

purchases real property and borrows money on the security thereof, and no trustee, director, officer, agent or other employee of any such person, firm, or corporation shall directly or indirectly require, as a condition precedent to such purchase or financing the purchase of such property or to loaning money upon the security of a mortgage thereon, or as a condition prerequisite for the renewal or extension of any such loan or mortgage or for the performance of any other act in connection therewith, that the person, firm or corporation making such purchase or for whom such purchase is to be financed or to whom the money is to be loaned or for whom such extension, renewal or other act is to be granted or performed negotiate any policy of insurance or renewal thereof covering such property through a particular agent, broker, or insurer, or refuse to accept any policy of insurance covering such property because it was not negotiated through or with any particular agent, broker, or insurer. This section shall not prevent the exercise by any such person, firm, corporation, trustee, director, officer, agent or employee of its right to disapprove the insurer or a policy of insurance where there are reasonable grounds for believing that such insurance is unsatisfactory as to the financial standing of the insurer, the inadequacy of the coverage, the assessment features to which the policy is subject, or other grounds which are not arbitrary, unreasonable or discriminatory, nor shall this act forbid the securing of insurance or a renewal thereof at the request of the borrower or because of the borrower's failure to furnish the necessary insurance or renewal thereof.

Sec. 2. [72.35] **Violations, procedure.** Any violation of this act shall constitute an unfair method of competition and the person, firm or corporation practicing the same shall be proceeded against under the provisions of Minnesota Statutes 1953, Section 72.24 to 72.27, inclusive.

Approved April 29, 1957.

CHAPTER 844—H. F. No. 1201

[Coded]

An act relating to titles and adverse claims to lands claimed to have been forfeited to the state for taxes; amending Laws 1939, Chapter 341, by adding a new Section thereto.
Be it enacted by the Legislature of the State of Minnesota:

Section 1. Laws 1939, Chapter 341, is amended by adding a new section thereto to read:

[284.251] Determination of lien against land in favor of state. *Subdivision 1. Proceeding to forfeit land to state for non-payment of taxes declared invalid.* Upon a judgment in any court declaring that a proceeding to forfeit land to the state for non-payment of taxes is invalid, unless the forfeiture is declared invalid because the land was exempt from taxation at the time the taxes were assessed or because all taxes were paid prior to the time of the supposed forfeiture, and if the land involved has not been sold by the state as provided by law, the court entering the judgment shall, upon such notice and hearing as it may determine, declare and adjudge a lien against the land in favor of the state in an amount to be determined in accordance with this act, based upon the following facts:

(1) The amount of all taxes, special assessments, penalties, interest and costs, if any, which were due against the land at the time of the supposed forfeiture;

(2) The amount of all subsequent taxes and special assessments that would have been assessed against the land but for the supposed forfeiture;

(3) The value of the improvements made on the land by the state prior to the time the action to test the validity of the forfeiture proceeding was begun;

(4) The net rental income from the land and the net profit from the sale of products therefrom after deducting all expenses incurred in the production of the rentals or profits, received by the state, or its agencies, prior to the time that the action to test the validity of the forfeiture proceeding was begun.

Subd. 2. Adjudication of lien. Except as otherwise herein provided, the court shall thereupon declare and adjudge a lien in favor of the state upon the land for the total amount of the foregoing items numbered (1) to (3), with interest on the respective items thereof from the time the same accrued or were paid by the state, as the case may be, at six percent per annum, less the amount of item number (4).

Subd. 3. Enforcement of lien. Such lien may be enforced by an action in the district court of the county in which the land involved or some part thereof is situated, which action shall be begun and conducted in the same manner as provided by law for the enforcement of a judgment by execution as provided by Minnesota Statutes, Chapter 550 except as herein otherwise provided.

Subd. 4. Sale of land to satisfy lien. When lands shall

be sold in any such proceeding to satisfy a lien adjudged in favor of the state, the sheriff shall pay the proceeds of such sale, after payment of costs, to the county auditor, who shall note upon the tax records the receipt of such sum and the purpose thereof, pursuant to the judgment of the court, which sum shall be apportioned in the manner provided in Minnesota Statutes, Section 282.08, for the apportionment of the net proceeds from the sale or rental of forfeited land.

Subd. 5. Bid by county auditor at sale of land to satisfy lien. *At any sale of such land to satisfy a lien adjudged in favor of the state, the county auditor, with the approval of the county board, may bid in the land in the name of the state, paying the amount required out of the forfeited tax sale fund, and if the land be sold to the state and be not redeemed, it shall be held and disposed of as in case of lands forfeited for taxes.*

Approved April 29, 1957.

CHAPTER 845—H. F. No. 1325

[Coded]

An act authorizing cities and villages to pledge cigarette and liquor tax apportionment receipts to the payment of bonds. Be it enacted by the Legislature of the State of Minnesota:

Section 1. [297.15] Cities, villages; apportionment receipts pledged to payment of bonds. Any city or village may irrevocably pledge for the payment of principal of and interest on its bonds, except principal and interest payable from special assessments or the income of revenue producing conveniences, any part of the apportionments of taxes to be received by it under the provisions of Minnesota Statutes, Sections 297.13, 297.26, and 340.60; provided, however, that nothing herein shall in any way curtail the authority of the state to alter or abolish said tax or change the distribution thereof. The part of the apportionments which is so pledged may be 100 percent or a lesser percentage of the annual receipts of such apportionments, or a minimum annual dollar amount thereof, or both; provided, the amount of apportionments pledged shall not be more than will suffice to pay principal and interest on the bonds as they come due.

Sec. 2. [297.16] Pledge, resolution, submission to electors. Such pledge may be made by resolution of the governing body of the city or village, unless the proposition of the issuance of the bonds is required to be submitted to