

Sec. 8. **May make regulations.**—There is hereby added a new section to Mason's Minnesota Statutes of 1927 to be enumerated as 2720-90 reading as follows:

"2720-90. The Chief Oil Inspector may issue regulations not inconsistent with law to assist in the enforcement of this act. Such regulations shall have the full force and effect of law when duly promulgated. The Chief Oil Inspector may exercise the authority vested in him under other laws to assist in the enforcement of this Act."

Sec. 9. **Penalty for violation.**—Mason's Minnesota Statutes of 1927, Sections 2720-86 and 2720-87 are hereby amended to read 2720-91 and 2720-92.

Sec. 10. Penalty for violation.—Any person who fails or refuses to comply with any of the provisions of this Act shall be guilty of gross misdemeanor.

Approved April 22, 1933.

CHAPTER 418—H. F. No. 1290

An act authorizing the exchange of lands acquired by the state in any county thereof under the delinquent tax laws for lands privately owned in the same county and fixing the procedure therefor and repealing Laws 1931, Chapter 32, and all inconsistent acts.

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

Section 1. **County board may establish conservation zones.**—For the purpose of consolidating the holdings of land owned by the state absolutely or in trust which were acquired under the delinquent tax laws, and for the purpose of decreasing the expenses of local governmental units by reducing the number of scattered and isolated private holdings, the County Board of any County with the approval of the Conservation Commission of the State may establish conservation zones and agricultural zones. Conservation zones shall be areas which are to be devoted primarily to timber growing and other conservation purposes. Agricultural zones shall be areas devoted primarily to agricultural purposes.

Sec. 2. **Exchange of lands authorized.**—The Executive Council, upon recommendation of the Conservation Commission,

and of the County Board of the County affected, may authorize the exchange of lands, to which the State shall have acquired absolute title, in its own right, or in trust under the delinquent tax laws, within the agricultural zone for privately owned lands in the same county within the conservation zone, in the manner hereinafter provided.

Sec. 3. Owner to file request.—Any owner desiring to effect an exchange of lands hereunder shall file a request with the Commissioner of Conservation on forms furnished by him, giving legal descriptions of his land and the description of the state land for which he desires to exchange the same. With such request he shall present an abstract of title to his land and an affidavit by him that there are no liens or incumbrances of any kind affecting the title thereto except such as appear upon such abstract, and that there is no person in possession of any part of said land claiming any interest therein who has not joined in such request, and that no improvements have been made thereon for which any person has the right to assert any lien.

Sec. 4. Commissioner to file application.—The Commissioner of Conservation shall thereupon record with the register of deeds of the county in which such owner's lands are situated a certificate setting forth that an application for the exchange of such lands (describing them) has been made in accordance with this Act, and in the event that such exchange shall be consummated hereunder the title of the state shall be superior to any lien or incumbrance, except tax or local assessment liens, attaching subsequent to the recording of such certificate.

Sec. 5. Examination of title.—The Commissioner of Conservation shall forward such abstract of title to the Attorney General, who shall designate an attorney not a member of his staff to examine such abstract and the records of the county relative to said land. Such attorney shall give his opinion in writing as to the title thereto, for which opinion he shall be entitled to receive a fee of \$5.00 to be paid as hereinafter provided. No lands shall be traded hereunder unless such attorney shall have given his opinion in writing that the person offering to trade such land has good and marketable title to the land which he agrees to trade, free and clear of any incumbrance or lien disclosed by such abstract or the records of the county or known to such attorney.

Sec. 6. Appraisal of lands.—The Commissioner of Conservation shall thereupon have the lands offered to be traded for such state lands and the lands of the state for which the same are

proposed to be traded appraised in the manner provided for the appraisal of state school lands. He shall thereupon submit such request and the attorney's opinion on the title to such lands, and the report of the appraisers, and his recommendation, and the recommendation of the Conservation Commission and the County Board, thereon to the Executive Council, who may approve or reject such proposition to trade, or authorize the making of a counter proposal to trade, other similar lands of the state within such county, or to make such trade upon any condition as to payment of further compensation to the state which it may deem proper, and if payment of further compensation is required such payment shall be made in such manner and upon such terms as the Executive Council shall determine, subject to the following limitations. If payment is not made at the time of the exchange the unpaid balance shall be secured by a contract for deed on the land of which the state is disposing payable in twenty equal annual installments with interest at two per cent per annum, payable annually, the first installment and the first interest to be due on October 31st, following the date of the exchange.

Sec. 7. Minerals shall be reserved.—The Executive Council shall reserve the minerals on any lands so traded, and the sites where water power can be developed in commercial quantities and the land subject to flowage by such development of water power, and the minerals and power sites so reserved shall be held by the state in trust for the taxing districts interested therein, and the Executive Council shall determine all the terms and conditions of such trade; but no money shall be paid out by the state to such private owners to secure such trade; provided, however, that the Conservation Commission may authorize payment for any improvements which in their opinion would be valuable for conservation purposes within the conservation areas.

Sec. 8. Conveyance of property.—Upon the conclusion of an agreement satisfactory to the state as herein provided, the Commissioner of Conservation shall take from the owner a warranty deed to such property, free and clear of all incumbrances and the Governor and Commissioner of Conservation shall execute and deliver to such owner the deed of the state or the contract for deed of the state, as the case may be, to the lands agreed to be traded therefor, which deed or contract for deed shall convey, or contract to convey, as the case may be, all the interest of the state therein except such interest as the Executive Council shall have determined to reserve, free and clear of any tax or assessment liens in favor of the state or any local governmental subdivision thereof.

Sec. 9. **Funds to be deposited with state treasurer.**—All moneys paid by such private owner to the state to secure such transfer shall be deposited immediately with the state treasurer, who shall deposit the same to the credit of a "Land Exchange Fund," and all moneys so deposited are hereby appropriated to the Commissioner of Conservation, and shall be distributed as follows: First, to pay all the expenses of the state in connection with such exchanges of land, including the appraiser's fees and the attorney's fees for examining such abstracts.

Second, such portion of such fund as shall have been derived from the exchange of lands under this Act in any county, shall within fifteen days after January 1st and July 1st of each year, be paid by the state treasurer to the treasurer of such county in an amount sufficient, if the amount available for distribution makes this possible, to equal the aggregate amount of the outstanding taxes and special assessments held by the county, the towns, and the school districts therein, against the lands acquired by the state for taxes and disposed of under this Act. Not later than January 31st and July 31st thereafter such county treasurer shall distribute such money among the various funds of the county and the several towns and school districts therein in proportion to their respective interest therein. The amount of the share of the county, towns, and school districts shall be figured as of the date when the state acquired tax title but without interest thereafter.

Third, when the local taxing units shall have been paid in full, any surplus in the Land Exchange Fund shall be distributed at the times and in the manner hereinbefore set forth except that such surplus shall thereafter be distributed among the various funds of the county and the several towns and school districts therein, wherein the lands disposed of by the state under this Act are situated, on the same basis as if such payment had been received as taxes on such lands payable in the current year.

Sec. 10. **Eighty percent to be kept in separate fund.**—Eighty per cent of the gross proceeds from all the lands within the conservation zone in each county acquired by the state for delinquent taxes or by exchange under this Act shall be paid into the state treasury into a fund to be designated "Conservation Zone Tax Fund ofCounty." Within fifteen days after January 1st and July 1st of each year the State Treasurer shall pay to the treasurer of each county entitled to share in such distribution all of the money in the Conservation Zone Tax Fund of such county on said dates. Not later than January 31st and July 31st thereafter each such county treasurer shall distribute such money to the various taxing units in the county as follows:

First, to the various funds of the county and the various towns and school districts owning a share in the taxes and special assessments against the land acquired by the state under this Act, and from which such proceeds are derived, the amount of such share in such taxes and special assessments, without interest, providing the amount available for distribution is sufficient therefor; if not, their pro rata share of such amount.

Second, if there is an undistributed surplus, the county treasurer shall distribute such surplus among the various funds of the county and the several towns and school districts therein wherein such lands lie on the same basis as if such payment had been received as taxes on such lands payable in the current year.

In case any town or school district within the conservation zone shall cease to have an organization by reason of depopulation or otherwise, the sum which would otherwise have been distributed to such town or school district shall be paid by the County Treasurer to apply on the indebtedness of such town or school district, and when such indebtedness shall have been paid in full all distribution to such disorganized town or school district shall cease, and the distributive share of such disorganized town shall be paid to the county and the distributive share of such disorganized school district shall be paid to the fund for unorganized school territory of the county.

Sec. 11. Twenty percent to state revenue fund.—Twenty per cent of the gross proceeds from all lands within the conservation zone shall be paid into the state treasury.

Sec. 12. Lands to become part of state forest.—The lands hereafter acquired by the state under this Act and by tax sales in the conservation zones established by this Act, shall become a part of the state forests and be subject to the same laws, rules, and regulations except as herein otherwise provided.

Sec. 13. Inconsistent acts repealed.—Laws 1931, Chapter 32 and all Acts or parts of Acts inconsistent herewith are hereby repealed.

Approved April 22, 1933.

CHAPTER 419—H. F. No. 1293

An act relating to the establishment and creation of state forests, and providing among other things for their management and con-