

123B.13 LAND IN SETTLEMENT OF CLAIM AGAINST SURETY.

Subdivision 1. **Power of board to accept.** When any district now has or asserts any claim or judgment against any sureties on the bonds of any depository of its funds for the failure of any such depository to account for or pay over any such funds and the board or other governing body of the district determines that the claim or judgment, or some part thereof, is not collectible in cash, then any such board or governing body may by resolution determine to accept and receive, in complete or partial satisfaction or settlement of any such claim or judgment, lands or interest therein within this state and may acquire the same for and in the name of such district either by deed or deeds of conveyance from the owners, or as purchaser at execution sale or sales under any such judgment.

Subd. 2. **Title to be held by district.** The district must hold title to lands or interests so acquired. The district must sell each tract or portion as soon as there may be realized the fair value as determined by such board. Any such sale may be authorized by resolution of the board, and may be made for cash, or for part cash and the deferred balance secured by contract for deed or purchase money mortgage, on such terms as the board approves. Conveyances, contracts, or other instruments evidencing any sale shall be executed by the chair and the clerk of the board. Lands so acquired and held for resale shall be deemed public lands used for exclusively public purposes and as such shall be exempt from taxation.

History: *Ex1959 c 71 art 5 s 7; 1986 c 444; 1998 c 397 art 6 s 115,124*