

*any land or property for an amount or amounts beyond that which has been approved by the conservation commission."*

**Sec. 2. Inconsistent acts repealed.**—Any acts and parts of acts inconsistent herewith are hereby superseded, modified, or amended so far as necessary to give full force and effect to the provisions of this act.

Approved April 29, 1935.

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#### CHAPTER 341—H. F. No. 989

*An act to amend Section 6038, Subsection 1, Mason's Minnesota Statutes of 1927 and Laws 1933, Chapter 403, relating to mortgages held by the department of rural credit and providing for the waiving and reduction of interest on mortgage debts and delinquent installments and for the securing of the payment of extended installments, taxes and insurance advanced.*

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

**Section 1. Extension of payments on rural credit mortgages.**—Laws 1933, Chapter 403, is hereby amended to read as follows:

"Section 1. Any owner of real estate, on which the state of Minnesota, department of Rural Credit holds a mortgage, may make verified application to the conservator of said department of Rural Credit asking that said department refrain from the collection of installments now past due, or which may become past due, prior to November 1, 1937, but in no event until after said installment or installments shall have become due, on said mortgage, and taxes and insurance there-  
tofore advanced and paid on said premises by the state. Such application shall set out that the owner of said real estate is unable to pay the installment or installments then due on the principal and interest of said mortgage without becoming delinquent in the payment of taxes; that the applicant will pay the taxes and insurance then due and owing, or thereafter to become due during the extended period, on said real estate, and the installments thereafter to become due, in accordance with the terms of the mortgage; that the applicant will not commit or permit waste or deterioration on the premises; that the applicant will annually execute and deliver to said department, a first mortgage on all of the crops to be raised and harvested on said premises, and furnish the department of Rural Credit

*promptly with a full and complete report of all crops raised by him so secured by said mortgage, until there shall be no further amount unpaid which shall have become past due, or which shall have been extended, on said mortgage; and that if said applicant fails to pay said taxes and insurance and installments then due or thereafter to become due, or commits or permits waste or deterioration or fails to execute and deliver such crop mortgage and crop report, then and in that case the said department shall not be bound by the terms of any extension granted and may pursue its remedies under the mortgage as though no extension had been granted; and applicant shall state such other facts as the department shall deem advisable.*

Upon the filing of such application, the department of Rural Credit shall cause investigation to be made, and if the facts as stated in such application shall be found to be true, the conservator of Rural Credit may grant the application and may refrain from the collection of *past due* installments on the principal and interest of the mortgage, and taxes and insurance theretofore advanced or paid by the state, and extend the time for the payment thereof, and may waive payment of interest on such portions of said installment or installments which constitute interest, from the date of said application, as long as the applicant shall comply with the terms of the extension granted and promptly make payments as extended when due.

*The conservator of Rural Credit shall have the right, in any case where he considers it necessary, in the interest of the applicant, upon application from him to permit the applicant to use such portion of any crop mortgaged to the state, as the conservator shall consider necessary, for seed and feed purposes."*

**Sec. 2. Payments of taxes and insurance.**—Laws 1933, Chapter 403, Section 2, is hereby amended so as to read as follows:

"Section 2. Should the owner of said real estate fail to pay the taxes and insurance on said premises, or fail to pay installments thereafter to become due, or commit or permit waste or deterioration thereon, or fail to execute and deliver to the state a mortgage or mortgages on crops and furnish crop reports as specified in section 1 thereof, during the said period of extension, the conservator of Rural Credit shall have the right to revoke such extension, and to require performance and enforce the terms of the mortgage. Upon the commence-

ment of proceedings to foreclose any mortgage, where an extension of payments has been granted, the mortgagor may petition the district court of the county wherein the mortgaged real estate is situated for an order restraining said foreclosure, setting forth that he has lived up to the terms of the extension agreement, and should the court find and adjudge that said mortgagor has substantially lived up to the terms of the extension agreement, the court shall order the discontinuance of said foreclosure. After the filing of said verified petition, and during the pendency of said cause, all proceedings for the foreclosure of said mortgage shall be held in abeyance until the final determination of the court."

**Sec. 3. May be paid in installments.**—Laws 1933, Chapter 403, Section 3, is hereby amended so as to read as follows:

*"Section 3. The unpaid installments, and taxes and insurance advanced or paid by the state, which may be extended, shall be paid by prorating and adding the same to installments due after November 1, 1937."*

**Sec. 4. Interest waived in certain cases.**—Laws 1933, Chapter 403, is hereby amended by adding a new section as follows:

*"Section 4. From and after the passage and approval of this act interest to be paid by every borrower of the department of Rural Credit on defaulted installments of interest, which have not been hereinbefore provided for, may be waived for a period of not to exceed one year; provided, however, that said interest shall not be waived unless the borrower, at the time said installments become delinquent, or immediately thereafter, makes an application to the department of Rural Credit requesting that said interest be waived and offering to furnish the department of Rural Credit with a first mortgage on the crops to be raised on the premises secured by the real estate mortgage held by the state of Minnesota, during the year following the date said application is made; provided further that in such case the department of Rural Credit shall charge interest during said year at the rate of five and one-fourth per cent per annum on all delinquent installments of principal, and at the rate of five and one-fourth per cent on all moneys advanced by the department of Rural Credit for the payment of taxes and insurance premiums."*

*The conservator of Rural Credit shall have the right, in any case where he considers it necessary, in the interest of the applicant, upon application from him to permit the applicant to use such portion of any crop mortgaged to the state, as*

*the conservator shall consider necessary, for seed and feed purposes."*

Approved April 29, 1935.

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CHAPTER 342—H. F. No. 985

*An act to amend Mason's Minnesota Statutes of 1927, Section 1002-1, as amended by Laws 1933, Chapter 377, relating to the dissolution of townships.*

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

**Section 1. Dissolution of township.**—Mason's Minnesota Statutes of 1927, Section 1002-1, as amended by Laws 1933, Chapter 377, is hereby amended so as to read as follows:

"1002-1. Whenever the voters residing within a duly organized civil township in this state have failed to elect any township officials for more than ten years continuously immediately prior to the taking effect of this act, or said township has failed and omitted for a period of *ten* years to exercise any of the powers and functions of an organized civil township as provided by law, or whenever the assessed valuation of any duly organized civil township drops to less than \$40,000.00 or whenever the tax delinquency of any such township, *exclusive of taxes that are delinquent or unpaid by reason of taxes being contested in proceedings for the enforcement of taxes*, amounts to 50 per cent of its assessed valuation, or where the state or the federal government has acquired title to 50 per cent of the real estate of such township, which facts or any of them *may* be found and determined by the resolution of the county board of the county in which said township is located, according to the official records in the office of the county auditor of said county, the county board by resolution shall declare any such township, naming the same, duly dissolved and no longer entitled to exercise any of the powers or functions of an organized township.

*Whenever a township is dissolved under the provisions of this act, the county shall acquire title to any telephone company or any other business being conducted by such township and such business shall be operated by the board of county commissioners until such time as a sale thereof can be made, provided that the subscribers or patrons of such businesses shall have the first opportunity of purchase. If such dissolved township has any outstanding indebtedness chargeable to such busi-*