rules and regulations whereby owners of poultry breeding flocks may have the same approved and accredited as free from certain diseases: prescribing penalties for violation of this Act: and appropriating money for the administration and enforcement of same.