

CHAPTER 342—S. F. No. 763

An act entitled "An act to amend Mason's Minnesota Statutes, 1927, Section 2866, relating to the payment of obligations of discontinued school districts."

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

Section 1. **Law amended.**—That Mason's Minnesota Statutes, 1927, Section 2866, be and the same is hereby amended so as to read as follows:

"2866. Outstanding obligations of dissolved districts.—All incurred and outstanding obligations of any district so discontinued and vacated shall be and remain a charge upon the property formerly within said district to the same effect as if said district had not been discontinued, and the county auditor shall each year levy against all of the taxable property within the limits of said former school district a sufficient levy, not to exceed the maximum provided by law, for the cancellation and liquidation of such outstanding indebtedness, such levy to be made year after year until said entire indebtedness is cancelled and extinguished. *Provided that whenever a new district is created and organized out of unorganized school territory, the new district so created shall have power by resolution of its governing body to assume all obligations which remain a charge upon the territory comprising such new district, and to refund the same, and upon such assumption or refundment thereof, and the filing of proof thereof with the county auditor, the levy herein required shall be discontinued.* And the amount levied by the county board of education upon all taxable property in unorganized territory shall be levied upon the property within the limits of said former school district in addition to the amount so levied by said auditor and in the same proportion that it is levied upon the taxable property in said county outside of organized school districts; provided, that in any county of this state now or hereafter having an assessed valuation of more than \$300,000,000, exclusive of money and credits and an area of over 5,000 square miles, the county board of education by unanimous vote, with the written opinion of the county attorney, that such claim is a legal outstanding obligation of the territory formerly included in any dissolved school district, may audit, allow and pay any such incurred outstanding obligations of any dissolved school district within its territory except outstanding bonded indebtedness of such dissolved school district out of the funds of said county board of education, in the same manner as though said indebtedness had been originally incurred by said county board of education."

Approved April 21, 1941.