

LAWS

PASSED AT

THE TWENTY-FIFTH SESSION

OF THE

Legislative Assembly

OF THE

STATE OF NORTH DAKOTA

BEGUN AND HELD AT BISMARCK, THE CAPITAL OF SAID
STATE, ON TUESDAY, JANUARY FIFTH, 1937 AND
CONCLUDING FRIDAY, MARCH FIFTH, 1937, AND
ALSO THE LAWS PASSED AT THE SPECIAL
SESSION BEGUN ON MONDAY, MARCH
EIGHTH, 1937 AND CONCLUDING
WEDNESDAY, MARCH TENTH, 1937.

AUTHENTICATION

STATE OF NORTH DAKOTA,
Department of State, Bismarck.

I, James D. Gronna, Secretary of State, hereby certify that the laws contained in this volume are true and correct copies of the original enrolled bills passed at the Twenty-fifth Session of the Legislative Assembly of the State of North Dakota, beginning Tuesday, January 5, 1937, and terminating Friday, March 5, 1937, also the bills passed at the Special Session of the Legislature beginning Monday, March 8, 1937, and terminating Wednesday, March 10, 1937, now on file in this office, with the exception of clerical errors.

In Testimony Whereof, I have hereunto set my hand and affixed the Great Seal of the State of North Dakota, this first day of July, 1937.

JAMES D. GRONNA,
Secretary of State.

(SEAL)

COPYRIGHTED 1937
By James D. Gronna
Secretary of State
of the State of North Dakota

TABLE OF CONTENTS

Chap.	Bill	No.		Page
AGRICULTURE				
1	H	177	Brand book	1
2	S	179	Conservation and adjustment act.....	3
3	H	162	Creameries, cream stations, etc., regula- tion and license	9
4	H	33	Cream grading and testing	12
5	H	201	Livestock dealers, regulation	14
6	H	353	feed	20
7	S	153	medicines, regulation of sale.....	23
8	H	39	Roving grain buyers, regulation.....	26
9	S	222	Soil conservation districts law.....	29
ANIMALS				
10	S	86	Bots, extermination	46
11	H	246	Labeling commercial feed stuffs	46
APPROPRIATIONS				
12	H	250	When available	48
13	H	60	Agriculture and Labor Dept.—Deficit	49
14	S	5	Bee inspection	50
15	S	35	Bonds, state officials	50
16	S Sp S	4	Bovine tuberculosis	51
17	H	223	Boys and girls club work.....partial veto	51
18	H	178	Bridge, Great Northern Railway—Yellow- stone River, McKenzie County.....	52
19	H	46	Budget	53
20	S	18	Coal mine inspection	66
21	S	33	Contingency fund	67
22	S	243	High school correspondence courses—Def- icit	68
23	H	235	Federal writers' project	69
24	S	39	Feeble Minded of state at large.....	70
25	H	10	Fire departments, insurance tax.....	70
26	H	96	deficit	71

Chap.	Bill	No.		Page
27	S	78	Game and Fish Department...partial veto	72
28	S	118	Geological Survey	73
29	S	8	Glanders and dourine	74
30	H	119	Hail insurance fund, reimbursement.....	74
31	S	15	Health Department	75
32	S	17	Child Hygiene	76
33	S	16	Laboratories	77
34	S	76	Highway Department	78
35	S	14	Historical Society	79
36	H	11	State Park Board	80
37	H	4	Insane patients, state at large.....	80
			Institutions	
38	H	26	Agricultural College	81
39	H	27	Experiment Station	83
40	H	28	Extension division	85
41	H	41	Blind, School for	86
42	S	6	Capitol building and grounds	87
			Children's Welfare Bureau	
43	S	30	Children's Home and Aid Society...	88
44	S	29	Florence Crittenton Home	88
45	S	104	Good Samaritan Society	89
46	S	31	House of Mercy	90
47	S	81	Lutheran Welfare Society	91
48	S	32	St. John's Orphanage	92
49	H	45	Deaf, School for.....partial veto	93
50	S	52	Forestry, School of	95
51	S	73	Grafton State School	96
52	H	43	Insane, Hospital for	99
53	S	58	Normal Schools, Dickinson..partial veto	100
54	S Sp S	2	Mayville...partial veto	102
55	S	57	Minot....partial veto	104
56	S Sp S	1	Valley City.partial veto	106
57	S	53	Normal and Industrial School, Ellendale.. partial veto	108
58	H	40	Penitentiary	110
59	S	54	Science, School of.....partial veto	112
60	S	41	Soldiers' Home	114
61	S	178	Improvements and repairs	114
62	S	74	Training School	115
63	S	75	deficit	118
64	H	44	Tuberculosis Sanatorium ...partial veto	119
65	H	30	special	122
66	H	24	University	123
67	H	25	School of Medicine	125
68	S	99	School of Mines	126
69	S	96	International Peace Garden....partial veto	127
			Legislative Assembly	

TABLE OF CONTENTS

V

Chap.	Bill	No.		Page
70	S	64	1935 Printing — Deficit	129
71	S Sp S	3	1937 Expenses, special session.....	130
72	S	247	1937 Per diem and mileage, employees— deficit	130
73	H	98	Legislative Chambers, repairs	131
74	S	12	Livestock Sanitary Board.....partial veto	132
75	S	20	Minimum Wage Department	133
76	H	42	Motor Vehicle Registrar	134
77	H	76	deficit	134
78	H	12	National Guard	135
79	S	192	Pension, Mrs. Thelma Crites.....	136
80	S	128	Planning Board	136
81	H	100	Portraits and paintings.....partial veto	137
82	H	3	Procurement Officer	138
83	S	37	Refunds, miscellaneous	139
84	H	1	Relief funds	139
85	S	40	Seed Department	140
86	H	198	Social security, aged, blind, dependent children	141
87	H	47	State Examiner — Deficit	142
88	H	126	Transfer — inactive funds Highway Department	143
89	S	34	Veterinary Medical Examiners	144
90	S	10	Vocational education and rehabilitation....	144
91	S	11	Wolf, coyote and magpie bounty.....	145
92	S	77	Workmen's Compensation Bureau	146

BANKS AND BANKING

93	H	188	Authorization of paying and receiving sta- tions	147
94	H	280	Insolvent	148
95	H	189	Liability shareholders	151
96	S	173	Reserve funds, bank associations.....	151

BEER

97	H	233	Four per cent	152
98	H	247	Tax — amendment	153

BONDS

99	H	183	Bonds for certain public deposits.....	155
100	S	142	Contractors, public improvements	155
101	H	334	Coupon bonds, authorized	156

Chap.	Bill	No.		Page
102	S	114	Housing authorities law	157
103	S	85	National housing act mortgages and bonds legalized as security for public deposits	171
104	S	111	Revenue bond law of 1937	172
105	S	113	refinancing act of 1937.....	179
106	S	110	Validating Act 1937	189

CONSTITUTIONAL AMENDMENTS—PROPOSED

107	H Con.	356	County government, manager plan.....	191
108	S Con. H		County Officers, election, terms.....	192
109	S Con. P		School and public lands, sale.....	193

CONTRACTS AND CONTRACTORS

110	H	78	Public contractors, registration act.....	195
111	H	88	Public buildings, repairs and improve- ments—payment of estimates.....	201

CORPORATIONS

112	H	318	Cooperative grazing associations, amend- ment	202
113	S	105	Credit unions, annual meetings, election of officers	204
114	S	65	supervision of	204
115	H	346	Electric cooperative	205
116	H	217	Foreign	215
117	S	253	Mutual aid, amendment	229
118	H	136	Transfer of real estate by	230
119	H	13	Quorum, proxy	232

COUNTIES

120	H	130	Commissioners, term of office	233
121	H	83	Consolidation	234
122	H	84	Loans for seed, feed and tractor fuel.....	235
123	H	204	Property, authorization for sale.....	236

DANCES

124	S	59	Prohibited where liquors are sold.....	237
-----	---	----	--	-----

Chap.	Bill	No.		Page
DEALERS				
125	H	252	Dealers, implement and automobile, refunds	238
126	H	209	Fair trade act	239
DENTISTRY				
127	S	93	Licenses to practice	241
DIVORCE				
128	H	324	Procedure in actions	245
ELECTIONS				
129	H	336	Precinct committeemen	246
130	S	126	Primary, date of	246
FIRE MARSHAL				
131	H	80	Organization, amendment	247
FOODS				
132	H	253	Food and drugs act	249
133	H	240	Imitation ice cream, defined	253
GAS AND OIL				
134	S	212	Leases, cancellation	254
135	H	14	Wells, rules and regulations.....	255
HAIRDRESSERS AND COSMETOLOGISTS				
136	H	291	Cosmetic act	256
137	S	256	Hairdressers and cosmetologists, regula- tions	259

Chap.	Bill	No.		Page
HIGHWAYS				
138	H	312	Feeder roads	260
139	H Sp S	2	Highway patrol and drivers' licenses.....	261
140	H	55	Restrictions state highways	270
HOLIDAYS				
141	H	207	Legal	271
INSANITY				
142	H	106	Commissioner	272
143	H	108	Maintenance and treatment, charges.....	277
INSURANCE				
144	H	163	Accident and sickness companies, reserve.	278
145	S	119	Benevolent associations, regulations	279
146	H	31	County mutual companies, power to borrow money	285
147	S	1	Farmers mutual fire and lightning reinsur- ance	286
148	H	173	License resident agents	287
149	H	196	Premiums state fire and tornado insurance	288
INTEREST				
150	H	75	Rate on judgments	289
LIGNITE				
151	H	269	Native, defined	290
LIQUORS				
152	H	260	Advertising, authorized	291
153	H	234	Licensed dealers, reports	291
154	S	151	License, control, common carriers.....	292
MINING				
155	H	239	Coal mining, regulations	293
156	H	17	Lease, county property	294

Chap.	Bill	No.		Page
MINORS				
157	H	53	Delinquency of	295
158	H	54	Marriage	296
MORTGAGES				
159	S	72	Deficiency judgments in foreclosure pro- hibited	296
160	S	106	Foreclosure costs	298
161	S	83	Moratorium from foreclosures and evictions	299
162	S	160	Mortgages, personal property, restrictions	304
163	H	264	release, Jamestown Training School ...	305
164	H	311	satisfaction, National Guard Armories..	306
MOTION PICTURES				
165	H	112	Theaters, regulations	307
MOTOR VEHICLES				
166	S	87	Allocation, license and gasoline tax.....	309
167	H	248	Sales tax	309
168	H	150	Motor fuel tax, distribution.....	311
169	S	194	Regulation, used motor vehicle dealers....	312
MUNICIPAL CORPORATIONS				
170	S	69	City Aldermen, qualifications	314
171	S	89	board of equalization, duties	315
172	H	214	certain elections validated	315
173	H	221	employees, civil service	316
174	H	332	police pension act	319
175	S	101	tax limitation	323
176	H	32	Municipalities, funding and refunding in- debtedness	324
177	H	203	employees, hours of employment	325
178	H	57	volunteer firemen	326
179	H	81	Villages, defined	328
180	H	129	election, polling hours	328
181	H	128	incorporation, polling hours	329
NORTH DAKOTA				
182	S	239	Arrowood Lake park	330
183	S	246	Certificates of indebtedness, authorized...	331

Chap.	Bill	No.		Page
184	H	229	Custodian capitol building and grounds...	333
185	H	322	Hettinger Experiment Station, abolished..	334
186	S	255	Legislative seals	334
187	H	73	Mileage state officials and employees.....	336
188	H	326	New York Worlds Fair, 1939, display....	337
189	H	333	Regulation sale, purchase and exchange of State bonds and indebtedness.....	338
190	S	226	Session laws	339
191	H	145	Transient camp, Bottineau County, trans- ferred to State Historical Society.....	340

NOTARY PUBLIC

192	H	320	Certificate of acknowledgement, form	341
-----	---	-----	---	-----

PHARMACY

193	S	66	Regulation of	342
-----	---	----	---------------------	-----

PROCEDURE

194	S	129	Evidence, business records	345
195	S	131	official reports	346
196	S	130	Judicial notice, procedure	347
197	S	208	Judgments, affidavit of identification re- quired before filing	348
198	S	112	Public Works Procedure Act	348
199	H	137	Surety for costs, district court	352
200	H	139	justice court	353

PUBLIC UTILITIES

201	H	230	Electric power company, meter deposits..	353
202	S	245	Gas and electric companies, testing of me- ters	354
203	H	124	Hearings	355
204	H	212	Rates	358
205	H	123	adjustments	359
206	H	140	Reports	362
207	S	157	Tariff rates	362
208	H	121	Tax reports furnished Railroad Commis- sioners	363

Chap.	Bill	No.		Page
PUBLIC WELFARE				
209	S	68	Dependent children, aid	364
210	S	98	Needy blind, aid	372
211	S	141	Old Age assistance act	380
212	S	132	pension law 1933, repealed	390
213	H	357	Poor relief, warrants for emergency.....	391
214	H	199	Relief act	391

REPEAL

215	H	365	Mates and seamen law	393
216	H	366	Ship's managers law	394
217	S	50	Smoking law	394

SCHOOLS

218	S	48	Common school districts, duties of clerks..	395
219	H	105	officers, election and qualifications.....	396
220	H	37	organization of	396
221	H	19	Federal funds distributed	397
222	H	160	High schools, defined	397
223	H	170	School census	399
224	H	142	School districts voting precincts, established	399
225	H	29	Special school district officers, election and qualifications	400
226	H	104	official ballot	401
227	H	168	State Equalization Fund	402
228	S	177	Teachers certificates, fees	410
229	S	175	requirements	410
230	S	176	Teachers examinations, date	411
231	H	133	Transportation consolidated schools	412

SOCIAL SECURITY

232	S	62	Unemployment compensation law	414
-----	---	----	-------------------------------------	-----

STATE INSTITUTIONS

233	H	107	County settlement for claims of state in- stitutions	439
234	H	36	Military training state schools	441
235	S	140	School of Mines, testing minerals	441

Chap.	Bill	No.		Page
TAXATION				
236	H	304	Assessment of car lines, express, and air transportation companies	443
237	H	118	certain omitted property	444
238	H	185	collection, delinquent special.....	445
239	S	84	liens, in irrigation districts.....	447
240	H	59	Delinquent taxes, contract settlement.....	449
241	S Sp S	5	Income tax law	450
242	H	156	North Dakota real estate bonds, levy for interest	455
243	S	252	Personal property taxes, delinquent, deduction from claims against state or any subdivision	456
244	H	249	Real estate taxes, collection of rent to apply	457
245	S	248	rebate for prepayment	459
246	H	359	delinquent, penalties	460
247	H	141	Reassessment certain classes of property..	460
248	H	360	Refunds, gasoline tax	463
249	S	80	Sales tax act	464
250	H	16	Taxation oil properties	478
251	H	18	oil and gas drilling rigs and equipment..	479

TREES

252	H	292	Tree bounty	479
-----	---	-----	-------------------	-----

VETERANS

253	H	219	Deceased war, record of burial.....	481
254	H	297	Service commissioner	482

WATER CONSERVATION

255	H	125	Irrigation	483
256	H	52	flood project proceedings, validating....	503
257	H	341	Mouse river valley authority	504
258	S	180	Red river of the North drainage basin commission	506

Chap.	Bill	No.	Page
-------	------	-----	------

INITIATED MEASURES

Approved

259		Liquor control act	509
-----	--	--------------------------	-----

Disapproved

		Abolishing absent voter's ballot law.....	513
		Expending federal funds for political purposes	514

CONSTITUTIONAL AMENDMENTS

Disapproved

		Assessment of property—where and how made	514
		Election, term, county officers	515
		Legislative power, initiative and referendum	515
		Sale of school and public lands.....	515
		Sale, rental and disposal, school and university lands	515

REFERRED MEASURES

Approved

Chap. 276 S.L. 1935		Retail sales tax	516
---------------------	--	------------------------	-----

Disapproved

		Jurisdiction police magistrates and city justices of the peace	516
		Weighing, etc., livestock at packing plants, etc.	516
		Municipal control act—liquor	517
		Income tax	517

RESOLUTIONS

HC	A1	Alcohol for blending purposes.....	518
H	H	Mrs. Anderson	518
SC	O	Approving (Public No. 182 — 74th Congress) relating to agriculture	519
S	M	Argentine sanitary convention	519

Chap.	Bill	No.		Page
	SC	B	Bang's disease	520
	S	Z	Bills and journals, shipment of, Senate....	521
	H	B2	Bills and journals, shipment of, House....	521
	SC	A1	Bismarck transient camp	522
	HC	A2	Coghlan, Joseph, expense enrolling and engrossing bills	522
	HC	E1	Compiling legislative journals	523
	HC	D1	Compilation of pamphlet showing action on bills	523
	H	L	Cost of production plus a reasonable profit.	524
	SC	C	Crop insurance	525
	SC	B	Employees, designation and fixing salaries	526
	S	S	Employees, senate, additional time.....	528
	HC	P	Enrolling and engrossing of bills	528
	HC	O	Foot and mouth disease	529
	H	F	Frazier-Lemke refinance plan	530
	S	K	Frazier-Lemke refinance plan.....	531
	S	T	Gronvold, Hon. F. T., appreciation for long legislative service	532
	HC	I	Legislative employees, dance	532
	HC	H	designation and salaries	533
	SC	T	extra time	535
	H	I	Legislative expense	536
	S	R	Liquidation of closed banks	537
	H	D	Live stock credit corporation, investigation	538
	SC	A	feed	539
	SC	J	Long and short haul clause	540
	H	K	Missouri River diversion	541
	S	B	Murphy, Hon. P. J.	542
	S	N	National banks, tax	543
	SC	U	Noxious weeds	543
	SC	Y	Panama canal toll charges	545
	SJ	A	Peterson, Hon. Harry T.	545
	H	M	Recording speedometers on motor vehicles	546
	H	N	Riba, Hon. Frank	547
	SJ	I	Rural rehabilitation corporation property transfer	548
	H	O	Seed loans	550
	HC	A	Seed loans	550
	S	P	Seed loans, payment of bushel for bushel..	551
	H	G	State Mill and Elevator, investigation....	552
	HC	V	Treaty St. Lawrence seaway	553
	HC	E	Trees, planting and growing	554
	SC	A3	Tri-state Red River drainage basin com- mittee	555
	HC	F	Townsend recovery plan	556
	HC	Q	Ward Indians	557

Chap.	Bill	No.	Page
SPECIAL SESSION			
J	C	Anderson, Ray E.	558
S	I	Bonzer, Hon. A. F.	559
HC	B	Legislative employees	559
HC	A	Legislative mailing force	560
H	A	O'Connor, Hon. William V.	561
J	A	Rules and agreement	561

VETOES

S	187	County agents, advisory council	562
S	124	Fire department instructor	565
S	42	regional schools	567
S	70	Income tax act	568
H	15	Legalizing gas and oil as fuel for public buildings	574
S	91	Lottery defined	577
S	56	Mayville normal, appropriation	578
H	299	Political parties, established	581
S	22	Public deposits, interest rate	582
H	77	Public documents, appropriation	583
H	179	Relief, fraudulent representation.....	584
H	180	grants, right of recovery by county.....	585
S	55	Valley City normal, appropriation.....	586
S	38	Veterans' service commissioner, appropria- tion	588

THE LAWS

AGRICULTURE

CHAPTER 1

H. B. No. 177—(Hagen)

BRAND BOOK

An Act authorizing the Secretary of Agriculture and Labor to issue an official brand book showing all the livestock brands now of record in his office, making the same receivable in evidence as proof of brands and the ownership thereof, and making an appropriation therefor, and declaring an emergency:

WHEREAS, by Section 8 of the Session Laws of North Dakota for 1933 provision was made for the cancellation of all existing recorded brands, and for the re-recording thereof, and for the recording of new brands in the office of the Secretary of Agriculture and Labor, and

WHEREAS, there are now of record in the Office of the Secretary of Agriculture and Labor approximately 5500 livestock brands, and

WHEREAS, there is now no official brand book showing such brands, and

WHEREAS, the only brand book heretofore issued in this State is one published privately in 1902, and

WHEREAS, the Secretary of Agriculture and Labor has been making a compilation of such stock brands for publication in cooperation with the Western North Dakota Stockmen's Association, an association whose members are stockmen and ranchers of the State of North Dakota, and

WHEREAS, such compilation is now about ready for publication, and

WHEREAS, the approximate cost of such compilation has been the sum of Five Thousand and no/100 Dollars (\$5,000.00), and

WHEREAS, said Western North Dakota Stockmen's Association has solicited advertising in the sum of Seven Hundred Seventy and no/100 Dollars (\$770.00) to help defray the expense of publication and is willing to pay the balance of the cost thereof, excepting the items as follows:

Pierce Company, Printers, \$1,450.00; Dakota Engravers, \$147.52 and First National Bank of Killdeer for money borrowed to defray the expense of compilation, \$750.00, making a total of \$2,347.52, and

WHEREAS, the State has already received as fees for the record-

ing and re-recording of live stock brands, the approximate sum of \$36,109.50 and has expended the sum of \$400.00 appropriated in 1935, and

WHEREAS, it is estimated that the actual cost to the State in clerk hire and record books and incidental expenses for the recording of live stock brands has been the sum of \$5,000.00, leaving the net receipts of the State general fund about the sum of \$30,709.50, and

WHEREAS, the publication of a brand book by the Department of Agriculture and Labor at this time is desirable:

NOW, THEREFORE:

PARTIAL VETO

March 5th, 1937

Members of the House of Representatives, Twenty-fifth Legislative Assembly.

Members of the House:

I am returning House Bill No. 177, which I have partially disapproved—An Act Authorizing the Secretary of Agriculture and Labor to issue an Official Brand Book showing all the Livestock Brands now of Record in his Office, Making the Same Receivable in Evidence as Proof of Brands and the Ownership thereof, and Making an Appropriation therefor, and Declaring an Emergency.

This bill contains an item in the sum of \$750.00 for a loan from the First National Bank of Killdeer.

I am partially disapproving this bill for two reasons: First, that I believe it is a bad precedent to borrow money and then after the money is spent ask the State to make good the note to the Bank; and for the second reason that the State is without sufficient funds on hand to allow this appropriation.

Therefore, the item in the sum of \$750.00, payable to the First National Bank of Killdeer, is disallowed, and the appropriation reduced from the sum of \$2,500.00 to the sum of \$1,750.00 is hereby approved.

Respectfully,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. OFFICIAL BRAND BOOK AUTHORIZED.] The Secretary of Agriculture and Labor is hereby authorized and directed to adopt the compilation heretofore made by him in cooperation with the Western North Dakota Stockmen's Association of material for a brand book from the records of livestock brands in his office, and upon verification thereof to publish the same as and for the official brand book of the State of North Dakota.

§ 2. BRAND BOOK PRESUMPTIVE EVIDENCE.] The official brand book published by the Department of Agriculture and Labor as hereinbefore authorized shall be received in evidence in all the Courts of the State of North Dakota as presumptive evidence of livestock brands and the record and ownership thereof in lieu of the actual records of his office.

§ 3. APPROPRIATION.] There is hereby appropriated out of the general fund not otherwise appropriated the sum of \$2,500.00, or so much thereof as may be necessary to help defray the expense of such publication, and the Secretary of Agriculture and Labor shall pay out of the sum so appropriated the bill of Pierce Company, printers, for printing already done, the sum of \$1,450.00; the bill of Dakota Engravers, for engraving already done, \$147.52, and to the First National Bank of Killdeer, the sum of \$750.00 advanced to defray expense of making the compilation aforesaid.

§ 4. EMERGENCY.] This Act is hereby declared to be an emergency measure, and the same shall be in full force and effect from and after its passage and approval.

CHAPTER 2

S. B. No. 179—(Committee on Agriculture and Livestock)

AGRICULTURAL CONSERVATION AND ADJUSTMENT ACT

An Act to provide for the conservation, protection, improvement and profitable use of agricultural land resources of the State of North Dakota and for cooperation with the governments and agencies of other States and of the United States pursuant to the provisions of Section 7 of an Act of the Congress of the United States known as the Soil Conservation and Domestic Allotment Act, to assent to and accept the provisions of said Act; and, in conformity with the provisions of said Act, to designate and authorize the North Dakota Agricultural College, Extension Service as the State Agency of this State in conformity with such provisions, to formulate, submit to the Secretary of Agriculture of the United States, and administer, State plans to carry out the provisions of this Act, to define the powers and duties of said State Agency, to provide for State Committee and otherwise to provide for the administration of this Act.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SHORT TITLE.] This Act may be known and cited as the North Dakota Agricultural Conservation and Adjustment Act.

§ 2. DECLARATION OF PURPOSE.] (a) It is hereby recognized and declared:

(1) That the soil resources and fertility of the land of this State, and the economic use thereof, the prosperity of the farming

population of this State, and the navigability of the rivers of this State, are matters affected with a public interest.

(2) That the welfare of this State has been impaired and is in danger of being further impaired by destruction of its soil fertility, by uneconomic use and waste of its land, by exploitation and wasteful and unscientific use of its soil resources, by soil erosion, by impairment of its rivers and of the navigability of its water courses, and by the decrease in the purchasing power of the net income per person on farms.

(3) That said evils have been augmented and are likely to be augmented by similar conditions in other States and are so interrelated with such conditions in other States that the remedying of such conditions in this State requires action by this State in cooperation with the governments and agencies of other States and of the United States and requires assistance therein by the government and agencies of the United States, and

(4) That the formulation and effectuation by this State of State plans in conformity with the provisions of Section 7 of the Soil Conservation and Domestic Allotment Act is calculated to remedy said conditions and will tend to advance the public welfare of this State.

(b) Therefore, in order to promote the welfare of the people of this State by aiding in the preservation and improvement of soil fertility in the promotion of the economic use and conservation of land, in the diminution of exploitation and wasteful and unscientific use of soil resources, in the protection of rivers against the results of soil erosion, and in the reestablishment, at as rapid a rate as is practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the net income per person not on farms that prevailed during the five year period August, 1909 to July, 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio, the State of North Dakota hereby assents to and accepts the provisions of the Soil Conservation and Domestic Allotment Act and adopts the policy and purpose of co-operating with the Government and agencies of other States and of the United States in the accomplishment of the policy and purposes specified in Section 7 of said Act; *subject* to the following limitations:

(1) The powers conferred in this Act shall be used to assist voluntary action calculated to effectuate such purposes.

(2) Such powers shall not be used to discourage the production of supplies of foods and fibers in this State sufficient when taken together with the production thereof in other States of the United States to maintain normal domestic human consumption as determined by the Secretary of Agriculture of the United States from the records of consumption in the years 1920 to 1929, inclusive, taking

into consideration increased population, quantities of any commodities that were forced into domestic consumption by a decline in exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities.

(3) In carrying out the purposes specified in this section due regard shall be given to the maintenance of a continuous and stable national supply of agricultural commodities adequate to meet consumer demand at prices fair to both producers and consumers.

§ 3. DEFINITIONS.]

(a) The term "person" as used in this Act, unless the context otherwise requires, includes an individual, corporation, partnership, firm, business trust, joint-stock company, association, syndicate, group, pool, joint venture, and any other unincorporated association or group.

(b) The expression "other States of the United States" as used in this Act shall include Alaska, Hawaii, and Puerto Rico.

§ 4. DESIGNATION OF STATE AGENCY.]

(a) The North Dakota Agricultural College Extension Service is hereby designated and authorized as the State Agency of this State to carry out the policy and purposes of this Act and to formulate and administer State plans pursuant to the terms of this Act.

§ 5. FORMULATION AND ADMINISTRATION OF STATE AGRICULTURAL PLANS.]

(a) The State Agency is authorized and directed to formulate for each calendar year, commencing with the year 1938, and to submit to the Secretary of Agriculture of the United States for and in the name of this State, a State plan (hereinafter called "agricultural plan") for carrying out the purposes of this Act during each calendar year. In formulating the provisions of such agricultural plans the State Agency shall consult with other agencies of this State qualified to assist therein.

(b) The State Agency is authorized to modify or revise any such agricultural plans in whatever manner, consistent with the terms of this Act, it finds necessary to provide for more substantial furtherance of the accomplishment of the purposes of this Act.

(c) Each such agricultural plan shall provide for such participation in its administration by such voluntary County and community committees, or association of agricultural producers, organized for such purposes, as the State Agency determines to be necessary or proper for the effective administration of the agricultural plan.

(d) Each such agricultural plan shall provide, through agreements with agricultural producers or through other voluntary methods, for such adjustments in the utilization of land, in farming practices, and in the acreage or in the production for market, or both,

of agricultural commodities, as the State Agency determines to be calculated to effectuate as substantial accomplishment of the purposes of this Act as may reasonably be achieved through action of this State, and for payments to agricultural producers in connection with such agreements or methods in such amounts as the State Agency determines to be fair and reasonable and calculated to promote such accomplishment of the purposes of this Act without depriving such producers of a voluntary and uncoerced choice of action.

(e) Any such agricultural plan shall provide for such educational programs as the State Agency determines to be necessary or proper to promote the more substantial accomplishment of the purpose of this Act.

(f) Each such agricultural plan shall contain an estimate of expenditures necessary to carry out such agricultural plan together with a statement of such amount as the State Agency determines to be necessary to be paid by the Secretary of Agriculture of the United States as a grant in aid of such agricultural plan under Section 7 of the Soil Conservation and Domestic Allotment Act, in order to provide for the effective carrying out of such agricultural plan, and shall designate the amount and due date of each installment of such grant, the period to which such installment relates, and the amount determined by the State Agency to be necessary for carrying out such agricultural plan during such period.

(g) The State Agency shall provide for such investigations as it finds to be necessary for the formulation and administration of such agricultural plans.

§ 6. RECEIPT AND DISBURSEMENT OF FUNDS.]

(a) The State Agency is hereby authorized and empowered to receive on behalf of this State all grants of money or other aid made available from any source to assist the State in carrying out the policy and purposes of this Act. All such money or other aid together with any moneys appropriated or other provision made by this State for such purpose, shall be forthwith available to said State Agency as the agency of the State subject, in the case of any funds or other aid received upon conditions, to the conditions upon which such funds or other aid shall have been received, for the purpose of administering this Act and may be expended by the State Agency in carrying out such State agricultural plans or in otherwise effectuating the purposes and policies of this Act.

(b) Subject to any conditions upon which any such money or other aid is made available to the State and to the terms of any applicable agricultural plan made effective pursuant to this Act, such expenditures may include, but need not be limited to, expenditures for administrative expenses, equipment, cost of research and investigation, cost of educational activities, compensation and expenses of members of the State Committee, reimbursement to other State agencies, or to voluntary committees or association of agricultural

producers for costs, to such agencies, committees or associations of assistance in the administration of this Act, requested in writing by the State Agency and rendered to the State Agency, reimbursement of any other fund from which it shall have made expenditures in providing services in the administration of this Act pursuant to the provisions of Section 4 hereof, payments to agricultural producers provided for in any agricultural plan made effective pursuant to this Act, salaries of employees, and all other expenditures requisite to carrying out the provisions and purposes of this Act.

(c) The State Agency shall provide for the keeping of full and accurate accounts showing all receipts and expenditures of moneys, securities, or other property received, held or expended under the provisions of this Act and shall provide for the auditing of all such accounts and for the execution of surety bonds for all employees entrusted with moneys or securities under the provisions of this Act.

§ 7. ADDITIONAL POWERS AND DUTIES OF THE STATE AGENCY.]

(a) The State Agency shall utilize such available services and assistance of other State agencies and of voluntary County and community committees and associations of agricultural producers as it determines to be necessary or calculated to assist substantially in the effective administration of this Act.

(b) The State Agency shall have authority to make such rules and regulations, consistent with the provisions of this Act, and to do any and all other acts consistent with the provisions of this Act, which it finds to be necessary or proper for the effective administration of this Act.

(c) The State Agency shall have power and authority to obtain, by lease or purchase, such equipment, office accommodations, facilities, services and supplies, and to employ such technical or legal experts or assistants and such other employees, including clerical and stenographic help, as it determines to be necessary or proper to carry out the provisions of this Act, and to determine the qualifications, duties and compensation of such experts, assistants and other employees.

(d) All other agencies of this State are hereby authorized to assist said State Agency in carrying out the provisions of this Act upon written request of the State Agency, in any manner determined by the State Agency to be necessary or appropriate for the effective administration of this Act.

§ 8. AGRICULTURAL DISTRICTS AND COMMUNITIES.]

(a) The State Agency shall designate within the State five agricultural districts. Such districts shall be so constituted as to contain approximately equal numbers of agricultural producers.

(b) The State Agency shall also designate within each County of this State such geographic units, which shall be called "communities", as it is determined to be the most convenient for the administra-

tion of this Act and of State Agricultural plans adopted pursuant to this Act, and shall establish the boundaries of such communities.

(c) The State Agency may revise the boundaries of such agricultural districts and of such communities, in conformity with the respective standards prescribed herein, at such time or times as it finds that such revision is necessary, either to cause such districts or communities, or both, to conform to said standards or to provide for the more substantial or more efficient accomplishment of the purposes of this Act.

§ 9. COMMUNITY AND COUNTY COMMITTEES.] The State Agency shall by regulations provide:

(1) For the organization within each community of a voluntary association, in which all agricultural producers shall be entitled to equal participation; for the selection by each such association of a community committee, composed of three members of such association; and for the selection of a chairman of each such community committee.

(2) For the selection by the members of such community committees within each County of a County Committee for such County, composed of three members of such community committees, and for the selection of a chairman of each such County Committee.

§ 10. STATE COMMITTEE.]

(a) The State Agency shall by regulations provide for the selection by the chairman of all County Committees provided for in Section 9 hereof of five persons of legal age, resident in this State, who shall be selected from the standpoint of their qualification by actual farming experience and comprehensive understanding of the agricultural problems of this State, to act as farmer members of the State Committee. No two such persons who are residents in the same agricultural district shall be members of the State Committee at the same time.

(b) The State Commissioner of Agriculture and Labor, and the director of the Extension Service shall be exofficio members of the said State Committee without the power to vote.

(c) The State Committee shall advise the State Agency with regard to all matters of major importance in carrying out the provisions of this Act.

§ 11. REPORTS.] The State Agency shall compile or require to be made such reports as it determines to be necessary or proper in order to ascertain whether any agricultural plans provided for in this Act are being carried out according to their terms. The State Agency shall provide for compliance, on the part of all persons and agencies participating in the administration of any such agricultural plan, with such requirements, and may make, or cause to be made, such investigations as it determines to be necessary or proper to assure the correctness of, and to make possible the verification of such reports.

§ 12. PROVISIONS FOR SEPARABILITY.] Should any provisions, clause, paragraph, section, or parts of this Act be held invalid, it is hereby declared to be the legislative intent that the remainder of this Act shall be in full force and effect and that the terms thereof are feasible and that the same would have been enacted without such provision, clause, paragraph, section or parts, had such invalidity been apparent.

§ 13. REPEAL OF INCONSISTENT LEGISLATION.] All Acts and parts of Acts insofar as they conflict with this Act are hereby repealed.

Approved March 12, 1937.

CHAPTER 3

H. B. No. 162—(Wolf, Dalzell and O'Brien)

REGULATION AND LICENSE—CREAMERIES, CREAM STATIONS AND OTHER DAIRY PRODUCTS FACTORIES.

An Act to amend and re-enact Section 2844 of the Supplement to the 1913 Compiled Laws of North Dakota as amended by Chapter 119, Session Laws of 1929, relating to licenses of creameries, cheese factories, process butter factories, ice cream factories and cream stations; providing for the distribution of license moneys; repealing Acts in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2844 of the Supplement to the 1913 Compiled Laws of North Dakota as amended by Chapter 119, Sessions Laws of 1929, be and the same is hereby amended and re-enacted to read as follows:

SECTION 2844. LICENSES REQUIRED: FEES AND REVOCATION.] Every person, firm or corporation owning or operating a creamery, renovating or process butter factory, or cream station in this State, shall be required before beginning business to obtain from the Dairy Commissioner a license for each and every creamery, cheese factory, renovating or process butter factory, ice cream factory or cream station owned or operated by said person, firm or corporation, which shall expire on the 30th day of June in each year. The fee for such license for a creamery, cream station, renovating or process butter factory shall be as follows:

In any city, village or town, the license fee shall be based on the volume of butter fat marketed therein by producers for butter making purposes in such village, city or town for the preceding calendar year, according to figures on file with the Dairy Commissioner:

The schedule of license fees are as follows:

In cities, villages or towns buying annually from producers

000 to 60,000 pounds butter fat.	\$ 10.00
60,000 to 80,000 pounds butter fat.	15.00
80,000 to 100,000 pounds butter fat.	20.00
100,000 to 120,000 pounds butter fat.	25.00
120,000 to 140,000 pounds butter fat.	30.00
140,000 to 160,000 pounds butter fat.	35.00
160,000 to 180,000 pounds butter fat.	40.00
180,000 to 200,000 pounds butter fat.	45.00
200,000 to 220,000 pounds butter fat.	50.00
220,000 to 240,000 pounds butter fat.	55.00
240,000 to 260,000 pounds butter fat.	60.00
260,000 to 280,000 pounds butter fat.	65.00
280,000 to 300,000 pounds butter fat.	70.00
300,000 to 320,000 pounds butter fat.	75.00
320,000 to 340,000 pounds butter fat.	80.00
340,000 to 360,000 pounds butter fat.	85.00
360,000 to 380,000 pounds butter fat.	90.00
380,000 to 400,000 pounds butter fat.	95.00
400,000 pounds and over.	100.00

And any creamery, cream station, renovating or process butter factory located within one mile of the corporate limits of any such town, city or village shall pay the same license fee as those located within the city, village or town.

In case there is a question or dispute as to the correctness of any report filed in the Dairy Commissioner's office giving the amount of butter fat purchased in any city, village or town, for butter making purposes, it is hereby made the duty of the Dairy Commissioner or his assistant to make an investigation and obtain from the creamery or cream station or process butter factory a correct report of the butter fat marketed by producers for butter making purposes.

It is hereby also made the duty of all creameries, cream stations and process butter factories to keep on file their butter fat purchase records for two years.

The fee for such license for each cheese factory or ice cream factory shall be ten dollars, and no license shall be transferable. Each license shall record the name of the person, firm or corporation owning or operating the creamery, cheese factory, process butter factory, ice cream factory or cream station licensed, its place of business, the location thereof, the name of the manager thereof and a serial number. Each license so issued shall constitute a license to the manager or agent of the place of business named therein. It shall be the duty of every person, partnership, firm or corporation, or association holding a license to operate any plant in which dairy products are handled commercially to post in a conspicuous place such license under which they are operating, together with a summary of the dairy laws, which

shall be prepared and sent out from the office of the Dairy Commissioner.

The Dairy Commissioner may in his discretion withhold a license from any applicant who has in the past knowingly violated or refused to comply with any of the existing dairy laws or lawful requests issued by said Dairy Commissioner, or his authorized assistants. The Dairy Commissioner may, at any time, revoke a license on evidence that licensee has violated any of the existing dairy statutes, or has refused to comply with all lawful requests of the Dairy Commissioner or his authorized agents.

For the purposes of this Act, a creamery is hereby defined, as a place where milk or cream furnished by three or more persons, selling the same independently of each other, is used for manufacture into butter for commercial purposes.

A cheese factory for the purposes of this Act is hereby defined as a place where milk furnished by three or more persons, each selling the same independently of each other, is made into cheese for commercial purposes.

An ice cream factory for the purposes of this Act is hereby defined as a place where ice cream is made for sale, where the minimum output is two hundred gallons (200) per annum, or where it is made for thirty days or more during any year.

A cream station for the purposes of this Act is hereby defined, as any place where an individual, firm or corporation receives milk or cream from more than one herd, and the same is weighed, tested, or purchased to be manufactured into butter, cheese or ice cream by some other individual, firm or corporation, or in some separate building or locality than that in which such milk or cream is so weighed, tested or purchased; provided, however, that it is not intended hereby to include the weighing on public scales by producers, before shipment by themselves.

A dairy for the purposes of this Act is hereby defined, as any place where an individual, firm or corporation receives milk or cream from more than three herds and which is weighed, measured or tested or purchased, when such milk or cream is bottled or sold to the general public by measure or weight.

A renovating or process butter factory for the purposes of this Act is hereby defined, as any place where an individual, firm or corporation receives butter of an inferior quality in flavor, salt, body or color, and melts the same, draws off the fat therefrom and mixes it with skimmed milk, whole milk, cream or other milk products and re churns such mixture into butter as renovated or processed butter; there (where) the minimum output is two hundred pounds (200) per annum, or where it is made for thirty (30) days in any year.

Any person, firm or corporation obtaining a license after January 1st of any year shall pay fifty (50) per cent of the regular annual license fee for such license. Provided, however, that licenses issued in

the last half of the fiscal year shall be based upon the same butter fat purchases as those issued in the first half of the fiscal year.

§ 2. DISPOSITION OF FUNDS.] Two-thirds of all the moneys collected for licenses under the provisions of this Act shall accrue to and be paid into the general fund of the County in which the licensee operates and one-third of such moneys so collected shall accrue to and be paid into the general fund of the State.

§ 3. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 4. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 20, 1937.

(NOTE: Emergency failed in Senate.)

CHAPTER 4

H. B. No. 33—(Knutson of LaMoure.)

CREAM GRADING AND TESTING

An Act to establish cream grading and testing; to establish grades of cream quality, methods for determining such grades and provisions to insure the purchase of cream on the basis of such grades; to establish equitable differentials of value between grades; establishing necessary licensing provisions; providing penalties for violation of the Act and repealing Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The following words and phrases used in this Act shall, unless the same be inconsistent with the context, be construed as follows:

(a) The term "person" shall mean "individual," "partnership," "corporation" or "association."

(b) The term "cream buying station" shall mean any place other than a creamery where deliveries of cream are weighed, sampled and/or tested for purchase on a butter fat basis.

(c) The term "creamery" shall mean any place where cream delivered by two or more persons, is turned into butter for commercial purposes.

(d) The term "Babcock Test" shall mean the official Babcock test for milk and cream as set forth by Chapter 130, Session Laws of 1927.

§ 2. All cream and/or butterfat sold and/or purchased shall be graded and paid for on the basis of the following established grades:

SWEET CREAM GRADE shall consist of fresh, clean, fine-flavored cream, and acidity of which, calculated as lactic acid, shall at no time have exceeded two-tenths of one per cent in cream.

amended
1941
ch. 22

GRADE ONE shall consist of cream that is clean, free from undesirable odors and flavors, and shall be of such quality that will make a butter scoring 90 or above.

GRADE TWO shall consist of cream that is too acid to grade as one and/or contains undesirable odors and flavors in a moderate degree.

UNLAWFUL CREAM shall consist of cream which contains dirt, filth or other foreign matter which makes it unfit for human consumption and/or cream that is putrid or decomposed.

§ 3. All licensed cream buyers shall make a daily written report to the State Dairy Commissioner on all unlawful cream offered for sale.

§ 4. The cream buyer shall ship all cream purchased during the months of May, June, July, August and September by him within twenty-four hours of the time of purchase and at least twice a week during the remainder of the year except where acts of Providence beyond his control and/or common carrier facilities prevent compliance with this provision in which case shipment shall be made as soon as possible.

§ 5. All purchases of cream shall be on the basis of the grades hereinbefore defined. All purchases of cream and/or butterfat shall maintain a reasonable price differential for such grades and at no time shall this differential be less than one cent per butterfat pound between grades. The daily cash price being paid for each grade shall be posted in a prominent place in each cream buying station or creamery.

§ 6. All licensed cream buyers shall make such sediment tests as may be hereafter required by rules and regulations of the State Dairy Department.

§ 7. A licensed cream buyer, duly qualified to grade and test cream, shall be maintained in each creamery and in each cream buying station where cream is purchased. A grading and testing license shall be issued by the Dairy Department to such person when he has satisfactorily passed an examination by the Dairy Department or its agents and shall have established by actual demonstration before an inspector or agent of the Department that he is competent and qualified to grade and test cream and that he is fully conversant with the requirements of this Act. Such license shall be issued for a calendar year ending on the 31st day of December following and shall not be transferrable. The fee for such license shall be two dollars with renewal fee of One Dollar and shall be paid to the Dairy Department or its agents before such license or renewal is issued.

A penalty of One Dollar shall be added on the thirty-first day of January following.

§ 8. The Dairy Commissioner shall be charged with enforcement of this Act and shall promulgate such rules and regulations as are contemplated herein and/or are reasonably necessary to the enforcement of this Act.

§ 9. Violation of any of the provisions hereof is declared to be a misdemeanor and any person convicted thereof, either on his own behalf or in the interest of any other individual, corporation, association or partnership shall be fined not less than Twenty-five Dollars (\$25.00) nor more than One Hundred Dollars (\$100.00) and the license of such persons or corporations, associations or partnerships shall be suspended for thirty days on the first offense and shall be revoked on the second offense.

§ 10. All funds, fees and penalties collected under this Act or under Section 2844 of the North Dakota Dairy Laws shall revert to the General Fund.

§ 11. All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 12. It is hereby declared that if any of the provisions of this Act are in any manner void or unconstitutional, the remaining provisions would be enacted by the Legislative Assembly even though such provisions had been omitted and if any of the provisions are found to be void or violative of the constitution, the remaining provisions shall not be effected by such invalidity but shall remain in full force and effect.

Approved March 17, 1937.

CHAPTER 5

H. B. No. 201—(Committee on Livestock)

REGULATION LIVESTOCK DEALERS

An Act providing for the regulation of dealers in livestock and poultry and defining who are dealers; Act not applicable, to whom; license and bond required; duties of carrier when shipment of livestock and poultry offered; powers and duties of Railroad Commission; acts of deceit, fraud, dishonesty, and appropriating fees collected to the use of the Board of Railroad Commissioners for the administration and enforcement of the Act authorizing the Board of Railroad Commissioners to apply to the District Court for its appointment as trustee for the benefit of holders of claims against livestock dealers and livestock or poultry purchased by said dealers, and to marshal the trust assets of such insolvent and distribute such trust assets among such claimants; penalty for violation of Act; and, repealing all of Chapter 2 of the Session Laws of the State of North Dakota for the year 1935; and repealing all Acts in conflict herewith; and making the Act an emergency measure.

*amend
§ 1941 - ch. 9*

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEALER DEFINED: ACT NOT APPLICABLE, TO WHOM.] *amend 21941 cl 8*
 The term "dealer" as used herein shall mean any person, co-partnership, association or corporation engaged in the business of buying and selling and dealing in livestock, horses, mules, cattle, hogs, sheep and poultry from the producer for re-sale and shipment within or without the State, and also for re-sale in the local markets.

Nothing in this Act contained shall apply to farmers or farm associations who buy and sell livestock among themselves as producers, or who purchase livestock to complete a load of livestock of their own for shipment to market, provided, however, that this Act shall apply in such cases if purchases of livestock are made exceeding twenty-five per cent of a railroad car load; and nothing in this Act contained shall apply to co-operative livestock marketing associations of producers of livestock in their dealings with their members, or livestock purchased by local butchers or dealers to be slaughtered or processed in their business for local home consumption, or trading for merchandise or machinery, provided that any person, co-partnership, association or corporation licensed for the year 1937 under the provisions of Chapter 2 of the Session Laws for the year 1935 at the time of the taking effect of this Act shall not be required to qualify hereunder until the year 1938.

§ 2. LICENSE AND BOND REQUIRED.] *amend 21941 cl 10*
 After April 1, 1937, all *amend 21941 cl 17*
 dealers in livestock, as herein defined, shall be duly licensed as hereinafter provided. No agent shall act for any such livestock dealer unless the dealer is duly licensed and has designated such agent to act in his behalf and notified the Board of Railroad Commissioners in his application for license or in writing of such appointment, and requested the Commission to issue to such agent an agent's license; and the dealer shall be accountable and responsible for all the acts of his agent.

Each dealer, before entering in the business of dealing in livestock, shall annually on or before January 1 of each year, (and for the year 1937 on or before April 1) file an application with the Board of Railroad Commissioners on a form prescribed by it for a license to transact such business. The applicant shall state the nature of the business as herein above set forth, the name or names of persons applying for the license, and if the applicant is a firm, association, partnership or corporation the full name of each member of such firm, association, or partnership, or the names of the official officers of the corporation, and the name of the agent or agents of such person, firm, association, partnership or corporation, the postoffice address and the principal place of business of the applicant, and if a foreign corporation it must state its principal place of business without the State and the name of the State incorporated in and it must also state that it has complied with the corporation laws of this State

relating to foreign corporations, and such other facts as the Commissioners may prescribe.

Each applicant shall file with his application a surety company bond to be approved as to amount, form and sufficiency and surety by the Commission in the sum of not less than \$1,500.00 for principal's bond and that the amount of said bond be increased not less than \$500.00 for each applicant appointed by the dealer and licensed by the Commission, in which the Commissioners shall be the obligee but which shall be for the benefit and purpose of protecting any person, and shall be for the benefit of all persons selling livestock and/or poultry to such licensed livestock dealer or his agent. Such bond shall be conditioned upon the faithful performance of his duties as a dealer in livestock and all of the provisions of law relating to the purchase of livestock and/or poultry by such livestock dealer, and for the payment by said livestock dealer of all livestock purchased by such dealer, as a dealer in livestock, and for the purpose of protecting any person which bond shall cover the entire license period; provided, however, that a separate bond for each agent appointed and licensed, may be given in the sum of \$1,500.00, in lieu of the additional amount on the principal bond; provided further that the Commission may demand at any time additional bond for either principal or agent when in the discretion and judgment of the Commission the volume of business of the principal or any agent named by such principal warrants it.

The Commissioners shall thereupon issue to such applicant on the payment of the sum of Five Dollars a license entitling the applicant, his agent, to conduct the business of dealing in livestock as herein defined, at the place or places named in the application until the 31st day of December next following; provided that for each agent to whom a license is issued, the sum of Five Dollars shall be paid to the Commission.

§ 3. SHIPMENT OF LIVESTOCK.] That it shall be the duty of the agent of any transportation company, or common carrier or any such transportation company or common carrier within and operating in the State of North Dakota, to require of the shipper of, or person or persons offering for shipment any livestock or poultry, that the party or parties offering such shipment for transportation shall before the same is received for shipment to the said transportation company or carrier or agent thereof a livestock dealer's license for the current year in which such shipment is offered for transportation, or shall by affidavit show such shipper to be exempt from the provisions of this Act.

§ 4. POWER AND DUTIES OF RAILROAD COMMISSION.] The Commissioners may decline to grant or may revoke a license when it is satisfied that: (a) the applicant or licensee has violated any of the laws of this State governing the handling, shipment or transportation of livestock; or (b) that the applicant or licensee has been guilty

of deceit, fraud, dishonesty, forgery or theft as a dealer in livestock or in dealing in livestock; or (c) that the applicant has failed or refused to furnish the information required under the terms of this Act and as prescribed by the Commissioners.

Before any license shall be revoked the licensee shall be furnished with a copy of the complaint made against him and a hearing shall be had before the Commissioners upon at least fifteen days notice to the licensee to determine whether such license shall be revoked, and which notice may either be served by registered mail addressed to the given address of the licensee, or in the manner provided by law for the service of a summons. At the time and place fixed for the hearing the Commissioners or any member thereof, or any duly authorized and appointed agent by the Commission, shall take and receive evidence, administer oaths, examine witnesses and take the testimony offered, and shall submit and file the same with the Commission, and the Commissioners shall thereafter and based thereon make and file an order either dismissing the proceedings, or revoking the license, and that the aggrieved party shall have the right to take an appeal from any such order so entered within thirty days from the entry and service thereof upon him to the District Court of Burleigh County, North Dakota, and the same shall be tried anew in the District Court as a Court case without a jury.

§ 5. For the purpose of carrying out the provisions of this Act, there is hereby created in the State Treasury, a State Fund to be known as the "Livestock Dealers Fund." All fees collected by the Commission under the provisions of this Act necessary in administering and enforcing this Act, or so much thereof as may be necessary, are hereby appropriated to the use of said Commissioners and shall be paid into the State Treasury monthly, and shall be credited to the said Livestock Dealers Fund to the use of the Commission and shall be paid out upon proper voucher and audit by the State Auditing Board for the expenses of said Commission in administering and enforcing the provisions of this Act. *amended
3/1/11
cl. 4*

§ 6. PENALTY FOR VIOLATION OF ACT.] Any person who shall violate any of the provisions of this Act, shall be guilty of a misdemeanor and shall be punished by a fine of not exceeding \$100.00 or by imprisonment in the County jail for a period not to exceed thirty days or by both such fine and imprisonment. Every person who, having been convicted of a violation of this Act, shall after such conviction, violate any of the provisions of this Act, shall be guilty of a misdemeanor, and shall be punished by a fine of not less than \$100.00 nor more than \$500.00 or by imprisonment in the County jail for not less than thirty days nor more than one year, or by both such fine and imprisonment.

§ 7. TRUST FUND.] Whenever any livestock dealer makes default in the provisions of the bond herein provided for, such livestock

dealer shall be deemed to be insolvent within the meaning of this Act, and the cause of action for damages upon any bond given by said livestock dealer to the Board of Railroad Commissioners, as provided for in this Act, and any cause of action for the conversion of livestock and/or poultry purchased by said livestock dealer while said license is in force and effect, shall constitute a trust fund for any persons having a cause of action against such dealer in livestock on said bond.

§ 8. APPOINTMENT OF COMMISSION AS TRUSTEE.] Upon the insolvency of the livestock dealer as defined in the foregoing section it shall be the duty of the Commission to apply to the District Court of Burleigh County for appointment of itself as trustee of said fund, and, upon such notice to said livestock dealer as the Court shall prescribe, but not exceeding ten days, or upon waiver of such notice in writing by said livestock dealer, said Court shall proceed to hear and determine in a summary manner such application, and if it shall appear to the Court, or to the Judge thereof, that said livestock dealer is insolvent within the meaning of this Act and that it would be for the best interests of those holding claims against the livestock dealer for purchase price of livestock and/or poultry sold to such dealer or his agent, that said Commission shall execute such trust, he shall issue an order appointing said Commission Trustee, without bond, of said fund, whereupon said Commission shall proceed to perform its duties as such trustee without further direction from said Court, but as hereinafter set out.

§ 9. NOTICE TO CLAIMANTS.] Upon its appointment as such trustee the Commission shall be entitled to the possession of all the books and records of such livestock dealer kept by him in his business as a livestock buyer, and shall take possession of such books and records, and of all livestock and/or poultry purchased by such livestock dealer under and by virtue of the license granted him, on hand, peaceably or by appropriate action, and it shall be the duty of the Board of Railroad Commissioners to publish a notice in some legal newspaper in the County in which such livestock dealer has operated for three successive weeks requiring such claimants to file their claims against such livestock dealer with the Commission, and unless within forty-five days after the last publication of such notice said receipts are surrendered to the Commission, the same shall be barred from participation in any fund marshalled by the Commission as herein provided.

§ 10. COMMISSION TO MARSHAL TRUST ASSETS.] The Commission in its capacity as trustee as aforesaid, is hereby empowered to maintain suits at law or in equity, or any special proceedings, in the name of the State of North Dakota, upon its own relation, but for the benefit of all such claimants against the livestock dealer's bond, against any person who shall have converted any of such livestock and/or poultry for the purpose of marshalling all of the trust assets of said insolvent livestock dealer and distributing the same

among said claimants. Provided, however, that remedy shall be had against said bond before recourse is had against the person honestly converting any of such livestock and/or poultry, unless in the judgment of the Commission it shall be deemed necessary that all the above remedies be pursued at the same time.

§ 11. REMEDY OF CLAIMANTS.] No claimant shall have a separate cause of action against said bond, unless said Commission shall fail or refuse to apply for its own appointment as trustee as herein provided. Provided, that nothing in this Act contained shall be construed to prohibit any claimant, either independently or in conjunction with other claimants, from pursuing concurrently such other remedy as he or they may have against the said livestock dealer or property of said livestock dealer for the whole, or any deficiency occurring after payments have been made out of the trust fund.

§ 12. COMMISSION MAY COMPROMISE CLAIMS.] The Commission shall have power to prosecute any such action in any Court in this State, or in any other State, and may appeal from any adverse judgment to the Courts of last resort, and may settle and compromise any such action whenever, in its judgment this will be for the best interest of such receipt holders, and may upon payment of the amount of such compromise, or of the full amount of any bond or conversion claim, exonerate the person so compromising or paying in full, from further liability growing out of said action.

§ 13. DEPOSIT IN BANK OF NORTH DAKOTA.] All moneys collected and received by said trustee, pending the marshalling of said fund, shall be deposited in the Bank of North Dakota.

§ 14. REPORT OF TRUSTEE. APPROVAL.] Upon recovery of such trust fund, or so much thereof as possible or as shall be necessary to pay all outstanding claims, the Commission shall file its report in Court, showing the amount payable upon each claim, after recognizing any proper liens or pledges thereon, or assignments thereof, or deductions therefrom, with legal interest thereon, or in case of cash slips or checks, the amount thereof with legal interest, but in the event that the fund shall prove insufficient to redeem all claims in full the same shall be prorated among them in such manner as the trustees shall deem fair and equitable. Thereupon the Court shall cite such claimants, upon such notice by mail as he shall prescribe, to appear upon a day fixed in the notice and show cause why such report should not be approved, and distribution of said fund made as outlined therein; and upon such hearing, the Court shall approve such report or modify the same as justice may require, and issue an order directing the distribution of said fund, and discharging said Commission from its said trust.

§ 15. FILING FEES AND COURT COSTS.] Upon such application, or in any action in a State Court in this State, the Commission

shall not be required to pay any filing fee or other Court costs or disbursements where the fees accrue to the County or to the State, but the Attorney General may employ such outside legal services to assist the Commission in the prosecution of such actions, as in his judgment may be necessary and deduct the expense of the same from said trust fund.

§ 16. REPEAL.] That all of Chapter 2 of the Session Laws of the State of North Dakota for the year 1935 be and the same hereby are repealed; and, that all other Acts or parts of Acts in conflict with this Act are hereby repealed.

§ 17. EMERGENCY.] There being an emergency there being a question as to the power of the Board of Railroad Commissioners to enforce the claims of claimants against the bond, this Act shall be in force from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 6

H. B. No. 353.—(Committee on Delayed Bills)

LIVESTOCK FEED

An Act making an emergency appropriation to provide for aid for livestock feeds, in the form of loans, to farmers in drouth-stricken Counties of this State; providing for the distribution of such appropriation among the Counties by the Public Welfare Board of North Dakota, with the counsel and assistance of the Commissioner of Agriculture and Labor; prescribing the duties of County officers in relation to such livestock feed aid, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of Two Hundred Twenty-five Thousand Dollars, or so much thereof as may be necessary for assistance, in the form of loans, to farmers in the drouth-stricken areas of this State during the months of March, April and May, and in carrying out the provisions and purposes of this Act.

§ 2. Immediately upon the passage and approval of this Act the Public Welfare Board of North Dakota, with the assistance and counsel of the Commissioner of Agriculture and Labor, is authorized to make distribution of the amount herein appropriated or so much thereof as may be necessary among the Counties of North Dakota, after taking into consideration the amount necessary to supply livestock feed to persons who are unable to procure the same through other channels. The ability of each County to finance the cost of such assistance from its own funds and such other facts as may have a

bearing upon the need of the individuals and the ability of the Counties to grant aid shall be taken into account in making distribution of such moneys, all to the end that justice and equity may be done to the different individuals without regard to their places of residence.

§ 3. It shall be the duty of the Board of County Commissioners of any County in this State whose residents are in need of livestock feed which they are unable to procure through other channels, to make application to the Public Welfare Board of North Dakota for assistance under this Act.

In such application there shall be stated the amount of moneys required for livestock feed assistance in such County up to June 1, 1937. Such application shall further recite the amount of moneys that the County can and will supply out of its own funds, or from other sources to supply the funds required to meet the livestock feed needs.

§ 4. In such application the County shall agree that it will assume administrative responsibility in making such loans and in the collecting of the same; that it will make such reports regarding such loans and collections as may be required by the regulations adopted by the Public Welfare Board of North Dakota or as may be provided in the agreement between the County and such Board or other agency from which funds are received; that re-payments made prior to May 15, 1937, on any loan made under the provisions of this Act shall be available again for loans by the County in the same manner as moneys originally received by the County for livestock feed loans or purchases; but that the County shall remit to the Public Welfare Board out of all collections made or re-payments received on such loans subsequent to May 15, 1937, such portion of the loan or loans as represent that portion of the loan or loans which came from moneys appropriated under this Act. Also that the County will return to the Public Welfare Board of North Dakota any moneys remaining unexpended on June 1, 1937, out of any moneys that the County may have received under the provisions of this Act.

§ 5. The funds appropriated under this Act may be expended in coordination with funds available for livestock feed assistance purposes under the control of any agency of the Federal Government and the Public Welfare Board of North Dakota and the Boards of County Commissioners of the several Counties may enter into agreements for the co-ordination of the expenditure of the funds appropriated under this Act in connection with such other funds and may agree that the funds appropriated hereunder shall be expended jointly with such other funds in co-operation with committees or representatives of such Federal Agencies.

§ 6. If and when it seems desirable so to do moneys allocated to any County under the provisions of this Act may be utilized by the County to purchase livestock feed direct and distribute the same in the nature of sale. Where livestock feed is purchased and sold

such feed may be sold to anyone in need thereof; but when sale is made to a person who is not in need of assistance it shall be at a price so as not to impair or decrease the amount of the fund. The distribution of feed must in every case be in the nature of a sale. All notes taken for livestock feed assistance furnished under this Act shall be made payable to the County in which the loan is made.

§ 7. If in its judgment it seems desirable so to do the Public Welfare Board of North Dakota may, with the advice and counsel of the Commissioner of Agriculture and Labor, utilize any of the funds appropriated under this Act for the purchase of livestock feed and may allocate livestock feed so purchased to the Counties instead of cash. In case livestock feed is so purchased and distributed it shall be handled in the several Counties in the same manner as though the livestock feed had been purchased by the County under the provisions of the preceding section.

§ 8. The Public Welfare Board of North Dakota, with the advice and counsel of the Commissioner of Agriculture and Labor, is authorized to make such rules and regulations as may be necessary or desirable to carry out the purposes of this Act and it may require from the several Counties such information, in addition to that stated in Section 3 of this Act, as may be necessary or desirable to enable the Board to pass upon the applications for assistance under this Act.

§ 9. The moneys appropriated under this Act shall be employed solely for the purpose of supplying livestock feed to residents of the State who are unable to procure the same through other channels. It shall be the duty of the Public Welfare Board of North Dakota and of the Boards of County Commissioners of the several Counties and all persons charged with any responsibility in carrying out the provisions of this Act to see to it that the moneys appropriated or made available for the purchase of livestock feed under the provisions of this Act, including moneys loaned to individual borrowers, shall be expended in the purchase of livestock feed that has been produced in North Dakota insofar as such supplies are available and can be obtained at reasonable prices.

§ 10. It shall be the duty of all County officers to assist in carrying out the purposes of this Act; and they shall perform such duties as may be found necessary in that behalf and as may be prescribed by the rules and regulations adopted by the Public Welfare Board of North Dakota, with the advice and counsel of the Commissioner of Agriculture and Labor, or as may be provided in agreements or arrangements made between the County Commissioners and the Public Welfare Board of North Dakota and/or any Federal Agency supplying funds to be loaned to individuals, or expended by the County, for livestock feed assistance purposes.

§ 11. The Public Welfare Board of North Dakota shall pay over to the State Treasurer any moneys that may be returned to it

by any County under the provisions of this Act, whether such moneys represent funds unexpended on June 1, 1937, or collections received from loans made under the provisions of this Act; and the State Treasurer shall deposit the moneys so received in, and credit the same to, the General Fund of the State.

§ 12. EMERGENCY.] WHEREAS, many persons in North Dakota are in need of livestock feed, and have no available means of obtaining the same, therefore an emergency is declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

CHAPTER 7

S. B. No. 153—(Brostuen)

REGULATION FOR SALE OF LIVESTOCK MEDICINES

An Act to prevent fraud and deception in the sale of livestock medicines; providing for the registration and labeling of livestock medicines; authorizing rules and regulations for the administration of this Act; prescribing the method of revocation of such registration and prescribing a penalty for the violation thereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. This Act shall be known as the North Dakota Livestock Medicine Act.

§ 2. The term "Livestock Medicine" as used in this Act shall include all devices, remedies, cures, tonics, powders, proprietary medicines, medicated stock foods, and similar preparations for the treatment or prevention of any disease of livestock, poultry, or other domestic animals and administered internally for their stimulating, invigorating, curative, or other than nutritive powers; and also shall include those powders, sprays, dips and other preparations for external use in the curing of scab or the eradication of ticks, lice and other mites and parasites on livestock, poultry or other domestic animals; but excluding all medicines manufactured, sold or recommended primarily for human use.

§ 3. No person by himself, his servant or agent shall sell, offer or expose for sale or have in his possession with intent to sell any livestock medicine:

(a) Which is sold under a name, brand, trade mark or labeling which is misleading, deceptive or false, or which is dangerous to animals under the conditions of use prescribed in the labeling or advertising thereof.

(b) Which purports to cure infectious abortion, hog cholera, fowl cholera, tuberculosis, foot and mouth disease, roup, white

diarrhea or any other disease of domestic animals for which no genuine cure is known;

(c) Which has not been registered by the State Food Commissioner and Chemist for sale in this State;

(d) Which does not have printed or written upon the label of each package as sold at retail, in type not less than one-fourth the largest type on the package;

(1) The common name in English of all ingredients and the quantity or proportion of each active ingredient;

(2) The percentage of each diluent filler, or inert ingredient;

(3) A statement of the quantity or proportion of any alcohol, morphine, opium, cocaine, heroin, alpha or beta eucaine, chloroform, cannabis indica, chloral hydrate, or acetanilid or any derivative or preparation of any such substances contained therein;

(4) The net contents, by weight, measure or numerical count of such package;

(5) The name and principal address of the manufacturer or person responsible for placing such livestock medicine on the market;

(6) Complete and explicit directions for use;

(e) Of which the contents of the package as originally put up have been removed, in whole or in part, and other contents shall have been placed in such package.

§ 4. (1) The State Food Commissioner and Chemist upon the application of the manufacturer or distributor and the payment of the registration fee prescribed in Section 6, shall register any livestock medicine which does not violate any of the provisions of Section 3 of this Act. Such registrations shall be good for one year unless sooner cancelled or a change is made in the ingredients or formula of manufacture or in the name, brand or trade mark under which such livestock medicine is sold. In the event of any such change it shall be necessary to again register such medicine, in the same manner as upon original application.

(2) The State Food Commissioner and Chemist may cancel the registration of any livestock medicines which subsequent to such registration is sold in violation of any of the provisions of Section 3 of this Act, and whenever a change is made in the ingredients or formula of manufacture or in the name, brand or trade mark under which such medicine is sold, unless such medicine has been re-registered as provided in Sub-section (1) of this Section.

(3) In the discharge of his duties, the State Food Commissioner and Chemist may make rules and regulations governing applications for registration, the submission of samples for analysis and all other matters necessary to give effect to this Section, but no such rule or regulation shall impose any requirement for registration other than as provided by Section (3) hereof. He may take expert and other testimony whenever he deems such testimony advisable and

shall grant public hearing upon request therefor, to any manufacturer or distributor whose request for registration of any livestock medicine has been denied and also prior to the cancellation of any registration.

§ 5. (1) The State Food Commissioner and Chemist shall enforce the provisions of Sections 1 to 8, by inspections, chemical analysis and other appropriate methods. All samples for analysis shall be taken from stocks in the State, or intended for sale in the State, and the Commissioner may call upon the manufacturer or distributor applying for registration of a medicine to supply samples thereof for analysis.

(2) The State Food Commissioner and Chemist and his agents shall have free access by legal means during business hours to all places of business, buildings, vehicles, cars and vessels used in the manufacture, transportation, sale or storage of any livestock medicine and shall have power and authority to open by legal means any box, carton, parcel or package, containing or supposed to contain, any livestock medicine and take therefrom samples for analysis.

§ 6. A registration fee of Six Dollars shall be paid prior to each annual registration to the State Food Commissioner and Chemist for each livestock medicine registered.

§ 7. Any person who shall sell, offer or expose for sale or have in his possession with intent to sell any livestock medicine in violation of any of the provisions of Section 3, or who shall willfully and falsely represent that any livestock medicine is registered for sale in this State when in fact it is not so registered, shall be fined not to exceed Two Hundred Dollars for the first offense; and upon conviction for any subsequent offense shall be fined not to exceed Three Hundred Dollars, or be imprisoned in the County jail for not to exceed one year, or be punished by both such fine and imprisonment.

§ 8. If any provisions of Sections 1 to 7 are declared unconstitutional or the applicability thereof to any person, commodity or transaction is held invalid, the validity of the remainder of these Sections and the applicability of such provisions to other persons, commodities and transactions shall not be affected thereby.

§ 9. All revenues derived under authority of this Act shall be used for the enforcement of the provisions thereof. All fees received by the State Food Commissioner and Chemist as provided for in this Act shall be properly recorded and forwarded to the Treasurer of the State of North Dakota. The State Treasurer shall upon receipt thereof enter such funds and carry them in the special revolving fund known and designated as the State Regulatory Fund, out of which all bills and expenses of whatever nature incurred in the enforcement of this Act, when properly audited and approved, shall by said Treasurer be paid.

§ 10. The provisions of Paragraph (d) of Section 3 relating to the labeling of livestock medicines shall take effect January 1, 1938. All other provisions of this Act shall take effect July 1, 1937.

Approved March 20, 1937.

CHAPTER 8

H. B. No. 39—(Freitag and Blair)

REGULATION OF ROVING GRAIN BUYERS

An Act providing for the regulation of roving grain buyers, other than public warehouses or public warehousemen and track buyers, and defining who are such roving grain buyers; Act not applicable to whom; license and bond required; powers and duties of Railroad Commission; granting the Board of Railroad Commissioners power to make rules and regulations governing the business of roving grain buyers; records required by dealers; appropriating the fees collected to the use of the Board of Railroad Commissioners for the Administration and enforcement of the Act; penalty for violation of Act.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. ROVING GRAIN BUYER DEFINED: ACT NOT APPLICABLE.] TO WHOM.] The term "Roving Grain Buyer" as used herein shall mean any person, co-partnership, association or corporation, other than warehousemen and track buyers, who shall buy grain, as defined by the statutes of this State, from producers for re-sale and delivery within or without the State, and/or for re-sale in the local markets. Nothing in this Act contained shall apply to Public Warehouses or public warehousemen and/or track buyers, so defined in the statutes of this State.

§ 2. LICENSE, HOW OBTAINED: FEE: RULES GOVERNING.] A license must be obtained through the Board of Railroad Commissioners, to expire midnight, July 31st of each year by each roving grain buyer operating within this State. Each license so issued shall designate the business address of the licensee and each licensee shall have and maintain a business office within this State, which business address shall be given in the license. The license fee, which must accompany the application for license, is hereby fixed at Ten (\$10.00) Dollars for each person, co-partnership, association or corporation licensed. The fees collected under this Act shall be paid to the Board of Railroad Commissioners.

Each roving grain buyer shall procure such license before transacting any business. Every roving grain buyer shall pay cash for all grain purchased, and such roving grain buyer shall be subject to the same laws, rules, and regulations as govern public warehouses, insofar as they apply, for the protection of sellers of grain, provided that nothing herein shall be construed to classify as a roving grain buyer

any producer of grain who purchases grain from other producers to complete a carload in which a portion of said carload is grain grown by said producer.

§ 3. BONDS TO BE FILED.] Before any license is issued to any roving grain buyer, the applicant shall file with the Board of Railroad Commissioners a bond in such sum as said Board shall prescribe, which sum shall be not less than Two Thousand (\$2,000.00) Dollars for each licensee. Such bonds shall cover the period of the license and shall run to the State of North Dakota for the use and benefit of all persons selling grain to the licensee, and shall be conditioned upon the faithful performance of the duty of the licensee as a roving grain buyer, and all of the provisions of law applicable to the business of a roving grain buyer, and the rules and regulations of the Board of Railroad Commission relating thereto.

§ 4. MUST CARRY LICENSE. PENALTY.] The licensee shall have his license in his possession at all times that such licensee is engaged in the business of a roving grain buyer, and must exhibit the said license to each and every person from whom licensee purchases grain thereunder.

Any roving grain buyer who shall transact business without first procuring a license and giving bond as herein provided shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished accordingly.

§ 5. CHEATING OR FALSE WEIGHING. PENALTY.] Any person who shall knowingly cheat by false weight or otherwise the seller of grain, or who shall violate any of the provisions of this Act, where punishment is not otherwise in this Act provided, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than Two Hundred (\$200.00) Dollars and not more than One Thousand (\$1,000.00) Dollars, or by imprisonment in the County jail for not less than ninety days and not more than one year, or by both such fine and imprisonment.

§ 6. BOARD OF RAILROAD COMMISSIONERS MAY MAKE RULES AND REGULATIONS.] It is hereby made the duty of the Board of Railroad Commissioners to make such rules and regulations governing the business of roving grain buyers and the licensing thereof as may be necessary and proper for the carrying into effect of the purposes of this Act; and any person or corporation violating any of such rules or regulations shall be deemed guilty of a misdemeanor, and, upon conviction thereof shall be punished accordingly.

§ 7. REVOCATION OF LICENSE.] The Board of Railroad Commissioners shall have the power to revoke any license granted as aforesaid when they shall be satisfied that; (a) the licensee has violated any of the laws of this State governing the handling, shipment or transportation of grain; (b) the licensee has been guilty of deceit,

fraud, dishonesty, forgery or theft committed in or about the business of a roving grain dealer, or (c) the licensee has failed or refused to furnish the information required under the terms of this Act or the rules and regulations made by the Board of Railroad Commissioners as herein authorized.

Before any license shall be revoked the licensee shall be furnished with a copy of the complaint made against him and a hearing shall be had before the Commissioners upon at least fifteen days notice to the licensee to determine whether such license shall be revoked and which notice may either be served by registered mail addressed to the given business address of the licensee, or in the manner provided by law for the service of a summons. At the time and place fixed for the hearing the Commissioners or any member thereof, or any duly authorized and appointed agent of the Commission, shall take and receive evidence, administer oaths, examine witnesses and take the testimony offered, and shall submit and file the same with the Commission, and the Commissioners shall thereafter, based upon evidence received thereon, make and file an order either dismissing the proceedings, or revoking the license, and that the aggrieved party shall have the right to take an appeal from any such order so entered within thirty days from the entry and service thereof upon him to the District Court of Burleigh County, North Dakota, and the same shall be tried anew in the District Court as a Court case without a jury.

§ 8. RECORDS REQUIRED OF BUYER. REPORTS.] Each roving grain buyer shall keep such accounts, records and memoranda concerning his dealings as such buyer as may from time to time be required by the Board of Railroad Commissioners, and said Board shall at all times have access to such accounts, records and memoranda.

Each roving grain buyer shall make such reports of purchases of grain as may be required by the rules and regulations made by the said Board as hereinabove authorized.

§ 9. ROVING GRAIN BUYER'S FUND CREATED. APPROPRIATION.] For the purpose of carrying out the provisions of this Act, there is hereby created in the State Treasury, a State Fund to be known as the "Roving Grain Buyer's Fund." All fees collected by the Board of Railroad Commissioners under the provisions of this Act required for the administration and enforcement of this Act, or so much thereof as may be necessary, are hereby appropriated to the use of said Board; and the same shall be paid into the State Treasury monthly, and credited to said Roving Grain Buyers' Fund to the use of the Board of Railroad Commissioners, and shall be paid out upon proper voucher when audit by the State Auditing Board for the purpose aforesaid.

Approved March 4, 1937.

CHAPTER 9

S. B. No. 222—(McGillic, Aasen, Nelson of Barnes, Young and Strehlow)

SOIL CONSERVATION DISTRICTS LAW

An Act establishing and defining the powers and duties of a State Soil Conservation Committee: Providing for the creation of Soil Conservation Districts and defining the powers and duties thereof; empowering such districts to adopt programs and regulations in connection with land use practices; providing for the selection of District Supervisors; providing for the adoption of land use regulations and providing penalty for violation of the same; providing for boards of adjustment in connection with land use regulations; providing for the discontinuance of districts; making an appropriation and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SHORT TITLE.] This Act may be known and cited as the Soil Conservation Districts Law.

§ 2. DECLARATION OF POLICY.] It is hereby declared to be the policy of the legislature to provide for the conservation of the soil and soil resources of this State, and for the control and prevention of soil erosion, and thereby to preserve natural resources, control floods, prevent impairment of dams and reservoirs, assist in maintaining the navigability of rivers and harbors, preserve wild life, protect the tax base, protect public lands and protect and promote the health, safety and general welfare of the people of this State.

§ 3. DEFINITIONS.] Wherever used or referred to in this Act, unless a different meaning clearly appears from the context:

(1) "District" or "Soil Conservation District" means a governmental sub-division of this State, and a public body corporate and politic, organized in accordance with the provisions of this Act, for the purposes, with the powers, and subject to the restrictions hereinafter set forth.

(2) "Supervisor" means one of the members of the governing body of a District, elected or appointed in accordance with the provisions of this Act.

(3) "Committee" or "State Soil Conservation Committee" means the agency created in Section 4 of this Act.

(4) "Petition" means a petition filed under the provisions of sub-section of Section 5 of this Act for the creation of a District.

(5) "State" means the State of North Dakota.

(6) "Agency of this State" includes the government of this State and any subdivision, agency or instrumentality, corporate or otherwise, of the government of this State.

(7) "United States" or "agencies of the United States" includes the United States of America, the Soil Conservation Service of the United States Department of Agriculture, and any other agency

or instrumentality, corporate or otherwise, of the United States of America.

(8) "Government" or "governmental" includes the government of this State, the government of the United States, and any subdivision, agency or instrumentality, corporate or otherwise, of either of them.

(9) "Land occupier" or "occupier of land" includes any person, firm or corporation who shall hold title to, or shall be in possession of, any lands lying within a District organized under the provisions of this Act, whether as owner, lessee, renter, tenant, or cropper.

(10) "Due Notice" means notice published at least twice, with an interval of at least seven days between the two publication dates, in a newspaper or other publication of general circulation within the appropriate area, or if no such publication of general circulation be available, by posting at a reasonable number of conspicuous places within the appropriate area, such posting to include, where possible, posting at public places where it may be customary to post notices concerning County or municipal affairs generally. At any hearing held pursuant to such notice, at the time and place designated in such notice, adjournment may be made from time to time without the necessity of renewing such notice for such adjourned dates.

§ 4. STATE SOIL CONSERVATION COMMITTEE.]

(a) There is hereby established, to serve as an agency of the State of North Dakota and to perform the functions conferred upon it in this Act, the State Soil Conservation Committee, such committee to consist of the Governor, the State Commissioner of Agriculture and Labor, the Director of the State Extension Service and one member to be appointed by the Secretary of Agriculture of the United States of America. Such membership of the Committee shall serve without additional compensation other than traveling expenses necessarily incurred in carrying out the duties prescribed by such Committee under the terms of this Act. Such Committee shall keep a record of its official actions, shall adopt a seal, which seal shall be judicially noticed, and may perform such acts, hold such public hearings and promulgate such rules and regulations as may be necessary for the execution of its functions under this Act.

(b) The State Soil Conservation Committee may employ an administrative officer and such technical experts and such other agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. The Committee may call upon the Attorney General of the State for such legal services as it may require, or may employ its own counsel and legal staff. It shall have authority to delegate to its chairman, to one or more of its members, or to one or more agents or employees, such powers and duties as it may deem proper. The Board of Administration of the State shall supply suitable office accommodations at the

seat of the State Government, and shall furnish the necessary supplies and equipment. Upon request of the Committee, for the purpose of carrying out any of its functions, the supervising officer of any State Agency, or of any State institution of learning shall, insofar as may be possible under available appropriations, and having due regard to the needs of the agency to which the request is directed, assign or detail to the Committee members of the staff or personnel of such agency or institution of learning, and make such special reports, surveys or studies as the Committee may request.

(c) The Committee shall designate its chairman, and may, from time to time, change such designation. A majority of the Committee shall constitute a quorum and the concurrence of a majority in any matter within their duties shall be required for its determination. The Committee shall provide for the execution of surety bonds for all employees and officers who shall be entrusted with funds or property; shall provide for the keeping of a full and accurate record of all proceedings and of all resolutions, regulations and orders issued or adopted; and shall provide for an annual audit of the accounts of receipts and disbursements.

(d) In addition to the duties and powers hereinafter conferred upon the State Soil Conservation Committee, it shall have the following duties and powers:

(1) To offer such assistance as may be appropriate to the Supervisors of Soil Conservation Districts, organized as provided hereinafter, in the carrying out of any of their powers and programs.

(2) To keep the Supervisors of each of the several Districts organized under the provisions of this Act informed of the activities and experience of all other Districts organized hereunder, and to facilitate an interchange of advice and experience between such Districts and cooperation between them.

(3) To coordinate the programs of the several Soil Conservation Districts organized hereunder so far as this may be done by advice and consultation.

(4) To secure the cooperation and assistance of the United States and any of its agencies, and of agencies of this State, in the work of such Districts.

(5) To disseminate information throughout the State concerning the activities and programs of the Soil Conservation Districts organized hereunder, and to encourage the formation of such Districts in areas where their organization is desirable.

§ 5. CREATION OF SOIL CONSERVATION DISTRICTS.]

(a) Anyt twenty-five (25) occupiers of land lying within the limits of the territory proposed to be organized into a District may file a petition with the State Soil Conservation Committee asking that a Soil Conservation District be organized to function in the territory described in the petition. Such petition shall set forth:

First: The proposed name of said District.

Second: That there is need for a Soil Conservation District to function in the territory described in the petition.

Third: A description of the territory proposed to be organized within any County as a District.

Fourth: A request that the State Soil Conservation Committee duly define the boundaries for such District; that a referendum be held within the territory so defined on the question of the creation of a Soil Conservation District in such territory; and that the Committee determine that such a District be created.

Where more than one petition is filed covering parts of the same territory, the State Soil Conservation Committee may consolidate all or any such petitions.

(b) Within thirty (30) days after such a petition has been filed with the State Soil Conservation Committee, it shall cause due notice to be given of a proposed hearing upon the question of the desirability and necessity, in the public interest, of the creation of such District, upon the question of the appropriate boundaries to be assigned to such District, upon the propriety of the petition and other proceedings taken under this Act, and upon all questions relevant thereto. All occupiers of land within the limits of the territory described in the petition, and of lands within any territory considered for addition to such described territory, and all other interested parties, shall have the right to attend such hearings and to be heard. If it shall appear upon the hearing that it may be desirable to include within the proposed District territory outside of the area within which due notice of further hearing has been given the hearing shall be adjourned and due notice of further hearing shall be given throughout the entire area considered for inclusion in the District, and such further hearing held. After such hearing if the Committee shall determine, upon the facts presented at such hearing and upon such other relevant facts and information as may be available, that there is need, in the public interest, for a Soil Conservation District to function in the territory considered at the hearing, it shall make and record such determination, and shall define, by metes and bounds or by legal subdivisions, the boundaries of such District. In making such determination and in defining such boundaries, the Committee shall give due weight and consideration to the topography of the area considered and of the State, the composition of soils therein, the distribution of erosion, the prevailing land-use practices, the desirability and necessity of including within the boundaries the particular lands under consideration and the benefits such lands may receive from being included within such boundaries, the relation of the proposed area to existing watersheds and agricultural regions, and to other Soil Conservation Districts already organized or proposed for organization under the provisions of this Act, and such other physical, geographic and economic factors as are relevant, having due

regard to the legislative policy set forth in Section 2 of this Act. If the Committee shall determine after such hearing, after due consideration of the said relevant facts, that there is no need for a Soil Conservation District to function in the territory considered at the hearing, it shall make and record such determination and shall deny the petition. After six months shall have expired from the date of the denial of any such petition, subsequent petitions covering the same or substantially the same territory may be filed as aforesaid and new hearings held and determinations made thereon.

(c) After such Committee has determined the necessity for organization of such District and has defined the boundaries thereof it shall hold a referendum within such proposed District upon the proposition of the creation thereof and shall cause due notice of such referendum to be given.

(1) REFERENDUM BALLOT.] The question to be voted on shall be fully set forth on the ballot to be used at such referendum which said ballot shall describe the boundaries of the proposed District and shall be in substantially the following form:

- For the creation of a Soil Conservation District.....
- Against the creation of a Soil Conservation District.....

(2) Only occupiers of land within the boundaries of the proposed District shall be entitled to vote in such referendum.

(d) The Committee shall provide for the issuance of such notices and the conduct of such hearings and referenda and shall supervise the same and shall issue and publish appropriate regulations governing the conduct of all such hearings and referenda as may be provided herein.

(e) The Committee shall publish the result of such referendum and shall thereafter consider and determine whether the operation of the District within such boundaries is administratively practicable and feasible and in making such a determination the Committee shall consider the attitudes of the operators of the land within such proposed District, the number of such occupiers who shall have voted in proportion to the number of eligible to vote, the approximate wealth and income of such land occupiers, the probable expense of carrying on erosion control operations within such District and such other economic and social factors as may be relevant, provided, however, the Committee shall not have authority to determine that the operation of any proposed District is practicable and feasible, unless at least a majority of the votes cast at such referendum are in favor of the creation of such District.

(f) If the Committee shall determine that the operation of such proposed District is administratively practicable and feasible, it shall file with the Secretary of State a certified statement indicating and describing the boundaries of such District; the name thereof; and the names and addresses of the Supervisors of such District appoint-

ed in accordance with the terms of this Act. Such statement shall also indicate the reasons for the formation of such District and the result of the referendum, if any was held. Upon such certification by the Committee to the Secretary of State such District shall become a governmental subdivision of this State and a public body corporate and politic and the Secretary of State shall make and issue to the said Supervisors a certificate, under the seal of the State, of the due organization of the said District, and shall record such certificate with the application and statement. The boundaries of such District shall include the territory as determined by the State Soil Conservation Committee as aforesaid, but in no event shall they include any area included within the boundaries of another Soil Conservation District organized under the provisions of this Act.

(g) Petitions for including additional territory within an existing District may be filed with the Soil Conservation Committee at any time and the proceedings herein provided for in case of petitions to organize a District shall be observed in case of petitions for such inclusion.

(h) After six (6) months shall have expired from the date of entry of a determination by the State Soil Conservation Committee that operation of a proposed District is not administratively practicable and feasible and denial of a petition pursuant to such determination, subsequent petitions may be filed as aforesaid, and action taken thereon in accordance with the provisions of this Act.

(i) In any suit, action or proceeding involving the validity of enforcement of, or relating to, any contract, proceeding or action of the District, the District shall be deemed to have been established in accordance with the provisions of this Act upon proof of the issuance of the aforesaid certificate by the Secretary of State. A copy of such certificate duly certified by the Secretary of State shall be admissible in evidence in any such suit, action or proceeding and shall be proof of the filing and contents thereof.

§ 6. ELECTION, QUALIFICATIONS AND TENURE OF SUPERVISORS.]

(a) The governing body of the District shall consist of three Supervisors who shall be elected from the land occupiers within such District. The term of office of each Supervisor shall be three years except that the Supervisors who are first elected shall be designated to serve for one, two and three years, respectively, from the date of their election. Such Supervisors shall designate a chairman and may from time to time change such designation. Vacancies shall be filled for the unexpired term. A majority of such Supervisors shall consist of a quorum and the concurrence of a majority in any matter within their duties shall be required for its termination. Such Supervisors shall serve without compensation.

(b) The Supervisors may employ such officers, agents or employees permanent and temporary as they may require and shall

determine their qualifications, duties and compensation. Such Supervisors may call upon the Attorney General or the States Attorney of any County in which such District is situated for such legal services as they may require. The Supervisors may delegate to their chairman or to any of their number such duties as they may deem proper and shall furnish to the State Committee upon request copies of such ordinances, rules, regulations, orders, contracts and the documents as they shall adopt or employ and such other information concerning their activities if such Committee may require.

(c) The Supervisors shall provide for the execution of surety bonds for all employees and officers who shall be entrusted with funds or property; shall provide for the keeping of a full and accurate record of all proceedings and of all resolutions, regulations and orders issued or adopted; and shall provide for an annual audit of the accounts of receipts and disbursements. Any Supervisor may be removed by the State Soil Conservation Committee upon notice and hearing, for neglect of duty or malfeasance in office.

(d) The Supervisors may invite the legislative body of any municipality or County located near the territory comprised within the District to designate a representative to advise and consult with the Supervisors of the District on all questions of program and policy which may affect the property, water supply, or other interests of such municipality or County.

§ 7. POWERS OF DISTRICTS AND SUPERVISORS.] A Soil Conservation District organized under the provisions of this Act shall constitute a governmental subdivision of this State, and a public body corporate and politic, exercising public powers, and such District, and the Supervisors thereof, shall have the following powers, in addition to others granted in other Sections of this Act:

(1) To conduct surveys, investigations and research relating to the character of soil erosion and the preventive and control measures needed, to publish the results of such surveys, investigations or research, and to disseminate information concerning such preventive and control measures; provided, however, that in order to avoid duplication of research activities, no District shall initiate any research program except in cooperation with the government of this State or any of its agencies, or with the United States or any of its agencies;

(2) To conduct demonstrational projects within the District on lands owned or controlled by this State or any of its agencies, with the cooperation of the agency administering and having jurisdiction thereof, and on any other lands within the District upon obtaining the consent of the occupier of such lands or the necessary rights or interests in such lands, in order to demonstrate by example the means, methods and measures by which soil and soil resources may be conserved, and soil erosion in the form of soil blowing and soil washing may be prevented and controlled;

(3) To carry out preventive and control measures within the District including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, changes in use of land, on lands owned or controlled by this State or any of its agencies, with the cooperation of the agency administering and having jurisdiction thereof, and on any other lands within the District upon obtaining the consent of the occupier of such lands or the necessary rights or interest in such lands;

(4) To cooperate, or enter into agreements with, and within the limits of appropriations duly made available to it by law, to furnish financial or other aid to, any agency, governmental or otherwise, or any occupier of lands within the District, in the carrying on of erosion control and prevention operations within the District, subject to such conditions as the Supervisors may deem necessary to advance the purposes of this Act;

(5) To obtain options upon and to acquire, by purchase, exchange, lease, gift, grant, bequest, devise or otherwise, any property, real or personal, or rights or interest therein; to maintain, administer, and improve any properties acquired, to receive income from such properties and to expend such income in carrying out the purposes and provisions of this Act; and to sell, lease, or otherwise dispose of any of its property or interests therein in furtherance of the purposes and the provisions of this Act;

(6) To make available, on such terms as it shall prescribe, to land occupiers within the District, agricultural and engineering machinery and equipment, fertilizer, seeds and seedlings, and such other material or equipment as will assist such land occupiers to carry on operations upon their lands for the conservation of soil and water resources and for the prevention and control of soil erosion;

(7) To construct, improve and maintain such structures as may be necessary or convenient for the performance of any of the operations authorized in this Act;

(8) To develop comprehensive plans for the conservation of soil resources and for the control and prevention of soil erosion within the District, which plans shall specify in such detail as may be possible, the acts, procedures, performances and avoidances which are necessary or desirable for the effectuation of such plans, including the specification of engineering operations, methods of cultivation, the growing of vegetation, cropping programs, tillage practices and changes in use of land; and to publish such plans and information and bring them to the attention of occupiers of lands within the District;

(9) To take over, by purchase, lease or otherwise, and to administer, any soil-conservation, erosion-control or erosion-prevention project located within its boundaries undertaken by the United States or any of its agencies, or by this State or any of its agencies; to manage, as agent of the United States or any of its agencies, or of

this State or any of its agencies, any soil-conservation, erosion-control or erosion-prevention project within its boundaries; to act as agent for the United States, or any of its agencies or for this State or any of its agencies, in connection with the acquisition, construction, operation or administration of any soil-conservation, erosion-control or erosion-prevention project within its boundaries; to accept donations, gifts, and contributions in money, services, materials or otherwise, from the United States or any of its agencies, or from this State or any of its agencies, and to use or expend such moneys, services, materials or other contributions in carrying on its operations;

(10) To sue and be sued in the name of the District; to have a seal, which seal shall be judicially noticed; to have perpetual succession unless terminated as hereinafter provided; to make and execute contracts and other instruments, necessary or convenient to the exercise of its powers; to make, and from time to time amend and repeal, rules and regulations not inconsistent with this Act, to carry into effect its purposes and powers;

(11) As a condition to the extending of any benefits under this Act to, or the performance of work upon, any lands not owned or controlled by this State or any of its agencies, the supervisors may require contributions in money, services, materials or otherwise to any operations conferring such benefits, and may require land occupiers to enter into and perform such agreements or covenants as to the permanent use of such lands as will tend to prevent or control erosion thereon;

(12) No provisions with respect to the acquisition, operation or disposition of property by other public bodies shall be applicable to a District organized hereunder unless the Legislature shall specifically so state.

§ 8. ADOPTION OF LAND-USE REGULATIONS.] The Supervisors of any District shall have authority to formulate regulations governing the use of lands within the District in the interest of conserving soil and soil resources and preventing and controlling soil erosion. The Supervisors may conduct such public meetings and public hearings upon tentative regulations as may be necessary to assist them in this work. The Supervisors shall not have authority to enact such land-use regulations into law until after they shall have caused due notice to be given of their intention to conduct a referendum for submission of such regulations to the occupiers of lands lying within the boundaries of the District for their indication of approval or disapproval of such proposed regulations, and until after the Supervisors have considered the result of such referendum. The proposed regulations shall be embodied in a proposed ordinance. Copies of such proposed ordinance shall be available for the inspection of all eligible voters during the period between publication of such notice and the date of the referendum. The notices of the referendum shall recite the contents of such proposed ordinance, or shall state where

copies of such proposed ordinance may be examined. The question shall be submitted by ballots, upon which the words "For approval of proposed ordinance No. , prescribing land-use regulations for conservation of soil and prevention of erosion" and "Against approval of proposed ordinance No. , prescribing land-use regulations for conservation of soil and prevention of erosion" shall be printed, a direction to insert an "X" mark in the square before one or the other of said propositions as the voter may favor or oppose approval of such proposed ordinance. The Supervisors shall supervise such referendum, shall prescribe appropriate regulations governing the conduct thereof, and shall publish the result thereof. All occupiers of lands within the District shall be eligible to vote in such referendum. No informalities in the conduct of such referendum or in any matters relating thereto shall invalidate said referendum or the result thereof if notice thereof shall have been given substantially as herein provided and said referendum shall have been fairly conducted.

The Supervisors shall not have authority to enact such proposed ordinance into law unless at least two-thirds of the land occupiers vote in favor of said ordinance and provide further that the land occupiers of two-thirds of the land area within the District shall have voted at such referendum. The approval of the proposed ordinance by a majority of the votes cast in such referendum shall not be deemed to require the Supervisors to enact such proposed ordinance into law. Land-use regulations prescribed in ordinances adopted pursuant to the provisions of this Section by the Supervisors of any District shall have the force and effect of law in the said District and shall be binding and obligatory upon all occupiers of lands within such District.

Any occupier of land within such District may at any time file a petition with the Supervisors asking that any or all of the land-use regulations prescribed in any ordinance adopted by the Supervisors under the provisions of this Section shall be amended, supplemented or repealed. Land-use regulations prescribed in any ordinance adopted pursuant to the provisions of this Section shall not be amended, supplemented or repealed except in accordance with the procedure prescribed in this Section for adoption of land-use regulations. Referenda on adoption, amendment, supplementation or repeal of land-use regulations shall not be held more often than once in six (6) months.

The regulations to be formulated by the Supervisors under the provisions of this Section may include:

1. Provisions requiring the carrying out of necessary engineering operations, including the construction of terraces, terrace outlets, checkdams, dikes, ponds, ditches and other necessary structures;
2. Provisions requiring observance of particular methods of

cultivation including contour cultivating, contour furrowing, lister furrowing, sowing, planting, strip cropping, seeding and planting of lands to water-conserving and erosion-preventing plants, trees and grasses, forestation and reforestation;

3. Specifications of cropping programs and tillage practices to be observed;

4. Provisions requiring the retirement from cultivation of highly erosive areas or of areas on which erosion may not be adequately controlled if cultivation is carried on;

5. Provisions for such other means, measures, operations and programs as may assist conservation of soil and water resources and prevent or control soil erosion in the District, having due regard to the legislative finds set forth in Section 2 of this Act.

The regulations shall be uniform throughout the territory comprised within the District except that the Supervisors may classify the lands within the District with reference to such factors as soil type, degree of slope, degree of erosion threatened or existing, cropping and tillage practices in use, and other relevant factors, and may provide regulations varying with the type or class of land affected, but uniform as to all lands within each class or type. Copies of land-use regulations adopted under the provisions of this Section shall be printed and made available to all occupiers of lands lying within the District. All ordinances and regulations adopted under the provisions of this Act shall apply only to land under written agreement between the District Supervisors and the land occupiers and owners.

§ 9. ENFORCEMENT OF LAND-USE REGULATIONS.] The Supervisors shall have authority to go upon any lands within the District to determine whether land-use regulations adopted under the provisions of Section 8 of this Act are being observed. Any person, firm, or corporation who shall violate any of such regulations shall be guilty of a misdemeanor. *Amend 1937 ch 6*

§ 10. PERFORMANCE OF WORK UNDER THE REGULATIONS BY THE SUPERVISORS.] Where the Supervisors of any District shall find that any of the provisions of land-use regulations prescribed in an ordinance approved in accordance with the provisions of Section 8 hereof are not being observed on particular lands, and that such non-observance tends to increase erosion on such lands and is interfering with the prevention or control of erosion on other lands within the District, the Supervisors may present to the District Court a petition, duly verified, setting forth the adoption of the ordinance prescribing land-use regulations, the failure of the defendant land occupier to observe such regulations, and to perform particular work, operations or avoidances as required thereby, and that such non-observance tends to increase erosion on such lands and is interfering with the prevention or control of erosion on other lands with-

in the District, and praying the Court to require the defendant to perform the work, operations or avoidances within a reasonable time and to order that, if the defendant shall fail so to perform the Supervisors may go on the land, perform the work or other operations or otherwise bring the condition of such lands into conformity with the requirements of such regulations, and assess the costs and expenses thereof, with interest, to the occupier of such land. Upon the presentation of such petition, the Court shall cause process to be issued against the defendant, and shall hear the case. If it shall appear to the Court that testimony is necessary for the proper disposition of the matter, it may take evidence, or appoint a referee to take such evidence as it may direct and report the same to the Court with his findings of fact and conclusions of law, which shall constitute a part of the proceedings upon which the determination of the Court shall be made. The Court may dismiss the petition; or it may require the defendant to perform the work, operations or avoidances, and may provide that upon the failure of the defendant to initiate such performance within the time specified in the order of the Court, and to prosecute the same to completion with reasonable diligence, the Supervisors may enter upon the lands involved and perform the work or operations or otherwise bring the condition of such lands into conformity with the requirements of the regulations, and assess the costs and expenses thereof, with interest at the rate of 5 per centum per annum, to the occupiers of such lands. In cases where the person in possession of lands who shall fail to perform such work, operations or avoidances shall not be the owner, the owner of such lands shall be joined as party defendant, and in all cases, notice shall be given to all other interested parties in person, or by publication in the manner provided in this Act for publication of due notice.

The Court shall retain jurisdiction of the case until after the work has been completed. Upon completion of such work pursuant to such order of the Court the Supervisors may file a petition with the Court, a copy of which shall be served upon the defendant in the case, stating the costs and expenses sustained by them in the performance of the work and praying judgment therefor, with interest. The Court shall have jurisdiction to enter judgment for the amount of such costs and expenses, with interest at the rate of 5 per centum per annum until paid. The Supervisors shall have further authority to certify to County Auditor of the County in which such District is located the amount of such judgment, which shall be a lien upon such lands, and shall be collected as are taxes or assessments against such lands. The procedure for collection of delinquent taxes shall be applicable to the collection of such judgments. When such judgment shall be paid or collected, the proceeds shall be paid over to the District within the boundaries of which the lands shall lie.

§ II. BOARD OF ADJUSTMENT.]

(a) Where the Supervisors of any District organized under the

provisions of this Act shall adopt an ordinance prescribing land-use regulations in accordance with the provisions of Section 8 hereof, they shall further provide by ordinance for the establishment of a Board of Adjustment. Such Board of Adjustment shall consist of three (3) members, each to be appointed for a term of three (3) years, except that the members first appointed shall be appointed for terms of one, two and three years respectively. The members of each such Board of Adjustment shall be appointed by the State Soil Conservation Committee, with the advice and approval of the Supervisors of the District for which such Board has been established, and shall be removable, upon notice and hearing, for neglect of duty or malfeasance in office, but for no other reason, such hearing to be conducted jointly by the State Soil Conservation Committee and the Supervisors of the District. Vacancies in the Board of Adjustment shall be filled in the same manner as original appointments, and shall be for the unexpired term of the member whose term becomes vacant. Members of the State Soil Conservation Committee and the Supervisors of the District shall be ineligible to appointment as members of the Board of Adjustment during their tenure of such other office. The members of the Board of Adjustment shall receive compensation for their services at the rate of Five Dollars (\$5.00) per diem for time spent on the work of the Board, in addition to expenses, including traveling expenses, necessarily incurred in the discharge of their duties. The Supervisors shall pay the necessary administrative and other expenses of operation incurred by the Board, upon the certificate of the Chairman of the Board.

(b) The Board of Adjustment shall adopt rules to govern its procedures, which rules shall be in accordance with the provisions of this Act and with the provisions of any ordinance adopted pursuant to this Section. The Board shall designate a chairman from among its members, and may, from time to time, change such designation. Meetings of the Board shall be held at the call of the chairman and at such other times as the Board may determine. Any two (2) members of the Board shall constitute a quorum. The chairman, or in his absence such other members of the Board as he may designate to serve as acting chairman, may administer oaths and compel the attendance of witnesses. All meetings of the Board shall be open to the public. The Board shall keep a full and accurate record of all proceedings, of all documents filed with it, and of all orders entered, which shall be filed in the office of the Board and shall be a public record.

(c) Any land occupier may file a petition with the Board of Adjustment alleging that there are great practical difficulties or unnecessary hardships in the way of his carrying out upon his lands the strict letter of the land-use regulations prescribed by ordinance approved by the Supervisors, and praying the Board to authorize a variance from the terms of the land-use regulations in the application of such regulations to the lands occupied by the petitioner.

Copies of such petition shall be served by the petitioner upon the chairman of the Supervisors of the District within which his lands are located, and upon the chairman of the State Soil Conservation Committee. The Board of Adjustment shall fix a time for the hearing of the petition, and cause due notice of such hearing to be given. Upon the hearing the petitioner may appear in person, by agent or by attorney. The Supervisors of the District and the State Soil Conservation Committee shall have the right to appear and be heard at such hearing. If upon the facts presented at such hearing, the Board shall determine that there are great practical difficulties or unnecessary hardships in the way of applying the strict letter of any of the land-use regulations upon the lands of the petitioner, it shall make and record such determination and shall make and record findings of fact as to the specific conditions which establish such great practical difficulties or unnecessary hardship. Upon the basis of such findings and determination, the Board shall have power by order to authorize such variance from the terms of the land-use regulations, in their application to the lands of the petitioner, as will not be contrary to the public interest, and such that the spirit of the land-use regulations shall be observed, the public health, safety and welfare secured, and substantial justice done.

(d) Any petitioner aggrieved by an order of the Board granting or denying, in whole or in part, the relief sought, or the Supervisors of the District, may obtain a review of such order in the District Court by filing in such Court a petition praying that the order of the Board be modified or set aside. A copy of such petition shall forthwith be served upon the parties to the hearing before the Board and thereupon the party seeking review shall file in the Court a transcript of the entire record in the proceedings, certified by the Board, including the documents and testimony upon which the order complained of was entered, and the findings, determination and order of the Board. Upon such filing, the Court shall cause notice thereof to be served upon the parties and shall have jurisdiction of the proceedings and of the questions determined or to be determined therein, and shall have power to grant such temporary relief as it deems just and proper, and to make and enter a decree enforcing, modifying, and enforcing as so modified, or setting aside, in whole or in part, the order of the Board. No contention that has not been urged before the Board shall be considered by the Court unless the failure or neglect to urge such contention shall be excused because of extraordinary circumstances. The findings of the Board as to the facts, if supported by evidence, shall be conclusive. If any party shall apply to the Court for leave to produce additional evidence and shall show to the satisfaction of the Court that such evidence is material and that there were reasonable grounds for the failure to produce such evidence in the hearing before the Board, the Court may order such additional evidence to be taken before the Board and to be made a part of the transcript. The Board may modify its findings as to

the facts or make new findings, taking into consideration the additional evidence so taken and filed, and it shall file such modified or new findings which, if supported by evidence, shall be conclusive, and shall file with the Court its recommendations, if any, for the modification or setting aside of its original order. The jurisdiction of the Court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review in the same manner as are other judgments or decrees of the Court.

§ 12. COOPERATION BETWEEN DISTRICTS.] The Supervisors of any two or more Districts organized under the provisions of this Act may cooperate with one another in the exercise of any or all powers conferred in this Act.

§ 13. STATE AGENCIES TO COOPERATE.] Agencies of this State which shall have jurisdiction over, or be charged with the administration of, any State-owned lands, and of any County, or other governmental subdivision of the State, which shall have jurisdiction over, or be charged with the administration of, any County-owned or other publicly-owned lands, lying within the boundaries of any District organized hereunder, shall cooperate to the fullest extent with the Supervisors of such Districts in the effectuation of programs and operations undertaken by the Supervisors under the provisions of this Act. The Supervisors of such Districts shall be given free access to enter and perform work upon such publicly-owned lands. The provisions of land-use regulations adopted pursuant to Section 8 of this Act shall have the force and effect of law over all such publicly-owned lands, and shall be in all respects observed by the agencies administering such lands.

§ 14. DISCONTINUANCE OF DISTRICTS.] At any time after five (5) years after the organization of a District under the provisions of this Act, any twenty-five (25) occupiers of land lying within the boundaries of such District may file a petition with the State Soil Conservation Committee praying that the operations of the District be terminated and the existence of the District discontinued. The committee may conduct such public meetings and public hearings upon such petition as it may desire, to assist it in the consideration thereof. Within sixty (60) days after such a petition has been received by the Committee it shall give due notice of the holding of a referendum, and shall supervise such referendum and issue appropriate regulations governing the conduct thereof, the question to be submitted by ballots upon which the words "For terminating the existence of the (Insert name of District)" and "Against terminating the existence of the (Insert name of District)" shall be printed, with a direction to insert an "X" mark in the square before one or the other of said propositions as the voter may favor or oppose discontinuance of such District. All occupiers of lands lying within the boundaries of the District shall be eligible to vote in such referendum. No informalities in the conduct of such refer-

endum or in any matters relating thereto shall invalidate said referendum of the result thereof if notice thereof shall have been given substantially as herein provided and said referendum shall have been fairly conducted.

The Committee shall publish the result of such referendum and shall thereafter consider and determine whether the continued operation of the District within the defined boundaries is administratively practicable and feasible. If the Committee shall determine that the continued operation of such District is administratively practicable and feasible, it shall record such determination and deny the petition. If the Committee shall determine that the continued operation of such District is not administratively practicable and feasible, it shall record such determination and shall certify such determination to the Supervisors of the District. In making such determination the Committee shall give due regard and weight to the attitudes of the occupiers of lands lying within the District, the number of land occupiers eligible to vote in such referendum who shall have voted, the proportion of the votes cast in such referendum in favor of the discontinuance of the District to the total number of votes cast, the approximate wealth and income of the land occupiers of the District, the probable expense of carrying on erosion control operations within such District, and such other economic and social factors as may be relevant to such determination, having due regard to the legislative findings set forth in Section 2 of this Act; provided, however, that the Committee shall not have authority to determine that the continued operation of the District is administratively practicable and feasible unless at least a majority of the votes cast in the referendum shall have been cast in favor of the continuance of such District.

Upon receipt from the State Soil Conservation Committee of a certification that the Committee has determined that the continued operation of the District is not administratively practicable and feasible, pursuant to the provisions of this Section, the Supervisors shall forthwith proceed to terminate the affairs of the District. The Supervisors shall dispose of all property belonging to the District at public auction and shall pay over the proceeds of such sale to be covered into the State Treasury. The Supervisors shall thereupon file an application, duly verified, with the Secretary of State for the discontinuance of such District, and shall transmit with such application the certificate of the State Soil Conservation Committee setting forth the determination of the Committee that the continued operation of such District is not administratively practicable and feasible. The application shall recite that the property of the District has been disposed of and the proceeds paid over as in this Section provided, and shall set forth a full accounting of such properties and proceeds of the sale. The Secretary of State shall issue to the Supervisors a certificate of dissolution and shall record such certificate in an appropriate book of record in his office.

Upon issuance of a certificate of dissolution under the provisions of this Section, all ordinances and regulations theretofore adopted and in force within such Districts shall be of no further force and effect. All contracts theretofore entered into, to which the District Supervisors are parties, shall remain in force and effect for the period provided in such contracts. The State Soil Conservation Committee shall be substituted for the District or Supervisors as party to such contracts. The Committee shall be entitled to all benefits and subject to all liabilities under such contracts and shall have the same right and liability to perform, to require performance, to sue and be sued thereon, and to modify or terminate such contracts by mutual consent or otherwise, as the Supervisors of the District would have had.

The State Soil Conservation Committee shall not entertain petitions for the discontinuance of any District or conduct referenda upon such petitions nor make determinations pursuant to such petitions in accordance with the provisions of this Act, more often than once in five (5) years.

§ 15. APPROPRIATIONS.] There is hereby appropriated out of any moneys in the State Treasury not otherwise appropriated the sum of Two Thousand Dollars (\$2,000) or so much thereof as may be necessary for the purpose of financing the operations of the office of the State Soil Conservation Committee or the activities of the State Soil Conservation districts for the biennium ending June 30, 1939.

§ 16. SEPARABILITY CLAUSE.] If any provision of this Act, or the application of any provision to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

§ 17. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 18. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Approved March 16, 1937.

ANIMALS

CHAPTER 10

S. B. No. 86—(Crandall & Greene)

EXTERMINATION OF BOTS

An Act providing for the extermination of bots in horses and mules; defining bot treatment; prescribing the duties of Township Boards when petitioned.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. TITLE OF ACT.] This Act shall be known as "The North Dakota Bot Treatment Act."

§ 2. BOT TREATMENT DEFINED.] The term, "Bot Treatment" as used in this Act, shall refer to and mean the recognized treatment for extermination of bots in horses and mules as recognized by the United States Department of Agriculture.

§ 3. PETITION: DUTIES OF TOWNSHIP BOARDS.] When a majority of the free holders, and/or livestock owners, of any Township in the State of North Dakota, shall sign and file with the Clerk of said Township Board, a petition requesting the Bot Treatment to be given to all horses and mules within said Township, said Township Board is authorized to provide the necessary funds to treat the mules and horses in said Township; provided, however, that said work be performed only during the months of December, January and February; and provided further that no horses or mules shall be treated without the consent of the owner.

Approved February 23, 1937.

CHAPTER 11

H. B. No. 246—(Ritter and Greiser)

LABELING OF COMMERCIAL FEED STUFFS

An Act to amend and reenact Section 2 of Chapter 141 of the 1927 Session Laws relating to the prevention of fraud and deception in the manufacture and sale of concentrated, commercial feeding stuffs and providing for registration and labeling thereof and repealing Acts in conflict therewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2 of Chapter 141 of the 1927 Session Laws, be and the same is hereby amended to read as follows:

§ 2. STATEMENT TO BE AFFIXED TO PACKAGES AND SAMPLES.] Any person, company, corporation or agent who shall sell, offer or

expose for sale or distribution in this State, any concentrated commercial feeding stuffs shall affix, or cause to be affixed to every package or sample of such concentrated commercial feeding stuffs, in a conspicuous place on the outside thereof, a tag or label which shall be accepted as a guarantee of the manufacturer, importer, dealer or agent and which shall have plainly printed thereon in the English language, the number of net pounds of concentrated commercial feeding stuffs in the package, the name, brand or trade mark under which the concentrated commercial feeding stuffs are sold, the name of the manufacturer, the location of the principal office of the manufacturer, and the guaranteed analysis, stating minimum percentage of crude fat and crude protein, and the maximum percentage of crude fiber, determined as provided in the provisions of this Act, and the ingredients from which the concentrated commercial feeding stuff is compounded. For each one hundred pounds, or fraction thereof, the person, company, corporation or agent shall also affix the tag or label purchased from the State Food Commissioner and Chemist of the State of North Dakota, showing that the concentrated commercial feeding stuff has been registered as required by the provisions of this Act, and that the inspection tag has been paid. When the concentrated commercial feeding stuff is sold in bulk, a tag as hereinbefore described, shall be delivered to the consumer with each one hundred pounds or fraction thereof, provided, that the State Food Commissioner and Chemist's tags and labels shall be issued to cover twenty-five, fifty and one hundred pounds, provided, further, that the State Food Commissioner and Chemist is authorized to issue tags or labels of other denominations; provided further, that when said concentrated food stuffs is packed, and shipped in container weighing less than twenty-five pounds each, the State Food Commissioner and Chemist may grant authority to the manufacturer for affixing such tags or labels on any shipping case or package containing such food, in any method other than attaching the same to each separate container.

Approved March 16, 1937.

APPROPRIATIONS

amend
§ 194 ch 22

CHAPTER 12

H. B. No. 250—(Ritter, Greiser and Wolf)

APPROPRIATIONS WHEN AVAILABLE

An Act to amend and reenact Section 635 of the 1913 Compiled Laws of the State of North Dakota with reference to availability of appropriations, repealing all acts in conflict, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 635 relating to availability of appropriations be and the same is hereby amended to read as follows:

§ 635. APPROPRIATIONS WHEN AVAILABLE.] Seventy-five per cent of all appropriations made by the Legislative Assembly for the maintenance of any State institution, department, board, commission, or bureau for the biennium, shall become available on the first day of July next succeeding the enactment by the Legislature and the remaining twenty-five per cent of any such appropriation shall be available only at the beginning of the fourth quarter of the biennium, and it shall be unlawful for any State department, institution, board, commission, or bureau for which an appropriation is made, to disburse more than seventy-five per cent of said appropriation during the first eighteen months of the biennium or to incur any expense or liability which shall be discharged from such appropriation or for which such appropriations shall become available.

§ 2. It shall be unlawful for the State Treasurer or the State Auditor to take a part in, or to permit the payment of, any sum in excess of the amount appropriated during either period herein described. Any State Auditor or State Treasurer who shall pay, cause to be paid, authorize, or take part in the disbursement of any such sum in excess of the amount so appropriated, during the period for which the appropriation is made, shall be guilty of a misdemeanor and shall be fined not less than \$500.00 nor more than \$1,000.00 or imprisoned in the County jail not less than thirty days nor more than ninety days, or both such fine and imprisonment in the discretion of the Court.

§ 3. EMERGENCY.] This Act is declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1937.

CHAPTER 13

H. B. No. 60—(Committee on Appropriations)

DEPARTMENT OF AGRICULTURE AND LABOR—DEFICIT

An Act making an appropriation to provide funds for the payment of a deficit in the Office of the Commissioner of Agriculture and Labor, and declaring an emergency.

WHEREAS: It has been made to appear that the sum appropriated for the Office of the Department of Agriculture and Labor and its various subdivisions for the biennium ending July 1, 1937, has been practically exhausted, and

WHEREAS: It appears that it will be necessary to make provisions for a further appropriation for the operation of said Department until July 1, 1937, and

WHEREAS: Such deficit can in no manner be charged to the present Commissioner of Agriculture and Labor.

THEREFORE:

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated, out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$6,409.20 for the purpose of paying a deficit in salaries, clerk-hire, printing, postage, miscellaneous, travelling expenses, hearing expenses, brand recording, and furniture and fixtures, in the Dairy Department, Minimum Wage Law, and officer of Commissioner of Agriculture and Labor, as follows, to-wit:

DAIRY DEPARTMENT

Dairy Commissioner's Salary	\$ 455.30
Clerkhire	1,544.91
Printing	102.79

MINIMUM WAGE

Salary	59.25
Postage	35.75
Miscellaneous	17.69
Travel	38.56
Hearing, etc.	56.07

AGRICULTURE AND LABOR

Clerkhire	\$3,417.79
Workmen's Compensation Premiums:	
Unpaid 1934-36 Premium	\$150.73
1937 Premium	117.09

TOTAL	267.82
Brand Recording	398.34
Furniture and Fixtures	15.25
TOTAL	\$6,409.20

§ 2. EMERGENCY.] Whereas it is necessary that the moneys hereby appropriated be available to provide for the maintenance of said office of Commissioner of Agriculture and Labor and its various sub-divisions for the remainder of this fiscal year, and this appropriation is necessary to carry on the work of said officer, this Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 23, 1937.

CHAPTER 14

S. B. No. 5—(Committee on Appropriations)

BEE INSPECTION

An Act making an appropriation for the inspection and eradication of bee diseases, under the provisions of Sections 2790a1-2790a18 of the Supplement to the 1913 Compiled Laws of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$1,000.00, or so much thereof as may be necessary to defray the expenses of the Commissioner of Agriculture and Labor, or his agents, in carrying out the provisions of Sections 2790a1-2790a18 of the Supplement to the 1913 Compiled Laws of North Dakota for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved March 4, 1937.

CHAPTER 15

S. B. No. 35—(Committee on Appropriations)

PREMIUMS BONDS STATE OFFICIALS

An Act making an appropriation for the purpose of paying premiums on bonds of State Officials as provided by Section 663a1 of the Supplement to the 1913 Compiled Laws of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$1,700.00, for the biennium, or so much thereof as may be necessary to pay the premiums on bonds of State Officials, bonded under the provision of Section 663a1 of the Supplement to the 1913 Compiled Laws of North Dakota.

Approved March 4, 1937.

CHAPTER 16
S. B. No. 4—(Strehlow)
Special Session

BOVINE TUBERCULOSIS

An Act making an appropriation for the purpose of indemnifying owners of animals infected with Bovine Tuberculosis and to pay expenses in connection therewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$50,000.00, or so much thereof as may be necessary for the purpose of indemnifying the owners of animals infected with bovine tuberculosis, which animals have been or may be destroyed and to pay expenses in connection therewith, as provided in Sections 2699 to 2710, inclusive, of the Compiled Laws of North Dakota for the year 1913, and amendments thereto.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 17

H. B. No. 223—(Schauss, Wick, Fitch and Benno)

BOYS' AND GIRLS' CLUB WORK

An Act making an appropriation for the payment of the expenses to be incurred by Boys' and Girls' Club Work at State and District Fairs.

PARTIAL VETO

March 5th, 1937.

**MEMBERS OF THE HOUSE OF REPRESENTATIVES,
 TWENTY-FIFTH LEGISLATIVE ASSEMBLY.**

MEMBERS OF THE HOUSE:

I am herewith returning House Bill No. 223, which I have partially disapproved—An Act Making an Appropriation for the Payment of the Expense to be Incurred by the Boys' and Girls' Club Work at State and District Fairs.

In returning this bill I am reducing the appropriation in the amount of \$1,500.00 for the year 1937 and the sum of \$1,500.00 for the year 1938.

I regret that these reductions have to be made, and they are

hereby made for the reason that the State is short of funds with which to meet this appropriation.

Respectfully,
WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

There is hereby appropriated out of any money of the State Treasury, not otherwise appropriated, the sum of Three Thousand Dollars (\$3,000) for the year 1937, and a like sum for the year 1938, in equal shares, at the following named State and District Fairs of the State of North Dakota:

North Dakota State Fair Association for Fargo;
North Dakota State Fair Association for Grand Forks;
Northwest Agricultural Livestock and Fair Association at Minot;
and the

Missouri Slope Agricultural and Fair Association at Mandan, for the use and benefit of the Boys' and Girls' Club premium and expenses as held and conducted at said fairs.

CHAPTER 18

H. B. No. 178—(Hagen)

GREAT NORTHERN RAILWAY BRIDGE, YELLOWSTONE RIVER, MCKENZIE COUNTY

An Act making an appropriation for the purpose of paying rental and eliminating toll charges on the Great Northern Railway Company's bridge across the Yellowstone River in McKenzie County, North Dakota, and authorizing the State Highway Commissioner to enter into a contract with the Great Northern Railway Company to provide free crossing to vehicles and traffic over said bridge.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any monies in the State Treasury, not otherwise appropriated, the sum of \$4,000.00 or so much thereof as may be necessary to pay in rental or otherwise, to the Great Northern Railway Company, to permit the traveling public to pass with vehicles or otherwise, across the Great Northern Railway Company's bridge across the Yellowstone River in McKenzie County, North Dakota, without the payment of tolls.

§ 2. AUTHORITY OF HIGHWAY COMMISSIONER.] The State

Highway Commissioner is hereby authorized to enter into an agreement with the Great Northern Railway Company for the use of the Great Northern Railway Company's bridge across the Yellowstone River in McKenzie County, North Dakota, whereby the traveling public, with vehicles or otherwise may cross said bridge without the payment of tolls, and the State Highway Commissioner is hereby authorized, either by himself or jointly with any other body or public corporation, to pay from the appropriation made in Section I of this Act as rental or otherwise, for the use of said bridge under such conditions as are mutually agreeable to the Great Northern Railway Company, and the State Highway Commissioner, a sum not exceeding \$2,000.00 per year for the 1937-1939 biennium.

Approved March 10, 1937.

CHAPTER 19

H. B. No. 46—(Committee on Appropriations)

BUDGET

An Act to appropriate money for the expenses of the Executive, Legislative and Judicial Departments of the State Government, and for public schools, specifying the amount and time for which such appropriations shall be available, and repealing all Acts, or parts of Acts, insofar as the same shall relate to appropriations conflicting herewith or to appropriations for the same matters or purposes provided for herein.

PARTIAL VETO

March 20th, 1937.

HON. JAMES D. GRONNA,
SECRETARY OF STATE,
BISMARCK, NORTH DAKOTA.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 46, which I have partially disapproved, which is entitled "An Act to appropriate money for the expenses of the Executive, Legislative and Judicial Departments of the State Government, and for public schools, specifying the amount and time for which such appropriations shall be available, and repealing all Acts, or parts of Acts, insofar as the same shall relate to appropriations conflicting herewith or to appropriations for the same matters or purposes provided for herein."

I am partially disapproving this bill as to Subdivision No. 7, entitled "Secretary of State—Public Printing" wherein the item "Deficiency in the Printing account for the Twenty-fourth Legislative Assembly" appears, and for which item the sum of \$10,000.00 is sought to be appropriated, for the reason that in my opinion this is an excessive sum to be appropriated for such an account, in view of the State's shortage of incoming funds, and I am therefore re-

ducing the amount to be appropriated for this item to the sum of \$2,500.00.

The bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATIONS FOR THE EXECUTIVE, LEGISLATIVE AND JUDICIAL DEPARTMENTS OF THE STATE GOVERNMENT AND FOR PUBLIC SCHOOLS.] The sums hereinafter named only, or so much thereof as may be necessary, are hereby appropriated out of any moneys in the State Treasury not otherwise appropriated, for the purposes specified in the following Sections of this Act.

§ 2. THE PERIOD DURING WHICH THE APPROPRIATIONS MADE HEREIN SHALL BE AVAILABLE.] Unless otherwise specifically stated, the appropriations herein made shall be available for the expenses to be incurred in and about the several purposes herein set out, during the fiscal period of two years, beginning July 1st, 1937, and ending June 30th, 1939.

§ 3. APPROPRIATIONS.]

Subdivision 1.

EXECUTIVE OFFICE

Salary—Governor	\$ 8,000.00
Clerkhire:	
Secretary to Governor	3,600.00
Stenographers	7,000.00
Postage	720.00
Office Supplies	250.00
Furniture and Fixtures	500.00
Printing	500.00
Miscellaneous	2,000.00
Travel Expense	2,000.00
Contingent	2,000.00
Governor's Conference	300.00
Great Lakes-St. Lawrence Deep Waterway Project	1,000.00
TOTAL	\$ 27,870.00

Subdivision 2.

LIEUTENANT GOVERNOR

Salary	\$ 1,600.00
TOTAL	\$ 1,600.00

Subdivision 3.

SUPREME COURT

Salary:	
Judges Supreme Court (5)	\$ 50,000.00
Clerk Supreme Court	4,000.00
Clerkhire:	
Stenographers to Justices.....	12,000.00
Postage	500.00
Office Supplies	400.00
Furniture and Fixtures	500.00
Printing	350.00
Miscellaneous	750.00
Travel Expense	200.00
TOTAL	\$ 68,700.00

Subdivision 4.

SUPREME COURT REPORTER AND
STATE LAW LIBRARIAN

Salary	\$ 4,000.00
Postage	200.00
Office Supplies	75.00
Furniture and Fixtures	100.00
Printing	250.00
Miscellaneous	200.00
Publishing N. D. Reports.....	3,600.00
Purchase of Books.....	3,700.00
TOTAL	\$ 12,125.00

Subdivision 5.

JUDGES OF DISTRICT COURTS

Salary—Fifteen Judges	\$ 105,000.00
Expenses for District Judges.....	16,000.00
TOTAL	\$121,000.00

Subdivision 6.

SECRETARY OF STATE

Salary	\$ 4,800.00
Clerkhire:	
Deputy	3,584.00
Chief Clerk and Bookkeeper	2,620.00
Stenographers (2)	4,560.00
Recording Clerks (2)	4,560.00
Extra Clerks during Elections and Legisla- tive Sessions	500.00

Postage	3,000.00
Office Supplies	400.00
Furniture and Fixtures.....	600.00
Printing	3,000.00
Miscellaneous	1,000.00
Travel Expense	200.00
TOTAL	\$ 28,824.00

Subdivision 7.

SECRETARY OF STATE—PUBLIC PRINTING

Legal Notices	\$ 400.00
Publishing Abstracts of Votes.....	600.00
Authenticated and Popular Edition of 1937 Ses- sion Laws	3,500.00
Publicity Pamphlet	5,000.00
Postage, Publicity Pamphlet	3,000.00
Printing and Binding 300 Public Documents as re- quired by Sec. 54 and 101, C. L. 1913.....	1,000.00
Deficiency in the Printing account for the Twenty- fourth Legislative Assembly	10,000.00
TOTAL	\$ 23,500.00

Subdivision 8.

STATE AUDITOR

Salary	\$ 4,800.00
Clerkhire:	
Special Clerk	4,480.00
Audit Clerk	2,880.00
Bookkeeper	2,760.00
Bookkeeper	2,520.00
Warrant Clerk	2,520.00
Warrant Clerk	2,520.00
Gas Tax Audit Clerk.....	2,760.00
Gas Tax Clerk	2,520.00
Gas Tax Clerk	2,520.00
Extra Clerkhire	3,886.72
Postage	2,500.00
Office Supplies	500.00
Furniture and Fixtures	1,500.00
Printing	2,500.00
Miscellaneous	500.00
Travel	2,500.00
Supplies for Departments and Counties.....	1,000.00
List of New Taxable Lands	25.00
Gas Tax Law Enforcement, Adjusting County Care Accounts, Special Audit Work, Etc.....	1,000.00

New Type Cigarette Revenue Stamps.....	6,500.00
TOTAL	\$ 52,691.72

Subdivision 9.

STATE TREASURER

Salary	\$ 4,800.00
Clerkhire:	
Deputy	3,584.00
Chief Clerk and Bookkeeper	3,000.00
Bookkeeper	2,880.00
Bookkeeper and Clerk	2,040.00
Bookkeeper and Clerk	2,040.00
Receipt Clerk	2,520.00
Cigarette Revenue Clerk	2,640.00
Cigarette Revenue Clerk	2,040.00
Farm Loan and Bond Clerk.....	2,760.00
Stenographer	2,160.00
Extra Clerkhire	756.16
Postage	5,400.00
Office Supplies	500.00
Furniture and Fixtures	1,500.00
Printing	2,000.00
Miscellaneous	500.00
Travel Expense	200.00
TOTAL	\$ 41,320.16

Subdivision 10.

COMMISSIONER OF INSURANCE

Salary	\$ 4,800.00
Clerkhire:	
Deputy	3,584.00
Actuary—Examiner	4,440.00
Chief Clerk	2,069.76
Bookkeeper	2,280.00
Postage	1,200.00
Office Supplies	300.00
Furniture and Fixtures	150.00
Printing	5,000.00
Miscellaneous	500.00
Travel Expense	500.00
Investigation of Unauthorized Insurance Co's and Benevolent Societies	5,000.00
TOTAL	\$ 29,823.76

Subdivision 11.

STATE FIRE MARSHAL

Salary	\$	3,600.00
Clerkhire		3,000.00
Postage		150.00
Office Supplies		100.00
Furniture and Fixtures		50.00
Printing		175.00
Miscellaneous		500.00
Travel		4,000.00
Fees paid to Fire Chiefs Fund		400.00
Fees to Fire Chiefs (Deficit)		98.00
Fire Hazard Inspector		5,400.00
TOTAL	\$	17,473.00

Subdivision 12.

ATTORNEY GENERAL

Salary	\$	6,000.00
Clerkhire:		
Stenographers and Extra Help		10,192.00
Assistant Attorney Generals (4)		16,840.00
Special Assistant Attorney General		2,750.00
Commerce Counsel		4,608.00
Postage		1,200.00
Office Supplies		750.00
Furniture and Fixtures		500.00
Printing		1,000.00
Miscellaneous		1,000.00
Travel Expense		2,500.00
Miscellaneous Court Cases		3,500.00
Library		1,000.00
TOTAL	\$	51,840.00

Subdivision 13.

DEPARTMENT OF PUBLIC INSTRUCTION

Salary	\$	4,800.00
Clerkhire:		
Deputy		3,584.00
Chief Clerk		2,280.00
Stenographers and Clerks		8,040.00
Postage		2,000.00
Office Supplies		600.00
Furniture and Fixtures		400.00
Printing		12,000.00

Miscellaneous	600.00
Travel Expense	2,000.00
<hr/>	
TOTAL	\$ 36,304.00

Subdivision 14.

DEPARTMENT OF PUBLIC INSTRUCTION, STATE
AID AND EXAMINATIONS

Salary: Director of Secondary Education.....	\$ 3,400.00
Clerkhire: High School Examiner	2,280.00
Travel Expense: Director of Secondary Ed.....	1,500.00
Expense conducting Eighth Grade and High School Examinations	14,700.00
State Aid:	
County Agricultural Schools	24,000.00
Teachers' Meetings	2,000.00
<hr/>	
TOTAL	\$ 47,880.00

Subdivision 15.

AGRICULTURE AND LABOR

Salary	\$ 4,800.00
Clerkhire:	
Deputy	\$ 3,584.00
Chief Clerk	2,620.80
Stenographers	4,139.52
Postage	1,000.00
Office Supplies	500.00
Furniture and Fixtures	200.00
Printing	2,500.00
Miscellaneous	500.00
Travel Expense	1,500.00
Preparation and Printing of Advertising Litera- ture	3,000.00
<hr/>	
TOTAL	\$ 24,344.32

Subdivision 16.

AGRICULTURE AND LABOR
FEDERATED CO-OP. AGRIC. ASS'N

Maintenance	\$ 3,000.00
<hr/>	
TOTAL	\$ 3,000.00

Subdivision 17.

AGRICULTURE AND LABOR
DAIRY DIVISION

Salary	\$ 4,000.00
Clerkhire:	
Chief Clerk	2,280.00
Four Qualified Inspectors	12,000.00
Office Tester	2,160.00
Stenographers	3,840.00
Postage	2,000.00
Office Supplies	400.00
Furniture and Fixtures	400.00
Printing	1,500.00
Miscellaneous	400.00
Travel Expense	15,000.00
Car Exchange	500.00
	<hr/>
TOTAL	\$ 44,480.00

Subdivision 18.

BOARD OF RAILROAD COMMISSIONERS

Salary—Three Commissioners	\$ 14,400.00
Clerkhire:	
Secretary	3,580.00
Chief Clerk	2,620.00
Traffic Expert	7,200.00
Ass't Traffic Expert	3,584.00
Reporter	4,000.00
Chief Engineer	5,600.00
Ass't Engineer	3,584.00
Accountant	5,600.00
Ass't Accountant	3,584.00
Stenographers	12,100.00
Postage	2,700.00
Office Supplies	2,000.00
Furniture and Fixtures	800.00
Printing	2,000.00
Miscellaneous	1,400.00
Travel Expense	6,000.00
Expense Handling Cases Before Interstate Com- merce Commission	10,600.00
National Association of Railway and Utilities Commissioners Expenses toward Maintenance.	1,000.00
Research Data for Commission Library and Com- merce Counsel	500.00
	<hr/>
TOTAL	\$ 92,852.00

Subdivision 19.

BOARD OF RAILROAD COMMISSIONERS
ELEVATOR DIVISION

Clerkhire:	
Chief Accountant	\$ 3,800.00
Ass't Accountant	3,000.00
Stenographers and Clerks	4,560.00
Postage	1,250.00
Office Supplies	300.00
Furniture and Fixtures	375.00
Printing	900.00
Miscellaneous	500.00
Travel Expense and Car Exchange.....	3,000.00
TOTAL	\$ 17,685.00

Subdivision 20.

STATE LAND COMMISSIONER

Salary	\$ 4,800.00
Clerkhire:	
Deputy	3,584.00
Office Deputy	3,072.00
Bookkeeper	2,620.80
Cashier	2,620.80
Manager Bond and Mortgage	2,620.80
Collection Manager	2,784.00
Leasing Clerk	2,280.00
Supervisor Buildings and Repairs	2,400.00
Field Agent	2,784.00
Patent Clerk	2,280.00
Two Secretary Stenographers	4,080.00
Three Stenographers	5,760.00
Allotment Clerk	1,920.00
Postage	3,000.00
Office Supplies	500.00
Furniture and Fixtures	500.00
Printing	1,500.00
Miscellaneous	600.00
Travel Expense	5,000.00
Leasing	3,000.00
Premium on Bonds	300.00
Inspection and Supervision Leased and Unleased	
School Lands	5,000.00
Sales, Loans and Collections	5,000.00
TOTAL	\$ 68,006.40

Subdivision 21.

STATE EXAMINER

Salary—State Examiner	\$ 4,800.00
Salary—Chief Deputy	3,840.00
Salary—Deputy Examiners	29,260.80
Clerkhire	5,760.00
Postage	1,500.00
Office Supplies	500.00
Furniture and Fixtures	400.00
Printing	1,200.00
Miscellaneous	1,000.00
Travel Expense	20,000.00
Bonds for Examiners	500.00
TOTAL	\$ 68,760.80

Subdivision 22.

STATE TAX COMMISSIONER

Salary	\$ 5,600.00
Clerkhire:	
Deputy Tax Commissioner	5,400.00
Estate Tax Deputy	5,040.00
Income Tax Deputy	4,200.00
Corporation Clerk	3,240.00
Cashier and Bookkeeper	3,000.00
Statistical Clerk	2,640.00
Stenographer and File Clerk	2,400.00
Machine Operator and File Clerk	2,400.00
Income Tax Clerk	1,920.00
Chief Gas Refund Clerk	2,640.00
Machine Oper. Gas Tax Dept.	2,400.00
Special Clerks	3,600.00
Three Refund Clerks	6,840.00
Postage	7,500.00
Office Supplies	1,500.00
Furniture and Fixtures	500.00
Printing	6,500.00
Miscellaneous	1,000.00
Travel Expense	3,500.00
Special Services in Tax Litigation	2,000.00
TOTAL	\$ 73,820.00

Subdivision 23.

BOARD OF ADMINISTRATION

Salary—Three Members	\$ 14,400.00
Clerkhire:	
Executive Secretary	3,584.00
Chief Clerk	2,620.80
Stenographer	2,160.00
Auditor	3,980.00
Ass't Auditor	2,160.00
Purchasing Agent	3,072.00
Voucher Clerk	2,280.00
Supply Clerk	1,920.00
Postage	1,000.00
Office Supplies	600.00
Furniture and Fixtures	300.00
Printing	1,500.00
Miscellaneous	2,000.00
Travel Expense	7,000.00
Emergency Fund for State Institutions	40,000.00
TOTAL	\$ 88,556.80

Subdivision 24.

STATE SECURITIES COMMISSION

Salary	\$ 3,584.00
Clerkhire	600.00
Postage	200.00
Office Supplies	175.00
Furniture and Fixtures	100.00
Printing	200.00
Miscellaneous	300.00
Travel Expense	400.00
TOTAL	\$ 5,559.00

Subdivision 25.

STATE LIBRARY COMMISSION

Salary	\$ 3,200.00
Clerkhire:	
Traveling Library Dept. Head.....	2,620.80
Reference Librarian	2,280.00
Stenographer	1,920.00
Clerk	1,560.00
Clerk	1,320.00
Postage	700.00
Office Supplies	400.00
Furniture and Fixtures	200.00

Printing	400.00
Miscellaneous	500.00
Travel Expense	200.00
Aids to Libraries	150.00
Books	3,000.00
Preparation of Books	200.00
Binding	500.00
TOTAL	\$ 19,150.80

Subdivision 26.

STATE ENGINEER

Salary	\$ 4,400.00
Clerkhire: Stenographer	1,920.00
Postage	100.00
Office Supplies	400.00
Furniture and Fixtures	200.00
Printing	300.00
Miscellaneous	400.00
Travel Expense	2,000.00
Field Assistants	1,200.00
Water Conservation, Irrigation and Hydrographic Survey	3,000.00
TOTAL	\$ 13,920.00

Subdivision 27.

STATE PRINTER

Salary	\$ 3,840.00
Clerkhire	1,800.00
Postage	200.00
Furniture and Fixtures	100.00
Office Supplies	100.00
Printing	200.00
Miscellaneous	200.00
Travel Expense	100.00
TOTAL	\$ 6,540.00

Subdivision 28.

ADJUTANT GENERAL

Salary	\$ 4,600.00
Clerkhire:	
Ass't Adjutant General	3,592.00
Stenographer	2,280.00
Stenographer and Clerk	2,280.00
Postage	250.00
Office Supplies	300.00

Furniture and Fixtures	300.00
Printing	250.00
Miscellaneous	150.00
Travel Expense	200.00
<hr/>	
TOTAL	\$ 14,202.00

Subdivision 29.

INDUSTRIAL COMMISSION

Clerkhire	\$ 2,400.00
Postage	200.00
Supplies	100.00
Furniture and Fixtures	75.00
Printing	350.00
Miscellaneous	500.00
<hr/>	
TOTAL	\$ 3,625.00

Subdivision 30.

TWENTY-SIXTH LEGISLATIVE ASSEMBLY

Mileage and Per Diem Members.....	\$ 57,000.00
Per Diem Officers and Employees	20,000.00
Printing	30,000.00
Miscellaneous Expense and Supplies.....	7,500.00
<hr/>	
TOTAL	\$ 114,500.00

Subdivision 31.

STATE BOARD OF PARDONS

Appropriation for per diem, travel expenses, clerk-hire and miscellaneous items.....	\$ 1,500.00
<hr/>	
TOTAL	\$ 1,500.00

Subdivision 32.

STATE BUDGET BOARD

Per diem and other expenses of every kind incurred by the State Budget Board as prescribed by Sections 710a1 to 710a6 inclusive, of the Supplement to the 1913 Compiled Laws of North Dakota and Chapter 93, Session Laws for the year 1929. Provided that \$140.00 of the amount appropriated for this Subdivision shall become available upon the passage and approval.....	\$ 2,440.00
<hr/>	
TOTAL	\$ 2,440.00

Subdivision 33.

REWARD FOR APPREHENSION OF CRIMINALS

Reward for apprehension of criminals as prescribed by Chapter 200, Laws of 1917, the same being Section 11150 of the Supplement to the 1913 Compiled Laws of North Dakota.....	\$ 1,000.00
TOTAL	\$ 1,000.00

Subdivision 34.

ARREST AND RETURN OF FUGITIVES FROM JUSTICE

For the arrest and return of fugitives from justice as provided by Section 11162, Compiled Laws of 1913, as amended and re-enacted by Chapter 160, Laws of 1915, the same being Section 11162 of the Supplement to the 1913 Compiled Laws of North Dakota	\$ 6,000.00
TOTAL	\$ 6,000.00

§ 4. INTENT, REPEAL, PURPOSE AND CONSTRUCTION.] All Acts and parts of Acts that may be in conflict herewith are hereby repealed and if for any reason or cause any specific appropriation for any item or set of items should be held by the Court or Courts, to be unconstitutional or illegal or otherwise unavailable for any cause, such holding shall not affect or be construed to apply to the remaining items of appropriation herein or purposes provided for herein.

§ 5. EMERGENCY.] This Act is necessary to the immediate preservation of the public peace, health and safety. The reason for this is that it contains the general appropriation and provides the means of continuing and maintaining the State Government and to enable it to perform its proper functions, among which are the preservation of the public peace, health and safety of the people, and without the means provided for by this Act the functions of the State Government will be suspended. This Act will therefore in its entirety go into instant operation upon its approval by the Governor.

CHAPTER 20

S. B. No. 18—(Introduced by Committee on Appropriations)

COAL MINE INSPECTION

An Act making an appropriation for the purpose of paying salary, clerkhire and general expenses of the Department of Coal Mine Inspection.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of

any moneys in the State Treasury, not otherwise appropriated, the sum of \$8,970.00, or so much thereof as may be necessary to pay salary, clerkhire, per diem and general expenses in carrying out the provisions of Chapter 168, Session Laws of 1919, the same being Sections 3084a1 to 3084a89 of the Supplement to the 1913 Compiled Laws of North Dakota, and amendments thereto, relative to mine inspection, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary	\$ 3,200.00
Clerkhire	1,920.00
Postage	400.00
Office Supplies	300.00
Furniture and Fixtures	150.00
Printing	500.00
Miscellaneous	300.00
Travel Expense	2,000.00
Examining Board	200.00
TOTAL	\$ 8,970.00

Approved February 4, 1937.

CHAPTER 21

S. B. No. 33—(Committee on Appropriations)

STATE CONTINGENCY FUND

An Act making an appropriation to provide a State Contingency Fund to be placed at the disposal of the State Emergency Commission to be used as provided by Chapters 26 and 152, Session Laws of 1915, the same being Sections 283c1 to 283c6, inclusive, and Section 283c10 of the Supplement to the 1913 Compiled Laws of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$40,000.00, or so much thereof, as may be necessary for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to provide funds for the State Emergency Commission and which fund shall be known as the State Contingency Fund and be for the purposes authorized under Chapter 26 and 152, Session Laws of 1915, the same being Sections 283c1 to 283c6, inclusive, and Section 283c10 of the Supplement to the 1913 Compiled Laws of North Dakota.

Approved March 1, 1937.

CHAPTER 22

S. B. No. 243—(Fine, Skarvold, Nelson of Barnes and Williams)

HIGH SCHOOL CORRESPONDENCE COURSES. DEFICIT

An Act making an emergency appropriation for High School Correspondence Courses; and declaring an emergency.

PARTIAL VETO

March 10th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. GRONNA:

I am herewith transmitting to you S. B. 243, An Act Making an Emergency Appropriation for High School Correspondence Courses; and Declaring an Emergency.

This bill has been partially disapproved by me in that I consider the appropriation of \$7,000.00 entirely too great a sum to be expended by the State for High School Correspondence Courses, in the State's limited financial condition.

The appropriation is therefore reduced to the sum of \$3,500.00, and the bill is approved as so reduced.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

WHEREAS, the demand for high school correspondence courses is exceeding the expected demand;

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby appropriated out of any moneys in the State Equalization Fund, the sum of Seven Thousand Dollars, (\$7,000.00), or so much thereof as may be necessary for the purpose of providing High School Correspondence Courses, for the period ending July 1, 1937, in accordance with the provisions of Chapter 257 of the Session Laws of 1935.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

CHAPTER 23
H. B. No. 235—(Godwin)

FEDERAL WRITERS' PROJECT

An Act to appropriate \$2,500.00 to be paid to the State Historical Society of North Dakota under the direction of the Federal Writers' Project of the Works Progress Administration, to be used to pay for the printing of The North Dakota Guide, and providing for the return of the money to the State Treasurer, and providing the manner of printing, distributing, and accounting for sale of said book.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of funds of the State of North Dakota not otherwise appropriated the sum of \$2,500.00 to be paid to the printing company under contract with the State of North Dakota for third class printing, to be used for the following purposes:

(a) The Federal Writers' Project within the State of North Dakota, under the direction of the Works Progress Administration of the United States, shall prepare and furnish suitable manuscript form information, historical statements, records, including pictures, dealing with the history, points of interest, and other information relative to the State of North Dakota; the distribution and promulgation of which would further the interests of the State of North Dakota to people and interests outside of the State.

(b) Said information, data, and other suitable printed matter and copy to be printed by the said party holding said printing contract, and made available to the State Historical Society of North Dakota, for sale and distribution by them; and the proceeds from such sale to be refunded to the Treasurer of the State of North Dakota until the full amount of the appropriation of \$2,500.00 has been returned to the State Treasurer of North Dakota; it being understood that the said Federal Writers' Project acts solely and entirely in the interests of making available to the traveling public and the reading public the facts, historical and otherwise, of the State of North Dakota which should be a matter of general knowledge.

(c) PURPOSE.] It is the purpose of this appropriation to promote and publicize the natural, geographical, and other advantages of the State of North Dakota, and familiarize the public, within and without the State of North Dakota, with matters of general scenic and historical interest pertaining to the State of North Dakota.

§ 2. Whereas the materials to be contained in said book have been prepared and are ready for immediate printing, sale, and distribution, and which sale and distribution is vitally important to the welfare of the State of North Dakota,

Now therefore an emergency exists and this Bill shall become immediately in effect upon its passage and approval.

Approved March 20, 1937.

CHAPTER 24

S. B. No. 39—(Committee on Appropriations)

FEEBLE MINDED—STATE AT LARGE

An Act making an appropriation for the care of feeble minded whose residence cannot be determined and whose care must be borne by the State.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$1,080.00, or so much thereof as may be necessary to care for the feeble minded whose residence cannot be determined and whose care must be borne by the State, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved March 4, 1937.

CHAPTER 25

H. B. No. 10—(Committee on Appropriations)

INSURANCE TAX TO FIRE DEPARTMENTS

An Act making an appropriation for the purpose of paying Insurance Tax to the various Fire Departments of the State, in compliance with the provisions of Sections 3993 to 3998, inclusive, of the Compiled Laws of 1913.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$60,000.00, or so much thereof as may be necessary to comply with the provisions of Sections 3993 to 3998, inclusive, of the Compiled Laws of North Dakota for the year 1913 relating to the payment of premiums received upon policies issued upon property, to various fire departments, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved February 16, 1937.

CHAPTER 26

H. B. No. 96—(Committee on Appropriations)

FIRE DEPARTMENTS—INSURANCE TAX DEFICIT

An Act making an appropriation to make up the deficits in the fund known as "The Insurance Tax to Fire Departments" for the purpose of paying insurance tax to the various fire departments of the State in compliance with the provisions of Sections 3993 to 3998 inclusive, of the Compiled Laws of 1913, and declaring an emergency.

WHEREAS there was appropriated by Chapter 23 of the 1935 Session Laws of the State of North Dakota \$60,000 for the purpose of paying insurance tax to various fire departments of the State for the biennium beginning July 1st, 1935, and ending June 30th, 1937, and

WHEREAS there has been expended for the first half of said biennium the sum of \$29,349.22, and

WHEREAS the balance remaining in said fund will be insufficient to meet the requirements of Sections 3993 to 3998 inclusive, of the Compiled Laws of North Dakota for the year 1913 for the remainder of the biennium, now therefore

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$3,000, or so much thereof as may be necessary to make up the deficit in the fund known as the "Insurance Tax to Fire Departments" for the biennium beginning July 1st, 1935, and ending June 30th, 1937, to comply with the provisions of Sections 3993 to 3998 inclusive, of the Compiled Laws of North Dakota for the year 1913 relating to the payment of premiums received upon policies issued upon property to various Fire Departments.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 4, 1937.

CHAPTER 27

S. B. No. 78—(Committee on Appropriations)

GAME AND FISH DEPARTMENT

An Act making an appropriation for the purpose of defraying the expenses of the maintenance and operation of the Game and Fish Department.

PARTIAL VETO

March 5th, 1937.

Members of the Senate,
Twenty-fifth Legislative Assembly.

HONORABLE GENTLEMEN:

I am returning herewith Senate Bill No. 78, an Act Making an Appropriation for the Purpose of Defraying the Expenses of the Maintenance and Operation of the Game and Fish Department, which I have partially disapproved.

In partially disapproving this bill I have reduced the item "Construction—\$20,000.00" to the sum of \$12,500.00, the reason for this being that such sum is for the construction of dams, and that the Federal Government has taken over part of this work. The amount of \$12,500.00 is therefore sufficient for the construction of dams in this instance.

The bill therefore is reduced and approved in the amount of \$128,000.00, the original appropriation having been \$135,500.00.

Respectfully,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury in the Game and Fish Fund, not otherwise appropriated, the sum of \$135,500.00, or so much thereof as may be necessary for the purpose of defraying the expenses of the maintenance and operation of the Game and Fish Department, and in carrying out the provisions and purposes of all game laws imposing duties or conferring powers on the Game and Fish Commissioner, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary	\$ 12,800.00
Clerkhire	6,500.00
Postage	1,800.00
Office Supplies	1,200.00
Furniture and Fixtures	500.00
Printing	4,000.00
Miscellaneous	5,000.00
Travel Expense	25,000.00

District Wardens	19,200.00
Mtce. Game Farms.....	2,500.00
Mtce. Fish Hatcheries	10,000.00
Rewards	3,500.00
Propagation	18,200.00
Construction	20,000.00
Junior Wardens' Ed. Program.....	2,500.00
Expense of Audit by State Board of Auditors and Workmen's Compensation.....	2,800.00
<hr/>	
TOTAL	\$135,500.00

CHAPTER 28

S. B. No. 118—(Nelson of Grand Forks, by request)

STATE GEOLOGICAL SURVEY

An Act making an appropriation for salaries and expenses of the State Geological Survey and for cooperation of United States Geological Survey, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury not otherwise appropriated the sum of \$17,500.00 or so much thereof as may be necessary for the purpose of defraying the expenses of the maintenance and operation of the State Geological Survey and of the amount necessary to be paid to the United States Geological Survey for its cooperation in making of topographic maps and measurement of ground water levels in the work of the State Geological Survey, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:
Salaries:

State Geologist and Assistant State Geologist.....	\$ 2,750.00
Chemists and Assistants	750.00
Stenographic Assistants, Supplies and Equipment..	1,750.00
Publications	500.00
Travel and Subsistence	1,750.00
U. S. G. S. Cooperation	10,000.00
<hr/>	

TOTAL

	\$ 17,500.00
--	--------------

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 17, 1937.

CHAPTER 29

S. B. No. 8—(Committee on Appropriations)

GLANDERS AND DOURINE INDEMNITY FUND

An Act making an appropriation for the Glanders and Dourine Indemnity Fund; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$1,500.00 or so much thereof as may be necessary to indemnify the owners of animals afflicted with the disease known as Glanders and Dourine.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved February 6, 1937.

CHAPTER 30

H. B. No. 119—(Ireland and Solberg)

STATE HAIL INSURANCE FUND REIMBURSEMENT

An Act making an appropriation for the purpose of returning to the State Hail Insurance Fund the money diverted therefrom by Chapter 155 of the Session Laws of North Dakota for 1935, and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of the State Equalization Fund the sum of One Million, Thirty-eight Thousand, Eight Hundred Sixty-five Dollars and Forty-one Cents (\$1,038,865.41) for the purpose of returning said sum to the State Hail Insurance Fund, the said sum having been diverted from said State Hail Insurance Fund to said State Equalization Fund by Chapter 155 of the Session Laws of North Dakota for 1935; and, it shall become the duty of the proper officers upon the taking effect of this Act, to transfer from and to pay from said State Equalization Fund to said State Hail Insurance Fund the sum of One Million Thirty-eight Thousand, Eight Hundred Sixty-five Dollars and Forty-one Cents (\$1,038,865.41) in five equal installments, the first installment to be paid July 15, 1938, and the balance in five equal annual installments.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 6, 1937.

CHAPTER 31

S. B. No. 15—(Committee on Appropriations)

DEPARTMENT OF PUBLIC HEALTH

An Act making an appropriation for the purpose of paying salary, clerk-hire and general expenses of the Department of Public Health.

PARTIAL VETO

March 20th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 15, which I have partially disapproved, entitled "An Act making an appropriation for the purpose of paying salary, clerkhire and general expenses of the Department of Public Health."

My reason for partially disapproving this bill is that I consider the amount of the appropriation too large in view of the shortage of incoming revenue in our State Treasury, and I have reduced therefore the following items in the bill:

- "Postage"—reduced from \$2,500.00 to the sum of \$2,000.00.
 - "Office Supplies"—reduced from \$2,000.00 to the sum of \$1,500.00.
 - "Printing"—reduced from \$3,500.00 to the sum of \$2,500.00.
 - "Emergency"—\$1,000.000—stricken out.
- The bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$62,020.00, or so much thereof as may be necessary to pay the salary, clerkhire and all miscellaneous items and expenses for the Department of Public Health, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary—State Health Officer.....	\$ 6,000.00
Clerkhire:	
Epidemiologist	4,800.00
Vital Statistician	2,640.00
Sanitary Engineer	5,000.00
Chief Clerk	3,000.00
Stenographers (7)	8,640.00
Clerks (2)	3,840.00

Postage	2,500.00
Office Supplies	2,000.00
Furniture and Fixtures	1,000.00
Printing	3,500.00
Miscellaneous	1,000.00
Travel Expense	7,600.00
Card Indexing, Tabulating, Filing & Binding	
Birth, Death and Marriage Certificates	3,000.00
Arsenicals	6,000.00
Emergency	1,000.00
Balance for turning in 1933 Dodge on new car	500.00
TOTAL	\$ 62,020.00

CHAPTER 32

S. B. No. 17—(Committee on Appropriations)

**DEPARTMENT OF PUBLIC HEALTH DIVISION OF CHILD
HYGIENE**

An Act making an appropriation for the purpose of paying salaries, clerk-hire and general expenses of the Division of Child Hygiene.

PARTIAL VETO

March 19th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 17, which I have partially disapproved, entitled "An Act making an appropriation for the purpose of paying salaries, clerkhire and general expenses of the Division of Child Hygiene."

I am partially disapproving this bill as to the item "Biologicals—\$5,000.00," for the reason that I consider this amount to be in excess of what the limited finances of our State Treasury may cover in a situation of this kind, and the item "Biologicals" is therefore reduced to the sum of \$2,500.00.

The bill as so reduced is approved.

Yours very truly,
WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$41,520.00, or so much thereof as may be necessary to pay

the salaries, clerkhire and all miscellaneous items and expenses for the Division of Child Hygiene, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salaries:

Director—Division of Child Hygiene	\$ 7,200.00
Supervisor—Public Health Nurses	4,800.00
Ass't Supervisor—Public Health Nurses	4,200.00
Physician for Preschool Conferences	3,000.00
Clerkhire: Stenographers (2)	4,320.00
Postage	1,000.00
Office Supplies	600.00
Furniture and Fixtures	200.00
Printing	3,000.00
Miscellaneous	400.00
Travel Expense	7,800.00
Biologicals	5,000.00

TOTAL \$ 41,520.00

CHAPTER 33

S. B. No. 16—(Committee on Appropriations)

PUBLIC HEALTH LABORATORIES

An Act making an appropriation for the purpose of paying salary, clerkhire and general expenses of the Public Health Laboratories.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$30,740.00, or so much thereof as may be necessary to pay the salary, clerkhire and all miscellaneous items and expenses of the Public Health Laboratories, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Bismarck Laboratory:

Director and First Technician	\$ 5,000.00
Second Technician	2,800.00
Dishwasher	300.00

Grand Forks Laboratory:

First Technician	5,000.00
Second Technician	2,800.00
Dishwasher	300.00

Clerkhire:

Stenographer, Bismarck Laboratory	1,920.00
Stenographer, Grand Forks Laboratory	1,920.00
Postage	1,000.00

Office Supplies	400.00
Furniture and Fixtures	2,000.00
Printing	500.00
Miscellaneous	1,500.00
Travel	300.00
Laboratory Supplies	4,000.00
Emergency	1,000.00
TOTAL	\$ 30,740.00

Approved March 19, 1937.

CHAPTER 34

S. B. No. 76—(Committee on Appropriations)

STATE HIGHWAY DEPARTMENT

An Act making an appropriation for the purpose of defraying the expenses of the maintenance and operation of the State Highway Department.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury in the Motor Registration Fund, not otherwise appropriated, the sum of \$200,000.00, or so much thereof as may be necessary for the purpose of defraying the expenses of the maintenance and operation of the State Highway Department, and in carrying out the provisions and purposes of the State Highway Commission Act, and co-operating with the Federal Government under the Act of Congress approved July 11, 1916, (Public Document No. 156) entitled "An Act to provide that the United States shall aid the States in the construction of rural post-roads and for other purposes," and in carrying out the provisions of any other law imposing duties or conferring powers on the Highway Commissioner, and there is hereby set apart and appropriated from said Motor Registration Fund the amounts specified in this Act, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary—Highway Commissioner	\$ 6,400.00
General Operating Fund	193,600.00

TOTAL \$200,000.00

§ 2. In addition to the amount herein appropriated, and in addition to the amount set forth in Section 7 of Chapter 125 of the Session Laws of 1933, the Highway Department is hereby authorized to transfer, and to have transferred annually from moneys allocated to the State Highway Department out of the Motor Vehicle

Registration Fund, a sum to equal two per cent (2%) of the total annual cost of construction, reconstruction, maintenance, and all other work undertaken from Federal and State Funds, to take care of administration costs of said Department.

Approved March 3, 1937.

CHAPTER 35

S. B. No. 14—(Committee on Appropriations)

STATE HISTORICAL SOCIETY

An Act making an appropriation for the purpose of paying salary, clerk-hire and general expenses of the State Historical Society.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$16,510.00, or so much thereof as may be necessary to pay the salary, clerkhire and miscellaneous expenses of the State Historical Society for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary—Superintendent	\$ 3,520.00
Clerkhire:	
Librarian	2,400.00
Museum Ass't and Stenographer	1,920.00
Newspaper Clerk	1,920.00
Museum Assistant	1,800.00
Postage	300.00
Office Supplies	400.00
Furniture and Fixtures	800.00
Printing	400.00
Miscellaneous	400.00
Travel Expense	600.00
Museum	700.00
Books and Periodicals	600.00
State Parks	750.00
TOTAL	\$ 16,510.00

Approved February 10, 1937.

CHAPTER 36**H. B. No. 11—(Committee on Appropriations)**

HISTORICAL SOCIETY—STATE PARKS BOARD**An Act making an appropriation for acquiring and maintaining State Parks as provided for in Chapter 216, Session Laws of 1935.***Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$8,000.00, or so much thereof as may be necessary for the purpose of acquiring and maintaining State Parks as provided for in Chapter 216, Session Laws of 1935, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved February 19, 1937.

CHAPTER 37**H. B. No. 4—(Committee on Appropriations)**

INSANE PATIENTS—STATE AT LARGE**An Act making an appropriation for the care of insane patients whose residence cannot be determined and whose care must be borne by the State.***Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$89,000.00, or so much thereof as may be necessary, to care for the insane patients whose residence cannot be determined and whose care must be borne by the State, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved February 12, 1937.

CHAPTER 38

H. B. No. 26—(Committee on Appropriations)

AGRICULTURAL COLLEGE

An Act making an appropriation to pay the general maintenance improvements and repairs, equipment, miscellaneous and public service of the Agricultural College, Fargo, North Dakota.

PARTIAL VETO

March 20th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY :

I am herewith transmitting to you House Bill No. 26, which I have partially disapproved, entitled "An Act making an appropriation to pay the general maintenance improvements and repairs, equipment, miscellaneous and public service of the Agricultural College, Fargo, North Dakota."

This partial disapproval is as to the amount of the appropriation, and refers only to the item "Emergency Fund—\$37,728.55" which I hereby reduce to the sum of \$27,000.00.

My reason for this action is that I believe the appropriation is not necessary for the better maintenance of the Agricultural College in the original amount, but that the sum of \$27,000.00 is sufficient in view of the State's limited financial status. The bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$400,000.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment, miscellaneous and public service of the Agricultural College, Fargo, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit :

ADMINISTRATION :

1. President's Office	\$ 17,000.00
2. Business Office	18,000.00
3. Registrar	14,000.00
4. Telephone Exchange	5,500.00
5. Publications and General Printing	3,500.00
6. Divisional Expense	800.00

EDUCATION:

1. Division of Agriculture:	
a. Agriculture	110,346.12
b. Animal Hygiene	4,572.88
2. Division of Engineering:	
a. Engineering	63,183.00
b. School of Chemistry	30,000.00
3. Home Economics	35,788.00
4. Division of Applied Arts and Sciences:	
a. Science and Literature	112,454.40
b. School of Education	15,895.40
c. School of Pharmacy	13,547.80
5. College Library	19,000.00
6. Music (Band, Orchestra, Etc.)	3,000.00
7. Physical Education for Men	5,000.00
8. Physical Education for Women	4,000.00
9. Military Science and Tactics	2,500.00
10. Students' Welfare	1,500.00
11. General Educational Expense	10,000.00

PHYSICAL PLANT:

1. Power Plant	20,000.00
2. Fuel	62,500.00
3. Plumbing and Heating	8,000.00
4. Buildings and Grounds	40,000.00
5. Institutional Expenses	6,000.00
6. Gas, Light, Water and Power	27,500.00
7. Campus Upkeep	1,000.00
Salary Adjustments to be applied on salaries below \$2,000.00 per annum.....	16,817.00

TOTAL MAINTENANCE	\$671,404.60
Less Estimated Income	368,972.05

NET MAINTENANCE	\$302,432.55
-----------------------	--------------

IMPROVEMENTS AND REPAIRS:

1. Special Improvement Assessments:	
a. Trunk Sewer and Job No. 2507	\$ 2,893.20
b. Trunk Water and Job No. 2601	1,558.80
c. Highways No. 183, 26 and 268c.....	5,186.90

TOTAL SPECIAL IMPROVEMENTS ...	\$ 9,186.90
Less Expr. Station Apportionment.....	4,000.00

TOTAL COLLEGE ASSESSMENT	\$ 5,638.90
2. Campus Streets and Sidewalks	5,500.00

EQUIPMENT:

- 1. Special Equipment, Mechanic Arts 2,500.00
- 2. Special Equipment, Botany and Zool. 2,500.00

MISCELLANEOUS:

- 1. Assessment on Sewage Disposal Plant 6,000.00
- 2. Insurance on all Buildings, Workmen's Compensation and Bonds 30,200.00

PUBLIC SERVICE:

- 1. Salaries and Operating 7,500.00
- Emergency Fund 37,728.55

TOTAL \$400,000.00

CHAPTER 39

H. B. No. 27—(Committee on Appropriations)

AGRICULTURAL COLLEGE—EXPERIMENT STATION

An Act making an appropriation to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the Experiment Station at the Agricultural College, Fargo, North Dakota, and its branch stations.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 27, which I have partially disapproved, entitled "An Act making an appropriation to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the Experiment Station at the Agricultural College, Fargo, North Dakota, and its branch stations."

This partial disapproval is as to the amount of the appropriation, for the reason that the State is without sufficient funds to meet the amount of the appropriation without a reduction in the following items:

Under improvements and repairs, Item No. 2, "New Swine Building, \$8,858.00," is stricken out.

Under "Branch Stations," Item No. 1, "Dickinson Maintenance—\$9,600.00" is reduced to the sum of \$5,000.00.

Under "Branch Stations", Item No. 3, "Hettinger Maintenance —\$550.00" is stricken out.

And the bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$102,341.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the Experiment Station at the Agricultural College, Fargo, North Dakota, and its branch stations, for the biennium beginning July 1st, 1937, and ending June 30, 1939, to-wit:

SALARIES, WAGES AND OPERATING EXPENSE:

1. Administration	\$ 5,281.93
2. Station Staff, Etc.	143,925.17
3. Labor & Operating Expense.....	93,975.48
4. Additional Maintenance	16,817.00

TOTAL MAINTENANCE, Main Station....	\$259,999.58
Less Estimated Income	243,182.58

Net Maintenance, Main Station	16,817.00
-------------------------------------	-----------

IMPROVEMENTS AND REPAIRS:

1. General Repairs	\$ 6,000.00
2. New Swine Building	8,858.00

MISCELLANEOUS:

Swine and Sheep Investigation Project.....	8,107.00
1. Heat, Light, Water, Power and Campus Service	40,000.00
2. Fire and Tornado Insurance	1,159.00
3. Workmen's Compensation Insurance.	5,000.00

EQUIPMENT:

1. Wheat Milling Equipment	2,900.00
2. Ice Cream Equipment	500.00

TOTAL, Main Station	\$ 89,341.00
---------------------------	--------------

BRANCH STATIONS:

1. Dickinson—Maintenance	9,600.00
Dickinson—Additional Land	1,200.00
2. Edgeley—Maintenance	550.00
3. Hettinger—Maintenance	550.00
4. Langdon—Maintenance	550.00
5. Williston—Maintenance	550.00
<hr/>	
TOTAL	\$102,341.00

CHAPTER 40

H. B. No. 28—(Committee on Appropriations)

AGRICULTURAL COLLEGE—EXTENSION DIVISION

An Act making an appropriation to pay the general maintenance, and as an offset for Federal Aid, in Extension Division work of the Agricultural College.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$42,240.00, or so much thereof as may be necessary to pay the general expenses in carrying out the work of the Extension Division of the Agricultural College, Fargo, North Dakota, and assist in carrying out the provisions of the Smith-Lever Federal Aid Work in the Agricultural Demonstration, as provided for under Chapter 5, Session Laws of 1915, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

1. County Agents	\$350,452.08
2. Field Agents (Agriculture)	97,592.66
3. Field Agents (Home Economics)	51,095.86
4. Boys' and Girls' Club Work	45,320.00
5. Home Demonstration	46,090.00
6. Publicity and Publications	32,537.64
7. Administration	21,306.96
8. Neighborhood Activities in County Districts.	3,000.00
9. Maintenance	5,000.00
10. Workmen's Compensation Bureau	4,000.00
<hr/>	
TOTAL	\$656,395.20
Less Estimated Income	Federal
	County
	490,627.48
	123,527.72
<hr/>	
TOTAL NET APPROPRIATION	\$ 42,240.00

Approved March 17, 1937.

CHAPTER 41

H. B. No. 41—(Committee on Appropriations)

SCHOOL FOR THE BLIND

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State School for the Blind at Bathgate, North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATIONS.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$36,209.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State School for the Blind at Bathgate, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 4,800.00
2. Faculty	8,568.00
3. Other Employees	8,000.00
4. Salary Adjustments, 1935-37	1,068.00
5. Salary Adjustments, 1937-39	673.00
3% to be applied on salaries under \$2,000.00 per annum.	

OPERATING EXPENSE:

1. Fuel (including freight)	\$ 5,400.00
2. Light, Power, Water, Gas	1,000.00
3. Telephone, Telegraph, Postage	450.00
4. Freight and Express	200.00
5. Insurance, Bonds, etc.	1,200.00
6. Printing	150.00
7. Travel	250.00
8. Office Supplies	150.00
9. Educational Supplies	600.00
10. Power House Supplies	350.00
11. Janitors' Supplies	150.00
12. Students' Welfare	200.00
13. Food (including meats, etc.)	9,500.00
14. Clothing	200.00
15. Hospital and Medical Service	500.00
16. Laundry Cost	250.00
17. Garden and Grounds	1,000.00

TOTAL MAINTENANCE	\$ 44,659.00
Less estimated income, all sources....	12,000.00

NET MAINTENANCE	\$ 32,659.00
-----------------------	--------------

IMPROVEMENTS AND REPAIRS:

1. General \$ 1,500.00

EQUIPMENT:

1. Kitchen Utensils 250.00
 2. Furniture, Beds and Bedding 300.00
 3. Books and Musical Inst. 300.00
 4. Replacements, Plumbing and Steamfitting.. 400.00

MISCELLANEOUS ITEMS:

1. Care of Blind Children 300.00
 2. Auto Cost and Transportation 300.00
 3. Purchase Dairy Cows 200.00

TOTAL \$ 36,209.00

Approved February 16, 1937.

CHAPTER 42

S. B. No. 6—(Committee on Appropriations)

CAPITOL BUILDINGS AND GROUNDS

An Act making an appropriation for the maintenance of the State Capitol and for improvements, repairs, insurance and upkeep of grounds.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$150,406.00, or so much thereof as may be necessary for the maintenance, improvements, repairs, insurance, upkeep of grounds and miscellaneous of the State Capitol Building. Unless otherwise specifically stated, the appropriation herein made shall be for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salaries \$ 84,358.00
 Maintenance and Improvements and Repairs..... 48,518.00
 Elevator Maintenance per Contract 5,280.00
 Insurance and Workmen's Compensation..... 6,000.00
 Trees, Shrubby and Roads 3,000.00
 Repair Memorial Building 3,250.00

TOTAL \$150,406.00

Approved February 10, 1937.

CHAPTER 43

S. B. No. 30—(Committee on Appropriations)

NORTH DAKOTA CHILDREN'S HOME AND AID SOCIETY

An Act making an appropriation for the North Dakota Children's Home and Aid Society of Fargo, North Dakota, providing the methods of expenditure and audit thereof; supervision and inspection therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION, METHOD OF EXPENDITURE.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$10,000.00 for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary, to the Children's Welfare Bureau, and by its director apportioned to the North Dakota Children's Home and Aid Society in the following manner, to-wit: The sum of \$10.00 per month shall be paid the said North Dakota Children's Home and Aid Society toward the support and maintenance of each poor and indigent infant or child while their age or general condition necessitates their remaining as charges of said society, as determined by the superintendent or superior in charge.

§ 2. REPORTS AND CERTIFICATES—PAYMENTS.] The superintendent or superior in charge of said North Dakota Children's Home and Aid Society shall make monthly reports to the State Auditor, of the State of North Dakota, duly certified under oath, showing the number and classes of inmates in said institution and the State Auditor shall thereupon pay the said institution the sum for each inmate as hereinbefore provided.

§ 3. SUPERVISION AND INSPECTION.] Said North Dakota Children's Home and Aid Society shall be subject to the supervision and inspection of the State Board of Administration as provided in the Child Welfare Act.

Approved March 16, 1937.

CHAPTER 44

S. B. No. 29—(Committee on Appropriations)

FLORENCE CRITTENTON HOME

An Act making an appropriation for poor and destitute persons, providing the methods of expenditure and audit thereof; supervision and inspection therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION, METHOD OF EXPENDITURE.] There is hereby appropriated out of any moneys in the State Treasury, not

otherwise appropriated, the sum of \$10,000.00, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary, to the Children's Welfare Bureau, and by its directors apportioned to the Florence Crittenton Home, a corporation, of Fargo, North Dakota, being a maternity home now licensed in this State, to be paid to the said Florence Crittenton Home in the following manner, to-wit: The sum of \$15.00 per month shall be paid the said institution toward the support and maintenance of each poor and indigent unmarried expectant mother, or mother, and \$10.00 per month toward the support and maintenance of each poor and indigent infant or child during the time their age or physical condition necessitates their being charges in said maternity home, as determined by the superintendent or superior in charge.

§ 2. REPORTS AND CERTIFICATES—PAYMENTS.] The superintendent or superior in charge of said Florence Crittenton Home shall make monthly reports to the State Auditor, of the State of North Dakota, duly certified under oath, showing the number and classes of inmates in said institution and the State Auditor shall thereupon pay the said institution the sum for each inmate as hereinbefore provided.

§ 3. SUPERVISION AND INSPECTION.] Said Florence Crittenton Home shall be subject to the supervision and inspection of the State Board of Administration as provided for in the Child Welfare Act.

Approved March 16, 1937.

CHAPTER 45

S. B. No. 104—(Committee on Appropriations)

EVANGELICAL LUTHERAN GOOD SAMARITAN SOCIETY

An Act making an appropriation for the Evangelical Lutheran Good Samaritan Society at Fargo, North Dakota, for the care and education of crippled children, providing the methods of expenditure and audit thereof; supervision and inspection therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION AND METHOD OF EXPENDITURE.] There is hereby appropriated out of any money in the State Treasury, not otherwise appropriated, the sum of Ten Thousand (\$10,000.00) Dollars for the biennium beginning July 1, 1937, and ending June 30, 1939, or so much thereof as may be necessary, to the Children's Welfare Bureau, and by its director apportioned to the Evangelical Lutheran Good Samaritan Society at Fargo, North Dakota, in the following manner, to-wit: The sum of Ten (\$10.00) Dollars per month shall be paid to the said Evangelical Lutheran Good Samaritan Society toward the education, support and maintenance of each poor and

indigent crippled child while its age or general condition necessitates its remaining as a charge of said society, as determined by the superintendent or superior in charge.

§ 2. REPORTS AND CERTIFICATES—PAYMENTS.] The superintendent or superior in charge of said Evangelical Lutheran Good Samaritan Society shall make monthly reports to the State Auditor of the State of North Dakota, duly certified under oath, showing the number and classes of inmates in its institution for the education and care of crippled children at Fargo, North Dakota, and the State Auditor shall thereupon pay the said institution the sum for each inmate as hereinbefore provided.

§ 3. SUPERVISION AND INSPECTION.] The said institution for the education and care of crippled children maintained by the said Evangelical Lutheran Good Samaritan Society at Fargo, North Dakota, shall be subject to the supervision and inspection of the State Board of Administration as provided in the Child Welfare Act.

Approved March 17, 1937.

CHAPTER 46

S. B. No. 31—(Committee on Appropriations)

NORTH DAKOTA HOUSE OF MERCY

An Act making an appropriation for poor and destitute persons, providing the method of expenditure and audit thereof; supervision and inspection therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION, METHOD OF EXPENDITURE.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$10,000.00, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary, to the Children's Welfare Bureau, and by its director apportioned to the North Dakota House of Mercy, of Fargo, North Dakota, being a maternity home now licensed in this State, to be paid to said North Dakota House of Mercy in the following manner, to-wit: The sum of \$15.00 per month shall be paid the said institution toward the support and maintenance of each poor and indigent unmarried expectant mother, or mother, and \$10.00 per month toward the support and maintenance of each poor and indigent infant or child during the time their age or general condition necessitates their being charges in said maternity home, as determined by the superintendent or superior in charge.

§ 2. REPORTS AND CERTIFICATES—PAYMENTS.] The superintendent or superior in charge of said North Dakota House of Mercy

shall make monthly reports to the State Auditor, of the State of North Dakota, duly certified under oath, showing the number and classes of inmates in said institution, and the State Auditor shall thereupon pay the said institution the sum for each inmate as hereinafter provided.

§ 3. SUPERVISION AND INSPECTION.] Said North Dakota House of Mercy shall be subject to the supervision and inspection of the State Board of Administration as provided for in the Child Welfare Act.

Approved March 16, 1937.

CHAPTER 47

S. B. No. 81—(Committee on Appropriation)

LUTHERAN WELFARE SOCIETY OF NORTH DAKOTA

An Act making an appropriation for the Lutheran Welfare Society of North Dakota, providing the methods of expenditure and audit thereof; supervision and inspection therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION, METHOD OF EXPENDITURE.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$10,000.00 for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary, to the Children's Welfare Bureau, and by its director apportioned to the Lutheran Welfare Society of North Dakota in the following manner, to-wit: The sum of \$10.00 per month shall be paid the said Lutheran Welfare Society of North Dakota toward the support and maintenance of each poor and indigent infant or child while their age or general condition necessitates their remaining as charges of said society, as determined by the superintendent or superior in charge.

§ 2. REPORTS AND CERTIFICATES—PAYMENTS.] The superintendent or superior in charge of said Lutheran Welfare Society of North Dakota shall make monthly reports to the State Auditor, of the State of North Dakota, duly certified under oath, showing the number and classes of charges of said society and the State Auditor shall thereupon pay the said society the sum for each charge as hereinafter provided.

§ 3. SUPERVISION AND INSPECTION.] Said Lutheran Welfare Society of North Dakota shall be subject to the supervision and inspection of the State Board of Administration as provided in the Child Welfare Act.

Approved March 17, 1937.

CHAPTER 48**S. B. No. 32—(Committee on Appropriations)****ST. JOHN'S ORPHANAGE**

An Act making an appropriation for St. John's Orphanage of Fargo, North Dakota, providing the methods of expenditure and audit thereof; supervision and inspection therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION, METHOD OF EXPENDITURE.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated the sum of \$10,000.00 for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary, to the Children's Welfare Bureau, and by its director apportioned to the St. John's Orphanage in the following manner, to-wit: The sum of \$10.00 per month shall be paid the said St. John's Orphanage toward the support and maintenance of each poor and indigent infant or child while their age or general condition necessitates their remaining as charges in said Home, as determined by the superintendent or superior in charge.

§ 2. REPORTS AND CERTIFICATES—PAYMENTS.] The superintendent or superior in charge of said St. John's Orphanage shall make monthly reports to the State Auditor, of the State of North Dakota, duly certified under oath, showing the number and classes of inmates in said institution, and the State Auditor shall thereupon pay the said institution the sum for each inmate as hereinbefore provided.

§ 3. SUPERVISION AND INSPECTION.] Said St. John's Orphanage shall be subject to the supervision and inspection of the State Board of Administration as provided for in the Child Welfare Act.

Approved March 16, 1937.

CHAPTER 49

H. B. No. 45—(Committee on Appropriations)

SCHOOL FOR THE DEAF

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the School for the Deaf at Devils Lake, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 45, which I have partially disapproved, entitled "An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the School for the Deaf at Devils Lake, North Dakota."

This partial disapproval is as to the amount of the appropriation which I consider excessive in view of the State's shortage of incoming revenue, and concerns the following item:

"Farm Equipment"—reduced from \$750.00 to \$400.00.

Yours very truly,

WL:JEB.

WILLIAM LANGER,
Governor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$150,936.58, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the School for the Deaf at Devils Lake, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 9,151.08
2. Faculty	49,548.92
3. Other Employees	21,145.58
4. Salary Adjustments, 1935-37	3,992.00
5. Salary Adjustments, 1937-39 3%	2,515.00

OPERATING EXPENSE:

1. Fuel (including freight)	15,000.00
2. Light, Power, Water, Gas.....	1,800.00
3. Telephone, Telegraph, Postage	900.00

4.	Trades, Bldg. Supplies	1,900.00
5.	Insurance, Bonds, etc.	2,500.00
6.	Printing	1,500.00
7.	Travel	400.00
8.	Office Supplies	400.00
9.	Educational Supplies	2,000.00
10.	Power House Supplies	600.00
11.	Janitors' Supplies	2,000.00
12.	Students' Welfare	1,200.00
13.	Food (including meats, etc.)	21,000.00
14.	Laundry	600.00
15.	Hospital and Medical Service	1,000.00
16.	Farm and Garden	3,500.00
17.	Automobile and Bus Upkeep	1,500.00
18.	Kitchen Supplies	850.00
19.	Bedding, Linen and Dry Goods	1,600.00
20.	Western Union Clock Rental	264.00

TOTAL MAINTENANCE	\$146,796.58
Less Estimated Income, all sources	20,000.00

NET MAINTENANCE \$ 126,796.58

IMPROVEMENTS AND REPAIRS:

1.	Heating and Plumbing	1,500.00
2.	Electric Wiring and Supplies	800.00
3.	Painting	600.00
4.	General Repairs of Buildings.....	1,500.00
5.	Nursery Stock and Campus.....	400.00
6.	Repairing Power House and Smoke Stack..	1,500.00

EQUIPMENT:

1.	Library and Text Books	1,000.00
2.	Furniture	2,000.00
3.	Laundry Tumbler and Sleeve Ironer (re- placed by Extractor & Wash. Mach. Jack)	1,000.00
4.	Shops Equipment	3,000.00
5.	Power House Equipment	3,500.00
6.	Farm Equipment	750.00
7.	Sonotone (out), School Desks	370.00
8.	Playground Equipment	200.00
9.	Baker	1,950.00

MISCELLANEOUS ITEMS:

1.	Student Advance Fund	500.00
2.	Land Purchase	3,500.00

TOTAL \$150,936.58

CHAPTER 50

S. B. No. 52—(Committee on Appropriations)

SCHOOL OF FORESTRY

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State School of Forestry, Bottineau, North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$77,883.10, or so much thereof as may be necessary for the purpose of paying the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State School of Forestry at Bottineau, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 8,870.00
2. Faculty	30,671.00
3. Other Employees	4,050.00
4. Salary Adjustments, 1935-37	2,179.00
5. Salary Adjustments, 1937-39	1,373.10
(To be applied on salaries under \$2,000.00)	

OPERATING EXPENSE:

1. Fuel (including freight)	3,000.00
2. Light, Power, Water, Gas	1,200.00
3. Telephone, Telegraph, Postage	900.00
4. Freight and Express	500.00
5. Insurance, Bonds, etc.	625.00
6. Printing	700.00
7. Travel	200.00
8. Office Supplies	600.00
9. Educational Supplies	1,600.00
10. Janitors' Supplies	675.00
11. Students' Welfare	200.00
12. Truck Maintenance	200.00
13. Dormitory Maintenance	600.00
14. State Forest Nursery	7,000.00
15. Forestry Extension	19,000.00
16. Reforestation, Co-op. with Fed. Gov't.	2,500.00
17. Main Building Maintenance	500.00

TOTAL MAINTENANCE	\$ 87,143.10
Less estimated income, all sources.	14,000.00

NET MAINTENANCE \$ 73,143.10

IMPROVEMENTS AND REPAIRS:

1. General	1,000.00
2. Remodel Barn into Packing Shed for Nursery	530.00

EQUIPMENT:

1. Library Books and Supplies	800.00
2. School and Laboratory	1,000.00
3. State Forest Nursery Machinery	200.00
4. Contract Renewal Typewriters	360.00
5. Athletics	50.00
6. Physical Education Supplies	200.00

MISCELLANEOUS ITEMS:

1. Special Assessment Taxes	400.00
2. Gym Rental	200.00

TOTAL \$ 77,883.10

Approved March 18, 1937.

CHAPTER 51

S. B. No. 73—(Committee on Appropriations)

GRAFTON STATE SCHOOL

An Act making an appropriation for the general maintenance, improvements and repairs, new building, equipment and miscellaneous items for the Grafton State School at Grafton, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 73, entitled "An Act making an appropriation for the general maintenance, improvements and repairs, new building, equipment and miscellaneous items for the Grafton State School at Grafton, North Dakota," which I have partially disapproved.

This partial disapproval is as to the amount of the appropriation, for the reason that the same is in excess of the amount of money available for such purposes, and concerns the following items:

"Fuel"—reduced from \$77,000.00 to \$65,000.00.

"Printing"—reduced from \$2,000.00 to \$1,000.00.

"Office Supplies"—reduced from \$2,500.00 to \$2,000.00.

"Janitors' Supplies"—reduced from \$6,000.00 to \$4,000.00.

- “Paints and Painting”—reduced from \$2,000.00 to \$1,000.00.
- “Building Repair”—reduced from \$4,000.00 to \$3,000.00.
- “Addition to coal storage, ash conveyor, well, radiator guards”—reduced from \$11,700.00 to \$3,500.00.
- “Refrigerating Plant”—reduced in its entirety.
- “Laundry”—reduced from \$11,500.00 to \$10,000.00.

Yours very truly,

WL:JEB.

WILLIAM LANGER,
Governor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$218,040.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, new building, equipment and miscellaneous items of the Grafton State School at Grafton, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 6,400.00
2. Faculty	10,824.00
3. Other Employees	153,308.00
4. Salary Adjustments, 1937-39.....	5,000.00
(Faculty and Employees)	

OPERATING EXPENSE:

1. Fuel (including freight)	77,000.00
2. Telephone, Telegraph, Postage	3,000.00
3. Insurance, Bonds, etc.	15,500.00
4. Printing	2,000.00
5. Travel	500.00
6. Office Supplies	2,500.00
7. Educational Supplies	3,500.00
8. Power House Supplies	3,000.00
9. Janitors' Supplies	6,000.00
10. Patients' Welfare	3,500.00
11. Food	100,000.00
12. Clothing	35,000.00
13. Hospital Supplies	7,000.00
14. Farm and Garden	10,000.00
15. Laundry	6,000.00
16. Kitchen Supplies	3,000.00
17. Beds and Bedding	5,000.00
18. Furnishings	4,000.00
19. Repairs	5,000.00

20. Incidentals	3,000.00
<hr/>	
TOTAL MAINTENANCE	\$470,032.00
Less estimated income, all sources....	360,000.00
<hr/>	
NET MAINTENANCE	\$110,032.00
IMPROVEMENTS AND REPAIRS:	
1. Paints and Painting	\$ 2,000.00
2. Building Repair	4,000.00
3. Addition to coal storage, \$3,500.00; Ash Conveyor \$4,200.00; Well \$2,000.00; Radiator Guards \$2,000.00.....	11,700.00
4. Heating and Plumbing	1,500.00
5. Refrigerating Plant	4,000.00
NEW BUILDINGS:	
1. Addition to NB Dining Room for Low Grade Boys	40,000.00
EQUIPMENT:	
1. Kitchen	2,000.00
2. Beds and Furniture	10,000.00
3. Furnishings	6,000.00
4. Laundry	11,500.00
5. Hospital	1,000.00
6. Janitors' and Incidentals	2,000.00
MISCELLANEOUS ITEMS:	
1. Land Rental	5,508.00
2. Purchase of Land (SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 13 and E $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 14 T. 157 R. 53 West) (together with \$2,200.00 now on deposit at the Bank of North Dakota to the credit of the Grafton State School from a previous sale of land).	6,800.00
<hr/>	
TOTAL	\$218,040.00

CHAPTER 52

H. B. No. 43—(Committee on Appropriations)

HOSPITAL FOR THE INSANE

An Act making an appropriation for the general maintenance, a new building, equipment and miscellaneous expenses of the State Hospital for the Insane at Jamestown, North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$140,000.00, or so much thereof as may be necessary to pay the general maintenance, a new building, equipment and miscellaneous expenses of the State Hospital for the Insane at Jamestown, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 15,500.00
2. Ass't Physicians	25,700.00
3. Other Employees	330,600.00

OPERATING EXPENSE:

1. Fuel (including freight)	123,000.00
2. Filtration Plant	27,000.00
3. Telephone, Telegraph, Postage	3,000.00
4. Miscellaneous Administration	600.00
5. Insurance, Bonds, etc.	16,600.00
6. Printing and Office Supplies	1,500.00
7. Travel	1,000.00
8. Laundry Supplies	10,000.00
9. Educational Supplies, O. T.	6,000.00
10. Power House Supplies	7,000.00
11. Janitors' Supplies, Soaps and Cleaners	20,000.00
12. Inmates' Welfare	20,000.00
13. Foods (including meats)	256,300.00
14. Clothing	70,000.00
15. Hospital, Medical, Dental Service	15,000.00
16. Operating Physical Plant	50,000.00
17. Grounds, Farm and Garden Mtce.....	70,000.00
18. Household Supplies	30,000.00
19. Autos, Trucks and Supplies	10,000.00

TOTAL MAINTENANCE	\$1,108,800.00
Less estimated income all sources, based on a charge of \$24.00 per month per inmate	1,108,800.00

NEW BUILDINGS:	
1. New Laundry Building	28,000.00
EQUIPMENT:	
1. Laundry Equipment	22,000.00
2. New Equipment for Boiler House	85,000.00
MISCELLANEOUS ITEMS:	
1. Purchase of Land	5,000.00
TOTAL	\$140,000.00

Approved February 17, 1937.

CHAPTER 53

S. B. No. 58—(Committee on Appropriations)

DICKINSON NORMAL

An Act making an appropriation for the general maintenance, improvements and repairs, new building, equipment and miscellaneous expenses for the State Normal School, Dickinson, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 58, which I have partially disapproved, entitled "An Act making an appropriation for the general maintenance, improvements and repairs, new building, equipment and miscellaneous expenses for the State Normal School, Dickinson, North Dakota."

This partial disapproval is as to the amount of the appropriation which I consider excessive in view of the State's shortage of incoming revenue, and concerns the following items:

"Fuel (including freight)"—reduced from \$13,000.00 to \$12,000.00.

"Travel"—reduced from \$400.00 to \$225.00.

"Maintenance of Dormitories"—stricken out.

"Curb and Gutters"—stricken out.

"Repairing Walks"—stricken out.

"Tunnel to Stickney Hall & Piping"—stricken out.

And the bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER.

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$163,444.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, new building, equipment and miscellaneous expenses of the State Normal School, Dickinson, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 13,009.00
2. Faculty	105,800.00
3. Other Employees	16,500.00
4. Salary Adjustments, 1937-39, (To be applied on salaries under \$2,000.00)	4,060.00

OPERATING EXPENSE:

1. Fuel (including freight)	13,000.00
2. Light, Power, Water, Gas	6,000.00
3. Telephone, Telegraph, Postage	1,800.00
4. Freight and Express	500.00
5. Insurance, Bonds, Etc.	1,550.00
6. Printing	1,500.00
7. Travel	400.00
8. Office Supplies	900.00
9. Educational Supplies	2,000.00
10. Power House Supplies	1,200.00
11. Janitors' Supplies	2,500.00
12. Students' Welfare	2,500.00
13. Contract Renewal of Typewriter	1,000.00
14. Rural School Transportation	1,500.00
15. Maintenance of Dormitories	1,500.00

TOTAL MAINTENANCE	\$177,219.00
Less estimated income, all sources	30,000.00

NET MAINTENANCE \$147,219.00

IMPROVEMENTS AND REPAIRS:

1. Trees, Shrubbery, Driveways	300.00
2. General Repairs and Upkeep	2,000.00
3. Curb and Gutters	650.00
4. Dig Well and Equip Pump Station, To be paid from the 1937-1939 Emergency Fund.	
5. Feed Water Regulators	575.00
6. Repairing Walks	500.00
7. Tunnel to Stickney Hall and Piping	850.00

NEW BUILDINGS:

1. Storage Shed for Equipment	2,500.00
-------------------------------------	----------

EQUIPMENT:

1. Gymnasium and Physical Education	500.00
2. Office	100.00
3. Library	200.00
4. Manual Training and Home Econ.	2,000.00
5. Class Room Equipment	250.00
6. Laboratory Equipment and Supplies	800.00
7. Commercial Department	300.00
8. Music Department—New Piano	600.00
9. Library Books, Periodicals, Supplies	3,500.00
10. Rural School Car	600.00

TOTAL	\$163,444.00
-------------	--------------

CHAPTER 54

S. B. No. 2—(Vinje)
Special Session

MAYVILLE NORMAL

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Normal School, Mayville, North Dakota.

PARTIAL VETO

March 16, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

MY DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 2, (Special Session) entitled "An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Normal School, Mayville, North Dakota," which I have partially disapproved.

This partial disapproval is as to the amount of the appropriation, and concerns the following items, to-wit:

"Light, Power, Water, Gas"—reduced from \$7,000.00 to \$5,000.00.

"Telephone, Telegraph, Postage"—reduced from \$2,000.00 to \$1,000.00.

"Car, Truck, Bus Maintenance"—reduced from \$1,500.00 to \$1,000.00.

Yours very truly,
WILLIAM LANGER,
Governor.

WL:DW.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$128,837.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Mayville, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$	10,331.00
2. Faculty		92,000.00
3. Other Employees		16,482.00
4. Salary Adjustments, 1935-37		5,166.00
5. Salary Adjustments, 1937-39		3,719.00
(To be applied on salaries under \$2,000.00)		

OPERATING EXPENSE:

1. Fuel (including freight)	\$	14,500.00
2. Light, Power, Water, Gas		7,000.00
3. Telephone, Telegraph, Postage		2,000.00
4. Freight and Express		800.00
5. Insurance, Bonds, Etc.		2,439.00
6. Printing—Including Bulletins		1,000.00
7. Travel		300.00
8. Office Supplies—Including Stationery		600.00
9. Educational Supplies		2,000.00
10. Power House Supplies		1,000.00
11. Janitors' Supplies		1,200.00
12. Students' Welfare Hospitalization, and Medical Service		1,000.00
13. Library Supplies		300.00
14. Extension		2,000.00
15. Car, Truck, Bus Maintenance		1,500.00
16. City Practice Teaching		1,000.00
17. Rural Practice Teaching		1,000.00
18. Grounds		200.00
19. Miscellaneous		200.00

TOTAL MAINTENANCE	\$167,737.00
Less estimated income, all sources	47,500.00

NET MAINTENANCE \$120,237.00

IMPROVEMENTS AND REPAIRS:

1. Plumbing, Heating, Ventilating	800.00
2. General Repairs	1,000.00
3. Painting—General	300.00

4. Blower and Insulation for Boilers	350.00
5. Rewiring and New Plumbing—West Hall	1,000.00
EQUIPMENT:	
1. Replacement Equipment	1,000.00
2. Typewriters	500.00
3. Library Books and Periodicals	2,000.00
4. Filing Equipment	100.00
5. Physical Education	100.00
6. New Equip.—Class Rooms and Offices ...	100.00
7. Replacement—Furniture and Rugs.....	250.00
8. Science Equipment	300.00
9. Replacement—Car and Truck	600.00
MISCELLANEOUS ITEMS:	
1. Items not Budgeted	200.00
TOTAL	<u>\$128,837.00</u>

CHAPTER 55

S. B. No. 57—(Committee on Appropriations)

MINOT NORMAL

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School, Minot, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 57, entitled "An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School, Minot, North Dakota," which I have partially disapproved.

This partial disapproval is as to the amount of the appropriation, and concerns the following items:

"Fuel"—reduced from \$23,400.00 to \$22,400.00.

"Light, Power, Water, Gas"—reduced from \$1,600.00 to \$1,000.00.

"Educational Supplies"—reduced from \$8,000.00 to \$6,000.00.

"General"—reduced from \$3,500.00 to \$2,500.00.

"Library Books and Periodicals"—reduced from \$4,000.00 to \$3,000.00.

"General"—reduced from \$4,000.00 to \$3,000.00.

"Ash Conveyor"—reduced in its entirety.

My reason for this partial disapproval is that the appropriation is in excess of the amount of money which will be available from incoming revenue to care for the same.

Yours very truly,
 WILLIAM LANGER,

WL:JEB. Governor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$262,431.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School, Minot, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 16,483.00
2. Faculty	165,000.00
3. Other Employees	32,208.00
4. Salary Adjustments, 1935-37	10,514.00
5. Salary Adjustments, 1937-39, (To be applied on salaries under \$2,000.00)	6,726.00

OPERATING EXPENSE:

1. Fuel (including freight)	23,400.00
2. Light, Power, Water, Gas	1,600.00
3. Telephone, Telegraph, Postage	2,500.00
4. Freight and Express	500.00
5. Insurance, Bonds, Etc.	1,500.00
6. Printing	1,300.00
7. Travel	400.00
8. Office Supplies	500.00
9. Educational Supplies	8,000.00
10. Power House Supplies	1,100.00
11. Janitors' Supplies	3,000.00
12. Students' Welfare	1,200.00
13. Campus Maintenance	800.00
14. Dormitory	650.00
15. Operating Car and Truck	1,500.00
16. Library Supplies	300.00

TOTAL MAINTENANCE	\$279,181.00
Less estimated income, all sources ...	75,000.00

NET MAINTENANCE \$204,181.00

IMPROVEMENTS AND REPAIRS:

1. General	3,500.00
2. Window Stripping-Main Bldg.	850.00
3. Roof of Main Building	1,200.00
4. Water System, Grounds	1,000.00

EQUIPMENT:

1. Library Books and Periodicals	4,000.00
2. General	4,000.00
3. Ash Conveyor	4,200.00
4. One New Water Tube Boiler fully equipped with Pre-heater	35,000.00

MISCELLANEOUS ITEMS:

1. Taxes and Special Improvements	3,500.00
2. Refunds	800.00
3. Miscellaneous	200.00

TOTAL \$262,431.00

CHAPTER 56

S. B. No. 1—(Fredrickson)
Special Session

VALLEY CITY NORMAL

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Valley City, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 1, Special Session entitled "An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Valley City, North Dakota," which I have partially disapproved.

This partial disapproval is as to the amount of the appropriation, for the reason that the State is without sufficient funds to meet the amount of the appropriation without a reduction in the following items, to-wit:

"Telephone, Telegraph, Postage"—reduced from \$3,000.00 to \$2,000.00.

"Freight and Express"—reduced from \$750.00 to \$500.00.

- “Printing”—reduced from \$1,500.00 to \$1,300.00.
- “Office Supplies”—reduced from \$1,000.00 to \$500.00.
- “Power House Supplies”—reduced from \$2,500.00 to \$1,500.00.
- “Miscellaneous Operating Expenses”—reduced from \$1,500.00 to \$750.00.
- “General”—reduced from \$5,000.00 to \$4,000.00.
- “Spec. Bldg. Repairs—Special”—reduced from \$7,500.00 to \$5,000.00.
- “Plumbing—Special”—reduced from \$2,000.00 to \$1,500.00.
- “Furniture, Apparatus and Machinery”—reduced from \$1,500.00 to \$500.00.
- “Boiler Replacement and Ash Conveyor” — reduced from \$21,000.00 to \$17,000.00.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$265,250.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Valley City, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 16,805.00
2. Faculty	165,000.00
3. Other Employees	27,000.00
4. Salary Adjustments, 1935-37	10,590.00
5. Salary Adjustments, 1937-39, (To be applied on salaries under \$2,000.00)	6,670.00

OPERATING EXPENSE:

1. Fuel (including freight)	33,200.00
2. Light, Power, Water, Gas	2,400.00
3. Telephone, Telegraph, Postage	3,000.00
4. Freight and Express	750.00
5. Insurance, Bonds, Etc.	4,110.00
6. Printing	1,500.00
7. Travel	400.00
8. Office Supplies	1,000.00
9. Educational Supplies	6,000.00
10. Power House Supplies	2,500.00
11. Janitor's Supplies	3,000.00
12. Students' Welfare	1,250.00

13.	Rural Training	5,500.00
14.	Trucks	600.00
15.	Miscell. Operating Expense	1,500.00
	TOTAL MAINTENANCE	\$292,775.00
	Less estimated income, all sources ...	80,000.00
	NET MAINTENANCE	\$212,775.00
IMPROVEMENTS AND REPAIRS:		
1.	General	5,000.00
2.	Heating Plant	1,500.00
3.	Grounds, Walks, Drives	1,000.00
4.	Rewiring and Lighting—Special	2,000.00
5.	Auditorium Storm Doors—Special	500.00
6.	Spec. Bldg. Repairs—Special	7,500.00
7.	Plumbing—Special	2,000.00
8.	Window Stripping—Special	1,200.00
EQUIPMENT:		
1.	Library	3,500.00
2.	Furniture-Dormitory	500.00
3.	Furniture, Apparatus and Machinery	1,500.00
4.	Typewriter Contract Renewals	500.00
5.	Library Stacks	500.00
6.	Filing Equipments	500.00
7.	Boiler Replacement and Ash Conveyor ...	21,000.00
MISCELLANEOUS ITEMS:		
1.	Special Assessments	3,575.00
2.	Miscel. Items (not budgeted)	200.00
	TOTAL	\$265,250.00

CHAPTER 57

S. B. No. 53—(Committee on Appropriations)

NORMAL AND INDUSTRIAL SCHOOL, ELLENDALE

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Normal and Industrial School at Ellendale, North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$88,926.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and

miscellaneous expenses of the State Normal and Industrial School at Ellendale, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 9,340.00
2. Faculty	58,376.00
3. Other Employees	15,018.00
4. Salary Adjustment, 1935-37	4,136.00
5. Salary Adjustment, 1937-39, (To be applied on salaries under \$2,000.00)	2,606.00

OPERATING EXPENSE:

1. Fuel (including freight)	9,750.00
2. Light, Power, Water, Gas	1,300.00
3. Telephone, Telegraph, Postage	1,100.00
4. Freight and Express	400.00
5. Insurance, Bonds, Etc.	1,250.00
6. Printing	1,000.00
7. Travel	200.00
8. Office Supplies	500.00
9. Educational Supplies	2,000.00
10. Power House Supplies	750.00
11. Janitors' Supplies	1,000.00
12. Students' Welfare, Hospitalization, and Medical Service	1,250.00
13. Practice Teaching (City Schools)	1,000.00
14. Practice Teaching (Rural Schools)	900.00
15. Car and Truck Maintenance	900.00

TOTAL MAINTENANCE	\$112,776.00
Less estimated income, all sources ...	42,000.00

NET MAINTENANCE	\$ 70,776.00
-----------------------	--------------

IMPROVEMENTS AND REPAIRS:

1. General Repairs	3,500.00
2. Class Room Repair Project No. 10321	4,000.00
3. Power Plant	1,200.00
4. Sweet Water Well	500.00
5. Grounds	200.00
6. Roof Repairs	500.00

EQUIPMENT:

1. Laboratories	600.00
2. Replacements	1,250.00
3. Library (Books, Magazines, Etc.)	1,000.00
4. Typewriters	750.00
5. Dormitory Furnishings	1,250.00

6. Lockers	1,000.00
7. M. A. (Farm Machinery)	1,500.00
8. Toilets and Urinals	500.00
9. Class Room Chairs (100)	400.00

TOTAL \$ 88,926.00

Approved March 16, 1937.

CHAPTER 58

H. B. No. 40—(Committee on Appropriations)

STATE PENITENTIARY

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Penitentiary.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 40, entitled "An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Penitentiary," which I have partially disapproved.

This partial disapproval is as to the amount of the appropriation, for the reason that the State is short of funds for such purpose, and concerns the following items:

"Fuel"—reduced from \$26,000.00 to \$24,000.00.

"Power House and Electrical Supplies" — reduced from \$3,000.000 to \$2,000.00.

"Refrigerating Plant"—\$2,000.00—stricken out and disallowed.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$258,696.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Penitentiary, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 13,456.00
2. Faculty	768.00
3. Other Employees	61,972.00
4. Salary Adjustments	3,700.00

OPERATING EXPENSE:

1. Fuel (including freight)	26,000.00
2. Light, Water, Power, Gas	9,000.00
3. Telephone, Telegraph, Postage	1,700.00
4. Freight and Express	1,100.00
5. Insurance, Bonds, Etc.	8,000.00
6. Printing and Office Supplies	800.00
7. Travel	300.00
8. Educational Supplies	100.00
9. Power House and Electrical Supplies.....	3,000.00
10. Janitors' Supplies, Soaps, Cleaners	7,000.00
11. Inmates' Welfare	2,100.00
12. Food (including meats, etc.)	68,000.00
13. Clothing	16,500.00
14. Hospital and Medical Service	9,000.00
15. Bertillion and Escapes	1,000.00
16. Transportation and Clothing	9,000.00
17. Mtce. Autos, Tractors, Trucks	4,500.00
18. Inmates' Wages	18,000.00
19. Mtce. Farm & Shops	16,000.00

TOTAL MAINTENANCE	\$280,996.00
Less estimated income, all sources ...	33,000.00

NET MAINTENANCE \$247,996.00

IMPROVEMENTS AND REPAIRS:

1. General	5,000.00
2. Refrigerating Plant	2,000.00

EQUIPMENT:

1. Kitchen	800.00
2. Farm	500.00
3. Plumbing, Carpenter, Blacksmith Shop ...	200.00
4. Hospital	200.00

MISCELLANEOUS ITEMS:

1. Rent of Land	2,000.00
-----------------------	----------

TOTAL \$258,696.00

CHAPTER 59

S. B. No. 54—(Committee on Appropriations)

STATE SCHOOL OF SCIENCE

An Act making an appropriation for the general maintenance, improvements and repairs, new building and equipment for the State School of Science at Wahpeton, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY :

I am herewith transmitting to you Senate Bill No. 54, which I have partially disapproved, entitled "An Act making an appropriation for the general maintenance, improvements and repairs, new building and equipment for the State School of Science at Wahpeton, North Dakota."

This partial disapproval is as to the amount of the appropriation which I consider excessive in view of the State's shortage of incoming revenue, and concerns the following items:

"Fuel (including freight)"—reduced from \$13,000.00 to \$12,500.00.

"Travel"—reduced from \$700.00 to \$400.00.

"General"—reduced from \$4,000.00 to \$3,000.00.

"Trades"—reduced from \$7,000.00 to \$6,000.00.

And the bill as so reduced is approved.

Yours very truly,

WL:JEB

WILLIAM LANGER,
Governor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$137,420.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, new building and equipment of the State School of Science at Wahpeton, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 10,273.00
2. Faculty	73,367.00
3. Other Employees	11,025.00
4. Salary Adjustments, 1935-37	4,733.00
5. Salary Adjustments, 1937-39	2,972.00
(To be applied on salaries under \$2,000.00.)	

OPERATING EXPENSE :

1. Fuel (including freight)	13,000.00
2. Light, Power, Water, Gas	5,000.00
3. Telephone, Telegraph, Postage	1,500.00
4. Freight and Express	1,000.00
5. Insurance, Bonds, etc.	1,750.00
6. Printing	2,000.00
7. Travel	700.00
8. Office Supplies	500.00
9. Educational Supplies	8,000.00
10. Power House Supplies	300.00
11. Janitors' Supplies	2,000.00
12. Students' Welfare	450.00
13. House Rent (Girls' Dormitory).....	2,700.00
14. Trade Supplies	6,000.00
15. Grounds	300.00
16. Miscellaneous	4,000.00
17. New Instructors for Trades Building.....	5,000.00

TOTAL MAINTENANCE	\$156,570.00
Less estimated income, all sources.....	90,000.00

NET MAINTENANCE \$ 66,570.00

IMPROVEMENTS AND REPAIRS :

1. General	4,000.00
2. Old Trade Building	7,500.00

NEW BUILDINGS :

1. Addition to Trades Building	50,000.00
--------------------------------------	-----------

EQUIPMENT :

1. Trades	7,000.00
2. Library	1,500.00
3. Class Room	850.00

TOTAL \$137,420.00

§ 2. OTHER FUNDS. DUTIES OF BOARD OF ADMINISTRATION.]
 The Board of Administration may also enter into any agreement relative to any funds which may be obtained from the Federal Government or any of its agencies, for the purpose of assisting in the construction of such new building, which funds may then be added to the appropriation hereby made therefor, such agreement to conform with the rules and regulations of the Federal Government or its agencies incident to obtaining such funds, and in case such funds shall be procured, then the total cost of said building may, in the discretion of the Board, exceed the amount hereby appropriated therefor; provided, however, that the total disbursements to be made out of States moneys in the construction and equipment of said new building shall in no case exceed the amount hereby appropriated therefor.

CHAPTER 60

S. B. No. 41—(Committee on Appropriations)

NORTH DAKOTA SOLDIERS' HOME

An Act making an appropriation for the North Dakota Soldiers' Home at Lisbon, North Dakota: providing for reports and deductions, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$15,000.00, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary, for the maintenance and support of the North Dakota Soldiers' Home located at Lisbon, North Dakota, said sum to be paid as follows: \$7,000.00 to be available immediately upon passage and approval of this Act, the sum of \$2,000.00 on July 1st, 1937, and each succeeding six months thereafter the remainder in three equal payments.

§ 2. REPORTS AND CERTIFICATES. PAYMENTS.] The superintendent in charge of said Home shall make semi-annual reports to the State Auditor of the State of North Dakota, duly certified under oath, showing the amount of money remaining unexpended and estimating the amount of money which shall be required for the succeeding six months, and, if it shall appear from said report and estimate that the full amount appropriated for the succeeding six months exceeds the amount of the estimate, then the amount to be paid shall be reduced to the amount of said estimate.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 5, 1937.

CHAPTER 61

S. B. No. 178—(Crandall)

NORTH DAKOTA SOLDIERS' HOME IMPROVEMENTS
AND REPAIRS

An Act making an appropriation for improvements and repairs at the North Dakota Soldiers' Home at Lisbon, North Dakota, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury not otherwise appropriated, the

sum of \$28,000.00 or so much thereof as may be necessary to pay for improvements, building and repairs including well or wells and sewer at the North Dakota Soldiers' Home at Lisbon, North Dakota, for the biennium beginning July 1, 1937, and ending June 30, 1939.

§ 2. OTHER FUNDS—POWER AND DUTIES OF THE BOARD OF TRUSTEES OF THE SOLDIERS' HOME.] The Board of Trustees of the Soldiers' Home shall have the authority to expend the amount here appropriated or so much thereof as may be necessary for the purposes set forth in Section 1, herein. The Board of Trustees of the Soldiers' Home may also enter into any agreement relative to any funds, labor and/or material, which may be obtained from the Federal Government or any of its agencies, for the purpose of assisting in the construction of such improvements, building and repairs, which funds, labor and/or material, may then be added to the appropriation hereby made therefor, such agreement to conform with the rules and regulations of the Federal Government or its agencies incident to obtaining such funds, labor and/or material, and in case such funds, labor and/or material shall be procured, then the total cost of said improvements, building and repairs may, in the discretion of the Board, exceed the amount hereby appropriated therefor, to the extent of the Federal aid, grant or assistance procured under the provisions of this Act; provided however, that the total disbursements to be made out of State moneys in the construction and equipment of said improvements, building and repairs shall in no case exceed the amount hereby appropriated therefor.

§ 3. EMERGENCY.] This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 62

S. B. No. 74—(Committee on Appropriations)

STATE TRAINING SCHOOL

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Training School, Mandan, North Dakota.

PARTIAL VETO

March 20th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 74, which I have partially disapproved, entitled "An Act making an appropriation

for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Training School, Mandan, North Dakota."

I have partially disapproved this bill for the reason that I consider the amount of the appropriation too large in view of the shortage of incoming revenue in our State Treasury, and have reduced therefore the following items in the bill:

"Operating Expense."

"1. Fuel (including freight), \$19,500.00"—reduced to the sum of \$18,000.00.

"2. Light, Power, Water, Gas, \$5,800.00"—reduced to the sum of \$5,300.00.

"4. Freight and Express, \$1,200.00"—reduced to the sum of \$1,000.00.

"7. Travel, \$2,500.00"—reduced to the sum of \$2,000.00.

"10. Power House Supplies, \$6,000.00"—reduced to the sum of \$4,500.00.

"15. Hospital and Medical Service, \$15,000.00"—reduced to the sum of \$10,000.00.

"19. Grounds \$1,000.00"—reduced to the sum of \$800.00.

"Improvements and Repairs, to be placed under the Supervision of the Board of Administration."

"6. Remodeling Carpenter Shop for Vocational Training.

"7. All Outside Rewiring."

The above items under the heading "Improvements and Repairs" have been stricken out at the request and by the agreement of the Superintendent of the State Training School, who has informed me that a change may be made whereby the above items No. 6 and No. 7 will not be required, and the total of the appropriation for "Improvements and Repairs, to be placed under the Supervision of the Board of Administration" is therefore reduced from the sum of \$18,950.00 to the sum of \$13,950.00.

"Equipment":

"7. Tools, \$1,500.00"—reduced to the sum of \$500.00.

"Miscellaneous Items":

"3. Fencing, \$600.00"—stricken out.

And the bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$279,127.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and

miscellaneous expenses of the State Training School, Mandan, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 11,808.00
2. Faculty	19,600.00
3. Other Employees	51,669.00

OPERATING EXPENSE:

1. Fuel (including freight)	19,500.00
2. Light, Power, Water, Gas	5,800.00
3. Telephone, Telegraph, Postage	2,500.00
4. Freight and Express	1,200.00
5. Insurance, Bonds, etc.	8,500.00
6. Printing	800.00
7. Travel	2,500.00
8. Office Supplies	700.00
9. Educational Supplies	3,500.00
10. Power House Supplies	6,000.00
11. Janitors' Supplies	2,500.00
12. Students' Welfare	4,500.00
13. Food (including meats, etc.)	55,000.00
14. Clothing	20,000.00
15. Hospital and Medical Service	15,000.00
16. Students' Wage	500.00
17. Farm and Garden Maintenance	10,000.00
18. Laundry Supplies	2,300.00
19. Grounds	1,000.00
20. Carpenter and Plumbing Shops, Auto Truck Repairs, Gas and Oils	7,000.00

TOTAL MAINTENANCE	\$251,877.00
Less estimated income, all sources....	15,500.00

NET MAINTENANCE \$236,377.00

IMPROVEMENTS AND REPAIRS, TO BE PLACED UNDER THE SUPERVISION OF THE BOARD OF ADMINISTRATION:

1. Main Building.	
2. Dakota Hall.	
3. Maple Cottage.	
4. Boiler Repairs.	
5. New Water Tank.	
6. Remodeling Carpenter Shop for Vocational Training.	
7. All Outside Rewiring.	
8. Roof—Chapel.	
TOTAL	\$ 18,950.00

EQUIPMENT:

1. Office	2,000.00
2. Vocational and Shop	2,000.00
3. Library	2,000.00
4. Household	4,000.00
5. School	5,000.00
6. Fire Hose	1,500.00
7. Tools	1,500.00
8. Farm	1,000.00

MISCELLANEOUS ITEMS:

1. Burial Expense and Rewards	1,200.00
2. Land Rental	3,000.00
3. Fencing	600.00

TOTAL \$279,127.00

CHAPTER 63

S. B. No. 75—(Committee on Appropriations)

STATE TRAINING SCHOOL—DEFICIT

An Act making an additional appropriation to care for the operating expenses of the 1935-1937 biennium of the State Training School, Mandan, North Dakota, and declaring an emergency.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 75, which I have partially disapproved, entitled "An Act making an additional appropriation to care for the operating expenses of the 1935-1937 biennium of the State Training School, Mandan, North Dakota, and declaring an emergency."

This partial disapproval applies to the amount of the appropriation, for the reason that the State is without sufficient funds to meet the amount of the appropriation, which is hereby reduced to the sum of \$10,000.00.

The bill as so reduced is approved.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$20,000.00, or so much thereof as may be necessary to care for the operating expenses of the 1935-1937 biennium of the State Training School, Mandan, North Dakota.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

CHAPTER 64

H. B. No. 44—(Committee on Appropriations)

STATE TUBERCULOSIS SANATORIUM

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses for the Tuberculosis Sanatorium at San Haven, North Dakota.

PARTIAL VETO

March 2nd, 1937.

Members of the House of Representatives,
Twenty-fifth Legislative Assembly.

MEMBERS OF THE HOUSE:

I herewith approve House Bill No. 44, providing an appropriation for the General Maintenance, Improvements and Repairs, Equipment and Miscellaneous Expenses for the Tuberculosis Sanatorium at San Haven, North Dakota, in the total sum of \$174,855.97, and disapprove all sums in excess of that amount; and the appropriations made for the following items in said bill I have stricken out or changed.

These actions were taken after a conference with the members of the State Board of Administration, having charge of this institution, and with their approval. The bill as so reduced from \$195,715.97 to \$174,855.97 is approved:

Operating Expense:

Item No. 3, Telephone, Telegraph, Postage, \$3,500.00, reduced to \$2,500.00.

Item No. 6, Printing, reduced from \$1,500.00 to \$800.00.

Item No. 8, Office Supplies, reduced from \$1,400.00 to \$1,000.00.

Item No. 10, Power House Supplies, reduced from \$5,000.00 to \$1,500.00.

Item No. 11, Janitors' Supplies, reduced from \$6,000.00 to \$5,000.00.

Item No. 16, Farm and Dairy Maintenance, reduced from \$17,000.00 to \$15,000.00.

Item No. 17, Garden, Greenhouse, Grounds, reduced from \$2,000.00 to \$500.00.

Item No. 19, Dishes, Crockery, Utensils, reduced from \$6,000.00 to \$3,000.00.

Improvements and Repairs:

Item No. 1, Farm and Garden Fence, I have stricken out \$1,000.00.

Item No. 4, Sidewalk Extension, \$800.00, I have stricken out.

Item No. 5, Repairs, Administration Building, \$1,500.00 I have stricken out.

Item No. 6, General Improvements and Repairs, reduced from \$4,000.00 to \$3,000.00.

Equipment:

Item No. 2, Farm reduced from \$1,000.00 to \$500.00.

Miscellaneous Items:

Item No. 1, Revolving Fund, \$1,500.00, I have stricken out.

Item No. 2, State at Large Maintenance, \$1,460.00, I have stricken out.

Respectfully,

WILLIAM LANGER,

Governor.

WL :JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$195,715.97, or so much thereof as may be necessary for paying the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the Tuberculosis Sanatorium at San Haven, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 8,771.04
2. Other Employees	183,540.73
3. Salary Adjustments on other Employees, 1937-39, 3% to be applied salaries under \$2,000.00 per annum	5,506.20

OPERATING EXPENSE:

1. Fuel (including freight)	49,128.00
2. Auto and Truck Maintenance	2,000.00
3. Telephone, Telegraph, Postage	3,500.00
4. Freight and Express	5,000.00
5. Insurance, Bonds, etc.	7,250.00
6. Printing	1,500.00
7. Travel	800.00
8. Office Supplies	1,400.00

9.	Educational Supplies	350.00
10.	Power House Supplies	5,000.00
11.	Janitors' Supplies	6,000.00
12.	Patients' Welfare	2,400.00
13.	Food (including meats, etc.).....	193,000.00
14.	Clothing, Bedding, Linens, etc.....	9,000.00
15.	Hospital and Medical Service	30,000.00
16.	Farm and Dairy Maintenance	17,000.00
17.	Garden, Greenhouse, Grounds	2,000.00
18.	Laundry and Water Softener Supplies.....	9,000.00
19.	Dishes, Crockery, Utensils	6,000.00
20.	Refunds	1,000.00

TOTAL MAINTENANCE	\$549,145.97
Less estimated income, all sources.....	388,400.00

NET MAINTENANCE \$160,745.97

IMPROVEMENTS AND REPAIRS:

1.	Farm and Garden Fence	1,000.00
2.	Grounds Lighting System	1,200.00
3.	Weather Stripping Adm. Bldg.	450.00
4.	Sidewalk Extension	800.00
5.	Repairs, Adm. Bldg.	1,500.00
6.	General Improvements and Repairs.....	4,000.00
7.	Repairing Unit No. 2	19,000.00

EQUIPMENT:

1.	Hospital Excluding New Unit.....	2,360.00
2.	Farm	1,000.00
3.	Furniture and Replacement Except New Unit	500.00
4.	Office—Administration	200.00

MISCELLANEOUS ITEMS:

1.	Revolving Fund	1,500.00
2.	State at Large Maintenance	1,460.00

TOTAL \$195,715.97

CHAPTER 65

H. B. No. 30—(Committee on Appropriations)

STATE TUBERCULOSIS SANATORIUM—SPECIAL

An Act making a special appropriation for the general maintenance improvements and repairs and equipment for the new addition to the Infirmary of the State Tuberculosis Sanatorium at San Haven, North Dakota, from April 1st, 1937, to June 30th, 1937, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SPECIAL APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$96,148.10, or so much thereof as may be necessary to care for the general maintenance, improvements and repairs and equipment for the new addition to the Infirmary of the State Tuberculosis Sanatorium at San Haven, North Dakota, from April 1st, 1937, to June 30th, 1937, to-wit:

SALARIES AND WAGES \$ 6,120.00

OPERATING EXPENSE:

1. Laundry Supplies	258.00
2. Coal	1,272.00
3. Medical and X-ray Supplies	1,200.00
4. Groceries (incl. meat and milk).....	10,902.00
5. Janitors' Supplies, Replacements	450.00
6. Administration Supplies, Telephone, Tele- graph, Printing, Postage, etc.....	75.00

TOTAL MAINTENANCE	\$ 20,277.00
Less estimated income, all sources....	15,830.10

NET MAINTENANCE \$ 4,446.90

IMPROVEMENTS AND REPAIRS:

1. Improvement and changes in Cottage neces- sary to accommodate additional em- ployees	2,000.00
2. Additional Telephone Equipment and new Switchboard	875.00

EQUIPMENT: New Infirmary

1. Surgical, X-ray and Office Furnishings...	12,025.50
2. Dietary and Domestic Equipment.....	27,462.70
3. Hospital Equipment & Patient Furnishings	9,253.00

EQUIPMENT: Other than New Unit

- 1. Power House:
 - a. Three Trucks 3,100.00
 - b. Engine-Generator-Board 19,000.00
- 2. Water Softening Equipment 6,900.00
- 3. Laundry 11,085.00

TOTAL \$ 96,148.10

§ 2. EMERGENCY.] This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 10, 1937.

CHAPTER 66

H. B. No. 24.—(Committee on Appropriations)

UNIVERSITY

An Act making an appropriation to pay for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State University at Grand Forks, North Dakota.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 24, which I have partially disapproved, entitled "An Act making an appropriation to pay for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State University at Grand Forks, North Dakota."

This bill is partially disapproved for the reason that the sum of \$21,700.00 for equipment, as itemized in the bill, is considered to be excessive in view of the shortage of funds available for such purposes in the State Treasury, and the appropriation for equipment is hereby reduced to the sum of \$15,000.00, and as so reduced the measure is approved.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the

sum of \$668,725.00, or so much thereof as may be necessary to pay the general maintenance of the State University at Grand Forks, North Dakota, together with improvements and repairs, equipment and miscellaneous expenses, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

MAINTENANCE—EDUCATIONAL SERVICE:

1.	a.	College of Engineering	\$ 82,644.00
	b.	State-wide service on natural resources	21,822.00
2.		College of Science, Literature and Arts...	204,710.00
3.		School of Commerce	38,780.00
4.		School of Education	105,400.00
5.		School of Law	28,650.00
6.		School of Medicine	29,530.00
7.		Military Training	1,950.00
8.		Physical Education for Men	9,020.00
9.		Library	26,100.00
10.		Dispensary	1,600.00
11.		General Educational Service	7,000.00
12.		Salary Adjustments (to be applied on salaries under two thousand dollars per annum)	18,421.00
13.		Office of Dean of Women	6,860.00
14.		University Placement and Vocational Guidance Bureau	2,000.00
15.		Correspondence Study Courses and Emergency Fund	23,832.00

MAINTENANCE—ADMINISTRATION:

1.		President's Office	13,780.00
2.		Business Office	19,780.00
3.		Registrar's Office	16,660.00
4.		Stenographic Bureau	10,820.00
5.		Telephones, Telegraphs, Tolls and Telephone Switchboard	7,646.00
6.		Student Employment Bureau	4,600.00
7.		Publications, General Printing, Etc.....	3,090.00

MAINTENANCE—PROPERTY:

1.		Grounds and Property	5,500.00
2.		Buildings, Maintenance, including Janitors, Repairs, etc.	36,380.00
3.		Power Plant—Direct	80,000.00
4.		Power Plant—Indirect	2,200.00

5. Office of Supt. Bldgs. and Grounds including Plumber, Carpenter, Painter, Electrician, etc.	26,000.00
<hr/>	
TOTAL MAINTENANCE.....	\$834,775.00
Less Estimate Income	217,000.00
<hr/>	
NET MAINTENANCE	\$617,775.00
IMPROVEMENTS AND REPAIRS	6,820.00
EQUIPMENT	21,700.00
MISCELLANEOUS	22,430.00
<hr/>	
TOTAL	\$668,725.00

CHAPTER 67

H. B. No. 25—(Committee on Appropriations)

UNIVERSITY—SPECIAL

An Act making a special appropriation to pay for the general maintenance of the School of Medicine at the State University, Grand Forks, North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$30,470.00, or so much thereof as may be necessary to pay the general maintenance of the School of Medicine at the State University, Grand Forks, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

ADDITIONAL APPROPRIATION FOR THE SCHOOL OF MEDICINE:

1. ANATOMY	
Professor and Dean	\$ 7,000.00
Assistant Professor	6,000.00
Technician	2,000.00
Traveling Expense	200.00
Supplies and Incidentals (Cadavers, etc.)..	2,000.00
Apparatus and Equipment	1,000.00
2. BACTERIOLOGY AND PATHOLOGY	
Professor (Pathology)	6,000.00
Assistant Professor (Bact.)	6,000.00
Instructor and Technician	2,400.00
Student Assistant	200.00
Supplies and Incidentals	1,200.00
Apparatus and Equipment	1,200.00

3.	PHYSIOLOGY AND PHARMACOLOGY	
	Professor (Physiology)	6,000.00
	Assistant Professor (Pharm.)	6,000.00
	Instructor	2,400.00
	Supplies and Incidentals	1,200.00
	Apparatus and Equipment	1,200.00
4.	LIBRARY	
	Medical Books, Magazines and Journals...	2,000.00
5.	UNIVERSITY PHYSICIAN	
	Additional member of staff to serve as Uni- versity Physician and Teach Hygiene and Physical Diagnosis and give a weekly clinic	6,000.00
TOTAL		\$ 60,000.00
Less Appropriation requested in University Biennial Budget		29,530.00
NET APPROPRIATION		\$ 30,470.00

Approved March 16, 1937.

CHAPTER 68

S. B. No. 99—(Mutchler, Kamrath, Blaisdell, Cain and Fine)

SCHOOL OF MINES

An Act appropriating money for the School of Mines at the University of North Dakota, to supplement Federal funds for the investigation and development of the Mineral Resources within the bounds of the State of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any money in the State Treasury, not otherwise appropriated, the sum of Twenty-one Thousand Dollars (\$21,000.00), or so much thereof as may be necessary to be spent by the School of Mines of the University of North Dakota, for experimentation and investigation and for equipment and supplies to supplement the Federal funds for investigation of the mineral resources of the State of North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

1a. LIGNITE UTILIZATION APPEAL.] To stimulate further use of lignite in public buildings in the State of North Dakota, and to prove the adequacy of lignite through demonstrations of the proper methods of burning lignite and through the inspection of heating or power plants in connection with the use of proper burning equipment, Twenty-five Hundred Dollars (\$2,500.00).

ib. OIL FIELD INVESTIGATION.] For equipment, training and investigation for the purpose of determining the structural formation in certain promising areas in North Dakota, as possible oil fields, Fifteen Thousand Dollars (\$15,000.00).

ic. DEVELOPMENT OF CLAYS AND ASSOCIATED MATERIALS.] For equipment, materials and investigation of clays, shales, marls, bleaching clays and cement rocks in North Dakota, and for the development of markets for the said projects and for bentonites, Thirty-five Hundred Dollars (\$3,500.00).

§ 2. The aforementioned appropriation shall be supplemental and in accordance with Chapter 236 of the Session Laws of the State of North Dakota for the year 1907 which provides for the fostering and development of Mineral resources and allied industries under the Director of the School of Mines at the University of North Dakota.

§ 3. All Acts or parts of Acts in conflict therewith are hereby repealed.

Approved March 16, 1937.

CHAPTER 69

S. B. No. 96—(Guenther, Thatcher, Gronvold and Lemke)

INTERNATIONAL PEACE GARDEN

An Act appropriating Six Thousand Dollars (\$6,000.00) to the State Historical Society for the development of the International Peace Garden on the American side in Rolette County, North Dakota, and declaring an emergency.

PARTIAL VETO

March 4th, 1937.

Members of the Senate,
Twenty-fifth Legislative Assembly.

HONORABLE GENTLEMEN:

I am returning herewith S. B. 96, An Act appropriating Six Thousand Dollars (\$6,000.00) to the State Historical Society for the development of the International Peace Garden on the American side of Rolette County, North Dakota, and declaring an emergency.

I have partially disapproved this Act in that the appropriation for \$6,000.00 is reduced to the sum of \$5,000.00, and the bill as so reduced is approved.

Respectfully,
WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

WHEREAS, the National Park Service of the United States has heretofore undertaken and is now carrying on certain State Park development projects within the State of North Dakota for the benefit of the people of North Dakota, and as a part of its program is developing the International Peace Garden on the American side in Rolette County, North Dakota, and since 1934 has maintained a Civilian Conservation Corps Camp at the International Peace Garden; and whereas the Federal Government of the United States has expended for the establishment and maintenance of such Civilian Conservation Camp at the International Peace Garden from May, 1934 to December 31st, 1936, approximately the sum of \$400,379.76.

AND WHEREAS, title to the lands comprising the International Peace Garden is in the State of North Dakota; and whereas the State Historical Society is the trustee of the State of North Dakota, of all State Parks and by Chapter "211", Laws of North Dakota, 1935, were given general supervision of the lands comprising the International Peace Garden within the State of North Dakota, and were empowered to co-operate in the establishment, promotion, and development of the International Peace Garden:

AND WHEREAS, preliminary work requiring mostly labor has now been completed and to carry on the program of development at the International Peace Garden contributions for the purchase of materials to be used in such construction and development are necessary; and whereas the sums appropriated by Congress and the National Park Service to each such camp is inadequate to permit the purchase of needed materials to permit full co-operation in the development of the International Peace Garden in accordance with the plans of the National Park Service and the Board of Directors of International Peace Garden, Inc.

AND WHEREAS, in order to retain a Civilian Conservation Camp at the International Peace Garden and assure proper development thereof, by such camp, it is necessary that the State of North Dakota contribute a small sum each year to be used for the purchase of needed supplies and materials in order to get the full benefits from such camp in the development of said project; and whereas because of the number of North Dakota boys gainfully employed at the Peace Garden and the money spent on this project by the Federal Government, it is essential that the State should contribute to the continuance and maintenance of the camp and project.

§ I. APPROPRIATION.] Now, therefore, there is hereby appropriated out of the General Fund of the State of North Dakota, not otherwise appropriated, the sum of Six Thousand Dollars (\$6,000.-00) or so much thereof as shall be necessary, to the State Historical Society of the State of North Dakota, to be used in the development of the International Peace Garden and for the purpose of contribut-

ing and supplying materials and supplies for the development of the International Peace Garden by the Civilian Conservation Camp now maintained at the International Peace Garden by the National Park Service of the United States, for the biennium ending June 30, 1939.

§ 2. EMERGENCY.] Whereas it is necessary that the money hereby appropriated be immediately available to permit the State Historical Society to contribute materials and supplies to the Civilian Conservation Camp at the International Peace Garden for the development of said project under present plans of development by the National Park Service of the United States, therefore: This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

(NOTE: Emergency certificate in House shows Ayes, 59; Nays, 31; absent, 23.)

CHAPTER 70

S. B. No. 64—(Committee on Appropriations)

LEGISLATIVE PRINTING—DEFICIT

An Act making an appropriation to provide for the payment of a deficit in the appropriation for printing expense of the Twenty-fourth Session of the Legislative Assembly of the State of North Dakota, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] It is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of Five Thousand One Hundred Twenty-four Dollars and Eighty Cents (\$5,124.80) for the purpose of paying a deficit in the legislative printing expense incurred by the twenty-fourth session of the Legislative Assembly of the State of North Dakota.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 5, 1937.

CHAPTER 71**S. B. No. 3—(Committee on Appropriations)
Special Session****EXPENSES SPECIAL SESSION**

An Act making an appropriation for the purpose of defraying the expenses, per diem and other incidental expenses in connection with the Special Session of the Legislature, convened on March 8th, 1937, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] That there is hereby appropriated out of any monies in the State Treasury, not otherwise appropriated, the sum of \$8,000.00 to defray the expenses and per diem of members, per diem of officers and employees, printing and miscellaneous expenses of those attending the Special Session of the Legislative Assembly of the State of North Dakota, convened at Bismarck on the call of the Governor on the 8th day of March, 1937.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

. Approved March 10, 1937.

CHAPTER 72**S. B. No. 247—(Committee on Appropriations)****DEFICIT APPROPRIATION PER DIEM AND MILEAGE
LEGISLATIVE EMPLOYEES**

An Act making an appropriation for payment of a deficit in the amount appropriated for payment of per diem of employees of the Twenty-fifth Legislative Assembly, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any money in the State Treasury, not otherwise appropriated, the sum of \$10,000.00, or so much thereof as may be necessary for the purpose of paying a deficit in the per diem account of employees of the Twenty-fifth Legislative Assembly.

§ 2. EMERGENCY.] It is necessary that the money hereby appropriated be immediately available to provide for the payment of the per diem of the employees of the Twenty-fifth Legislative Assembly. This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

CHAPTER 73
H. B. No. 98—(Schauss)

REPAIRS LEGISLATIVE CHAMBERS

An Act directing the Board of Administration to engage competent engineering experts to determine what can be done to remedy the poor hearing qualities of the House Chambers and advise on cost thereof; proceed to have same done if at a cost not in excess of \$2,500.00; making an appropriation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The Board of Administration is hereby authorized and required to proceed to engage expert engineers for the purpose of determining what can be done to remedy the poor hearing qualities of the House Chamber, either through wiring the same, the installation of microphones and amplifiers, or other method; and if upon the report, estimate of cost and recommendation of such engineers, it is the opinion of the Board that the chamber can be made so that one speaking from any point in the chamber can be heard any place therein with the installation recommended, at a cost not in excess of Two Thousand Five Hundred (\$2,500.00) Dollars, and without injury to the architectural beauties of the chamber, shall procure expert plans for such installation and proceed to remedy the present condition.

§ 2. That said Board of Administration is hereby authorized, directed and empowered to let a contract for the entire project, or to employ such labor as shall be required, purchase and pay for such materials as shall be necessary, and to do all things necessary, requisite and proper to carry out the provision of this Act; and it shall not be necessary to advertise for any of such labor or material so to be used, but the Board of Administration is hereby authorized to go into the open available market and hire and purchase the same at the best obtainable price.

§ 3. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$2,500.00 or so much thereof as shall be necessary to cover the costs of the improvements hereby directed to be made.

Approved March 10, 1937.

CHAPTER 74

S. B. No. 12—(Committee on Appropriations)

LIVESTOCK SANITARY BOARD

An Act making an appropriation for the per diem, salaries and general expenses of the State Livestock Sanitary Board.

PARTIAL VETO

March 16th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. GRONNA:

I am herewith transmitting to you Senate Bill No. 12, entitled "An Act making an appropriation for the per diem, salaries and general expenses of the State Livestock Sanitary Board," which I have partially disapproved.

This partial disapproval is as to the amount of the appropriation, and concerns the following items, to-wit:

"Printing"—reduced from \$400.00 to \$300.00.

"Service and Expense of Board's Agents"—reduced from \$15,000.00 to \$12,000.00.

"Indemnity and Expense Bang's Disease"—reduced from \$2,500.00 to \$2,400.00.

"Expense Pullorum Disease"—reduced from \$1,000.00 to \$800.00.

As to the above item of "Indemnity and Expense Bang's Disease", the State Veterinary informed me that the sum of \$2,500.00 was erroneous, and should be the sum of \$2,400.00.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$28,310.00, or so much thereof as may be necessary to pay the general expenses of the State Livestock Sanitary Board for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary—Executive Office and State Veterinarian	\$ 4,800.00
Clerkhire: Stenographer	2,160.00
Postage	400.00
Office Supplies	150.00
Furniture and Fixtures	200.00
Printing	400.00
Miscellaneous	300.00

Service and Expense of Board's Agents	15,000.00
Insurance Workmen's Compensation Bureau	600.00
Compensation and Expenses, Board Members.....	800.00
Indemnity and Expense Bang's Disease.....	2,500.00
Expense Pullorum Disease	1,000.00
<hr/>	
TOTAL	\$ 28,310.00

CHAPTER 75

S. B. No. 20—(Committee on Appropriations)

MINIMUM WAGE DEPARTMENT

An Act making an appropriation for the purpose of paying salary and miscellaneous general expenses of the Department of Minimum Wage.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$7,220.00, or so much thereof as may be necessary to pay salary and all miscellaneous general expenses in carrying out the provisions of Chapter 174, Laws of 1919, the same being Sections 396b1 to 396b16 of the Supplement to the 1913 Compiled Laws of North Dakota, and amendments thereto, relative to minimum wage, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary—Secretary	\$ 3,000.00
Clerkhire: Stenographer	1,920.00
Postage	300.00
Office Supplies	100.00
Furniture and Fixtures	50.00
Printing	300.00
Miscellaneous	150.00
Travel Expense (for Secretary and Inspector)....	900.00
Hearings, Conferences, Witness and Legal Fees...	500.00
<hr/>	
TOTAL	\$ 7,220.00

Approved March 17, 1937.

CHAPTER 76

H. B. No. 42—(Committee on Appropriations)

REGISTRAR OF MOTOR VEHICLES

An Act making an appropriation for the purposes of defraying the expenses of the maintenance and operation of the Department of the Registrar of Motor Vehicles.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury in the Motor Registration Fund, not otherwise appropriated, the sum of \$177,840.00, or so much thereof as may be necessary for the purpose of defraying the expenses of the maintenance and operation of the Department of the Registrar of Motor Vehicles for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary	\$ 3,840.00
Clerkhire	75,000.00
Postage	37,000.00
Office Supplies	2,500.00
Furniture and Fixtures	2,500.00
Printing	14,000.00
Miscellaneous	5,000.00
License Plates	35,000.00
Refunds	3,000.00
TOTAL	\$177,840.00

Approved February 20, 1937.

CHAPTER 77

H. S. No. 76—(Sand)

REGISTRAR OF MOTOR VEHICLES—DEFICIT

An Act making a Deficit Appropriation for the purpose of defraying the expenses of the maintenance and operation of the Motor Vehicle Registration Department; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury in the Motor Vehicle Registration fund, not otherwise appropriated, the sum of \$70,498.65, or so much thereof as may be necessary for the purposes of defraying the expenses of the maintenance and operation of the Motor Vehicle Registration Department, for the period beginning January 1, 1937, and ending June 30, 1937, to-wit:

Salary	
Clerkhire	\$ 22,800.00
Postage	5,000.00
Office Supplies	
Furniture and Fixtures	3,181.50
Printing	7,625.86
Miscellaneous	4,891.29
Traveling Expense	
Tags Purchased	7,000.00
Refunds	
Loan from Department State Highways.....	20,000.00
TOTAL	\$ 70,498.65

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 11, 1937.

CHAPTER 78

H. B. No. 12—(Committee on Appropriations)

NATIONAL GUARD

An Act making an appropriation to provide funds for the maintenance of the North Dakota National Guard of State Militia, as provided for under Chapter 35 of the Political Code of the Compiled Laws of North Dakota, for the year 1913 and amendments thereto, and to meet other requirements prescribed by the Federal Statutes.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$70,000.00, or so much thereof, as may be necessary to provide proper maintenance for the North Dakota National Guard or State Militia, as prescribed in Chapter 35 of the Political Code of the Compiled Laws of North Dakota for the year 1913 and amendments thereto, and to meet other requirements prescribed by the Federal Statutes, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved February 19, 1937.

CHAPTER 79**S. B. No. 192—(Blaisdell)****PENSION MRS. THELMA CRITES**

An Act making an appropriation for a pension for Mrs. Thelma Crites, widow of National Guardsman John E. Crites, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, the sum of \$1,649.00 or so much thereof as may be found necessary for paying a pension to Thelma Crites, widow of John E. Crites, in accordance with Section 2423 Compiled Laws of 1913 and for the reason that Private John E. Crites of the North Dakota National Guard died from a gun shot wound accidentally received while in the performance of his duties as a National Guardsman during the month of June, 1935. Said appropriation to cover pension of \$34.00 per month from June 15, 1935 to July 1, 1939.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 80**S. B. No. 128—(Young)****STATE PLANNING BOARD**

An Act making an appropriation for the purpose of paying the salary of an executive director, stenographic employees and miscellaneous general expenses of the State Planning Board.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of Twenty Thousand Dollars (\$20,000.00), or so much thereof as may be necessary to pay the salary of an executive director, stenographic employees and all miscellaneous general expenses in carrying out the provisions of Chapter 217 of the Session Laws of North Dakota for the year 1935, creating the State Planning Board, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

Approved March 17, 1937.

CHAPTER 81

H. B. No. 100—(Hultstrand, Freitag and Godwin)

PORTRAITS AND PAINTINGS

An Act authorizing and directing the Board of Administration of the State of North Dakota to retouch and repair the portraits and paintings of the former Governors and Legislative Assemblies of North Dakota or other paintings and portraits having been damaged by exposure to moisture and change of temperature and making an appropriation. Emergency.

PARTIAL VETO

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 100, which I have partially disapproved, entitled "An Act authorizing and directing the Board of Administration of the State of North Dakota to retouch and repair the portraits and paintings of the former Governors and Legislative Assemblies of North Dakota or other paintings and portraits having been damaged by exposure to moisture and change of temperature and making an appropriation. Emergency."

The reason for my partial disapproval of this measure is that the State is without sufficient funds to meet the appropriation in the sum of \$1,500.00, and the appropriation is hereby reduced to the sum of \$750.00, and so approved.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That the Board of Administration is hereby directed and empowered to cause to be re-touched and repaired such of the portraits and paintings of the former Governors and Legislative Assemblies of the State of North Dakota or other paintings and portraits belonging to the State as have been damaged by exposure to moisture or change of temperature and due to the Capitol fire, and to cause such work of re-touching and repairing to be performed and done as will restore said paintings and portraits and preserve them for the future. The Board of Administration shall have such re-touching and repairing made by artists qualified to perform the work necessary, and if possible to be performed by residents and citizens of the State of North Dakota.

§ 2. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury not otherwise appropriated, the

sum of One Thousand Five Hundred Dollars (\$1,500.00) or so much thereof as may be necessary to pay for re-touching and repairing of the portraits and paintings of the former Governors and Legislative Assemblies of the State of North Dakota and other paintings and portraits belonging to the State. Said money shall be paid upon vouchers issued by the Board of Administration and approved by the State Auditing Board.

§ 3. WHEREAS, it is necessary that the portraits and paintings must be taken care of in order to prevent further deterioration, this Act is hereby declared to be an emergency and shall be in force and effect from and after its passage and approval.

(NOTE: House emergency certificate shows Ayes, 60; Nays, 35; Absent, 18.)

CHAPTER 82

H. B. No. 3—(Committee on Appropriations)

N. D. PROCUREMENT OFFICER

An Act making an appropriation for the purpose of paying clerkhire and miscellaneous general expenses of the North Dakota Procurement Officer, as provided by Chapter 219, Session Laws of 1935.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$1,800.00, or so much thereof as may be necessary to pay clerkhire and miscellaneous general expenses of the North Dakota Procurement Officer, as provided by Chapter 219, Session Laws of 1935, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Clerkhire:	
Procurement Officer	\$ 1,200.00
Alternate Procurement Officer	600.00
	\$ 1,800.00
TOTAL	\$ 1,800.00

Approved February 18, 1937.

CHAPTER 83**S. B. No. 37—(Committee on Appropriations)**

MISCELLANEOUS REFUNDS

An Act making an appropriation for the purpose of refunding money erroneously paid into or credited to the General Fund.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$2,000.00, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, or so much thereof as may be necessary for the purpose of making certain refunds out of the General Fund and which is known as the Miscellaneous Refund account, used for the purpose of refunding money erroneously paid into or credited to the General Fund.

Approved March 3, 1937.

CHAPTER 84**H. B. No. 1—(Wolf and Burgum)**

RELIEF FUNDS

An Act making an emergency appropriation out of moneys in the Retail Sales Tax Fund created by Chapter 276, Laws of 1935, to provide for the relief of destitute and necessitous persons and for other welfare activities; providing for the distribution of this appropriation by the Public Welfare Board; and declaring an emergency, and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, in the Retail Sales Tax Fund created by Chapter 276, Laws of 1935, not otherwise appropriated, the sum of \$500,000 or so much thereof as may be necessary for the use of the Public Welfare Board in assisting the County welfare boards of North Dakota in defraying the expense of caring for destitute and necessitous persons, for the months of January and February and in carrying out the provisions and purposes of this Act.

§ 2. The Public Welfare Board is hereby authorized to make distribution from the amount herein appropriated among the Counties of North Dakota from month to month after taking into consideration the number of relief cases to be cared for, the ability of each County to finance the cost of necessary relief and other facts which in the opinion of the Board should be taken into account in order to do justice and equity between Counties.

§ 3. The period during which the appropriation made herein shall be available. The appropriation herein made shall be available for the expense to be incurred in giving aid to destitute and necessitous persons for the two months period beginning January 1, 1937, and ending February 28, 1937.

§ 4. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 5. This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved January 16, 1937.

CHAPTER 85

S. B. No. 40—(Committee on Appropriations)

STATE SEED DEPARTMENT

An Act making an appropriation for the purpose of defraying the expenses of the maintenance and operation of the State Seed Department.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$15,000.00, or so much thereof as may be necessary, to apply in addition to any other income for the purpose of defraying the expenses of the maintenance and operation of the State Seed Department as prescribed by Chapter 258 and Chapter 214, Session Laws of North Dakota for 1931, and in carrying out the provisions of any law imposing duties or conferring powers on the State Seed Commissioner, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

1. Seed Testing Laboratory	\$ 4,000.00
2. General Service, Supervision and Regulation of Commercial Seed Industry	4,000.00
3. General Service, Supervision and Regulation of Commercial Potato Industry ..	6,000.00
4. Miscell. and Emergency Expenses	1,000.00
TOTAL	\$ 15,000.00

Approved March 16, 1937.

CHAPTER 86

H. B. No. 198—(Schauss, Morris and Olson)

SOCIAL SECURITY, AGED, BLIND, DEPENDENT CHILDREN

An Act making an appropriation to be expended in providing public assistance to the needy aged, the needy blind, and to dependent children, and in providing child welfare services in coordination with and supplementary to funds made available for like purposes in North Dakota by the Federal Government; defining the powers and duties of the Public Welfare Board in relation thereto; repealing all Acts and parts of Acts in conflict with this Act; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby appropriated from the State Public Welfare Fund, created and established by House Bill No. 199, pending in this Legislative Assembly, the sum of \$2,600,000.00 or so much thereof as may be necessary to be expended by the Public Welfare Board in providing public assistance for the needy aged, the needy blind, and to dependent children, and for child welfare services and services to crippled children, or so much thereof as may be necessary in carrying out and effectuating such programs in coordination with and supplementary to funds made available for like purposes in North Dakota by the Federal Government.

§ 2. Disbursement under this Act shall be made for the purpose of providing old age assistance, aid to dependent children, and aid to the blind, also in providing child welfare services and services to crippled children, in co-operation with the Federal Government, under the provisions of the Social Security Act, and in payment of the cost of administration of each of these programs.

§ 3. Whenever, during the biennium ending June 30, 1937, or the biennium ending June 30, 1939, the balance remaining in the State Public Welfare Fund shall prove insufficient to meet the requirements for old age assistance, aid to the blind, aid to dependent children, services to crippled children, and child welfare services, the State Board of Equalization of North Dakota is hereby authorized and directed to make a levy of a sum sufficient to make up such deficiency and to make a transfer to said sum from the general fund of the State to the State Welfare Fund, but the sum so levied and transferred shall in no case exceed the total sum appropriated and chargeable to the State Public Welfare Fund by Section 1 of this Act.

§ 4. SEPARABILITY CLAUSE.] If any clause, sentence, paragraph or part of this Act shall for any reason be adjudged invalid or unconstitutional, such adjudication shall not affect, impair or invalidate the remaining portions of the Act, but shall be confined in its operation to the clause, sentence, paragraph or part directly involved in the controversy in which such adjudication shall have been made.

§ 5. THE PERIOD DURING WHICH THE APPROPRIATION MADE HEREIN SHALL BE AVAILABLE.] The appropriation herein made shall be available for the period beginning February 1, 1937, and ending June 30, 1939.

§ 6. REPEAL.] All Acts or parts of Acts, in conflict herewith, are hereby repealed.

§ 7. EMERGENCY.] This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 87
H. B. No. 47—(Page)

STATE EXAMINER—DEFICIT

An Act making a deficit appropriation for the purpose of paying travel expense of the office of the State Examiner, as provided by Chapter 71, Session Laws of 1933; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$4,500.00, or so much thereof as may be necessary to pay traveling expenses of the Office of the State Examiner, as provided by Chapter 71, Session Laws of 1933, for the biennium beginning July 1st, 1935, and ending June 30th, 1937, to-wit:

Travel Expense	\$ 4,500.00
TOTAL	\$4,500.00

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 17, 1937.

(NOTE: Emergency failed in Senate.)

CHAPTER 88
H. B. No. 126—(Frazier)

TRANSFER INACTIVE FUNDS HIGHWAY DEPARTMENT

An Act to provide for the transfer of all moneys derived from special taxes on motor vehicle transportation, which are now remaining inactive in special funds, to the Department of State Highways; repealing all Acts or parts of Acts in conflict herewith; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby transferred to the Department of State Highways for the construction, reconstruction, maintenance or repairs of highways or roads under the jurisdiction of said Department, all moneys derived from special taxes on Motor Vehicle Transportation which are now remaining inactive in Special Funds in the State Treasury and are listed as follows:

Unused balance of appropriation by Chapter 74 of 1927 Session Laws for Missouri River Bridge Survey at Washburn	\$ 121.14
Unused balance of appropriation by Chapter 20 of the 1931 Session Laws for Missouri River Bridge Survey between Sioux and Emmons Counties..	2,354.60
Unused balance of State Bridge Fund created by Paragraph (c) of Section 2976t15 of the 1925 Supplement and discontinued by Chapter 177, Session Laws of 1935	38,716.17
Present surplus in Auto Transportation Fund administered by Railroad Commission under Chapter 188, Session Laws of 1931, Chapter 164 of Session Laws of 1933 and Chapter 162 of Session Laws of 1933	10,000.00
	\$ 51,191.91

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 89

S. B. No. 34—(Introduced by Committee on Appropriations)

VETERINARY MEDICAL EXAMINERS

An Act making an appropriation to pay the expenses of the State Board of Veterinary Medical Examiners as authorized under Sections 2711 to 2720, inclusive, of the Compiled Laws of North Dakota for the year 1913.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$710.00, or so much thereof as may be necessary to pay salary, clerkhire, travel and miscellaneous expenses of the State Board of Veterinary Medical Examiners as authorized under Sections 2711 to 2720, inclusive, of the Compiled Laws of 1913, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary	\$	240.00
Clerkhire		20.00
Postage		20.00
Printing		50.00
Travel Expense		380.00

TOTAL	\$	710.00
-------------	----	--------

Approved February 4, 1937.

CHAPTER 90

S. B. No. 10—(Committee on Appropriations)

VOCATIONAL EDUCATION AND REHABILITATION

An Act making an appropriation for the purpose of carrying out the provisions of Sections 1471b1 to 1471b9 and 1471c1 to 1471c8 of the Supplement to the Compiled Laws of 1913.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated the sum of \$30,200.00, or so much thereof as may be necessary to pay the expenses of carrying out the provisions of Sections 1471b1 to 1471b9 and 1471c1 to 1471c8 of the Supplement to the Compiled Laws of 1913, relative to vocational education and vocational rehabilitation, for the biennium beginning July 1st, 1937, and ending June 30, 1939, to-wit:

Salary	\$	2,000.00
Clerkhire		800.00

Postage	150.00
Office Supplies	100.00
Printing	400.00
Miscellaneous	250.00
Travel Expense	1,500.00
Vocational Rehabilitation of Physically Handicapped Persons	25,000.00
TOTAL	\$ 30,200.00

Approved March 4, 1937.

CHAPTER 91

S. B. No. 11—(Committee on Appropriations)

WOLF, COYOTE AND MAGPIE BOUNTY

An Act making an appropriation for the purpose of paying a bounty on wolves and coyotes as provided for under Sections 2645 to 2656, inclusive, of the Supplement to the Compiled Laws of 1913 as amended by Chapter 283, Session Laws of 1927 and as amended by Chapter 9, Session Laws of 1933, and as amended by Chapter 7, Session Laws of 1935, and magpie bounty as provided for by Sections 2656b1 to 2656b9, inclusive, of the Supplement to the 1913 Compiled Laws of North Dakota; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$60,000.00, or so much thereof as may be necessary for the purpose of paying the bounty on wolves and coyotes as prescribed under Sections 2645 to 2656, inclusive, of the Supplement to the Compiled Laws of 1913, as amended by Chapter 283, Session Laws of 1927, and as amended by Chapter 9, Session Laws of 1933, and as amended by Chapter 7, Session Laws of 1935, and magpie bounty as provided for by Sections 2656b1 to 2656b9, inclusive, of the Supplement to the 1913 Compiled Laws of North Dakota.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 92

S. B. No. 77—(Committee on Appropriations)

WORKMEN'S COMPENSATION BUREAU

An Act making an appropriation for the purpose of defraying the expenses of the maintenance and operation of the Workmen's Compensation Bureau.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury in the Workmen's Compensation Fund, not otherwise appropriated, the sum of \$152,620.00, or so much thereof as may be necessary for the payment of salaries of the members of the Bureau, of the Secretary and all actuaries, accountants, inspectors, examiners, experts, clerks, physicians, stenographers, and other assistants, and all other expenses of the Bureau authorized in the Workmen's Compensation Acts, and the premium on the bond of the State Treasurer, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary	\$ 13,440.00
Clerkhire	79,680.00
Postage	13,000.00
Office Supplies	4,000.00
Furniture and Fixtures	5,000.00
Printing	5,000.00
Miscellaneous	7,000.00
Travel Expense	7,500.00
Automobile Equipment and Maintenance	3,000.00
Actuary	5,000.00
Legal Expense	10,000.00
TOTAL	<u>\$152,620.00</u>

Approved February 25, 1937.

BANKS AND BANKING

CHAPTER 93

H. B. No. 188—(Sand, Godwin and Savre)

AUTHORIZATION OF PAYING AND RECEIVING STATIONS BY BANKS

An Act authorizing any banking institution to establish stations for receiving of deposits and the payment of checks and similar bank paper, subject to the approval and supervision of the State Banking Board, and prohibiting branch banking.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. PAYING AND RECEIVING STATIONS, ESTABLISHMENT OF.] Any banking institution may establish and maintain, within the County in which the home office of the applicant banking institution is located or in any adjoining County, subject to the approval and supervision of the State Banking Board, a receiving and paying station in any community not having an established banking institution.

§ 2. APPLICATION.] Any banking institution desiring to establish such a station shall make application to the State Banking Board in such manner and in such form as shall be prescribed by it, giving such information as the Board may require and shall at the time of filing the application pay to the Board such sum as said Board may designate, not exceeding the sum of Twenty-five Dollars (\$25.00) to defray the cost of investigation by the Board.

§ 3. INVESTIGATION.] The State Banking Board shall thereupon make an investigation and may issue a permit for the establishment and maintenance pursuant hereto of such station, provided as the result of said investigation it shall find that: (a) public convenience and advantage will be promoted by such station; (b) that the capital of the applicant bank is unimpaired and its management good. Provided, however, that no permit shall be granted until all banking institutions within a radius of fifteen miles of the proposed situs, of any such service station has been served with at least thirty (30) days notice and given an opportunity to be heard. If upon such hearing it shall be made to appear that some other banking institution than the applicant is more favorably located, and can render better service to the community, the Board may grant such favorably located institution the right to establish the station.

§ 4. BUSINESS TRANSACTION OF.] No banking business shall be transacted in any such station other than receiving and paying out deposits, issuing drafts, travelers' checks, and similar instru-

ments, handling and making collections, and cashing checks and drafts.

§ 5. REGULATIONS.] Whenever a paying and receiving station shall be permitted to operate under this section, the State Banking Board in each case may prescribe the rules and regulations of its operation.

§ 6. DISCONTINUANCE OF.] No station shall be continued at any place after a banking institution shall have actually commenced business at the same place. Whenever the State Banking Board shall determine after investigation that the continued operation of any such station will no longer promote public convenience and advantage, or that it will prove detrimental to the banking institution operating such station, the Board may revoke the permit for such station.

§ 7. PERMIT, CANCELLATION OF.] Whenever any banking institution, which has been granted a permit to establish and maintain such a station, shall deem it advisable to discontinue the maintenance of such station, it may make written application to the State Banking Board for the cancellation of its permit, and the Board may thereupon enter its order, cancelling such permit, within such time as the Banking Board may specify therein.

§ 8. BRANCH BANKING PROHIBITED.] This section shall not be construed as committing the State in any manner to a policy of permitting branch banking.

§ 9. ADDITIONAL CAPITAL NOT REQUIRED.] No additional capital is required for the operation of said stations.

§ 10. No banking institution shall operate or maintain such paying or receiving station without first applying for and receiving permission so to do from the Banking Board.

Approved March 10, 1937.

CHAPTER 94

H. B. No. 280—(Solberg)

RELATING TO INSOLVENT BANKS

An Act amending Subdivision U of Section 51 of Chapter 96 of the Session Laws of North Dakota for 1931, relating to the liquidation of insolvent banks by depositors; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Sub-division U of Section Fifty-one (51) of Chapter 96 of the Session Laws of North Dakota for 1931 be amended and re-enacted to read as follows:

§ 51. ADMINISTRATION OF INSOLVENT BANKS.]

Subdivision (U) LIQUIDATION BY DEPOSITORS.] When any bank shall be closed and taken charge of by the receiver as provided for herein, or while proceedings are pending for taking charge thereof hereunder, articles of agreement and a plan for liquidation by a liquidating committee may be submitted to the State Examiner. Such plan must, among other things, contain the names of six persons who may or may not be depositors, from among whom, if the application is granted by the Court as hereinafter provided, the Court may select three to act as such liquidating committee. There shall also be submitted with such plan and articles of agreement and the consent in writing of all of such proposed members of the liquidating committee to act on such committee if selected by the Court. It shall be the duty of the State Examiner to act in an advisory capacity to the persons interested in the plan. He shall pass upon the feasibility and practicability of the same, and either approve or disapprove thereof. If he disapproves the plan, it shall be his duty to formulate and present in lieu thereof an agreement and plan which meets with his approval.

Such agreement and plan so approved by the State Examiner shall thereupon be by the applicants presented to the deposit creditors of such bank for execution by each depositor in person, or by his representative holding a power of attorney to act in the premises, sworn to before a Notary Public or other officer empowered to administer oaths, which power of attorney shall accompany such agreement and plan. When deposit creditors thereof, representing not less than fifty-one per cent (51%) of the amount of deposits of such bank exclusive of public money secured by indemnity bonds or otherwise, and also exclusive of deposits of less than Twenty-five Dollars each, have executed said articles of agreement and plan for liquidation, all other unsecured depositors shall be held subject to such agreement and all the terms thereof to the same extent and effect as if they had joined in its execution, and the same may be presented to the Court Commissioner or Judge of the District Court designated by the Supreme Court as hereinbefore provided, together with an application to have the liquidation of the said bank withdrawn from the receivership and vested in a liquidation committee. Such Court Commissioner or District Judge, as the case may be, shall thereupon make an order fixing a time and place for the hearing of such application, which hearing shall be held in the town where such bank is located. Ten days' notice of such hearing, containing a statement of the purpose, time and place thereof, must be given by the applicants by registered mail to the receiver of such bank, to the State Examiner, and to each deposit creditor shown of record on the books of the bank at the time of closing, and for the purpose hereof such records shall be by the receiver of such bank made available to the applicants upon demand.

Upon the hearing the Court shall advise itself fully in regard to the status of the existing receivership, the feasibility of the proposed

plan, the competency of the proposed members of the liquidating committee and its several members to act in the proposed capacity, and it shall have the power to select three persons from the names submitted in such plan and articles of agreement to act as a liquidating committee, and to prescribe the terms and conditions upon which the liquidation of the affairs of such bank will be transferred from the receivership to such committee. It may also permit the applicants, with the consent of the State Examiner, to modify or amend the said proposed plan of liquidation. If no good reason is presented why the application as originally made or as amended should not be granted, the Court must make its order appointing three persons from among the names submitted with said plan, to act as joint receivers of said bank in the place and stead of the existing receiver, prescribe the amount of the bond, if any, which they should be required to give upon qualifying as receivers and the manner of their reporting and accounting to the Court, directing the existing receiver to account to them and turn over all of the assets of the receivership, first deducting the proper expense and charges for administration of the receivership up to such time, the amount thereof to be agreed upon between the existing and the new receivers, or in case of disagreement to be settled by the Court; but the failure of the parties to so agree shall not delay the transfer of the assets and effects to the new receivers, except such thereof as are claimed by the old receiver as compensation, as aforesaid, and the correctness of such claim shall be subsequently determined by the Court.

Upon so accounting and surrendering the assets and effects to the said new receivers, the existing receiver shall take their receipt therefor, and he shall be thereupon discharged from all liability and responsibility in connection with the further liquidation of such bank, and the said new receivers shall be deemed to have assumed the same liability, responsibility and accountability to the Court as other receivers. Any vacancy in the office of such receivers so appointed by the Court as hereinbefore provided, shall be filled by the remaining receivers with the approval of the Court, and in the event that all of said receivers shall vacate their office for any cause simultaneously, then the Court shall fill such vacancies.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency and shall take effect from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 95**H. B. No. 189—(G. Wendland and Paul A. Sand)****LIABILITY STATE BANK SHAREHOLDERS**

An Act to amend Section 22, of Chapter 96, of the Session Laws of the State of North Dakota for the year 1931, relating to the responsibility of shareholders of state bank stock.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 22, of Chapter 96, of the Session Laws of the State of North Dakota for the year 1931, is hereby amended to read as follows:

§ 22. RESPONSIBILITY OF SHAREHOLDERS.] The shareholders of every association organized under this Act shall be individually responsible, equally and ratably, and not one for another, for all contracts, debts and engagements of such association made or entered into to the extent of the amount of his stock therein at the par value thereof, in addition to the amount invested in and due on such shares.

Such additional liability shall cease on July 1, 1939, with respect to all shares issued by any state banking association which shall be transacting the business of banking on July 1, 1939; provided, that not less than six (6) months prior to such date, such association shall have caused notice of such prospective termination of liability to be published once each week for four (4) successive weeks in a newspaper published in the City, town, or County in which such banking association is located, and if no newspaper is published in such City, town or County, then in a newspaper of general circulation therein. If any banking association fail to give such notice as and when above provided the termination of such additional liability may thereafter be accomplished as of the date six (6) months subsequent to publication, in the manner above provided.

Approved March 16, 1937.

CHAPTER 96**S. B. No. 173—(Committee on Banking)****RESERVE FUNDS BANKING ASSOCIATIONS**

An Act amending and re-enacting Section 30, of Chapter 96, of the Session Laws of the State of North Dakota for the year 1931, relating to reserve funds of State banking associations.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 30, of Chapter 96, of the Session Laws of the State of North Dakota for the year 1931, is hereby amended and re-enacted to read as follows:

§ 30. RESERVE FUNDS.] Each banking association shall at all times have on hand in available funds an amount which shall equal twenty per cent of its demand deposits and amounts due to other banks and ten per cent of its time deposits; four-fifths of this amount may consist of balances due to the association from the Bank of North Dakota, or good solvent State or National banks or Trust companies approved by the State Banking Board for such purposes, and located in such commercial centers as will facilitate the purposes of banking exchanges, and the remaining one-fifth of such reserve shall consist of actual cash on hand; cash items shall not be included in computing reserve, and no association shall carry as cash, or cash items, any paper or other matter except legitimate bank exchange which will be cleared on the same or next succeeding day. Provided, however, that any State banking association with the permission of the State Banking Board may carry not to exceed one-fourth of its legal reserve in United States Certificates of Indebtedness, United States bonds, North Dakota land series bonds, Bank of North Dakota bonds, and North Dakota Mill and Elevator bonds. Whenever the available funds within the meaning of this section, shall be below the requirements hereinbefore stated, such association shall not increase its liabilities by making any new loans or discounts other than by discounting or purchasing bills of exchange, payable at sight, or make any dividend of its profits until the required proportion between the aggregate amount of the deposits and its lawful money reserve has been restored and the State Banking Board must notify any association whose lawful money reserve shall be below the amount required to be kept on hand to make good such reserve and if such association shall fail to do so for a period of thirty (30) days after such notice, the State Banking Board may impose a penalty of not less than One Hundred Dollars or more than Five Hundred Dollars which shall be collected in the same manner as other penalties prescribed in this Act.

Approved March 10, 1937.

BEER

CHAPTER 97

H. B. No. 233—(Schauss)

FOUR PER CENT BEER

An Act declaring that all beer and ale manufactured or sold in the State of North Dakota containing 4%, or less, of alcohol by weight, shall be controlled by and subject to the provisions of the State Laws relating to 3.2 alcohol content beer; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That all beer and ale manufactured or sold in the State of

North Dakota containing 4%, or less, of alcohol by weight, shall be controlled by and subject to all the provisions of the laws of this State relating to 3.2 alcohol content beer.

§ 2. EMERGENCY.] Whereas there seems to be some confusion since the enactment of the initiated measure relating to alcoholic liquors and there is some uncertainty with reference to the manufacture and sale of certain beer, therefore an emergency is declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 15, 1937.

CHAPTER 98

H. B. No. 247—(Langford and Caddell)

BEER TAX—AMENDMENT

An Act to amend and re-enact Section Six (6) of that certain initiated law adopted by the voters of the State of North Dakota at the special election held September 22, 1933, as amended and re-enacted by Chapter 98 of the Session Laws of the State of North Dakota for the year 1935, entitled as follows: "An Act defining and providing for the manufacture, sale and distribution of beer, providing revenue therefrom, and licenses therefor, prohibiting the transfer of licenses, excluding certain persons from the right to purchase the same, appointing a State Beer Commissioner and defining his powers, duties, and salary; authorizing Cities, villages and County Commissioners to provide a local tax and prescribe rules and regulations under which beer may be sold and authorizing municipalities to provide penalties for violation of their regulations; providing for the administrative expense of this Act; making it unlawful for any person to engage in the manufacture or sale of beer without first obtaining a license therefor; providing a penalty for the violation of the provision thereof; providing for a saving clause as to constitutionality; and repealing all Acts or parts of Acts in conflict with this Act, and making an appropriation to carry out the provisions hereof," and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Section Six (6) of said initiated law as the same is amended and re-enacted by Chapter Ninety-eight (98) of the 1935 Session Laws be and the same is hereby amended and re-enacted to read as follows:

§ 6. ADDITIONAL STATE REVENUE—THE AMOUNT THEREOF AND HOW COLLECTED.] From and after the taking effect of this Act there is hereby levied and assessed and there shall be collected and paid to the State Treasurer upon all beer sold in North Dakota to

consumers, the following taxes to be paid prior to the sale and delivery thereof to the consumer and at the time said beer is delivered to the retailer; on each point of beer in bottles or other container, one cent; on each quart of beer in bottles or other containers, two cents; on each gallon of beer, in kegs or other containers, eight cents. All beer sold in this State under the provision of the initiated beer measure of 1933 being an Act approved September 22, 1933, and Acts amendatory thereof, shall be put up in bottles, kegs or other containers, so that stamps can be affixed thereto in the manner hereinafter provided, the stamps representing the payment of said tax shall be provided by the Commissioner and purchased from him. The proceeds of the sale of such stamps to be turned over to the Treasurer of the State of North Dakota, and such stamps shall be affixed to the bottles, kegs or other containers containing said beer in such manner that the opening of the container breaks the stamps, thereby preventing the use of the stamp a second time, such stamps shall be attached to each bottle or container and nothing herein shall be construed as authorizing or permitting stamps to be attached to a case or other container holding more than one bottle, keg or barrel filled with beer; providing further that a bottle, keg, barrel or container commonly referred to as a pint, quart, one-eighth barrel or keg, one-fourth barrel or keg shall, for the purpose of this Act, be assumed to contain sixteen ounces per pint, thirty-two ounces per quart, four gallons per one-eighth barrel or keg, container, for the purpose of computing the tax to be paid, even though such container actually contains less than the quantity designated by such terms, provided, however, that the net amount of moneys received and collected under this Act between the effective date hereof and the first day of April, 1939, after the payment of the expenses of administering this Act, shall be credited, by the State Treasurer to the Real Estate Bond Interest Payment Fund provided for and established by Chapter 182 of the Session Laws of 1929, and the State Board of Equalization shall consider and include the payments made hereunder, in determining the necessity for the making of any levy as provided and required by said Chapter 182.

§ 2. EMERGENCY.] Whereas, the additional revenue provided for herein is necessary for the objects and purposes set forth, therefore an emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 17, 1937.

BONDS

CHAPTER 99

H. B. No. 183—(Freitag and Thoreson)

RELATING TO BONDS FOR CERTAIN PUBLIC DEPOSITS

An Act authorizing County, Municipal, Township and School Board officials to waive the furnishing of surety or personal bonds, where such funds are insured in the Federal Deposit Insurance Corporation, and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. NO BONDS REQUIRED. WHEN.] That whenever it shall be made to appear that any County, City, Village, or School Board in the State of North Dakota has designated a bank for deposits of funds belonging to said political sub-division and said bank has complied with the provisions of the Act relating to guarantee of deposits in State and National banks no bond shall be required of said bank to secure the deposits of any part of said public funds up to the amount the deposit is secured in said bank under said Federal Act.

§ 2. BONDS REQUIRED. WHEN.] If it shall at any time be made to appear that the benefit of the Federal Act guaranteeing deposits in banks has been withdrawn from the bank in which any of public funds are deposited, it shall be the duty of the Board having control of or supervision over such public funds, to immediately withdraw the full amount thereof from said bank, or to forthwith require the usual bond now required to secure the deposits of such public funds and it shall be unlawful to continue any bank as a depositor of public funds unless and until said bonds shall have been furnished.

§ 3. REPEAL.] All Acts or parts of Acts, to the extent that they are in conflict herewith, are hereby repealed.

Approved March 17, 1937.

CHAPTER 100

S. B. No. 142—(Guthrie, Ettestad and Cain)

CONTRACTORS BONDS ON PUBLIC IMPROVEMENTS

An Act to amend and re-enact Chapter 81 of the Session Laws for the year 1933, relating to bonds from contractors on public improvements; repealing Section 6835 of the Compiled Laws for the year 1913, and all Acts and parts of Acts in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Chapter 81 of the Session Laws of

1933, be and the same is hereby amended and re-enacted to read as follows:

§ 6832. BONDS FROM CONTRACTORS ON PUBLIC IMPROVEMENTS.] It shall be the duty of every public officer or board authorized to enter into a contract for the erection, repair or alteration of any public building, or any other public improvement, except municipal improvements made under special assessment statutes, before permitting any work to be done on such contract, to take from the contractor a good and sufficient bond for an amount at least equal to the price stated in the contract, conditioned to be void if the contractor and all sub-contractors shall fully perform all terms, conditions and provisions of the contract and shall pay all bills or claims on account of labor or materials, or supplies used for machinery and motor power equipment, performed, furnished and used in and about the performance of said contract, including all demands of sub-contractors, said bond to stand as security for all such bills, claims and demands until the same are fully paid, labor and material men to have preference as to payment. Said bond shall run to the State of North Dakota, but any person having a lawful claim against the contractor, or any sub-contractor, as provided in this Act, on account of labor, materials or supplies, or for a breach of said contract may sue in his own name on said bond with like effect as though said bond were payable to him.

§ 2. REPEAL.] That Section 6835 of the Compiled Laws for the year 1913 is hereby repealed, also all Acts and parts of Acts in conflict herewith.

§ 3. EMERGENCY.] An emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

Approved March 11, 1937.

CHAPTER 101
H. B. No. 334—(Schauss)

AUTHORIZATION COUPON BONDS

An Act authorizing the exchange of coupon bonds for registered bonds of the State of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Any registered bond of the State of North Dakota of any series may be exchanged for substitute unregistered Bonds under the provisions of the Act. The owner or assignee may present registered bonds to the State Treasurer with a written request for exchange and pay to the State Treasurer a fee of \$1.00 per bond, and also the cost

of printing such bond. The issuance of substitute bonds shall thereupon be authorized by resolution of the Industrial Commission, identifying by serial number and description the bonds offered for exchange and the substitute bonds. The Treasurer shall cause substitute bonds to be prepared which shall be of the same denomination and bear the same serial number and maturity as the surrendered bonds, and shall be in identical form except that each shall have on the margin the following notation: "Substituted for original registered bond under resolution of the Industrial Commission this day of, 19. . . .". There shall be inserted in the notation of the date of the resolution. Each substitute bond shall be executed and attested by the officers in office on the date of such marginal notation and the certificate endorsed thereon shall be signed by the Auditor and Secretary of State then in office, and shall have coupons attached representing unpaid interest to maturity which may be executed by the facsimile signature or signatures of the officers in office on the date of the original issue or of the corresponding officer or officers in office on the date of substitution, but if the latter signatures shall be used then the coupons shall recite the fact and date of substitution. The substitute bonds may be delivered in person or by registered mail or express to the registered owner of the surrendered bonds or the assignee thereof. Simultaneously with such delivery, the surrendered bonds shall be cancelled and a notation shall be made thereon that substitute bonds have been issued, and shall be retained by the Treasurer until the maturity date thereof. Substitute bonds shall be fully negotiable and shall entitle the holder thereof to all rights of a holder for value of the original bond.

Approved March 9, 1937.

CHAPTER 102

S. B. No. 114—(Strehlow, Guthrie and Lowe)

HOUSING AUTHORITIES LAW

An Act to declare the necessity of creating public bodies corporate and politic to be known as housing authorities to undertake slum clearance and projects to provide dwelling accommodations for persons of low income; to create such housing authorities in cities having a population of more than 5,000 inhabitants and in Counties; to define the powers and duties of housing authorities and to provide for the exercise of such powers, including acquiring property, borrowing money, issuing bonds and other obligations, and giving security therefor; to provide that housing authorities may obtain the Attorney General's opinion upon their bonds; to provide that housing authorities, their property and securities shall be exempt from taxation and assessment, but to authorize certain payments in lieu of taxes; to confer remedies on obligees of housing authorities; and to declare an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SHORT TITLE.] This Act may be referred to as the "Housing Authorities Law."

§ 2. FINDING AND DECLARATION OF NECESSITY.] It is hereby declared: (a) that there exist in the State insanitary or unsafe dwelling accommodations and that persons of low income are forced to reside in such insanitary or unsafe accommodations; that within the State there is a shortage of safe or sanitary dwelling accommodations available at rents which persons of low income can afford and that such persons are forced to occupy over crowded and congested dwelling accommodations; that the aforesaid conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the State and impair economic values; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities; (b) that slum areas in the State cannot be cleared, nor can the shortage of safe and sanitary dwellings for persons of low income be relieved, through the operation of private enterprise, and that the construction of housing projects for persons of low income (as herein defined) would therefore not be competitive with private enterprise; (c) that the clearance, replanning and reconstruction of the areas in which insanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons of low income are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of State concern; (d) that it is in the public interest that work on projects for such purposes be commenced as soon as possible in order to relieve unemployment which now constitutes an emergency; and the necessity in the public interest for the provisions hereinafter enacted, is hereby declared as a matter of legislative determination.

§ 3. DEFINITIONS.] The following terms, wherever used or referred to in this Act, shall have the following respective meanings, unless a different meaning clearly appears from the context:

(a) "Authority" or "Housing Authority" shall mean any of the public corporations created by Section 4 of this Act.

(b) "City" shall mean any city having population of more than 5000 inhabitants (according to the last Federal or State Census). "County" shall mean any County in the State. "The City" shall mean the particular city for which a particular housing authority is created. "The County" shall mean the particular County for which a particular housing authority is created.

(c) "Governing body" shall mean, in the case of a city, the city council, or the board of city commissioners, or other legislative

body charged with governing the city (as the case may be), and in the case of a County, the Board of County Commissioners or the chairmen of the township boards, or the other legislative body charged with governing the County (as the case may be.)

(d) "Mayor" shall mean the Mayor of the city or the officer thereof charged with the duties customarily imposed on the Mayor or executive head of the city.

(e) "Clerk" shall mean the clerk of the city or the clerk of the County, as the case may be, or the officer charged with the duties customarily imposed on such clerk.

(f) "Area of Operation:" (1) in the case of a housing authority of a city having a population of less than 15,000 inhabitants, shall include such city and the area within five miles of the territorial boundaries thereof; (2) in the case of a housing authority of a city having a population of 15,000 inhabitants or more shall include such city and the area within ten miles from the territorial boundaries thereof; provided, however, that the area of operation of a housing authority of any city shall not include any area which lies within the territorial boundaries of some other city as herein defined; (3) in the case of a housing authority of a County, shall include all of the County except that portion which lies within the territorial boundaries of any city as herein defined.

(g) "Federal Government" shall include the United States of America, the Federal Emergency Administration of Public Works or any other agency or instrumentality, corporate or otherwise, of the United States of America.

(h) "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary facilities, or any combination of these factors, are detrimental to safety, health and morals.

(i) "Housing Project" shall mean any work or undertaking: (1) to demolish, clear, or remove buildings from any slum area; such work or undertaking may embrace the adaptation of such area to public purposes, including parks or other recreational or community purposes; or (2) to provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons of low income; such work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparations, gardening, administrative, community, health, recreational, educational, welfare or other purposes; or (3) to accomplish a combination of the foregoing. The term "housing project" also may be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith.

(j) "Persons of low income" shall mean persons or families who lack the amount of income which is necessary (as determined by the authority undertaking the housing project) to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding.

(k) "Bonds" shall mean any bonds, notes, interim certificates, debentures, or other obligations issued by an authority pursuant to this Act.

(l) "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

(m) "Obligee of the authority" or "obligee" shall include any bondholder, trustee or trustees for any bondholders, or lessor demising to the authority property used in connection with a housing project, or any assignee or assignees of such lessor's interest or any part thereof, and the Federal Government when it is a party to any contract with the authority.

§ 4. CREATION OF HOUSING AUTHORITIES.] In each city (as herein defined) and in each County of the State there is hereby created a public body corporate and politic to be known as the "Housing Authority" of the City or County; provided, however, that such authority shall not transact any business or exercise its powers hereunder until or unless the governing body of the City or the County, as the case may be, by proper resolution shall declare at any time hereafter that there is need for an authority to function in such City or County. The determination as to whether there is such need for an authority to function (a) may be made by the governing body on its own motion or (b) shall be made by the governing body upon the filing of a petition signed by twenty-five residents of the City or County, as the case may be, asserting that there is need for an authority to function in such City or County and requesting that the governing body so declare.

The governing body shall adopt a resolution declaring that there is need for a housing authority in the City or County, as the case may be, if it shall find (a) that insanitary or unsafe inhabited dwelling accommodations exist in such City or County or (b) that there is a shortage of safe or sanitary dwelling accommodations in such City or County available to persons of low income at rentals they can afford. In determining whether dwelling accommodations are unsafe or insanitary said governing body may take into consideration the degree of overcrowding, the percentage of land coverage, the light, air, space and access available to the inhabitants of such dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities, and the extent to which conditions exist in such buildings which endanger life or property by fire or other causes.

In any suit, action or proceeding involving the validity or enforcement of or relating to any contract of the authority, the authority shall be conclusively deemed to have become established and authorized to transact business and exercise its powers hereunder upon proof of the adoption of a resolution by the governing body declaring the need for the authority. Such resolution or resolutions shall be deemed sufficient if it declares that there is such need for an authority and finds in substantially the foregoing terms (no further detail being necessary) that either or both of the above enumerated conditions exist in the City or County, as the case may be. A copy of such resolution duly certified by the Clerk shall be admissible in evidence in any suit, action or proceeding.

§ 5. APPOINTMENT, QUALIFICATIONS AND TENURE OF COMMISSIONERS.] When the governing body of a city adopts a resolution as aforesaid, it shall promptly notify the Mayor of such adoption. Upon receiving such notice, the Mayor shall appoint five persons as Commissioners of the Authority created for said City. When the governing body of a County adopts a resolution as aforesaid, said body shall appoint five persons as Commissioners of the Authority created for said County. The Commissioners who are first appointed shall be designated to serve for terms of one, two, three, four and five years, respectively, from the date of their appointment, but thereafter Commissioners shall be appointed as aforesaid for a term of office of five years except that all vacancies shall be filled for the unexpired term. No Commissioner of an authority may be an officer or employee of the City or County for which the authority is created. A Commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or re-appointment of any Commissioner shall be filed with the Clerk and such certificate shall be conclusive evidence of the due and proper appointment of such Commissioner. A Commissioner shall receive no compensation for his services, but he shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties.

The powers of each Authority shall be vested in the Commissioners thereof in office from time to time. Three Commissioners shall constitute a quorum of the Authority for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Commissioners present, unless in any case the by-laws of the Authority shall require a larger number. The Mayor (or in the case of an Authority for a County, the governing body of the County) shall designate which of the Commissioners appointed shall be the first chairman, but when the office of the chairman of the Authority thereafter becomes vacant, the Authority shall select a chairman from among its Commissioners. An Authority shall select from among its Commissioners a vice-chairman, and it may employ a secretary (who shall be executive director), technical experts and such other officers,

agents and employees, permanent and temporary, as it may require, and shall determine their qualifications, duties and compensation. For such legal services as it may require, an authority may call upon the chief law officer of the City or the County or may employ its own counsel and legal staff. An Authority may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

§ 6. INTERESTED COMMISSIONERS OR EMPLOYEES.] No Commissioner or employee of an Authority shall acquire any interest direct or indirect in any housing project or in any property included or planned to be included in any project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project. If any Commissioner or employee of an Authority owns or controls an interest direct or indirect in any property included or planned to be included in any housing project, he immediately shall disclose the same in writing to the Authority and such disclosure shall be entered upon the minutes of the Authority. Failure so to disclose such interest shall constitute misconduct in office.

§ 7. REMOVAL OF COMMISSIONERS.] For inefficiency or neglect of duty or misconduct in office, a Commissioner of an Authority may be removed by the Mayor (or in the case of an Authority for a County, by the governing body of said County), but a Commissioner shall be removed only after he shall have been given a copy of the charges at least 10 days prior to the hearing thereon and had an opportunity to be heard in person or by counsel. In the event of the removal of any Commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the Clerk.

§ 8. POWERS OF AUTHORITY.] An Authority shall constitute a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including the following powers in addition to others herein granted:

(a) To sue and be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the Authority; and to make and from time to time amend and repeal by-laws, rules and regulations, not inconsistent with this Act, to carry into effect the powers and purposes of the Authority.

(b) Within its area of operation: to prepare, carry out, acquire, lease and operate housing projects; to provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof.

(c) To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project or the occupants thereof; and (notwithstanding anything to the contrary contained in this Act or in any other provision of law) to include in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the Federal Government may have attached to its financial aid of the project.

(d) To lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project and (subject to the limitations contained in this Act) to establish and revise the rents or charges therefor; to own, hold, and improve real or personal property; to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or otherwise any real or personal property or any interest therein; to acquire by the exercise of the power of eminent domain any real property; to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein; to insure or provide for the insurance of any real or personal property or operations of the Authority against any risks or hazards; to procure insurance or guarantees from the Federal Government of the payment of any debts or parts thereof (whether or not incurred by said authority) secured by mortgages on any property included in any of its housing projects.

(e) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be cancelled.

(f) Within its area of operation: to investigate into living, dwelling and housing conditions and into the means and methods of improving such conditions; to determine where slum areas exist or where there is a shortage of decent, safe and sanitary dwelling accommodations for persons of low income; to make studies and recommendations relating to the problem of clearing, replanning and reconstructing of slum areas, and the problem of providing dwelling accommodations for persons of low income, and to cooperate with the City, the County, the State or any political subdivision thereof in action taken in connection with such problems; and to engage in research, studies and experimentation on the subject of housing.

(g) Acting through one or more Commissioners or other person or persons designated by the Authority: to conduct examinations and investigations and to hear testimony and take proof under oath at public or private hearings on any matter material for its information; to administer oaths, issue subpoenas requiring the attendance of witnesses or the production of books and papers and to issue commis-

sions for the examination of witnesses who are outside of the State or unable to attend before the Authority, or excused from attendance; to make available to appropriate agencies (including those charged with the duty of abating or requiring the correction of nuisances or like conditions, or of demolishing unsafe or insanitary structures within its area of operation) its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety or welfare.

(h) To exercise all or any part or combination of powers herein granted.

No provisions of law with respect to the acquisition, operation or disposition of property by other public bodies shall be applicable to an Authority unless the legislature shall specifically so state.

§ 9. OPERATION NOT FOR PROFIT.] It is hereby declared to be the policy of this State that each housing Authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations, and that no housing authority shall construct or operate any such project for profit, or as a source of revenue to the city or the County. To this end an Authority shall fix the rentals for dwellings in its projects at no higher rates than it shall find to be necessary in order to produce revenues which (together with all other available moneys, revenues, income and receipts of the Authority from whatever sources derived) will be sufficient (a) to pay, as the same become due, the principal and interest on the bonds of the Authority; (b) to meet the cost of, and to provide for, maintaining and operating the projects (including the cost of any insurance) and the administrative expenses of the Authority; and (c) to create (during not less than the six years immediately succeeding its issuance of any bonds) a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve.

§ 10. RENTALS AND TENANT SELECTION.] In the operation or management of housing projects an Authority shall at all times observe the following duties with respect to rentals and tenant selection: (a) It may rent or lease the dwelling accommodations therein only to persons of low income. (b) It may rent or lease the dwelling accommodations therein only at rentals within the financial reach of such persons of low income. (c) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms (but no greater number) which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof, without overcrowding. (d) It shall not accept any person as a tenant in any housing project if the person or persons who would occupy the dwelling accommodations have an aggregate annual income in excess of five times the annual rental of the quarters to be furnished such

person or persons; in computing the rental for this purpose of selecting tenants, there shall be included in the rental the average annual cost (as determined by the Authority) to the occupants, of heat, water, electricity, gas, cooking range and other necessary services or facilities, whether or not the charge for such services and facilities is in fact included in the rental. (e) It shall prohibit subletting by tenants.

Nothing contained in this or the preceding Section shall be construed as limiting the power of an Authority to vest in an obligee the right, in the event of a default by the Authority, to take possession of a housing project or cause the appointment of a receiver thereof or acquire title thereto through foreclosure proceedings, free from all the restrictions imposed by this or the preceding Section.

§ 11. CO-OPERATION BETWEEN AUTHORITIES.] Any two or more Authorities may join or co-operate with one another in the exercise of any or all of the powers conferred hereby for the purpose of financing, planning, undertaking, constructing or operating a housing project or projects located within the area of operation of any one or more of said Authorities.

§ 12. EMINENT DOMAIN.] An Authority shall have the right to acquire by the exercise of the power of eminent domain any real property which it may deem necessary for its purposes under this Act after the adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes. An Authority may exercise the power of eminent domain in the manner provided in Sections 8202 to 8231, both inclusive, Compiled Laws of North Dakota, 1913, and Acts amendatory thereof or supplementary thereto; or it may exercise the power of eminent domain in the manner provided by any other applicable statutory provisions for the exercise of the power of eminent domain.

§ 13. PLANNING, ZONING AND BUILDING LAWS.] All housing projects of an Authority shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality in which the housing project is situated. In the planning and location of any housing project, an Authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the housing authority functions.

§ 14. BONDS.] An Authority shall have power to issue bonds from time to time in its discretion, for any of its corporate purposes. An Authority shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. An Authority may issue such types of bonds as it may determine, including bonds on which the principal and interest are payable: (a) exclusively from the income and revenues of the housing project financed with the proceeds of such bonds, or with such proceeds

together with a grant from the Federal Government in aid of such project; (b) exclusively from the income and revenues of certain designated housing projects whether or not they were financed in whole or in part with the proceeds of such bonds; or (c) from its revenues generally. Any of such bonds may be additionally secured by a pledge of any revenues or a mortgage of any housing project, projects or other property of the Authority.

Neither the Commissioners of an Authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of an Authority (and such bonds and obligations shall so state on their face) shall not be a debt of the city, the County, the State or any political subdivision thereof and neither the city nor the County, nor the State or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said Authority. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Bonds of an Authority are declared to be issued for an essential public and governmental purpose and to be public instrumentalities and, together with interest thereon and income therefrom, shall be exempt from taxes.

§ 15. FORM AND SALE OF BONDS.] Bonds of an Authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding six per centum (6%) per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, its trust indenture or mortgage may provide.

The bonds may be sold at not less than par at public sale held after notice published once at least five days prior to such sale in a newspaper having a general circulation in the city or the County and in a financial newspaper published in the City of New York, New York, or in the City of Chicago, Illinois, provided, however, that such bonds may be sold at not less than par to the Federal Government at private sale without any public advertisement.

In case any of the Commissioners or officers of the Authority whose signatures appear on any bonds or coupons shall cease to be such Commissioners or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such Commissioners or officers had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this Act shall be fully negotiable.

In any suit, action or proceedings involving the validity or

enforceability of any bond of an Authority or the security therefor, any such bond reciting in substance that it has been issued by the Authority to aid in financing a housing project to provide dwelling accommodations for persons of low income shall be conclusively deemed to have been issued for a housing project of such character and said project shall be conclusively deemed to have been planned, located and constructed in accordance with the purposes and provisions of this Act.

§ 16. PROVISIONS OF BONDS, TRUST INDENTURES, AND MORTGAGES.] In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, an Authority, in addition to its other powers, shall have power:

(a) To pledge all or any part of its gross or net rents, fees or revenues to which its right then exists or may thereafter come into existence.

(b) To mortgage all or any part of its real or personal property, then owned or thereafter acquired.

(c) To covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property, to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any housing project or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it.

(d) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds; to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption and to provide the terms and conditions thereof.

(e) To covenant (subject to the limitations contained in this Act) as to the rents and fees to be charged in the operation of a housing project or projects, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for construction or operating costs, debt service, reserves, or other purposes, and to covenant as to the use and disposition of the moneys held in such funds.

(f) To prescribe the procedure, if any, by which the terms of any contract with bond holders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(g) To covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real

and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys.

(h) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(i) To vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by said authority, to take possession and use, operate and manage any housing project or part thereof, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the Authority with said trustee; to provide for the powers and duties of a trustee or trustees and to limit the liabilities thereof; and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(j) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said Authority, as will tend to make the bonds more marketable notwithstanding that such covenants, acts or things may not be enumerated herein.

§ 17. CERTIFICATION OF ATTORNEY GENERAL.] An Authority may submit to the Attorney General of the State any bonds to be issued hereunder after all proceedings for the issuance of such bonds have been taken. Upon the submission of such proceedings to the Attorney General, it shall be the duty of the Attorney General to examine into and pass upon the validity of such bonds and the regularity of all proceedings in connection therewith. If such proceedings conform to the provisions of this Act and are otherwise regular in form and if such bonds when delivered and paid for will constitute binding and legal obligations of the Authority enforceable according to the terms thereof, the Attorney General shall certify in substance upon the back of each of said bonds that it is issued in accordance with the Constitution and Laws of the State of North Dakota.

§ 18. REMEDIES OF AN OBLIGEE OF AUTHORITY.] An obligee of an Authority shall have the right in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee:

(a) By mandamus, suit, action or proceeding at law or in equity to compel said Authority and the Commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of said Authority with or for the benefit of such obligee, and to require the carrying out of any or all such covenants and agreements of said authority and the fulfillment of all duties imposed upon said Authority by this Act.

(b) By suit, action or proceeding in equity, to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of said Authority.

§ 19. ADDITIONAL REMEDIES CONFERRABLE BY AUTHORITY.] An Authority shall have power by its resolution, trust indenture, mortgage, lease or other contract to confer upon any obligee holding or representing a specified amount in bonds, or holding a lease, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any Court of competent jurisdiction:

(a) To cause possession of any housing project or any part thereof to be surrendered to any such obligee.

(b) To obtain the appointment of a receiver of any housing project of said Authority or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such housing project or any part thereof and operate and maintain same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in a separate account or accounts and apply the same in accordance with the obligations of said Authority as the Court shall direct.

(c) To require said Authority and the Commissioners thereof to account as if it and they were the trustees of an express trust.

§ 20. EXEMPTION OF PROPERTY FROM EXECUTION SALE.] All real property of an Authority shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any judgment against any Authority be a charge or lien upon its real property; provided, however, that the provisions of this section shall not apply to or limit the right of obligees to foreclose or otherwise enforce any mortgage of an Authority or the right of obligee to pursue any remedies for the enforcement of any pledge or lien given by an Authority on its rents, fees or revenues.

§ 21. AID FROM FEDERAL GOVERNMENT.] In addition to the powers conferred upon an Authority by other provisions of this Act, an Authority is empowered to borrow money or accept grants or other financial assistance from the Federal Government for or in

aid of any housing project within its area of operation, to take over or lease or manage any housing project or undertaking constructed or owned by the Federal Government, and to these ends, to comply with such conditions and enter into such mortgages, trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of this Act to authorize every Authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the Federal Government in the undertaking, construction, maintenance or operation of any housing project by such Authority.

§ 22. TAX EXEMPTIONS AND PAYMENTS IN LIEU OF TAXES.] The property of an Authority is declared to be public property used for essential public and governmental purposes and such property and an Authority shall be exempt from all taxes and special assessments of the City, the County, the State or any political subdivision thereof; provided, however, that in lieu of such taxes or special assessments, an Authority may agree to make payments to the City or the County, or any such political subdivision for improvements, services and facilities furnished by such City, County, or political subdivision for the benefit of a housing project, but in no event shall such payments exceed the estimated cost to such City, County, or political subdivision of the improvements, services or facilities to be so furnished.

§ 23. REPORTS.] At least once a year, an Authority shall file with the Clerk a report of its activities for the preceding year, and shall make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purpose of this Act.

§ 24. SEVERABILITY.] Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

§ 25. ACT CONTROLLING.] In so far as the provisions of this Act are inconsistent with the provisions of any other law, the provisions of this Act shall be controlling.

§ 26. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 103

S. B. No. 85—(Strehlow)

LEGALIZING NATIONAL HOUSING ACT MORTGAGES AND
BONDS AS SECURITY FOR PUBLIC DEPOSITS

An Act to amend Chapter 94 of the Laws of 1935 relating to loans and investments under the National Housing Act so as to make mortgages insured and debentures issued by the Federal Housing Administrator eligible for deposit; and for clarification purposes.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 1 of Chapter 94 of the Laws of 1935 is hereby amended to read as follows:

§ 1. Banks, savings banks, trust companies, building and loan associations, and insurance companies, are authorized:

(a) To make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are insured by *the Federal House Administrator*, and to obtain such insurance.

(b) To make such loans, secured by real property or leasehold, as the Federal Housing Administrator insures or makes a commitment to insure, and to obtain such insurance.

§ 2. It shall be lawful for banks, savings banks, trust companies, building and loan associations, insurance companies, executors, administrators, guardians, trustees, and other fiduciaries the State of North Dakota and its political subdivisions, and institutions and agencies thereof, and all other persons, associations and corporations, subject to the laws of this State, to invest their funds, and the moneys in their custody or possession, eligible for investment, in notes or bonds secured by mortgage or deed of trust insured by the Federal Housing Administrator, and in debentures issued by the Federal Housing Administrator, and in securities issued by national mortgage associations.

§ 3. That a new section be added to the Act to which this Act is an amendment, to be entitled Section 2A, which shall immediately follow Section 2 and which shall read as follows:

§ 2A. Wherever, by statute of this State, collateral is required as security for the deposit of public or other funds; or deposits are required to be made with any public officials or department; or an investment of capital or surplus, or a reserve or other fund, is required to be maintained consisting of designated securities, notes and bonds insured and debentures issued by the Federal Housing Administrator shall be eligible for such purposes.

§ 4. This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 104

S. B. No. 111—(Strehlow, Guthrie and Lowe)

REVENUE BOND LAW OF 1937

An Act authorizing municipalities to acquire, construct, reconstruct, improve, better, and extend certain revenue-producing undertakings; to maintain and operate the same and to prescribe, revise and collect rates, fees, tolls, and charges for the services, facilities, and commodities furnished thereby, and, in anticipation of the collection of the revenues thereof, to issue bonds payable solely from such revenues; regulating the issuance of such bonds and providing for their payment and for the rights of the holders thereof, and other matters necessary in the premises; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That this Act may be cited as the "Revenue Bond Law of 1937."

§ 2. DEFINITIONS.] That wherever used in this Act, unless a different meaning clearly appears from the context: (a) The term "undertaking" shall include the following revenue-producing undertakings or any combination of two or more of such undertakings, whether now existing or hereafter acquired or constructed:

Systems, plants, works, instrumentalities and properties

(1) Used or useful in connection with the obtaining of a water supply and the conservation, treatment, and disposal of water for public and private uses; (2) used or useful in connection with the collection, treatment and disposal of sewage, waste and storm water; (3) used or useful in connection with the generation, production, transmission and distribution of gas (natural, artificial or mixed) or electric energy for lighting, heating and power for public and private uses; together with all parts of any such undertaking and all appurtenances thereto including lands, easements, rights in land, water rights, contract rights, franchises, approaches, dams, reservoirs, generating stations, sewage disposal plants, intercepting sewers, trunk, connecting and other sewer and water mains, filtration works, pumping stations and equipment. (b) The term "municipality" shall mean any city, village or town. (c) The term "governing body" shall mean the bodies and boards, by whatever names they may be known, charged with the governing of a municipality.

§ 3. ADDITIONAL POWERS.] In addition to the powers which it may now have, any municipality shall have power, under this Act:

(a) to acquire by gift, purchase or the exercise of the right of eminent domain, to construct, to reconstruct, to improve, to better, and to extend any undertaking, wholly within, or wholly without the municipality, or partially within and partially without the municipality, and to acquire by gift, purchase or the exercise of the right of eminent domain, lands, easements, rights in lands and water rights in connection therewith; (b) to operate and maintain any undertaking for its own use and for the use of public and private consumers, and users within and without the territorial boundaries of the municipality; (c) to prescribe, revise and collect rates, fees, tolls or charges for the services, facilities or commodities furnished by such undertaking, and in anticipation of the collection of the revenues of such undertaking, to issue revenue bonds to finance in whole or in part the cost of the acquisition, construction, reconstruction, improvement, betterment or extension of any undertaking; (d) to pledge to the punctual payment of said bonds and interest thereon all or any part of the revenues of such undertaking (including the revenues of improvements, betterments or extensions thereto thereafter constructed or acquired, as well as the revenues of existing systems, plants, works, instrumentalities, and properties of the undertaking so improved, bettered or extended) or of any part of such undertaking; and (e) to make all contracts, execute all instruments and do all things necessary or convenient in the exercise of the powers herein granted or in the performance of its covenants or duties or in order to secure the payment of its bonds, provided, no encumbrance, mortgage or other pledge of property of the municipality is created thereby, and provided no property of the municipality is liable to be forfeited or taken in payment of said bonds, and provided no debt on the credit of the municipality is thereby incurred in any manner for any purpose.

§ 4. PROCEDURE FOR AUTHORIZATION OF UNDERTAKING AND REVENUE BONDS.] The acquisition, construction, reconstruction, improvement, betterment or extension of any undertaking and the issuance in anticipation of the collection of the revenues of such undertaking of bonds, not exceeding the amount authorized by the electors as hereinafter provided, to provide funds to pay the cost thereof may be authorized under this Act by ordinance or resolution of the governing body which may be adopted at a regular meeting, by a vote of a majority of the members elected to the governing body. Unless otherwise provided therein, such ordinance or resolution shall take effect immediately and need not be laid over or published or posted. The governing body, in determining such cost, may include all costs and estimated costs of the issuance of said bonds, all engineering, inspection, fiscal and legal expenses, and interest which it is estimated will accrue during the construction period and for six months thereafter on money borrowed or which it is estimated will be borrowed pursuant to this Act. Provided, however, that no bonds shall be issued by any municipality for the purpose of financing

the construction of a new electric light and power plant or distribution system, or for the purchase or acquisition of an existing electric light and power plant or distribution system, or for the construction of extensions to any electric light and power plant or distribution system in excess of 20% of the book value thereof as shown by its books, unless the question of issuing such bonds has been submitted to and has been approved by a majority of the qualified electors of such municipality voting on such question.

Such question shall be submitted to the electors on a ballot separate from all other ballots and shall be in substantially the following form:

Shall the (here insert name of municipality) issue revenue bonds in the amount of not to exceed \$. (here insert maximum amount of bonds) for the purpose of (here insert the purpose of issue) ?

 Yes

 No

Such question may be submitted to the qualified electors at any general or municipal election or special election called, held and conducted upon the notice and in the manner specified by law for the election of the governing body of the municipality.

§ 5. BOND PROVISIONS.] Revenue bonds issued under this Act shall bear interest at such rate or rates not exceeding five per centum per annum, payable semi-annually, may be in one or more series, may bear such date or dates, may mature at such time or times not exceeding forty years from their respective dates, may be payable in such medium of payment, at such place or places, may carry such registration privileges, may be subject to such terms of redemption, may be executed in such manner, may contain such terms, covenants and conditions, and may be in such form, either coupon or registered, as such resolution or subsequent resolutions may provide. Said bonds shall be sold at not less than par. Said bonds may be sold at private sale to the United States of America or any agency, instrumentality or corporation thereof, or to the State of North Dakota or any agency or instrumentality thereof. Unless sold to the United States of America or any agency, instrumentality or corporation thereof, or to the State of North Dakota or any agency or instrumentality thereof, said bonds shall be sold at public sale after notice of such sale published once at least five days prior to such sale in a newspaper circulating in the municipality and in a financial newspaper published in Chicago, Illinois, or in New York, N. Y., or Minneapolis, Minnesota, or San Francisco, California. Pending the preparation of the definitive bonds, interim receipts or certificates in such form and with such provisions as the governing body may determine may be issued to the purchaser or purchasers of bonds sold pursuant to this Act. Said bonds and interim receipts or certificates shall be fully negotiable within the meaning of and for all

the purposes of Chapter 103 of the Civil Code of the Compiled Laws of North Dakota, 1913, and laws amendatory thereof and supplemental thereto.

§ 6. VALIDITY OF BONDS.] Said bonds bearing the signatures of officers in office on the date of the signing thereof shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefore any or all of the persons whose signatures appear thereon shall have ceased to be officers of the municipality issuing the same. The validity of said bonds shall not be dependent on nor affected by the validity or regularity of any proceedings relating to the acquisition, purchase, construction, reconstruction, improvement, betterment, or extension of the undertaking for which said bonds are issued. The ordinance or resolution authorizing said bonds may provide that the bonds shall contain a recital that they are issued pursuant to this Act, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

§ 7. TAX EXEMPTION.] The bonds and the income therefrom shall be exempt from taxation, except inheritance, estate and transfer taxes.

§ 8. COVENANTS IN BOND ORDINANCE OR RESOLUTION.] Any ordinance or resolution authorizing the issuance of bonds under this Act, to finance in whole or in part the acquisition, construction, reconstruction, improvement, betterment or extension of an undertaking, may contain covenants (notwithstanding that such covenants may limit the exercise of powers conferred by this Act) as to: (a) the rates, fees, tolls, or charges to be charged for the services, facilities and commodities of said undertaking; (b) the use and disposition of the revenue of said undertaking; (c) the creation and maintenance of reserves or sinking funds and the regulation, use and disposition thereof; (d) the purpose or purposes to which the proceeds of the sale of said bonds may be applied and the use and disposition of such proceeds; (e) events of default and the rights and liabilities arising thereupon and the terms and conditions upon which the holders of bonds issued under this Act may bring any suit or action on said bonds or on the coupons thereof; (f) a fair and reasonable payment by the municipality to the account of said undertaking for the services, facilities or commodities furnished said municipality or any of its departments by said undertaking; (g) the issuance of other or additional bonds or instruments payable from or constituting a charge against the revenue of such undertaking; (h) the insurance to be carried thereon and the use and disposition of insurance moneys; (i) books of account and the inspection and audit thereof; (j) the terms and conditions upon which any or all of the bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived; (k) the rights, liabilities, powers and duties arising upon the breach by it of any covenants, conditions or

obligations; (l) the vesting in a trustee or trustees the right to enforce any covenants made to secure, to pay, or in relation to the bonds, as to the powers and duties of such trustee or trustees, and the limitation of liabilities thereof, and as to the terms and conditions upon which the holders of the bonds or any proportion or percentage of them may enforce any covenants made under this Act or duties imposed hereby; (m) a procedure by which the terms of any ordinance or resolution authorizing bonds, or any other contract with bondholders, including but not limited to an indenture of trust or similar instrument, may be amended or abrogated and as to the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given. Nothing in this Section or in any other Section of this Act shall be deemed in any way to authorize any municipality to do anything in any manner or for any purpose which would result in the creation or incurring of a debt or indebtedness or the issuance of any instrument which would constitute a bond or debt within the meaning of any provision, limitation, or restriction of the Constitution relating to the creation or incurring of a debt or indebtedness or the issuance of an instrument constituting a bond or a debt.

§ 9. NO MUNICIPAL LIABILITY ON BONDS.] Revenue bonds issued under this Act shall not be payable from or charged upon any funds, other than the revenue pledged to the payment thereof, nor shall the municipality issuing the same be subject to any pecuniary liability thereon. No holder or holders of any such bonds shall ever have the right to compel any exercise of the taxing power of the municipality to pay any such bonds or the interest thereon, nor to enforce payment thereof against any property of the municipality, nor shall any such bonds constitute a charge, lien or encumbrance, legal or equitable, upon any property of the municipality. Each bond issued under this Act shall recite in substance that said bond, including interest thereon, is payable solely from the revenue pledged to the payment thereof, and that said bond does not constitute a debt of the municipality within the meaning of any constitutional or statutory limitation.

§ 10. RIGHT TO RECEIVERSHIP UPON DEFAULT.] (1.) In the event that the municipality shall default in the payment of the principal or interest on any of the bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for period of thirty days, or in the event that the municipality or the governing body or officers, agents or employees thereof shall fail or refuse to comply with the provisions of this Act or shall default in any agreement made with the holders of the bonds any holders of bonds, or trustee therefor, shall have the right to apply in an appropriate judicial proceeding to the District Court of the County in which the undertaking is located, or any Court of competent jurisdiction, for the appointment of a receiver of the enter-

prise, whether or not all bonds have been declared due and payable and whether or not such holder, or trustee therefor, is seeking or has sought to enforce any other right, or exercise any remedy in connection with such bonds. Upon such application the District Court may appoint, and if the application is made by the holders of twenty-five per centum in principal amount of such bonds then outstanding, or any trustee for holders of such bonds in such principal amount, shall appoint a receiver of the undertaking.

(2.) The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of the undertaking and each and every part thereof and may exclude the municipality, its governing body, officers, agents, and employees and all persons claiming under them wholly therefrom and shall have, hold, use, operate, manage and control the same and each and every part thereof, and, in the name of the municipality or otherwise, as the receiver may deem best, and shall exercise all the rights and powers of the municipality with respect to the undertaking as the municipality itself might do. Such receiver shall maintain, restore, insure and keep insured, the undertaking, and from time to time shall make all such necessary or proper repairs as to such receiver may seem expedient and shall establish, levy, maintain and collect such fees, tolls, rentals, and other charges in connection with the undertaking as such receiver may deem necessary or proper and reasonable, and shall collect and receive all revenues and shall deposit the same in a separate account and apply such revenues so collected and received in such manner as the Court shall direct.

(3) Whenever all that is due upon the bonds, and interest thereon, and upon any other notes, bonds or other obligations, and interest thereon, having a charge, lien, or encumbrance on the revenues of the undertaking and under any of the terms of any covenants or agreements with bondholders shall have been paid or deposited as provided therein, and all defaults shall have been cured and made good, the Court may in its discretion, and after such notice and hearing as it deems reasonable and proper, direct the receiver to surrender possession of the undertaking to the municipality, the same right of the holders of the bonds to secure the appointment of a receiver to exist upon any subsequent default as hereinabove provided.

(4) Such receiver shall in the performance of the powers hereinabove conferred upon him, act under the direction and supervision of the Court making such appointment and shall at all times be subject to the orders and decrees of such Court and may be removed thereby.

Nothing herein contained shall limit or restrict the jurisdiction of such Court to enter such other and further orders and decrees as such Court may deem necessary or appropriate for the exercise by the receiver of any functions specifically set forth herein.

§ 11. REMEDIES OF BONDHOLDERS.] (1.) Subject to any contractual limitations binding upon the holders of any issue of bonds, or trustee therefor, including but not limited to the restriction of the exercise of any remedy to a specified proportion or percentage of such holders, any holder of bonds, or trustee therefor, shall have the right and power, for the equal benefit and protection of all holders of bonds similarly situated:

(a) By mandamus or other suit, action or proceeding at law or in equity to enforce his rights against the municipality and its governing body and any of its officers, agents and employees and to require and compel such municipality or such governing body or any such officers, agents or employees to perform and carry out its and their duties and obligations under this Act and its and their covenants and agreements with bondholders;

(b) By action or suit in equity to require the municipality and the governing body thereof to account as if they were the trustee of an express trust;

(c) By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the bondholders;

(d) Bring suit upon the bonds.

(2.) No right or remedy conferred by this Act upon any holder of bonds, or any trustee therefor, is intended to be exclusive of any other right or remedy, but each such right or remedy is cumulative and in addition to every other right or remedy and may be exercised without exhausting and without regard to any other remedy conferred by this Act or by any other Law.

§ 12. CONSTRUCTION OF ACT.] The powers conferred by this Act shall be in addition and supplemental to, and not in substitution for, and the limitations imposed by this Act shall not affect the powers conferred by any other general or special law. Bonds may be issued under this Act without regard to the provisions of any other general or special law. The undertaking may be acquired, purchased, constructed, reconstructed, improved, bettered, and extended, and bonds may be issued under this Act for said purposes, notwithstanding that any general or special law may provide for the acquisition, purchase, construction, reconstruction, improvement, betterment, and extension of a like undertaking, or the issuance of bonds for like purposes, and without regard to the requirements, restrictions, debt or other limitations or other provisions contained in any other general or special law, including, but not limited to, any requirement for any restriction or limitation on the incurring of indebtedness or the issuance of bonds. In so far as the provisions of this Act are inconsistent with the provisions of any other general or special law, the provisions of this Act shall be controlling.

§ 13. SEPARABILITY OF PROVISIONS.] If any provision of this

Act or the application of such provision to any person, body, undertaking or circumstance shall be held invalid, the remainder of this Act and the application of such provision to persons, bodies, undertakings or circumstances other than those as to which it shall have been held invalid, shall not be affected thereby.

§ 14. TIME OF TAKING EFFECT.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1937.

CHAPTER 105

S. B. No. 113—(Strehlow, Guthrie and Lowe)

REVENUE BOND REFINANCING ACT OF 1937

An Act to authorize and regulate the issuance of bonds for the purpose of refinancing revenue-producing works, undertakings, and projects by cities, villages and towns, and to provide for the payment of such bonds, the remedies of holders thereof; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SHORT TITLE.] This Act may be cited as "The Revenue Bond Refinancing Act of 1937."

§ 2. DEFINITIONS.] The following terms wherever used or referred to in this Act shall have the following meaning, unless a different meaning appears from the context:

(a) The term "municipality" shall include and embrace all cities, villages and towns of this State.

(b) The term "governing body" shall include bodies and boards by whatever names they may be known, having charge of the finances of a municipality.

(c) The term "law" shall mean any act or statute, general, special or local, of this State, including, without being limited to, the charter of any municipality;

(d) The term "enterprise" shall mean any work, undertaking, or project which the municipality is or may hereafter be authorized to construct and from which the municipality has heretofore derived or may hereafter derive revenues, for the refinancing of which enterprise, refunding bonds are issued under this Act, and such enterprise shall include all improvements, betterments, extensions and replacements thereto, and all appurtenances, facilities, lands, rights in land, water rights, franchises, and structures in connection therewith or incidental thereto;

(e) The term "Federal agency" shall include the United States of America, the President of the United States of America, the Federal Emergency Administrator of Public Works, Reconstruction

Finance Corporation, or any agency, instrumentality or corporation of the United States of America, which has heretofore been or may hereafter be designated or created by or pursuant to any Act or Acts or joint resolution or joint resolutions of the Congress of the United States of America, or which may be owned or controlled, directly or indirectly, by the United States of America ;

(f) The term "refunding bonds" shall mean notes, bonds, certificates or other obligations of a municipality issued pursuant to this Act, or pursuant to any other law, as supplemented by, or in conjunction with this Act ;

(g) The term "refinancing" shall mean funding, refunding, paying or discharging, by means of refunding bonds or the proceeds received from the sale thereof, all or any part of any notes, bonds, or other obligations heretofore or hereafter issued to finance or to aid in financing the acquisition, construction or improving of an enterprise and payable solely from all or any part of the revenues thereof, including interest thereon in arrears or about to become due, whether or not represented by coupons or interest certificates ;

(h) The term "revenues" shall mean all fees, tolls, rates, rentals and charges to be levied and collected in connection with and all other income and receipts of whatever kind or character derived by the municipality from the operation of any enterprise or arising from any enterprise ;

(i) The term "holder of bonds" or "bondholder" or any similar term shall mean any person who shall be the bearer of any outstanding refunding bond or refunding bonds registered to bearer or not registered, or the registered owner of any such outstanding bond or bonds which shall at the time be registered other than to bearer ;

(j) Words importing the singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

§ 3. GRANT OF POWER.] Any municipality shall have power and is hereby authorized to refinance any enterprise, and for such purpose to borrow money and issue refunding bonds from time to time.

§ 4. PROCEDURE FOR AUTHORIZATION.] The refunding bonds shall be authorized by resolution or resolutions of the governing body of the municipality. Such resolution or resolutions may be adopted at a regular or special meeting and at the same meeting at which they are introduced by a majority of all the members of the governing body then in office. Such resolution or resolutions shall take effect immediately upon the adoption thereof. No other proceedings or procedure of any character whatever shall be required for the issuance of refunding bonds by the municipality.

§ 5. TERMS OF REFUNDING BONDS.] The refunding bonds may be issued in one or more series, may bear such date or dates,

may mature at such time or times not exceeding the period of usefulness of the enterprise, as determined by the governing body in its discretion, nor in any event exceeding forty years from their respective dates, may bear interest at such rate or rates not exceeding the maximum rate of interest borne by the notes, bonds, or other obligations refinanced thereby, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, with or without a premium, may be declared or become due before the maturity date thereof, may provide for the replacement of mutilated, destroyed, stolen, or lost bonds, may be authenticated in such manner and upon compliance with such conditions, and may contain such other terms and covenants, as may be provided by resolution or resolutions of the governing body of the municipality. Notwithstanding the form or tenor thereof, and in the absence of an express recital on the face thereof that the bond is non-negotiable, all refunding bonds shall at all times be, and shall be treated as, negotiable instruments for all purposes.

§ 6. VALIDITY OF REFUNDING BONDS.] Refunding bonds bearing the signatures of officers of the municipality in office on the date of the signing thereof shall be valid and binding obligations of the municipality for all purposes, notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be officers of the municipality, the same as if such persons had continued to be officers of the municipality until after the delivery thereof. Any resolution authorizing refunding bonds may provide that any such refunding bond may contain a recital that such refunding bond is issued pursuant to this Act, and any refunding bond containing such recital under authority of any such resolution shall be conclusively deemed to be valid and to have been issued in conformity with the provisions of this Act.

§ 7. SALE OR EXCHANGE OF REFUNDING BONDS.] (1) The refunding bonds may be sold or exchanged in installments at different times or an entire issue or series may be sold or exchanged at one time. Any issue or series of refunding bonds may be exchanged in part or sold in part in installments at different times or at one time. The refunding bonds may be sold or exchanged at any time on, before, or after the maturity of any of the outstanding notes, bonds, certificates or other obligations to be refinanced thereby.

(2) If the governing body determines to exchange any refunding bonds, such refunding bonds may be exchanged privately for and in payment and discharge of any of the outstanding notes, bonds or other obligations of the municipality issued to finance or to aid in financing the acquisition, the construction, the improving, or refinancing of an enterprise. The refunding bonds may be ex-

changed for a like or greater principal amount of such notes, bonds or other obligations of the municipality, except that the principal amount of the refunding bonds may exceed the principal amount of such outstanding notes, bonds, or other obligations to the extent necessary or advisable, in the discretion of the governing body, to fund interest in arrears or about to become due. The holder or holders of such outstanding notes, bonds, or other obligations need not pay accrued interest on the refunding bonds to be delivered in exchange therefor if and to the extent that interest is due or accrued and unpaid on such outstanding notes, bonds, or other obligations to be surrendered.

(3) If the governing body determines to sell any refunding bonds, such refunding bonds shall be sold at not less than par at public or private sale in such manner and upon such terms as the governing body shall deem best for the interest of the municipality.

§ 8. SECURITY OF THE REFUNDING BONDS.] (1.) The refunding bonds shall be special obligations of the municipality and shall be payable from and secured by a lien upon the revenues of the enterprise, as shall be more fully described in the resolution or resolutions of the governing body authorizing the issuance of the refunding bonds, having due regard to the cost of operation and maintenance of the enterprise and the amount or proportion, if any, of the revenues of the enterprise previously pledged, any municipality shall have power by resolution of its governing body to pledge for the security of the refunding bonds a fixed amount without regard to any fixed proportion of the gross revenues of the enterprise.

(2) As additional security for any issue of refunding bonds hereunder, or any part thereof, any municipality shall have power, and is hereby authorized, by resolution of its governing body to confer upon the holders of the refunding bonds all rights, powers and remedies which said holders would be entitled to if they were the owners and had possession of the notes, bonds or other obligations for the refinancing of which such refunding bonds shall have been issued including, but not limited to, the preservation of the lien of such notes, bonds or other obligations without extinguishment, impairment or diminution thereof. In the event any municipality exercises the power conferred by this Paragraph, (a) each refunding bond shall contain a recital to the effect that the holder thereof has been granted the additional security provided by this Paragraph and (b) each note, bond, certificate or other obligation of the municipality to be refinanced by any such refunding bonds, shall be kept intact and shall not be canceled or destroyed until the refunding bonds, and interest thereon, have been finally paid and discharged but shall be stamped with a legend to the effect that such note, bond, certificate or other obligations has been refunded pursuant to the Revenue Bond Refinancing Act of 1937.

(3) All refunding bonds of the same issue shall be equally and

ratably secured, without priority by reason of number, date of bonds, of sale, of execution or of delivery, by a lien upon the revenues of the enterprise in accordance with the provisions of this Section and the resolution or resolutions authorizing the issuance of such refunding bonds.

(4) Nothing in this Section or in any other Section of this Act shall be deemed in any way to alter the terms of any agreements made with the holders of any outstanding notes, bonds, or other obligations of the municipality or to authorize the municipality to alter the terms of any such agreements, or to impair, or to authorize the municipality to impair, the rights and remedies of any creditors of the municipality.

(5) Nothing in this Section or in any other Section of this Act shall be deemed in any way to authorize any municipality to do anything in any manner or for any purpose which would result in the creation or incurring of a debt or indebtedness or the issuance of any instrument which would constitute a bond or debt within the meaning of any provision, limitation, or restriction of the Constitution relating to the creation or incurring of a debt or indebtedness or the issuance of an instrument constituting a bond or a debt.

§ 9. REFUNDING BONDS NOT DEBTS.] (1) No recourse shall be had for the payment of the refunding bonds, or interest thereon, or any part thereof, against the general fund of any municipality, nor shall the credit or taxing power of any municipality be deemed to be pledged thereto.

(2) The refunding bonds, and interest thereon, shall not be a debt of the municipality, nor a charge, lien or encumbrance, legal or equitable, upon any property of the municipality, or upon any income, receipts, or revenues of the municipality other than such of the revenues of the enterprise as shall have been pledged to the payment thereof, and every refunding bond shall recite in substance that said bond, including interest thereon, is payable solely from the revenues pledged to the payment thereof and that the municipality is under no obligation to pay the same, except from said revenues.

§ 10. REFUNDING BONDS EXEMPT FROM TAXATION.] The refunding bonds and the income therefrom shall be exempt from taxation, except inheritance, estate and transfer taxes.

§ 11. FISCAL AGENT.] Any municipality shall have power in connection with the issuance of refunding bonds, to appoint a fiscal agent, to provide for the powers, duties and functions and compensations of such fiscal agent, to limit the liabilities of such fiscal agent, to prescribe a method for the resignation, removal, merger or consolidation of such fiscal agent, and the appointment of a successor fiscal agent and the transfer of rights and properties to such successor fiscal agent.

§ 12. DUTIES OF MUNICIPALITY AND OFFICERS.] (1) In order that the payment of the refunding bonds, and interest thereon, shall be adequately secured, any municipality issuing refunding bonds pursuant to this Act and the proper officers, agents and employees thereof, are hereby directed, and it shall be the mandatory duty of such municipality and such officers, agents and employees under this Act, and it shall further be of the essence of the contract of such municipality with the bondholders, at all times:

(a) To pay or cause to be paid punctually the principal of every refunding bond, and the interest thereon, on the date or dates and at the place or places and in the manner and out of the funds mentioned in such refunding bonds and in the coupons thereto appertaining and in accordance with the resolution authorizing their issuance;

(b) To operate the enterprise in an efficient and economical manner and to establish, levy, maintain and collect such fees, tolls, rentals, rates and other charges in connection therewith as may be necessary or proper, which said fees, tolls, rates, rentals and other charges shall be at least sufficient after making due and reasonable allowances for contingencies and for a margin of error in the estimates, (1) to pay all current expenses of operation, and maintenance of such enterprise, (2) to pay the interest on and principal of the refunding bonds as the same shall become due and payable (3) to comply in all respects with the terms of the resolution or resolutions authorizing the issuance of refunding bonds or any other contract or agreement with the holders of the refunding bonds, and (4) to meet any other obligations of the municipality which are charges, liens, or encumbrances upon the revenues of such enterprise;

(c) To operate, maintain, preserve and keep, or cause to be operated, maintained, preserved and kept, the enterprise and every part and parcel thereof, in good repair, working order and condition;

(d) To preserve and protect the security of the refunding bonds and the rights of the holders thereof, and to warrant and defend such rights against all claims and demands of all persons whomsoever;

(e) To pay and discharge, or cause to be paid or discharged any and all lawful claims for labor, materials and supplies, which, if unpaid, might by law become a lien or charge upon the revenues or any part thereof, prior or superior to the lien of the refunding bonds, or which might impair the security of the refunding bonds, to the end that the priority and security of the refunding bonds shall be fully preserved and protected;

(f) To hold in trust the revenues pledged to the payment of the refunding bonds for the benefit of the holders of the refunding bonds and to apply such revenues only as provided by the resolution or resolutions authorizing the issuance of the refunding bonds or, if such resolution or resolutions shall thereafter be modified in the

manner provided therein or herein, only as provided in such resolution or resolutions as modified ;

(g) To keep proper books of record and accounts of the enterprise (separate from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the enterprise or any part thereof, and which, together with all other books and papers of the municipality, shall at all times be subject to the inspection of the holder or holders of not less than ten per cent of the refunding bonds then outstanding or his or their representatives duly authorized in writing.

(2.) None of the foregoing duties shall be construed to require the expenditure in any manner or for any purpose by the municipality of any funds other than revenue received or receivable from the enterprise.

§ 13. ADDITIONAL POWERS AND DUTIES.] (1.) The governing body of any municipality shall have power, in addition to the other powers conferred by this Act, to insert provisions in any resolution authorizing the issuance of refunding bonds, which shall be a part of the contract with the holders of the refunding bonds, as to :

(a) Limitations on the purpose to which the proceeds of sale of any notes, bonds or other obligations thereafter to be issued to finance the improving of the enterprise, may be applied ;

(b) Limitations on the issuance and on the lien of other notes, bonds or other obligations thereafter to be issued to finance the improving of the enterprise which are secured by or payable from the revenues of such enterprise ;

(c) Limitations on the right of the municipality or its governing body to restrict and regulate the use of the enterprise ;

(d) The amount and kind of insurance to be maintained on the enterprise, and the use and disposition of insurance moneys ;

(e) Pledging all or any part of the revenues of the enterprise to which its right then exists or the right to which may thereafter come into existence ;

(f) Covenanting against pledging all or any part of the revenues of the enterprise to which its right then exists or the right to which may thereafter come into existence ;

(g) Events of default and terms and conditions upon which any or all of the refunding bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived ;

(h) The rights, liabilities, powers and duties arising upon the breach by it of any covenants, conditions or obligations ;

(i) The vesting in a trustee or trustees the right to enforce any covenants made to secure, to pay, or in relation to the refunding bonds, as to the powers and duties of such trustee or trustees, and the limitation of liabilities thereof, and as to the terms and conditions

upon which the holders of the refunding bonds or any proportion or percentage of them may enforce any covenants made under this Act or duties imposed hereby;

(j) A procedure by which the terms of any resolution authorizing refunding bonds, or any other contract with bondholders, including but not limited to an indenture of trust or similar instrument, may be amended or abrogated and as to the amount of refunding bonds the holders of which must consent thereto and the manner in which such consent may be given;

(k) The execution of all instruments necessary or convenient in the exercise of the powers granted by this Act or in the performance of the duties of the municipality and the officers, agents and employees thereof;

(l) Refraining from pledging or in any manner whatever claiming or taking the benefit or advantage of any stay or extension law whenever enacted, nor at any time hereafter in force, which may affect the duties or covenants of the municipality in relation to the refunding bonds, or the performance thereof, or the lien of such refunding bonds;

(m) The purchase out of any funds available therefor, including but not limited to the proceeds of refunding bonds, of any outstanding notes, bonds or obligations, including but not limited to refunding bonds, and the price or prices at which and the manner in which such purchases may be made;

(n) Any other acts and things as may be necessary or convenient or desirable in order to secure the refunding bonds, or as may tend to make the refunding bonds more marketable.

(2) Nothing in this Section shall be construed to authorize any municipality to make any covenants, to perform any act or to do anything which shall require the expenditure in any manner or for any purpose by the municipality of any funds other than revenues received or receivable from the enterprise.

§ 14. RIGHT TO RECEIVERSHIP UPON DEFAULT.] (1) In the event that the municipality shall default in the payment of the principal or interest on any of the refunding bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the municipality or the governing body or officer, agents or employees thereof shall fail or refuse to comply with the provisions of this Act or shall default in any agreement made with the holders of the refunding bonds, any holder or holders of refunding bonds, or trustee therefor, shall have the right to apply in an appropriate judicial proceeding to the District Court of the County in which the enterprise is located, or any Court of competent jurisdiction, for the appointment of a receiver of the enterprise, whether or not all refunding bonds have been declared due and payable and

whether or not such holder, or trustee therefor, is seeking or has sought to enforce any other right, or exercise any remedy in connection with such refunding bonds. Upon such application the District Court, may appoint, and if the application is made by the holders of twenty-five per centum in principal amount of such refunding bonds then outstanding, or any trustee for holders of such refunding bonds in such principal amount, shall appoint a receiver of the enterprise.

(2) The receiver so appointed shall forthwith, directly or by his agents and attorneys, enter into and upon and take possession of the enterprise and each and every part thereof and may exclude the municipality, its governing body, officers, agents, and employees and all persons claiming under them wholly therefrom and shall have, hold, use, operate, manage and control the same and each and every part thereof, and, in the name of the municipality or otherwise, as the receiver may deem best, and shall exercise all the rights and powers of the municipality with respect to the enterprise as the municipality itself might do. Such receiver shall maintain, restore, insure and keep insured, the enterprise, and from time to time shall make all such necessary or proper repairs as to such receiver may seem expedient and shall establish, levy, maintain and collect such fees, tolls, rentals, and other charges in connection with the enterprise as such receiver may deem necessary or proper and reasonable, and shall collect and receive all revenues and shall deposit the same in a separate account and apply such revenues so collected and received in such manner as the Court shall direct.

(3) Whenever all that is due upon the refunding bonds, and interest thereon, and upon any other notes, bonds or other obligations, and interest thereon, having a charge, lien, or encumbrance on the revenues of the enterprise and under any of the terms of any covenants or agreements with bondholders shall have been paid or deposited therein, and all defaults shall have been cured and made good, the Court may in its discretion, and after such notice and hearing as it deems reasonable and proper, direct the receiver to surrender possession of the enterprise to the municipality, the same right of the holders of the refunding bonds to secure the appointment of a receiver to exist upon any subsequent default as hereinabove provided.

(4) Such receiver shall in the performance of the powers hereinabove conferred upon him, act under the direction and supervision of the Court making such appointment and shall at all times be subject to the orders and decrees of such Court and may be removed thereby. Nothing herein contained shall limit or restrict the jurisdiction of such Court to enter such other and further orders and decrees as such Court may deem necessary or appropriate for the exercise by the receiver of any functions specifically set forth herein.

§ 15. REMEDIES OF REFUNDING BONDHOLDERS.] (1.) Sub-

ject to any contractual limitations binding upon the holders of any issue of refunding bonds, or trustee therefor, including but not limited to the restriction of the exercise of any remedy to a specified proportion or percentage of such holders, any holder of refunding bonds, or trustee therefor, shall have the right and power, for the equal benefit and protection of all holders of refunding bonds similarly situated:

(a) By mandamus or other suit, action or proceeding at law or in equity to enforce his rights against the municipality and its governing body and any of its officers, agents and employees and to require and compel such municipality or such governing body or any such officers, agents or employees to perform and carry out its and their duties and obligations under this Act and its and their covenants and agreements with bondholders;

(b) By action or suit in equity to require the municipality and the governing body thereof to account as if they were the trustee of an express trust;

(c) By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the bondholders;

(d) Bring suit upon the refunding bond.

(2) No remedy conferred by this Act upon any holder of refunding bonds, or any trustee therefor, is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by this Act or by any other Law. No waiver of any default or breach of duty or contract, whether by any holder of refunding bonds, or any trustee therefor, shall extend to, or shall affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any bondholder or any trustee therefor to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy, conferred upon the holders of refunding bonds, may be enforced and exercised from time to time and as often as may be deemed expedient. In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to the holder of the refunding bonds, or any trustee therefor, then and in every such case the municipality and such holder, or such trustee, shall be restored to their former positions and rights and remedies as if no such suit, action or proceeding has been brought or taken.

§ 16. CONSTRUCTION OF ACT.] This Act constitutes full and complete authority for the issuance of refunding bonds. No procedure or proceedings, publications, notices, consents, approvals,

orders, acts or things by any governing body of any municipality, or any board, officer, commission, department, agency, or instrumentality of the State or any municipality shall be required to issue any refunding bonds or to do any act or perform any thing under this Act, except as may be prescribed in this Act. The powers conferred by this Act shall be in addition and supplemental to, and not in substitution for, and the limitations imposed by this Act shall not affect, the powers conferred by any other law. This Act is remedial in nature and shall be liberally construed.

§ 17. ACT NOT AFFECTED IF IN PART UNCONSTITUTIONAL.] If any section, clause, sentence, paragraph, part or provision of this Act shall be found invalid by any Court, it shall be conclusively presumed that this Act would have been passed by the legislature without such invalid section, clause, sentence, paragraph, part or provision, and the Act as a whole shall not be declared invalid by reason of the fact that one or more sections, clauses, sentences, paragraphs, parts or provisions may be found invalid by any Court.

§ 18. EMERGENCY.] An emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 12, 1937

CHAPTER 106

S. B. No. 110—(Strehlow, Buthrie and Lowe)

VALIDATING ACT 1937

An Act validating, ratifying, approving, and confirming certain bonds and other instruments or obligations heretofore issued, and validating, ratifying, approving and confirming certain proceedings heretofore taken, by public bodies in this State.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. This Act may be cited as "The 1937 Validating Act."

§ 2. The following terms, wherever used or referred to in this Act, shall have the following meaning:

(a) The term "public body" means the State of North Dakota, any County, city, village, township, school district of any class.

(b) The term "bonds" includes bonds, notes, warrants, debentures, certificates of indebtedness, temporary bonds, temporary notes, interim receipts, interim certificates and all instruments or obligations evidencing or representing indebtedness, or evidencing or representing the borrowing of money, or evidencing or representing a charge, lien or encumbrance on specific revenues, income of proper-

ty of a public body or all instruments or obligations payable from a special fund.

§ 3. All bonds heretofore issued for the purpose of financing or aiding in the financing of any work, undertaking or project by any public body to which any loan or grant has heretofore been made by the United States of America through the Federal Emergency Administrator of Public Works for the purpose of financing or aiding in the financing of such work, undertaking, or project, including all proceedings for the authorization and issuance of such bonds, and the sale, execution, and delivery thereof, are hereby validated, ratified, approved and confirmed, notwithstanding any lack of power (other than constitutional) of such public body or the governing body or Commission or officers thereof, to authorize and issue such bonds, or to sell, execute or deliver the same, and notwithstanding any defects or irregularities (other than constitutional) in such proceedings, or in such sale, execution or delivery and notwithstanding that such governing body or Commission or officers may not have been elected, appointed or qualified for the offices they purported to hold; and such bonds are and shall be binding, legal, valid and enforceable obligations of such public body.

§ 4. All proceedings, which have been taken prior to the date this Act takes effect, for the purpose of financing or aiding in the financing of any work, undertaking or project by any public body or by any board of flood irrigation to which any loan or grant is under contract to be made by the United States of America through the Federal Emergency Administrator of Public Works for the purpose of financing or aiding in the financing of such work, undertaking or project, including all proceedings for the authorization and issuance of bonds, and for the sale, execution and delivery thereof, are hereby validated, ratified, approved, and confirmed, notwithstanding any lack of power (other than constitutional) of such public body or the governing body or Commission or officers thereof or of any board of flood irrigation to authorize and issue such bonds, or to sell, execute or deliver the same, and notwithstanding any defects or irregularities (other than constitutional) in such proceedings, including the fact that notices in connection with the creation of any flood irrigation district or with hearings for the assessment of damages and benefits resulting from flood irrigation projects may not have been given in accordance with the statutes; and notwithstanding that such governing body may not have been elected, appointed or qualified for the offices they purported to hold.

Approved March 16, 1937.

CONSTITUTIONAL AMENDMENTS PROPOSED

CHAPTER 107

House Concurrent Resolution No. 356—(Wolf and Caddell)

MANAGERS PLAN OF COUNTY GOVERNMENT

Concurrent Resolution for an amendment to the Constitution of the State of North Dakota providing for a Managers Plan of County Government in Certain Counties.

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

That the following amendment to the Constitution of North Dakota is agreed to and shall be submitted to the qualified electors of North Dakota for approval or rejection in accordance with the provisions of Section 202 of said Constitution:

In any County having a population of eight thousand or less as determined by the last Federal census, 25% of the qualified electors of said County may petition the Board of County Commissioners of that County to submit to the electors of said County at a special election to be held not more than ninety days immediately following the filing of said petition the question of adopting for said County the Managers Plan of Government. If a majority of the electors of said County voting upon such question shall be in favor of said Managers Plan, the Board of County Commissioners shall appoint a manager whose duties it shall be to perform either personally, or by agent, which agent he may appoint, all duties required by law to be performed by the Register of Deeds, County Auditor, County Treasurer, Sheriff, County Judge, Clerk of District Court, Superintendent of Schools, Assessors, and he may hire an attorney at law to perform the duties of States Attorney for that County, and all persons appointed to perform such duties shall be removable at will by the manager, who shall be bonded by the State Bonding Fund in such amount as the Board of County Commissioners may fix, and he shall receive such salary as may be determined by the Board of County Commissioners. The said manager shall be accountable to and subject to removal with or without cause by the Board of County Commissioners. The manager so appointed, or the person appointed by him therefor performing the duties of County Treasurer, Sheriff and County Superintendent of Schools shall not be subject to any term limitation or to any educational qualifications as now provided by the constitution or by the laws of this State, and the Board of County Commissioners of said County shall continue to function as now provided by statute and the constitution, and to perform all duties now enjoined upon them under the laws of this State. The legislative assembly

may by law provide additional qualifications, duties and grant additional powers to the manager so appointed and fix his salary, but it may not abolish the said office of manager in Counties having adopted the Managers Plan of County Government. The Managers Plan herein provided of County government once adopted as herein provided shall remain in force in the County adopting the same until the majority of the voters at any special or general election called for that purpose by the Board of County Commissioners on petition signed by like number of electors as required to establish said plan shall vote to discontinue said plan, and which election it shall be the duty of the Board of County Commissioners to call within ninety days from the date of filing of said petition asking for the discontinuance of the plan.

If the plan is voted upon and approved at any election other than a general election in that County, the elected officers above named of said County shall continue to perform their duties until the expiration of their respective terms of office, and at the following general election no person shall be elected to any of the County offices above name, (d) except to the office of member of the Board of County Commissioners; and if the said plan is voted upon and approved at a general election, the said County offices shall be regarded as discontinued for all purposes at the expiration of the term of the incumbent of each of said offices; provided that after a change has been made in the form of County government, that the question of changing back to the former system of government shall not be submitted to election within six years.

Filed March 5, 1937.

CHAPTER 108

Senate Concurrent Resolution H—(Thatcher)

ELECTION, TERMS, COUNTY OFFICERS

A Concurrent Resolution providing for the amendment of Article 48 of the Constitution of North Dakota.

Be It Resolved by the Senate, the House of Representatives Concurring:

That the following proposed amendment of Article 48 of the Constitution of the State of North Dakota, is agreed to and that the same be submitted to the qualified electors of the State of North Dakota for approval or rejection, in accordance with the provisions of Section 202 of the Constitution of the State of North Dakota, as amended.

§ 1. AMENDMENT.] That Article 48 of the Constitution of the State of North Dakota, is hereby amended and re-enacted to read as follows:

§ 173. At the first general election held after the adoption of this amendment, and every two years thereafter, there shall be elected in each organized County in the State, a Register of Deeds, County Auditor, Treasurer, Sheriff, State's Attorney, County Judge and a Clerk of the District Court, who shall be electors in the County in which they are elected and who shall hold their office until their successors are elected and qualified; provided in Counties having twelve thousand (12,000) population, or less, the County Judge shall also be the Clerk of the District Court. Provided further, that in Counties having a population of six thousand (6,000), or less, the Register of Deeds shall also be Clerk of the District Court and County Judge. The Legislative Assembly shall provide by law for such other County, township and district officers as may be deemed necessary, and shall prescribe the duties and compensation of all County, township and district officers.

Filed March 8, 1937.

CHAPTER 109

Senate Concurrent Resolution P—(Thatcher)

SALE OF SCHOOL AND PUBLIC LANDS

A Concurrent Resolution providing for the amendment of Section 158 of Article 9 of the Constitution of North Dakota as amended by Article 13 of the amendments thereof, relating to school and public lands, and for resale to original purchaser.

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

That the following proposed amendment to Section 158 of Article 9 of the Constitution of the State of North Dakota as amended by Article 13 of the Amendments thereof, is agreed to and that the same be submitted to the qualified electors of the State for approval or rejection in accordance with the provisions of Section 202 of the Constitution of the State of North Dakota, as amended.

§ 1. AMENDMENT.] That Section 158 of Article 9 of the Constitution of the State of North Dakota, as amended by Article 13 of the Amendments thereof, is hereby amended and re-enacted to read as follows:

§ 158. No land shall be sold for less than the appraised value and in no case be sold for less than ten dollars (\$10.00) per acre. The purchaser shall pay one-fifth of the price in cash, and the remaining four-fifths as follows:

One-fifth in five years, one-fifth on or before the expiration of ten years, one-fifth on or before the expiration of fifteen years, and one-fifth on or before the expiration of twenty years, with interest at the rate of not less than three per cent per annum, payable

annually; provided that when payments are made before due they shall be made at an interest paying date. All sales shall be held at the County seat of the County in which the land to be sold is situated, and shall be at public auction and to the highest bidder, after sixty days advertisement of the same in a newspaper of general circulation in the vicinity of the land to be sold, and one at the seat of government. Such lands as shall not have been specially subdivided shall be offered in tracts of one quarter section, and those subdivided in the smallest subdivisions. All lands designated for sale and not sold within two years after appraisal shall be reappraised before they are sold. No grant or patent for such lands shall issue until payment is made for the same; provided that the land contracted to be sold by the State shall be subject to taxation from the date of contract. In case the taxes assessed against any of said lands for any year remain unpaid until the first Monday in October of the following year, then thereupon the contract of sale for such land shall, if the Board of University and School Lands so determine, become null and void. Any lands under the provision of Section 158 of the Constitution of the State of North Dakota that have heretofore been sold, may be paid for, except as to interest as provided; provided further, that any school or institutional lands that may be required for townsite purposes, school house sites, church sites, cemetery sites, sites for other educational or charitable institutions, public parks, fair grounds, public highways, railroad right of way or for other railroad uses and purposes, reservoirs for the storage of water for irrigation, drain ditches, and lands that may be required for any of the purposes over which the right of eminent domain may be exercised under the Constitution and the laws of the State of North Dakota, may be sold under the provisions of this Act, and shall be paid for, principal and interest, in full in advance at the time of the sale, or at any time thereafter, and patent issued therefor, when principal and interest are paid. Any of the said lands, including lands held in trust for any purpose, may, with the approval of the Board of University and School Lands, be exchanged for lands of the United States, as the Legislature may provide, and the lands so acquired shall be subject to the trust, if any, to which the lands exchanged therefor were subject, and the State shall reserve all mineral and water and water power rights in lands so transferred by the State.

Provided, further, that, when land has been sold on contract as hereinbefore provided, and the purchaser (purchaser) or his heirs or assigns, has been unable, at least in part by reason of successive crop failures, to pay for the land purchased within twenty years after the date of purchase and such contract is in default and subject to cancellation, the Board of University and School Lands, may, if so requested by such purchaser or his heirs, or assigns, after declaring such contract terminated, resell the land described in such contract to such purchaser, or his heirs or assigns for the amount of the

unpaid principal of the original purchase price plus the amount of unpaid accrued interest, but in no case shall the resale price be more than the original sale price, such contract of resale to be upon the same terms as said original contract excepting that the contract of resale may provide that the purchaser may pay the first one-fifth of the resale price in five equal successive annual installments, the first installment to be paid at the time of execution of the resale contract, and that such resale contract shall bear interest at the rate of three per cent per annum payable annually; and provided further, that this Section shall be deemed self-executing insofar as provision is made herein for resale of lands sold to the original purchaser or to his heirs or assigns.

Filed March 6, 1937.

CONTRACTS AND CONTRACTORS

CHAPTER 110

H. B. No. 78—(Godwin, Burgum and Twitchell)

PUBLIC CONTRACTORS, REGISTRATION ACT

An Act providing for the registration of public contractors, and defining the term public contractor; providing the requirements and method of obtaining a license to engage in the business of public contracting in the State of North Dakota; classifying and fixing the fee for such license; providing the method of suspension, cancellation and reinstatement thereof; providing added requirements in bond of foreign contractor; prescribing penalties for the violation of this Act; repealing all Acts or parts of Acts in conflict with the provisions hereof; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The following words, terms and phrases of this Act are, for the purposes hereof, defined as follows:

(a) The word "registrar" as used herein is the Secretary of State of the State of North Dakota;

(b) The word "person" as used includes any individual, co-partnership, association, corporation or other group or combination acting as a unit, and the plural as well as the singular number, unless the intent to give a more limited meaning is clearly disclosed by the context hereof;

(c) A "public contractor" within the meaning of this Act shall include any person, as hereinbefore defined, who submits a proposal to or enters into a contract with the State of North Dakota, or any Board, Commission or Department thereof, or with any

Board of County Commissioners, or with any City Council or City Commission, Village or Township Board, School Board, or with any agency of any thereof, or with any other Public Board, Body, Commission or agency authorized to let or award contracts for the construction or reconstruction of public work when the contract cost, value or price thereof exceeds the sum of Two Thousand (\$2,000.00) Dollars.

(d) The term "public contractor" includes sub-contractors undertaking to perform work covered by the original contract, or any part thereof, the contract cost, value or price of which exceeds the sum of One Thousand (\$1,000.00) Dollars;

(e) The term "non-resident contractor" as used herein, denotes and applies to any contractor who has not established and maintained place of business within this State, or who has not made reports to the North Dakota Workmen's Compensation Bureau within the previous year of employees within this State and made contribution to the North Dakota Workmen's Compensation fund accordingly, or who has not during like period made Income Tax Return in this State. The public contractor's license as herein provided, shall not be required within the forty (40) day period immediately following the taking effect of this Act, and the license fee required hereby to be paid by public contractors in the several classes for the balance of the calendar year 1937, shall be two-thirds of the amount of fee fixed hereby for an original license for such class for a calendar year.

§ 2. From and after the passage and approval of this Act, it shall be unlawful for any person, firm, copartnership, association, corporation or any combination of any thereof, to engage in the business or act in the capacity of a "public contractor," as herein defined, within the State of North Dakota without first having a license therefor as herein provided.

§ 3. The Secretary of State for the State of North Dakota is hereby constituted the "Registrar" for the purposes of this Act, and is empowered to employ such assistance and procure such records, supplies and equipment as may be necessary to carry out its provisions.

§ 4. To obtain a license under this Act, the applicant shall submit, on such forms as the Registrar shall prescribe, an application under oath, which shall contain a statement of the applicant's experience and qualifications as a contractor; the value and character of the contract work completed and for whom performed, during the five years preceding the date of such application; on such forms and disclosing such information as shall be required by the Registrar. Such application shall also contain such other information as may be requested by the Registrar under such rules and regulations as may be adopted by said Registrar and which will assist said Registrar

in determining the applicant's fitness to act in the capacity of a public contractor as defined in this Act. Such application shall also contain a statement that the applicant desires the issuance of a license under the terms of this Act, and shall specify the class of license applied for, as hereinafter provided. Any applicant refused a license by the Registrar shall have the right of appeal from such refusal, to the District Court of Burleigh County, North Dakota.

§ 5. There shall be four classes of licenses issued under the provisions of this Act; and such licenses are hereby designated as Classes "A," "B," "C," and "D;" subject, however, to such pre-qualifications requirements as imposed by the public body or bodies referred to in Section 1 (c) hereof.

The holder of a Class "A" license shall be entitled to engage in the public contracting business within the State of North Dakota without any limitation as to the value of any single public contract project, and at the time of making the application for such license the applicant shall pay the Registrar a fee of Two Hundred and Fifty (\$250.00) Dollars.

The holder of a Class "B" license shall be entitled to engage in the public contracting business within the State of North Dakota, but shall not be entitled to engage in the construction of any single public contract project of a value in excess of One Hundred Twenty-five Thousand (\$125,000) Dollars, and shall pay to the Registrar a fee of One Hundred and Fifty (\$150.00) Dollars, at the time of making application for such license.

The holder of a Class "C" license shall be entitled to engage in the public contracting business within the State of North Dakota, but shall not be entitled to engage in the construction of any single public contract project of a value in excess of Sixty Thousand (\$60,000) Dollars; and shall pay to the Registrar a fee of One Hundred (\$100.00) Dollars, at the time of making application for such license.

The holder of a Class "D" license shall be entitled to engage in the public contracting business within the State of North Dakota, but shall not be entitled to engage in the construction of any single public contract project of a value in excess of Fifteen Thousand (\$15,000) Dollars; and shall pay to the Registrar a fee of Fifteen (\$15.00) Dollars at the time of making application for such license.

Nothing herein shall require any original public contractor to procure a license or to pay any license fee on any public contract project of a value of less than Two Thousand (\$2,000) Dollars; nor a sub-contractor to procure a license or pay a license fee on any public contract project of a value less than One Thousand (\$1,000) Dollars. Provided however, that the provisions of this Act shall not apply to any road construction or road repair contract financed in whole, or in part, through Federal Aid furnished by the Bureau of

Public Roads of the Department of Agriculture, except such Bureau approve the provisions hereof.

§ 6. It shall be the duty of the Registrar to investigate and determine the applicant's fitness to act in the capacity of public contractor, as defined in this Act, and no license shall be issued unto such applicant until the expiration of ten (10) days from and after the filing of such application; provided, that this latter provision shall not apply to bids or proposals made or requested, nor to contracts let or awarded, during the period of ten (10) days immediately following the passage and approval of this Act. The license so issued in pursuance of the first application shall entitle the licensee to act as a public contractor within this State, subject to the limitations of such license, until the expiration of the then current calendar year.

Any license issued under the provisions of the Act may be renewed for each successive calendar year by obtaining from the Registrar a certificate of renewal thereof. For the purpose of obtaining such certificate of renewal the licensee shall file with the Registrar an application therefor, stating the class of license applied for and containing the same information as that required in the application of the original license. The application for such certificate of renewal must be made to the Registrar on or before the first day of March of each successive calendar year; and such renewal certificate shall be good for the then current calendar year.

At the time of filing the application for a certificate of renewal, the applicant shall pay unto the Registrar a license fee equal to fifty (50) per cent of the license fee for the original license; provided that if any applicant for a certificate of renewal shall apply for a renewal under a different class from the license theretofore issued to him, such new license shall only be issued upon the same showing and under the same terms and conditions and upon the payment of the same fee required for the issuance of an original license.

All certificates of renewal, wherein the applicant does not apply for a change in the class of license shall be issued by the Registrar to the applicant forthwith when the application is filed and the license renewal fee is paid.

§ 7. Every non-resident contractor as hereinbefore defined, engaging in business as a public contractor under the provisions of this Act; shall be and is hereby required to include in the undertaking and bond required by law to be executed to insure the performance of any contract for such public work or project, further and added provisions to insure the payment to the North Dakota Workmen's Compensation Fund of all premiums to become due upon labor employed in such work or project, and for the payment to the State of North Dakota of State Income Tax upon income derived from such work or project and to become due.

§ 8. All bids and proposals for the construction of any public contract project subject to the provisions of this Act shall contain a statement showing that the bidder or contractor is duly and regularly licensed hereunder. The number and class of such license then held by such public contractor shall appear upon such bid or proposal, and no contract shall be awarded to any contractor unless he is the holder of a license in the class within which the value of the project shall fall as hereinbefore provided.

§ 9. Any and all expenses incurred by the Registrar in the administration of this Act shall be paid out of the fund accruing from the fees imposed by and collected under the provisions hereof. All moneys collected hereunder, less the expense incurred in the administration of this Act, shall be deposited by the Registrar with the State Treasurer, who shall credit them to the General Fund of the State.

§ 10. The Registrar shall maintain in said Registrar's office at Bismarck, North Dakota, open to public inspection during office hours, a complete indexed record of all applications and all licenses issued and all certificates of renewal and of cancellations or suspensions thereof; and shall furnish a certified copy of any license issued, of renewal certificates, or of the cancellations or suspensions thereof, upon receipt of the sum of One (\$1.00) Dollar; and such certified copy shall be received in all Courts and elsewhere as prima facie evidence of the facts stated therein.

§ 11. Any person, firm, copartnership, corporation, association or any other organization may file a duly verified complaint with the Registrar charging that the licensee is guilty of one or more of the following acts or omissions:

- (1) Abandonment of any contract without legal excuse.
- (2) Diversion of funds or property received under express agreement for the prosecution or completion of a specific contract under this Act, or for a specified purpose in the prosecution or completion of any contract, and their application or use for any other contract obligation or purpose with intent to defraud or deceive creditors or the owner;
- (3) The doing of any willful fraudulent act by the licensee as a public contractor in consequence of which another is substantially injured;
- (4) The making of any false statement in any application for a license or renewal thereof.

Upon the filing of such complaint the Registrar shall investigate the charge and within sixty days after the filing of such complaint shall render and file said Registrar's decision with said Registrar's reasons therefor. If the Registrar's decision be that the licensee has been guilty of any such acts or omissions, said Registrar shall suspend the contractor's license. At any time within twenty

days thereafter the complainant or the contractor may petition the Registrar for a rehearing. In the order granting or denying such rehearing the Registrar shall set forth a statement of the particular grounds and reasons for said Registrar's actions on such petition and shall mail a copy of such order to the parties who have appeared in support of or in opposition to the petition for rehearing. If a rehearing be granted, the Registrar shall set the matter for further hearing on due notice to the parties, and within thirty days after submission of the matter, serve said Registrar's decision after rehearing in like manner as an original decision.

The filing of such petition for rehearing as to the Registrar's actions in suspending or cancelling such license shall suspend the operation of such action and permit the licensee to continue to do business as a public contractor pending final determination of the controversy.

Within thirty days after the decision on rehearing, any party aggrieved by such decision of the Registrar may appeal therefrom to the District Court in and for the County in which the licensee under this Act resides or does business as a public contractor, by serving upon the Registrar a notice of such appeal. The matter shall thereupon be heard de novo by the District Court. An appeal may be taken from the decision of the District Court in the same manner as appeals in other civil cases.

In all cases where the licensee has filed his notice of appeal from the decision of the Registrar or from the decision of the District Court, such licensee shall be entitled to continue to do business as a public contractor pending final decision of the controversy.

§ 12. After cancellation of a license such licensee shall not be relicensed during the current calendar year in which the offense was committed.

§ 13. Any person, firm, copartnership, corporation, association or other organization acting in the capacity of public contractor within the meaning of this Act, without a license as herein provided, shall be guilty of a misdemeanor and shall, upon conviction thereof, if a person, be punished by a fine of not to exceed Five Hundred (\$500.00) Dollars or by imprisonment in the County jail for a term not to exceed six months or by both such fine and imprisonment, in the discretion of the Court. The same penalties shall apply, upon conviction, to any member of a copartnership, or to any construction, managing or directing officer of any corporation or other organization consenting to, participating in, or aiding or abetting any such violation of this Act.

§ 14. If any section, subsection, sentence, clause or phrase of this Act is for any reason held to be unconstitutional or invalid such decision shall not affect the constitutionality or validity of the remaining portions of this Act. The Legislature hereby declares

that it would have passed this Act and each section, subsection, sentence, clause and phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases may later be declared unconstitutional and/or invalid.

§ 15. An emergency is hereby declared to exist and this Act shall take effect and be in force from and after its passage and approval, except as hereinbefore provided.

§ 16. All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 11, 1937.

(NOTE: Emergency failed in Senate.)

CHAPTER 111

H. B. No. 88—(Johnson, Thompson and Schauss)

PAYMENT OF ESTIMATES PUBLIC BUILDINGS, REPAIRS AND IMPROVEMENTS

An Act to amend and re-enact Section 5 of Chapter 195 of the Session Laws of North Dakota for the year 1929, relating to the construction of all public buildings and repairs and improvements connected with or pertaining thereto, contracts therefor, and allowance and payment of estimates thereon:

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5 of Chapter 195 of the Session Laws of 1929 be and the same is hereby amended to read as follows:

§ 5. ALLOWANCE AND PAYMENT OF ESTIMATES.] At least once during each calendar month during the continuance of work upon any public building or erection begun and carried on under the provisions of the preceding Sections, the Board of Administration, the County Commission, City Commission, City Council, Board of Park Commissioners, School District officials or the village trustees, as the case may be; or a committee thereof duly authorized by said Board for that purpose, shall meet and receive and consider estimates furnished by the supervising architect or the superintendent of construction of such building or erection if either such is in supervision thereof; and shall allow such estimates in an amount of approximately 90 per cent of the labor then performed upon said building or erection, and of the material then upon the ground for use in the construction thereof. In event no supervising architect or no superintendent of construction is employed upon such contract, the contractor may at the end of each calendar month during the continuance of work under any such contract, furnish to such Board or public body in charge of such work, like estimates which shall be

in like manner allowed. Said Board or committee thereof, shall immediately after considering and allowing any such estimate verify and forward the same to the State Auditor, County Auditor, City Auditor, or other official having the power to draw warrants, who shall forthwith draw his warrant upon the proper fund and transmit the same promptly to the contractor or contractors entitled thereto; and in case said Board or committee shall fail or neglect to certify any such estimate allowed or the said Auditor shall neglect or fail to issue said warrant as above provided, for a period of more than 30 days from the date of such estimate; then and in that event said estimate shall draw interest from its date at the rate of six per cent per annum until the issuance of a proper warrant therefor, which interest shall be computed and added to the face of said estimate by the officer required to issue such warrant and shall be included in the warrant when drawn and be charged to the fund upon which the same is drawn. No payment for, or on account of any contract made under the provisions of this Act, shall be made, except upon estimate of the supervising architect or superintendent of construction, as in this section provided; if either such be employed in supervisions of such construction or erection.

Approved February 15, 1937.

CORPORATIONS

CHAPTER 112

H. B. No. 318—(Holmquist)

AMENDMENT COOPERATIVE GRAZING ASSOCIATION ACT

An Act to amend and re-enact Sections 1, 2 and Sub-section (e) of Chapter 106 of the 1935 Session Laws, relating to the incorporation of Cooperative Grazing Associations, to provide for the organization of groups with a smaller acreage than 50,000 acres, where they may be required, and making no restrictions as to the number of organizations in any one County to operate under said chapter.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 1 of Chapter 106 of the Laws of North Dakota for the year 1935 is hereby amended and re-enacted to read as follows:

§ 1. For the purposes of this Act the words
 "Associations" shall mean a cooperative grazing association;
 "District" shall mean a cooperative grazing district;
 "Subdivision" shall mean any portion or block of land situated within the outside boundaries of a district;

"Person" shall mean any natural person or any firm, partnership or corporation;

"Grazing area" shall mean any area of land consisting of fifty thousand acres, or more, situated in any one or more Counties in this State, that has been or may be acquired by the United States, or any of its departments, corporations, or agencies, that may be leased by an association for grazing purposes, provided that when circumstances may require, this provision shall not preclude the organization of a group with a smaller acreage, down to a minimum of five thousand acres, under Section 2 of this Act, which area shall be known as a "Cooperative Grazing District" as in said Section 2 provided.

§ 2. AMENDMENT.] That Section 2 of Chapter 106 of the Laws of North Dakota for the year 1935 is hereby amended and re-enacted to read as follows:

§ 2. A corporation, mutually operated, for the purpose of aiding in the conservation, restoration, improvement, development and utilization of natural forage resources within any County or Counties, where a grazing area has been acquired, to be jointly used by its members, and for aiding in the restoration, conservation, improvement, development and utilization of lands which may be leased from the United States, or from any of its departments, corporations, or agencies, and/or from the State of North Dakota, or from any of its departments, boards or agencies, and/or from any County or political subdivision in this State, or from other persons, shall be known as a "Cooperative Grazing Association."

Lands leased by such an association and utilized by its members for grazing purposes under such definite restrictions, regulations and limitations by the association as shall contribute to the conservation, restoration, improvement and development of the forage resources of such land, shall be known as a "Cooperative Grazing District."

§ 3. AMENDMENT.] That Sub-section (e) of Section 6 of Chapter 106 of the Laws of North Dakota for the year 1935 is hereby amended and re-enacted to read as follows:

(e) One director to be elected from each congressional township in the district by the majority vote of the members residing in such township, providing that for the purposes of the small acreage group, that all directors may be elected from any one or more townships.

Approved March 9, 1937.

CHAPTER 113
S. B. No. 105—(Stucke)

CREDIT UNIONS ANNUAL MEETINGS—ELECTION OF OFFICERS

An Act to amend and re-enact Section 8, of Chapter 108, of the Session Laws of 1935, relating to Credit Unions in the State of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 8, of Chapter 108, of the Session Laws of 1935, relating to Credit Unions in the State of North Dakota, is hereby amended and re-enacted as follows:

§ 8. ANNUAL MEETINGS: ELECTION OF OFFICERS.] At the annual meeting (the organization meeting shall be the first annual meeting) the credit union shall elect a Board of Directors of not less than five members, a Credit Committee of not less than three members and a Supervisory Committee of three members, all to hold office for such terms respectively as the by-laws provide and until successors qualify. A record of the names and addresses of the members of the board and committees and the officers shall be filed with the State Examiner within ten days of their election.

Approved March 5, 1937.

CHAPTER 114
S. B. No. 65—(Stucke)

SUPERVISION OF CREDIT UNIONS

An Act to amend and re-enact Section 6, of Chapter 108, of the Session Laws of 1935, relating to Credit Unions in the State of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 6, of Chapter 108, of the Session Laws of 1935, relating to Credit Unions in the State of North Dakota, is hereby amended and re-enacted as follows:

§ 6. TO BE UNDER STATE BANKING BOARD.] Credit unions shall be under the supervision of the State Banking Board. They shall report to the State Examiner at least once annually, upon call of the State Examiner on blanks supplied by the said Examiner for that purpose. Additional reports may be required. Credit unions shall be examined at least annually by the said Examiner. For failure to file reports when due, unless excused for cause, the credit union shall pay to the Treasurer of this State \$5.00 for each day of its delin-

quency. If the said Examiner determines that the credit union is violating the provisions of this Act, or is insolvent, the said State Banking Board may serve notice on the credit union of his intention to revoke the charter. If, for a period of fifteen days after said notice, said violation continues, the said State Banking Board may revoke said charter and take possession of the business and property of said credit union and maintain possession until such time as they shall permit it to continue business or its affairs are finally liquidated. They may take similar action if said report remains in arrears for more than fifteen days.

The credit union shall pay the same fees to the State Examiner for examination as are now provided for building and loan associations, except that the minimum fee for credit unions shall be \$5.00.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 1, 1937.

CHAPTER 115

H. B. No. 346—(Burgum and Frazier)

ELECTRIC COOPERATIVE CORPORATION ACT

An Act to provide for the incorporation of cooperative, non-profit, membership corporations to engage in rural electrification by furnishing electric energy to persons in rural areas who are not receiving central station service, assisting in the wiring of premises of persons in rural areas or the acquisition, supply or installation of electrical or plumbing equipment, therein and/or furnishing electric energy, wiring facilities, electrical or plumbing equipment, or services to any other corporation organized under this Act or to the members thereof; to provide for the rights, powers and duties of such corporations, including the right to use the highways and other property of the State and to exercise the power of eminent domain; to provide for the creation of corporate indebtedness by such corporations without limitation as to the amount or proportion thereof; to provide an exemption of such corporations from certain excise taxes; to provide a limited exemption of such corporations, and the securities of such corporations, from the Securities Commission Act; to provide for the extension of this Act to existing corporations; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SHORT TITLE.] This Act may be cited as the "Electric Cooperative Corporation Act."

§ 2. DEFINITIONS.] In this Act, unless the context otherwise requires:

(1) "Corporation" means a corporation organized pursuant to the provisions of this Act.

(2) "Board" means a board of directors of a corporation organized under this Act.

(3) "Member" means the incorporators of a corporation and each person thereafter lawfully admitted to membership therein.

(4) "Federal agency" includes the United States of America and any department, administration, commission, board, bureau, office, establishment, agency, authority, or instrumentality of the United States of America heretofore or hereafter created.

(5) "Person" includes any natural person, firm, association, corporation, business trust, partnership, Federal agency, State or political subdivision thereof or any body politic.

(6) "Acquire" means and includes construct, acquire by purchase, lease, devise, gift, or other mode of acquisition.

(7) "Obligations" include bonds, notes, debentures, interim certificates or receipts, and all other evidences of indebtedness issued by a corporation.

(8) "Rural area" means any area not included within the boundaries of any incorporated or unincorporated city, town, village or borough, having a population in excess of twenty-five hundred inhabitants, and includes both the farm and non-farm population thereof.

§ 3. PURPOSE.] Co-operative, non-profit, membership corporations may be organized under this Act for the purpose of engaging in rural electrification by any one or more of the following methods:

(1) The furnishing of electric energy to persons in rural areas who are not receiving central station service.

(2) Assisting in the wiring of the premises of persons in rural areas or the acquisition, supply, or installation of electrical or plumbing equipment therein.

(3) The furnishing of electric energy, wiring facilities, electrical or plumbing equipment or services to any other corporation organized under this Act or to the members thereof.

§ 4. POWERS OF CORPORATION.] Each corporation shall have power:

(1) To sue and be sued, complain and defend, in its corporate name.

(2) To have perpetual succession unless a limited period of duration is stated in its articles of incorporation.

(3) To adopt a corporate seal which may be altered at pleasure, and to use it, or a facsimile thereof, as required by law.

(4) To generate, manufacture, purchase, acquire and accumulate electric energy and to transmit, distribute, sell, furnish and

dispose of such electric energy to its members only, and to construct, erect, purchase, lease as lessee and in any manner acquire, own, hold, maintain, operate, sell, dispose of, lease as lessor, exchange and mortgage plants, buildings, works, machinery, supplies, equipment, apparatus, and transmission and distribution lines or systems necessary, convenient or useful.

(5) To assist its members only to wire their premises and install therein electrical and plumbing fixtures, machinery, supplies, apparatus and equipment of any and all kinds and character, and in connection therewith and for such purposes, to purchase, acquire, lease, sell, distribute, install and repair electrical and plumbing fixtures, machinery, supplies, apparatus and equipment of any and all kind and character and to receive, acquire, endorse, pledge, hypothecate and dispose of notes, bonds, and other evidences of indebtedness.

(6) To furnish to other corporations organized under this Act, or to the members thereof, electric energy, wiring facilities, electrical and plumbing equipment and services convenient or useful.

(7) To acquire, own, hold, use, exercise and, to the extent permitted by law, to sell, mortgage, pledge, hypothecate and in any manner dispose of franchises, rights, privileges, licenses, rights-of-way and easements necessary, useful or appropriate.

(8) To purchase, receive, lease as lessee, or in any other manner acquire, own, hold, maintain, sell, exchange and use any and all real and personal property or any interest therein.

(9) To borrow money and otherwise contract indebtedness, to issue its obligations therefor, and to secure the payment thereof by mortgage, pledge, or deed of trust of all or any of its property, assets, franchises, revenues or income.

(10) To sell and convey, mortgage, pledge, lease as lessor and otherwise dispose of all or any part of its property and assets.

(11) In connection with the acquisition, construction, improvement, operation or maintenance of its lines, to use any highway, or any right-of-way, easement or other similar property right, owned or held by the State or any political subdivision thereof.

(12) To have and exercise the power of eminent domain for the purpose and in the manner provided by the condemnation laws of this State for acquiring private property for public use, such right to be paramount except as to property of the State, or any political subdivision thereof.

(13) To accept gifts or grants of money, services or property, real or personal.

(14) To make any and all contracts necessary or convenient for the exercise of the powers granted in this Act.

(15) To fix, regulate and collect rates, fees, rents, or other

charges for electric energy and any other facilities, supplies, equipment, or services furnished by the corporation.

(16) To conduct its business, and have offices within or without this State.

(17) To elect or appoint officers, agents and employees of the corporation, and to define their duties and fix their compensation.

(18) To make and alter by-laws, not inconsistent with the articles of incorporation or with the laws of this State, for the administration and regulation of the affairs of the corporation.

(19) To do and perform, either for itself or its members, or for any other corporation organized under this Act, or for the members thereof, any and all acts and things, and to have and exercise any and all powers as may be necessary, convenient, or appropriate to effectuate the purpose for which the corporation is organized.

§ 5. INCORPORATORS.] Any three or more natural persons of the age of twenty-one years or more, residents of this State, may act as incorporators of a corporation to be organized under this Act by executing articles of incorporation as hereinafter provided in this Act.

§ 6. ARTICLES OF INCORPORATION.] (a) The Articles of Incorporation shall state:

(1) The name of the corporation, which name shall include the words "Electric Cooperative" and the word "Corporation," "Incorporated," "Inc.," or "Company" and the name shall be such as to distinguish it from any other corporation organized and existing under the laws of this State.

(2) The purpose for which the corporation is formed.

(3) The names and addresses of the incorporators who shall serve as directors and manage the affairs of the corporation until its first annual meeting of members, or until their successors are elected and qualify.

(4) The number of directors, not less than three, to be elected at the annual meetings of members.

(5) The address of its principal office and the name and address of its agent upon whom process may be served.

(6) The period of duration of the corporation, which may be perpetual.

(7) The terms and conditions upon which persons shall be admitted to membership and retain membership in the corporation, but if expressly so stated the determination of such matters may be reserved to the directors by the by-laws.

(8) Any provisions, not inconsistent with law, which the incorporators may choose to insert, for the regulation of the business and the conduct of the affairs of the corporation.

(b) It shall not be necessary to set forth in the articles of incorporation any of the corporate powers enumerated in this Act.

§ 7. PROHIBITION ON USE OF WORDS "ELECTRIC COOPERATIVE."] The words "Electric Cooperative" shall not be used in the corporate name of corporations organized under the laws of this State, or authorized to do business herein, other than those organized pursuant to the provisions of this Act.

§ 8. EXECUTION, FILING AND RECORDING OF ARTICLES OF INCORPORATION.] The original copy of the articles of incorporation shall be signed by the incorporators and acknowledged before any officer authorized by the law of this State to acknowledge the execution of deeds and conveyances. It shall be filed in the office of the Secretary of State. If the Secretary of State finds that the articles of incorporation conform to law, he shall, when the fees prescribed by this Act have been paid:

- (1) Endorse on the original copy the word "Filed," and the month, day and year of the filing thereof.
- (2) File the original in his office.
- (3) Issue a certificate of incorporation to the incorporators.

§ 9. EFFECT OF ISSUANCE OF CERTIFICATES OF INCORPORATION.] Upon the issuance of a certificate of incorporation by the Secretary of State, the corporate existence of the corporation shall begin. The certificate of incorporation shall be conclusive evidence, except as against the State, that all conditions precedent required to be performed by the incorporators have been complied with and that the corporation has been incorporated under this Act.

§ 10. ORGANIZATION MEETING.] After the issuance of the certificate of incorporation, an organization meeting shall be held, at the call of a majority of the incorporators, for the purpose of adopting by-laws and electing officers and for the transaction of such other business as may properly come before the meeting. The incorporators calling the meeting shall give at least three days' notice thereof by mail to each incorporator, which notice shall state the time and place of the meeting but such notice may be waived in writing.

§ 11. BY-LAWS.] The power to make, alter, amend, or repeal the by-laws of the corporation shall be vested in the Board of Directors. The by-laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

§ 12. QUALIFICATION OF MEMBERS.] All persons in rural areas proposed to be served by a corporation, who are not receiving central station service, shall be eligible to membership in a corporation. No person other than the incorporators shall be, become or remain a member of a corporation unless such person shall use or

agree to use electric energy or, as the case may be, the facilities, supplies, equipment, and services furnished by a corporation. A corporation organized under this Act may become a member of another such corporation and may avail itself fully of the facilities and services thereof.

§ 13. MEETINGS OF MEMBERS.] (a) Meetings of members may be held at such place as may be provided in the by-laws. In the absence of any such provision, all meetings shall be held in the principal office of the corporation in this State.

(b) An annual meeting of the members shall be held at such time as may be provided in the by-laws. Failure to hold the annual meeting at the designated time shall not work forfeiture or dissolution of the corporation.

(c) Special meetings of the members may be called by the president, by the Board of Directors, by a petition signed by not less than one-tenth of all the members or by such other officers or persons as may be provided in the articles of incorporation or by the by-laws.

§ 14. NOTICE OF MEMBERS' MEETINGS.] Written or printed notice stating the place, day, and hour of the meeting of members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than thirty days before the date of the meeting, either personally or by mail, by or at the direction of the president or the secretary, or the officers or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mails in a sealed envelope addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid. Notice of meetings of members may be waived in writing.

§ 15. VOTING BY MEMBERS.] Each member present shall be entitled to one and only one vote on each matter submitted to a vote at a meeting of members, but voting by proxy or by mail may be provided for in the by-laws.

§ 16. CERTIFICATE OF MEMBERSHIP.] When a member of a corporation has paid the membership fee in full, a certificate of membership shall be issued to such member. Memberships in the corporation and the certificates shall be non-transferable. The certificate of membership shall be surrendered to the corporation upon the resignation, expulsion or death of the member.

§ 17. QUORUM OF MEMBERS.] Unless otherwise provided in the articles of incorporation, a majority of the members, present in person or represented by proxy, shall constitute a quorum for the transaction of business at a meeting of members, but if voting by

mail is provided for in the by-laws, members so voting shall be counted as if present.

§ 18. BOARD OF DIRECTORS.] The business and affairs of a corporation shall be managed by a Board of Directors, not less than three in number, which shall exercise all the powers of the corporation except such as are conferred upon the members by this Act, by the articles of incorporation or by the by-laws of the corporation. The by-laws may prescribe qualifications for directors.

§ 19. ELECTION, QUALIFICATION AND COMPENSATION OF DIRECTORS.] The directors, other than those named in the certificate of incorporation to serve until the first annual meeting of members, shall be elected annually or as otherwise provided in the by-laws, by the members. The directors shall be members of the corporation and shall be entitled to such compensation and reimbursement for expenses actually and necessarily incurred by them as may be provided in the by-laws.

§ 20. VACANCIES.] Any vacancy occurring in the Board, and any directorship to be filled, shall be filled as provided in the by-laws by persons who shall serve until directors may be regularly elected as provided for in this Act.

§ 21. QUORUM OF DIRECTORS.] A majority of the Board shall constitute a quorum for the transaction of business unless a greater number is required by the articles of incorporation or the by-laws. The act of the majority of the directors, present at a meeting at which a quorum is present, shall be the act of the Board, unless the act of a greater number is required by the articles of incorporation or the by-laws.

§ 22. DIRECTORS' MEETINGS.] Meetings of the Board, regular or special, shall be held at such place and upon such notice as the by-laws may prescribe. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

§ 23. OFFICERS, AGENTS AND EMPLOYEES.] (a) The Board shall elect from its number a president, a vice-president, a secretary and a treasurer, but the same person may be elected to the office of secretary and treasurer. The powers and duties of the foregoing officers, as well as their term of office and compensation, shall be provided for in the by-laws.

(b) The Board shall appoint such other officers, agents and employees as it deems necessary and fix their powers, duties and compensation.

(c) Any officer, agent or employee, elected or appointed by the Board, may be removed by it whenever in its judgment the best interests of the corporation will be served.

§ 24. EXECUTIVE COMMITTEE.] Any corporation may, by its by-laws, provide for an executive to be elected from and by its Board of Directors. To such committee may be delegated the management of the current and ordinary business of the corporation, and such other duties as the by-laws may prescribe, but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon it or him by this Act.

§ 25. NON-PROFIT OPERATION.] (a) Each corporation shall be operated without profit to its members but the rates, fees, rents or other charges for electric energy and any other facilities, supplies, equipment, or services furnished by the corporation shall be sufficient at all times.

(1) To pay all operating and maintenance expenses necessary or desirable for the prudent conduct of its business and the principal and interest on the obligations issued or assumed by the corporation in the performance of the purpose for which it was organized, and

(2) For the creation of reserves.

(b) The revenues of the corporation shall be devoted first to the payment of operating and maintenance expenses and the principal and interest on outstanding obligations, and thereafter to such reserves for improvement, new construction, depreciation and contingencies as the board may from time to time prescribe.

(c) Revenues not required for the purposes set forth in Sub-section (b) of this section shall be returned from time to time to the members on a pro rata basis according to the amount of business done with each during the period, either in cash, in abatement of current charges for electric energy, or otherwise as the Board determines; but such return may be made by way of general rate reduction to members, if the Board so elects.

§ 26. AMENDMENT OF ARTICLES OF INCORPORATION.] A corporation may amend its articles of incorporation by a majority vote of the members, present in person or by proxy at any regular meeting, or at any special meeting, of its members called for that purpose. The power to amend shall include the power to accomplish any desired change in the provisions of its articles of incorporation and to include any purpose, power or provision which would be authorized to be included in original articles of incorporation if executed at the time the amendment is made. Articles of amendment signed by the president or vice-president, and attested by the secretary certifying to such amendment and its lawful adoption shall be executed, acknowledged, filed and recorded in the same manner as the original articles of incorporation of a corporation organized under this Act;

and as soon as the Secretary of State shall have accepted the articles of amendment for filing and recording, and issued a certificate of amendment, the amendment or amendments shall be in effect.

§ 27. CONSOLIDATION.] (a) Any two or more corporations may enter into an agreement for the consolidation of such corporations. The agreement shall set forth the terms and conditions of the consolidation, the name of the proposed consolidated corporation, the number of its directors, not less than three, the time of the annual meeting and election, and the name of at least three persons to be directors until the first annual meeting. If such agreement is approved by the votes of a majority of the members of each corporation, present in person or by proxy at any regular meeting, or at any special meeting, of its members called for that purpose, the directors named in the agreement shall sign and acknowledge as incorporators articles of consolidation conforming substantially to original articles of incorporation of a corporation organized under this Act.

(b) The articles of consolidation shall be executed, acknowledged, filed and recorded in the same manner as the original articles of incorporation of a corporation organized under this Act. As soon as the Secretary of State shall have accepted the articles of consolidation for filing and recording and issued a certificate of consolidation, the proposed consolidated corporation, described in the articles under its designated name, shall be and become a body corporate, with all of the powers of a corporation as originally organized hereunder.

§ 28. DISSOLUTION.] (a) Any corporation may dissolve by majority vote of the members, present in person or by proxy at any regular meeting, or at any special meeting, of its members called for that purpose. A certificate of dissolution shall be signed by the president or vice-president and attested by the secretary, certifying to such dissolution and stating that they have been authorized to execute and file such certificate by votes cast in person or by proxy by a majority of the members of the corporation. A certificate of dissolution shall be executed, acknowledged, filed and recorded in the same manner as the original articles of incorporation of a corporation organized under this Act and as soon as the Secretary of State shall have accepted the certificate of dissolution for filing and recording and issued a certificate of dissolution, the corporation shall be deemed to be dissolved.

(b) Such corporation shall, however, continue for the purpose of paying, satisfying, and discharging any existing liabilities or obligations and collecting or liquidating its assets, and doing all other acts required to adjust and wind up its business and affairs, and may sue and be sued in its corporate name. Any assets remaining after all liabilities or obligations of the corporation have been satisfied or discharged shall be distributed pro rata among the members of the corporation at the time of the filing of the certificate of dissolution.

(c) Any corporation which purports to have been incorporated or reincorporated under this Act but which has not complied with all of the requirements for legal corporate existence may nevertheless file a certificate of dissolution in the same manner as a validly existing corporation. The certificate of dissolution, in such case, may be authorized by a majority of the incorporators or directors at a meeting called by any incorporator upon ten days' notice mailed to the last known postoffice address of each incorporator or director, and held at the principal office of the corporation named in the articles of incorporation.

§ 29. FEES.] The Secretary of State shall charge and collect for:

(1) Filing articles of incorporation and issuing a certificate of incorporation, 13 Dollars.

(2) Filing of articles of amendment and issuing a certificate of amendment, 6 Dollars.

(3) Filing articles of consolidation and issuing a certificate with respect thereto, 13 Dollars.

(4) Filing articles of dissolution, 3 Dollars.

§ 30. EXEMPTION FROM EXCISE TAXES—LICENSE FEE.] Corporations formed hereunder shall pay annually, on or before July 1st, to the Secretary of State, a fee of \$10 for each 100 members or fraction thereof, but shall be exempt from all other excise taxes of whatsoever kind or nature.

§ 31. LIMITED EXEMPTION FROM SECURITIES ACT.] Whenever any corporation organized under this Act shall have received an allotment of funds or borrowed money from any Federal agency, the obligations issued to secure the payment of such money or the issuance of membership certificates shall be exempt from the provisions of the Securities Act (Chapter 182, Laws of North Dakota, 1923, as amended), nor shall the provisions of said Act apply to the issuance of membership certificates.

§ 32. DEFECTIVELY ORGANIZED CORPORATIONS.] In the event any corporation has filed defective articles of incorporation or has failed to do all things necessary to perfect its corporate organization, it may, nevertheless, file corrected articles of incorporation or amend the original articles and do not perform all acts and things necessary in the premises for the correction of such defects. The action so taken shall be valid and binding upon all persons concerned and the capacity of such corporation to file corrected articles of incorporation or amendments to the original articles, or to do and perform all acts and things necessary in the premises shall not be questioned.

§ 33. ACT EXTENDED TO EXISTING CORPORATIONS.] Any existing cooperative or non-profit corporation or association, organ-

ized under any other law of this State, for the purpose of engaging in rural electrification, may, by a majority vote of the members, present in person or by proxy, at a meeting called for that purpose, amend its articles of incorporation so as to comply with this Act.

§ 34. CONSTRUCTION OF ACT.] This Act shall be construed liberally. The enumeration of any object, purpose, power, manner, method or thing shall not be deemed to exclude like or similar objects, purposes, powers, manners, methods or things.

§ 35. SEPARABILITY OF PROVISIONS.] If any provision of this Act, or the application of such provision to any person or circumstance is held invalid, the remainder of the Act and the application of such provisions to other persons or circumstances shall not be effected thereby.

§ 36. ACT COMPLETE IN ITSELF.] This Act is complete in itself and shall be controlling. The provisions of any other law of this State, except as provided in this Act, shall not apply to a corporation organized under this Act.

§ 37. EFFECTIVE DATE.] An emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

Approved March 12, 1937.

CHAPTER 116

H. B. No. 217—(Twichell, Godwin and Burgum)

FOREIGN CORPORATION ACT

An Act relating to foreign corporations; providing for their admission to transact business in this State; for their withdrawal from this State; for the revocation of their authority to transact business in this State; for payment by them of certain license fees; for filing by them of annual reports; for appointment by them of resident agents for service of process; for service of process on foreign corporations; for penalties and liabilities for violations of this Act; for filing and recording of certificates of authority issued pursuant to this Act, and their effect as evidence; for payment by foreign corporations of certain fees to the Secretary of State and to Registers of Deeds; for application of this Act to foreign corporations heretofore authorized to transact business in this State; repealing all Acts or parts of Acts in so far as they conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITIONS.] As used in this Act, unless the context otherwise requires: "Corporation" shall mean a corporation formed for profit; "Domestic Corporation" shall mean a corporation formed under the laws of this State; "Foreign Corporation" shall mean a corporation not formed under the laws of this State but shall not

include corporations, which under the constitution and statutes of the United States may transact business in this State without first obtaining a certificate of authority so to do and shall not include insurance companies as the same are now or may hereafter be defined by the laws of the State of North Dakota; "address" shall include the name of the postoffice, street and number if any, or name of building and room or office number therein when customarily used as part of a mailing address; "process" shall mean all statutory notices and demands required or permitted to be served on natural persons or corporations, including the summons in a civil action, and all process which may be issued in any action or proceeding in any Court; "articles of incorporation" shall mean the original articles of incorporation, all articles or certificates of amendment thereof, articles of consolidation or merger, and certificates filed or issued in connection with reductions of stated capital.

§ 2. FOREIGN CORPORATIONS MUST HAVE CERTIFICATE OF AUTHORITY.] No foreign corporation shall transact business in this State unless it holds a certificate of authority so to do; and no foreign corporation whose certificate of authority shall have been revoked or cancelled pursuant to the provisions of this Act shall be entitled to obtain a certificate of authority except in accordance with the provisions of Section 19 of this Act.

§ 3. FOREIGN CORPORATIONS NOT TO DO BANKING BUSINESS.] No foreign corporation shall transact in this State the business which only a bank, trust company or building and loan association may transact in this State.

§ 4. NAMES OF CORPORATIONS.] (a) No certificate of authority shall be issued to a foreign corporation, the name of which is prohibited under the laws of the State of North Dakota in force at the time of the application for such certificate of authority, to a domestic corporation; provided, that if the name of such corporation does not end with the word "Corporation" or the word "Incorporated," or does not contain the word "Company" or the abbreviation "Co.," not immediately preceded by the word "and" or the character "&," a certificate of authority may be issued to it if it agrees in its application for a certificate of authority, to add at the end of its name the word "Incorporated" or the abbreviation "Inc." in transacting any business within this State.

(b) Nothing in this Section shall abrogate or limit the law as to unfair competition or unfair practices nor derogate from the common law, the principles of equity, the statutes of this State or of the United States with respect to the right to acquire and protect trade names.

(c) If a foreign corporation does business in this State under a name prohibited by this Section, the Courts of this State having equity jurisdiction may, upon the application of the State or of any

person, unincorporated, association or corporation interested or effected, enjoin such foreign corporation from doing business in this State under such name whether or not a certificate of authority shall have been issued to such foreign corporation.

§ 5. REQUISITES FOR CERTIFICATES.] (a) In order to procure a certificate of authority to transact business in this State, a foreign corporation shall make application therefor to the Secretary of State which application shall set forth:

(1) The name of the corporation and the State or Country under the laws of which it is organized;

(2) If the name of the corporation does not end with the word "Corporation," or the word "Incorporated" or the abbreviation "Inc." or does not contain the word "Company" or the abbreviation "Co." not immediately preceded by the word "and" or the character "&", then the name of the corporation with the word or abbreviation which it agrees to add thereto for use in this State;

(3) The date of its incorporation and the period of its duration.

(4) The address of its principal office in the State or Country under the laws of which it is organized;

(5) The address of its proposed registered office in this State and the name of its proposed registered agent in this State;

(6) That it irrevocably consents to the service of process upon it as set forth in Section 13, of this Act, or any amendment thereto;

(7) The names and respective addresses of its directors and officers;

(8) A statement of the aggregate number of shares having par value and of shares without par value which it shall have authority to issue, itemized by classes and series;

(9) A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series; and

(10) a statement that the officers executing the application have been duly authorized so to do by the Board of Directors of the corporation.

(b) Such application shall be made on forms prescribed and furnished by the Secretary of State, and shall be executed, acknowledged and verified by its president or a vice-president, and by its secretary or an assistant secretary, and delivered to the Secretary of State with authenticated copies of its articles of incorporation.

§ 6. INITIAL LICENSE FEE TO BE FIFTY DOLLARS (\$50.00).] At the time of making application for a certificate of authority the foreign corporation making such application shall pay to the State Treasurer the sum of Fifty (\$50.00) Dollars as an initial license fee.

§ 7. SECRETARY OF STATE TO ISSUE CERTIFICATE.] (a) If

the application be according to law, the Secretary of State, when all fees and charges have been paid as required by law, shall file in his office the application and the copy of the articles of incorporation, and shall issue and record a certificate of authority to transact business in this State.

(b) The certificate of authority shall contain the name of the corporation, the State or Country of organization, the period of duration of its corporate existence, the address of its registered office in this State and a statement that it is authorized to transact business in this State.

(c) The Secretary of State shall thereupon transmit such certificate of authority, together with a fee of One Dollar, to the Register of Deeds of the County in which the registered office of the corporation in this State is situated. The Register of Deeds shall thereupon record such certificate for such fee.

§ 8. SAME POWERS AS DOMESTIC CORPORATION.] After the issuance of a certificate of authority by the Secretary of State and until cancellation or revocation thereof or issuance of a certificate of withdrawal, the corporation shall possess within this State the same rights and privileges that a domestic corporation would possess if organized for the purposes set forth in the articles of incorporation of such foreign corporation pursuant to which its certificate of authority is issued, and shall be subject to the laws of this State.

§ 9. MUST HAVE OFFICE AND AGENT.] Each foreign corporation authorized to transact business in this State shall have and continuously maintain in this State:

(a) A registered office which shall be in a County where it has its principal place of business in this State, or if it had no place of business in this State then in any County where it does or proposes to do business;

(b) A registered agent, which agent may be either an individual, resident in this State, whose business office is identical with such registered office, or a corporation having a business office identical with such registered office.

§ 10. POWERS AND DUTIES.] A foreign corporation may from time to time change the location and address of its registered office. It may revoke the appointment of a registered agent provided it shall at the same time file an appointment of a new registered agent. It shall appoint a new registered agent in case of a vacancy in the office, whether by death, resignation or otherwise, or because of the disqualification or incapacity of its registered agent. Such changes may be made by filing in the office of the Secretary of State a statement setting forth:

- (a) The name of the corporation;
- (b) The address of its registered office;

- (c) If the address of its registered office is to be changed, the address to which the registered office is to be changed;
- (d) The name of its then registered agent;
- (e) If its registered agent is to be changed, the name of its successor registered agent; and
- (f) That such change was authorized by resolution duly adopted by its Board of Directors.

Such statement shall be executed, acknowledged and verified by its president or a vice-president, and by its secretary or an assistant secretary.

§ 11. CORPORATION TO FILE NOTICE OF CHANGES.] Each foreign corporation authorized to transact business in this State, whenever its articles of incorporation are amended, whenever its stated capital shall be reduced, or whenever it shall be a party to a statutory merger or consolidation, shall forthwith file in the office of the Secretary of State a copy of such amendment or articles of merger or consolidation duly authenticated by the proper officer of the State or Country under the laws of which such corporation is organized, or a copy of the instrument with reference to such reduction of stated capital required to be filed or recorded in a public office in the State or Country under the laws of which such corporation is organized, duly authenticated by the proper public officer as the case may be.

§ 12. CERTIFICATE OF CHANGES TO BE RECORDED.] If a foreign corporation changes the address of its registered office, or changes its name, or changes the duration of its corporate existence, the Secretary of State, after instruments with reference to such change shall have been filed in his office, and when all fees and charges have been paid as required by law, shall issue and record an amended certificate of authority, and shall thereupon transmit such certificate, together with a fee of One (\$1.00) Dollar, to the Register of Deeds of the County in which the registered office of the corporation in this State is situated. The Register of Deeds shall thereupon record such certificate for such fee. If the address of its registered office has been changed from one County to another County, then a certified copy of such certificate, together with a fee of One (\$1.00) Dollar, shall be transmitted by the Secretary of State to the Register of Deeds of the County to which such registered office is changed, and such Register of Deeds shall thereupon record such certificate for such fee.

§ 13. SERVICE OF PROCESS.] (a) A foreign corporation shall be subject to service of process as follows:

- (1) By service thereof on its registered agent.
- (2) Whenever any foreign corporation authorized to transact business in this State shall fail to appoint or maintain in this State

a registered agent upon whom service of process may be had, or whenever any such registered agent cannot be found at its registered office in this State as shown by the return of the Sheriff of the County in which such registered office is situated, or whenever any corporation shall have withdrawn from this State, or whenever the certificate of authority of any foreign corporation shall have been revoked or cancelled, then, and in every such case, service may be made by delivery to and leaving with the Secretary of State, or with any deputy or clerk in the corporation department of his office, three copies thereof and a fee of Three (\$3.00) Dollars; provided that after a foreign corporation shall have withdrawn from the State, pursuant to Section 16 of this Act, or any amendment thereof, service upon such corporation may be made pursuant to the provisions of this Section only when based upon a liability or obligation of such corporation incurred within this State or arising out of any business done in this State, by such corporation prior to the issuance of a certificate of withdrawal.

(b) In case of service of process upon the Secretary of State, he shall immediately cause one copy of such process to be forwarded by registered mail addressed to the corporation so served at its principal office in the State or Country under the laws of which it is organized, and one copy thereof to the agent of such corporation at its registered office in this State, as such addresses appear in the records of the Secretary of State; provided, that if the corporation shall have withdrawn from the State in the manner provided by this Act, then one copy shall be sent to the address designated for such purpose in the application for withdrawal, instead of the registered office in this State.

(c) If any summons is so served upon the Secretary of State, the corporation so served shall have thirty (30) days in which to answer the complaint.

(d) Nothing herein contained shall limit or affect the right to serve any process upon a foreign corporation in any other manner now or hereafter permitted by law.

(e) The Secretary of State shall keep a record of all processes served upon him under this Section and shall record therein the time of such service and his action with reference thereto.

§ 14. MUST FILE REPORT WITH SECRETARY OF STATE.] (a) Between January 1st and April 1st, in each year after 1937, every foreign corporation which holds a certificate of authority shall make and file with the Secretary of State a report for the next preceding calendar year, setting forth:

(1) The name of the corporation and the State or Country under the laws of which it is organized;

(2) If the name of the corporation does not end with the word "Corporation" or the word "Incorporated," or the abbreviation "Inc.," or does not contain the word "Company" or the abbreviation

“Co.”, not immediately preceded by the word “and” or the character “&”, then the name of the corporation with the word or abbreviation which it has agreed to add thereto for use in this State;

(3) The date of its incorporation and the period of its duration;

(4) The address of its principal office in the State or Country under the laws of which it is organized;

(5) The address of its registered office in this State and the name of its registered agent at such address;

(6) The names and respective addresses of its directors and officers;

(7) A statement of the aggregate number of shares having par value and of shares without par value which it has authority to issue, itemized by classes and series;

(8) A statement of the aggregate number of its issued or allotted shares having par value and of shares without par value, itemized by classes and series;

(9) A statement expressing in dollars (1) the value of all the property owned by the corporation wherever located, and (2) the value of all its property located within this State;

(10) A statement expressing in dollars (1) the gross receipts of the corporation in such calendar year derived from its business operations wherever transacted, and (2) the gross receipts of the corporation in such calendar year derived from its business operations transacted in whole or in part within this State; and

(11) Such additional information as may be necessary or appropriate to enable the Secretary of State to determine the additional license fee, if any, payable by such corporation.

The information required by clauses seven to nine of this subdivision shall be given as of the close of the next preceding calendar year.

(b) If all the property of the corporation at the close of the next preceding calendar year was located in this State and all its business in such calendar year was transacted within this State, or if the corporation shall have paid a license fee to the State of North Dakota on the total amount of its issued or allotted shares, the corporation may so state in its report and omit the statements required by clauses (9) and (10), Subdivision (a) of this Section.

(c) Such annual report shall be made on forms prescribed by the Secretary of State, in two separable parts, one part setting forth the facts required by clauses (1) to (8), and the other part the facts required by clauses (9), (10) and (11), of Subdivision (a) of this Section, such report shall be executed, acknowledged and verified by the president or vice-president and by the treasurer, an assistant treasurer, secretary or an assistant secretary of the corporation, or, if the corporation is in the hands of a receiver or trustee,

such report shall be executed on behalf of the corporation and verified by such receiver or trustee.

(d) If the Secretary of State finds that such annual report conforms to the requirements of this Act, he shall file the same. If he finds that it does not so conform he shall return the same by mail to the corporation, in which event the provisions of Section 17 of this Act, relating to failure to file such report within the period hereinafore required, shall not apply if such report is made to conform to the requirements of this Act and is filed with the Secretary of State within thirty (30) days from such return of the report by the Secretary of State to the corporation.

(e) It shall be unlawful for the Secretary of State or any other public official or employee to divulge or otherwise make known in any manner any of the particulars with reference to the value of the property owned by such corporation or the amount of the gross receipts of such corporation set forth or disclosed as a part of any annual report. Nothing herein shall be construed to prohibit the inspection of the full reports by officials and employees of this State in the performance of their duties with respect to license fees due from the corporation making such report. Any person violating any of the prohibitions of this Subdivision shall be guilty of a misdemeanor.

§ 15. SECRETARY OF STATE TO FIX LICENSE FEE.] The Secretary of State shall first ascertain the license fee which under then existing laws a domestic corporation then organized would be required to pay if it had authorized shares of the same kind and amount as the issued or allotted shares of such foreign corporation shown by such filed report. Said amount shall be multiplied by a fraction, the numerator of which shall be the sum of the value of the property of such corporation located in this State and the gross receipts of the corporation derived from its business transacted within this State, and the denominator of which shall be the sum of the value of all of its property wherever located and the gross receipts of the corporation derived from its business wherever transacted. The amounts used in determining the numerator and the denominator of such fraction shall be determined from the annual report filed by such corporation. From the product of such multiplication there shall be deducted the aggregate amount of license fee theretofore paid by such corporation, and the remainder, if any, shall be the amount of additional license fee to be paid by such corporation. The Secretary of State shall enter the amount of any such additional license fee with the name of the corporation in a record to be kept by him, and shall mail a notice of the amount of such additional license fee to such corporation at its registered office in this State. Such additional license fee shall be paid by such corporation to the State Treasurer within thirty (30) days after the mailing by the

Secretary of State of such notice. When paid, the State Treasurer shall file a duplicate receipt therefor with the Secretary of State.

§ 16. WITHDRAWAL FROM STATE.] (a) If a foreign corporation holding a certificate of authority desires to withdraw, it shall file with the Secretary of State an application for withdrawal.

(b) The application for withdrawal shall set forth:

(1) The name of the corporation and the State or Country under the laws of which it is organized;

(2) That it has no property located in this State and has ceased to transact business therein;

(3) That its Board of Directors has duly determined to surrender its authority to transact business in this State;

(4) That it revokes the authority of its registered agent in this State to accept service of process;

(5) The address to which the Secretary of State shall mail a copy of any process against the corporation that may be served upon him;

(6) That it will pay to the State Treasurer the amount of any additional license fees properly found by the Secretary of State to be then due from such corporation; and

(7) Such additional information as may be required or demanded by the Secretary of State to enable him to determine the additional license fees, if any, payable by such corporation, the determination thereof to be made in the manner provided by Section 15 of this Act, except that in computing such additional license fee, the amount to be used as the value of the property of the corporation located within this State shall be the highest amount or value of such property at any time in the calendar year in which the application for withdrawal is filed.

(c) The application for withdrawal shall be executed, acknowledged and verified on behalf of the corporation by its president or a vice-president, and by its secretary or an assistant secretary, or, if the corporation is in the hands of a receiver or trustee, by such receiver or trustee.

(d) Such applications for withdrawal shall be delivered to the Secretary of State. Upon receipt thereof he shall examine the same, and if he finds that it conforms to the provisions of this Act he shall, when all license fees, filing fees and other charges have been paid as required by law, file the same in his office and shall issue and record a certificate of withdrawal, and shall thereupon transmit such certificate, together with a fee of One (\$1.00) Dollar, to the Register of Deeds of the County in which the registered office of the corporation in this State is situated, and the Register of Deeds shall record such certificate for such fee. Upon the issuance of such certificate, the authority of the corporation to transact business in this State shall cease.

§ 17. REVOCATION OF LICENSE.] (a) The certificate of authority of a foreign corporation to transact business in this State shall be revoked by the Secretary of State if it fails:

- (1) To pay any fee under the provisions of this Act;
- (2) To designate a registered agent when a vacancy occurs in that office, or when the appointed registered agent becomes disqualified or incapacitated;
- (3) To file amendments to its articles of incorporation, articles of reduction of stated capital, or articles of merger or consolidation, as required in Section 11 of this Act; or
- (4) To file an annual report.

(b) When the Secretary of State shall find that any such default has occurred, he shall give notice by registered mail to such corporation at its registered office in this State that such default exists and that its certificate of authority will be revoked unless such default shall be cured within thirty (30) days after the mailing of such notice.

(c) The Secretary of State shall revoke the certificate of authority of such corporation to do business in this State if such default shall not be cured within such period of thirty (30) days; provided that for good cause shown the Secretary of State may enlarge said period from time to time, but the aggregate of such enlargements shall not exceed three months.

(d) Upon revoking such certificate of authority, the Secretary of State shall:

- (1) Issue a certificate of revocation in duplicate;
- (2) Transmit one of such certificates to the Register of Deeds of the County in which the registered office of the corporation in this State is situated, and the Register of Deeds shall record the same without any fee therefor;
- (3) Mail to such corporation at its principal office in the State or Country under the laws of which it is organized a notice of such revocation accompanied by one such certificate and mail to such corporation at its registered office in this State a notice of such revocation.

(e) Upon the issuance of such certificate of revocation, the authority of the corporation to transact business in this State shall cease.

§ 18. ATTORNEY GENERAL TO BRING ACTION.] (a) Whenever the public interest may require, the Attorney General shall bring an action against a foreign corporation to cancel its certificate of authority to transact business in this State upon the ground that:

- (1) The certificate of authority was procured through fraud practiced upon the State;

(2) The certificate of authority should not have been issued to the corporation under this Act ;

(3) The certificate of authority was procured without a substantial compliance with the conditions prescribed by this Act as precedent or essential to its issuance ;

(4) The corporation has offended against any provisions of the statutes regulating corporations, or has abused or usurped corporate privileges or powers ;

(5) The corporation is knowingly and persistently violating any provision of law ; or

(6) The corporation has done or omitted any act which amounts to a surrender of its certificate of authority.

(b) If the ground for the action is an act which the corporation has done or omitted to do, and it appears probable that correction can be made, then such action shall not be instituted, unless the Attorney General shall give notice to such corporation by registered mail at its registered office in this State that such default or violation exists, and that an action to cancel its certificate of authority will be begun unless such default shall be cured or such violation discontinued within thirty (30) days after the mailing of such notice. Such action shall be begun by the Attorney General if such default shall not be cured, or such violation discontinued, within such period of thirty (30) days ; provided that for good cause shown the Attorney General may enlarge said period from time to time, but the aggregate of such enlargements shall not exceed three months.

(c) The Attorney General shall cause two certified copies of the judgment cancelling a certificate of authority to be delivered to the Secretary of State. The Secretary of State shall file one copy in his office, and shall transmit the other copy to the Register of Deeds of the County in which the registered office of the corporation in this State is situated. The Register of Deeds shall record the same without any fee therefor.

§ 19. APPLICATION FOR REINSTATEMENT.] (a) Any foreign corporation whose certificate of authority to do business in this State shall have been revoked or cancelled may file with the Secretary of State an application for reinstatement. Such application shall be on forms prescribed by the Secretary of State, shall contain all the matters required to be set forth in an original application for a certificate of authority, and such other pertinent information as may be required by the Secretary of State.

(b) If the certificate of authority was revoked by the Secretary of State pursuant to Section 17 of this Act, the corporation shall pay to the State Treasurer One Hundred (\$100.00) Dollars before it may be reinstated.

(c) If the certificate of authority was cancelled by a judgment pursuant to Section 18 of this Act, the corporation shall pay to the

State Treasurer Five Hundred (\$500.00) Dollars before it may be reinstated.

(d) Upon the filing of such application and upon payment of all penalties, fees and charges required by law, not including, however, an initial license fee or additional license fees to the extent that the same have heretofore been paid by such corporation, the Secretary of State shall reinstate the license of such corporation, and shall issue and record a certificate of reinstatement and shall transmit such certificate, together with a fee of One (\$1.00) Dollar, to the Register of Deeds of the County in which the registered office of the corporation in this State is situated. The Register of Deeds shall record such certificate for such fee.

§ 20. FOREIGN CORPORATION MAY NOT MAINTAIN ACTION UNLESS LICENSED.] (a) No foreign corporation transacting business in this State without a certificate of authority shall be permitted to maintain an action in any Court of this State until such corporation shall have obtained a certificate of authority. Nor shall an action be maintained in any Court by any successor or assignee of such corporation or any right, claim, or demand arising out of the transaction of business by such corporation in this State until a certificate of authority to transact business in this State shall have been obtained by such corporation or by a corporation which has acquired all or substantially all of its assets; provided that if such assignee shall be a purchaser without actual notice of such violation by the corporation, recovery may be had to an amount not greater than the purchase price; and provided further that this Section shall not be construed to alter the rules applicable to a holder in due course of a negotiable instrument.

(b) The failure of a foreign corporation to obtain a certificate of authority to transact business in this State does not impair the validity of any contract or Act of such corporation, and shall not prevent such corporation from defending any action in any Court of this State.

(c) Any foreign corporation which transacts business in this State without a certificate of authority shall forfeit and pay to this State a penalty not exceeding One Thousand (\$1000.00) Dollars and an additional penalty not exceeding One Hundred (\$100.00) Dollars for each month or fraction thereof during which it shall continue to transact business in this State without a certificate of authority therefor. Such penalties may be recovered in the District Court of any County in which such foreign corporation has done business or has property or has a place of business, by an action in the name of the State brought by the Attorney General.

§ 21. FEES.] The Secretary of State shall charge and receive the following fees for the following services:

- (1) For filing an application for a certificate of authority, Five (\$5.00) Dollars;
 - (2) For filing an annual report, Five (\$5.00) Dollars;
 - (3) For filing articles of amendment or an instrument evidencing a reduction of stated capital, or a merger or consolidation, Two (\$2.00) Dollars;
 - (4) For filing application for withdrawal and final report, Five (\$5.00) Dollars;
 - (5) For filing a change of address of registered office or revocation or change of appointment of a registered agent, One (\$1.00) Dollar;
 - (6) For filing an application for reinstatement of a certificate of authority, Five (\$5.00) Dollars;
 - (7) For issuing any certificate pursuant to the provisions of this Act, Two (\$2.00) Dollars;
- (b) In addition thereto, in each instance in which he is required by this Act to transmit a certificate to a Register of Deeds for record, the Secretary of State shall charge and receive One (\$1.00) Dollar for recording such certificate with the Register of Deeds.

§ 22. APPLICABLE TO PRESENT CORPORATIONS.] (a) Except as in this Section otherwise provided, this Act shall be applicable to all foreign corporations heretofore or hereafter transacting business in this State.

(b) Licenses to foreign corporations to do business in this State existing on the effective date of this Act shall continue in full force and effect until March 1, 1938, and shall then terminate without further Act.

(c) Any foreign corporation, which on the effective date of this Act holds a valid license to do business in this State, may at any time prior to March 1, 1938, deliver to the Secretary of State the instruments which it would be required under the provisions of this Act to deliver to him if such corporation were then originally applying for a certificate of authority to transact business in this State, omitting, however, any of such instruments already on file or of record in the office of the Secretary of State. If all of such instruments would, according to law, entitle such foreign corporation, upon payment of all fees and charges required by law, to a certificate of authority to transact business in this State, the Secretary of State, without requiring payment of an initial license fee shall file in his office all such instruments as are not already filed there, shall issue and record a certificate of authority, and shall transmit the same to the Register of Deeds of the County in which the registered office of such corporation in this State is situated, together with a fee of One (\$1.00) Dollar, and the Register of Deeds shall record

the same for such fee. Upon issuance of such certificate of authority such foreign corporation shall possess the same rights and privileges that a foreign corporation originally obtaining a similar certificate of authority would possess under this Act.

(d) Any foreign corporation licensed to transact business in this State when this Act becomes effective, which thereafter obtains a certificate of authority pursuant to the provisions of this Section may continue to transact business in this State pursuant to such certificate of authority using the name under which it is, on the effective date of this Act, licensed to transact business in this State, whether or not the use of such name is in violation of the provisions of Section 4 of this Act.

(e) Nothing herein contained shall be construed to exempt such foreign corporation from the obligation of making annual reports and paying additional license fees in accordance with the provisions of this Act.

(f) In computing any additional license fee for such corporation there shall be credited all license fees paid by such corporation to this State under this Act and under any prior laws relating to the admission of foreign corporations to do business in this State.

(g) The provisions of this Act shall not apply to any association or cooperative corporation, organized under the laws of any State or of the United States, providing for and creating such cooperative associations or cooperative corporations.

§ 23. CERTIFICATES.] (a) Any certificate issued by the Secretary of State pursuant to the provisions of this Act, and copies of such certificates certified by him, shall be prima facie evidence of the matters stated therein and, except certificates issued pursuant to Paragraph (b) of this Section, may be recorded in the office of the Register of Deeds of any County in this State.

(b) A certificate of the Secretary of State to the effect that a foreign corporation is not authorized to transact business in this State shall be prima facie evidence of the facts therein stated.

§ 24. PROVISIONS SEVERABLE.] The invalidity of any part of this Act shall not affect the validity of any other part thereof which can be given effect without such invalid part.

§ 25. NORTH DAKOTA FOREIGN CORPORATION ACT.] This Act may be cited as the North Dakota Foreign Corporation Act.

§ 26. MAY AMEND ACT.] The State hereby fully reserves the right to alter, amend or repeal the several provisions of this Act, and all rights and privileges granted or extended hereunder shall be subject to such reserved right.

§ 27. LAWS REPEALED.] All Acts or parts of Acts, in so far as they are in conflict herewith are hereby repealed; reserving to the

State, however, all rights to recover fines for violations thereof occurring prior to the taking effect hereof, and reserving all rights of parties to any action pending in this State at the effective date hereof.

§ 28. NOT TO DO BUSINESS UNDER FORMER LAWS.] No foreign corporation, other than as hereby excepted, shall hereafter be licensed to do business in this State, pursuant to the provisions of law hereby repealed.

§ 29. FEES, DISPOSITION THEREOF.] Any and all expenses incurred by the Secretary of State in the administration of this Act shall be paid out of the fund accruing from the fees imposed by and collected under the provisions hereof. All moneys collected hereunder, less the expense incurred in the administration of this Act, shall be deposited quarterly by the Secretary of State with the State Treasurer, who shall credit them to the General Fund of the State.

§ 30. DATE EFFECTIVE.] This Act shall take effect July 1st, A. D. 1937, except that the provisions of Section 27 hereof shall not take effect until March 1st, A. D. 1938.

Approved March 11, 1937.

CHAPTER 117

S. B. No. 253—(Delayed Bills Committee)

MUTUAL AID CORPORATIONS AMENDMENTS

An Act to amend and re-enact Sections 5 and 6 of Chapter 109 of the Session Laws of North Dakota for the year 1935, relating to Mutual Aid Corporations, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 5 of Chapter 109 of the Session Laws of the State of North Dakota for the year 1935, be and the same is hereby amended and re-enacted so as, to read as follows:

§ 5. Such corporation may require that any member or stockholder applying for a loan from or through such corporation shall comply with and conform to such rules and regulations with reference to purchase of additional stock or additional fees and dues to be paid by borrowing members or stockholders as may be fixed by the by-laws, and may require that borrowing members or stockholders shall make deposits or give security for the repayment of loans. No loan shall be made to any person not a member or stockholder of the corporation. Other co-operative and voluntary associations, *incorporated or not incorporated*, engaged in activities for the benefit of which the corporation is formed may be admitted to membership or become a stockholder, as the case may be, in the manner provided by the by-laws, upon the payment of all proper fees and dues and

upon the filing with the secretary of the corporation, of a duly certified copy of a resolution of the Board of Directors of such other corporation or association authorizing some member or officer thereof to act as its agent and attorney in connection with the affairs of the corporation and to cast its vote at all meetings thereof, which said authority may be revoked only by the filing of a certified copy of a resolution naming and appointing some other agent or representative or by the withdrawal of the corporation or association as a member or stockholder as the case may be.

§ 2. That Section 6 of Chapter 109 of the Session Laws of North Dakota for the year 1935, be and the same is hereby amended and re-enacted so as to read as follows:

§ 6. The Board of Directors of such corporation shall consist of not less than five nor more than nine Directors and may be elected at such times and for such periods, and in such manner, and their qualifications shall be such, as shall be provided or prescribed by the Article of Incorporation or by-laws of such corporation. The Board shall select from among its members a president and shall select from among the members or stockholders of the association, a secretary-treasurer who shall serve for a period of one year or until their successors are elected and qualified. No officer or Director shall receive any compensation for his services as such except such per diem and actual expenses as may be determined by the members or stockholders of the corporation at an annual or special meeting provided, however, that the secretary-treasurer shall be the custodian of all funds of the corporation and shall give bond in such an amount as may be fixed by the by-laws.

§ 3. EMERGENCY. An emergency is hereby declared to exist and this Act shall take effect and be in force from and after its passage and approval.

Approved March 16, 1937.

(NOTE: Senate Emergency Certificate shows Ayes, 29; Nays, 15; Absent, 5.)

CHAPTER 118

H. B. No. 136—(Burgum)

TRANSFER OF REAL ESTATE BY CORPORATIONS

An Act to amend and re-enact Sections 5512, 5513, 5514 and 5515 of the Compiled Laws of the State of North Dakota for the year 1913, relating to transfer of interests of real estate by corporations; repealing all Acts or parts of Acts in conflict therewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5512 of the Compiled Laws

of the State of North Dakota for the year 1913 be, and is hereby amended and re-enacted to read as follows :

§ 5512. BY-LAWS EMPOWERING OFFICERS AND OTHER PERSONS TO EXECUTE.] Any foreign or domestic corporation may in its by-laws empower any one or more of its officers severally or conjointly to execute and acknowledge in its behalf conveyances, transfers, assignments, releases, satisfactions or other instruments affecting liens upon, titles to or interests in real estate; provided that a United States corporation that is an agency or an instrumentality of the United States may in its by-laws empower anyone or more of its officers or anyone or more persons severally or conjointly to execute and acknowledge such instruments.

§ 2. AMENDMENT.] That Section 5513 of the Compiled Laws of the State of North Dakota for the year 1913 be, and is hereby amended and re-enacted to read as follows :

§ 5513. WHO EXECUTES IF NOT SO EMPOWERED.] In the absence of any by-laws the president or secretary of any corporation, and the president, secretary, treasurer or cashier of any loan, trust or banking corporation may execute and acknowledge such instruments when authorized by resolution of the Board of Directors; provided that a United States Corporation that is an agency or an instrumentality of the United States may authorize by resolution of its Board of Directors any one or more of its officers or anyone or more persons severally or conjointly to execute and acknowledge such instruments.

§ 3. AMENDMENT.] That Section 5514 of the Compiled Laws of the State of North Dakota for the year 1913 be, and is hereby amended and re-enacted to read as follows :

§ 5514. PRIOR INSTRUMENTS LEGALIZED.] All instruments affecting liens upon, titles to, or interests in real estate heretofore executed and acknowledged in good faith by the treasurer or cashier in behalf of any loan, trust or banking corporation or by the regional treasurer of any United States Corporation are declared valid and effectual to the same extent as they would have been had the first and second Sections hereof been in force at the time of their execution.

§ 4. AMENDMENT.] That Section 5515 of the Compiled Laws of the State of North Dakota for the year 1913 be, and is hereby amended and re-enacted to read as follows :

§ 5515. FORM OF CORPORATION SIGNATURE.] The signature of a corporation to any instrument mentioned in Sections 5512, and 5513 may be as follows :

..... (full name of corporation) by (some officer or other person authorized by resolu-

tion or the by-laws of the corporation to execute and acknowledge such instrument)

ATTEST:
..... (official or other designation of person signing)
(Seal)

§ 5. REPEAL.] All Acts and parts of Acts in conflict with the provisions of this Act are hereby repealed.

§ 6. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 119

H. B. No. 13—(Traynor)

CORPORATION—QUORUM, PROXY

An Act to amend and re-enact Section 4547 to the Compiled Laws of North Dakota for the year 1913.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 4547 of the Compiled Laws of North Dakota for the year 1913 is amended and re-enacted as follows:

§ 4547. QUORUM. PROXY.] At all elections or votes had for any purpose there must be a majority of the subscribed capital stock, or of the members, represented either in person or by proxy in writing. Every person acting therein in person, or by proxy, or representative must be a member thereof or a bona fide stockholder, having stock in his own name on the stock books of the corporation at least ten days prior to the election. Any vote or election had other than in accordance with the provisions of this Article is voidable at the instance of absent stockholders or members and may be set aside by petition to the District Court of the County where the same was held. Any regular or called meeting of the stockholders or members may adjourn from day to day, or from time to time, if for any reason there is not present a majority of the subscribed stock or members, or no election had, such adjournment and the reasons therefor being recorded in the journal of proceedings of the Board of Directors.

Provided that in cases of corporations of less than Ten Thousand Dollars paid up capital stock and where no stockholder has more than five per cent of the stock registered in his own name on the stock books of the corporation, the stockholders of any such corporation may by resolution change the requirements for a quorum and such resolution shall be effective for such corporation after it has been submitted to and approved by the Secretary of State.

Approved February 6, 1937.

COUNTIES

CHAPTER 120 H. B. No. 130—(Bieloh)

TERM OF OFFICE OF COUNTY COMMISSIONERS

An Act to amend and re-enact Section 3264 of the Compiled Laws of North Dakota for 1913 relating to the term of office of County Commissioners.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 3264 of the Compiled Laws of North Dakota for 1913 be amended and re-enacted as follows :

§ 2. SECTION 3264. TERM OF OFFICE OF COMMISSIONERS.] The Commissioners shall hold their offices for the term of four years, except as provided by law for the organization of Counties, and in Counties now organized, the order of their election and succession shall be as herein provided, and Commissioner Districts in such Counties shall continue as now constituted until changed as provided by law. Provided, that at the general election next after the organization of a County, either from unorganized territory or from territory segregated by division from another County, one County Commissioner shall be elected for a term of two years and two Commissioners for a term of four years, and thereafter as provided by law, the order of succession to be determined by lot. Provided, further, that in all Counties in this State, wherein hertofore Commissioners have been elected after the organization of a new County, either from unorganized territory or upon division or segregation from another County, and where more than three of such Commissioners thereof now serving, were elected for the same term, the Board of Commissioners of such County shall, at its regular meeting for the month of July, after the taking effect of this Act, by lot, determine the length of terms in said Commissioner Districts so referred to, thereby arranging for three Commissioners of such County to hold their offices for four years each, and two Commissioners to hold office for two years each, from the first Monday in January, 1939, and in Counties having three Commissioner Districts, two Commissioners to hold their offices for four years, and one for two years from the first Monday in January, 1939.

Approved March 10, 1937.

CHAPTER 121
H. B. No. 83—(Adam)

CONSOLIDATION COUNTIES AND PARTS OF COUNTIES

An Act to amend and re-enact Section 4 and 6 of Chapter 92 of the Session Laws of 1933, providing for the consolidation of Counties; the petition and election therefor; the vote thereon; result thereof; and proclamation by the Governor; the officers; expiration of their terms and transfer of all books, records and property; nominations when void; the transfer and trial of all actions; the debts, taxes and issuance of bonds or certificates of indebtedness, and repealing all Acts and parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Sections 4 and 6 of Chapter 92 of the Session Laws of 1933, be amended and re-enacted to read as follows:

§ 4. If sixty per cent (60%) of all the legal votes cast in the petitioning County at such election shall be in favor of said proposition and if sixty per cent (60%) of the votes polled in the adjoining County at such election shall be in favor of said proposition, all of that territory included within the established boundaries of the petitioning County shall be consolidated with and annexed to the adjoining County and such petitioning County shall cease to have any separate existence as a County, but shall be merged into and form an integral part of such adjoining County in fact and in name at the time and in the manner hereinafter provided.

§ 6. Within ten (10) days after the filing of the findings and certificates of the canvassing board on the question of consolidation in each of the said Counties, the County Auditor of each of said Counties shall send a correct and duly certified abstract of the votes polled at such election to the Secretary of State, and if sixty per cent (60%) of all the legal votes cast at such election in the petitioning County and sixty per cent (60%) of all the legal votes cast in the adjoining County, is found to be in favor of consolidating and annexing the petitioning County to the adjoining County, the Secretary of State shall forthwith notify the Governor of the State, and the Governor shall thereupon forthwith and without delay issue his proclamation announcing and declaring the result of such election, and on and after January first after the date of such proclamation, the petitioning County shall cease to exist as a County and all that territory embraced in the limits of such petitioning County shall be consolidated with and annexed to, and shall form an integral part of such adjoining County.

Approved March 1, 1937.

CHAPTER 122

H. B. No. 84—(Frazier and Rait)

SEED, FEED AND TRACTOR FUEL LOANS BY COUNTIES

An Act to amend and re-enact Section Six (6) of Chapter 116 of the Session Laws of North Dakota of 1927, relating to the furnishing of seed, feed and tractor fuel by Counties and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section six (6) of Chapter 116 of the Session Laws of North Dakota for 1927 is hereby amended and re-enacted to read as follows:

§ 6. In providing for the purchase of seed grain, feed and tractor fuel or either, the Commissioners may, in lieu of issuing bonds, order warrants drawn upon the general fund of the County or issue certificates of indebtedness in the manner now provided by law to pay for the feed, seed grain and tractor fuel purchased under the general provisions of this article; provided, that such warrants or certificates of indebtedness shall not be sold below par, and provided, further, that such warrants shall not be term warrants. Provided, further, that no bonds, warrants, or certificates of indebtedness, shall be issued, under this Act, by or in any County which has not been reimbursed or repaid at least sixty per centum (60%) of the amount of any and all bonds, warrants, and certificates of indebtedness which have been heretofore issued by such County for the purpose of furnishing seed, feed and tractor fuel of any kind to or for the inhabitants of such County, or to aid or assist such inhabitants in the obtaining or procuring of seed, feed and tractor fuel. Provided, however, that the sixty per cent (60%) limitation herein provided for shall not apply during the years of 1937 and 1938 in cases where Counties are issuing warrants to obtain funds to match other funds to be obtained from agencies of the Federal Government for the purpose of purchasing seed, feed grains and/or tractor fuel.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after the date of its passage and approval.

Approved March 1, 1937.

CHAPTER 123

H. B. No. 204—(Bjornson, Peterson of Renville, Olson of Bowman, Ritter and Morland)

AUTHORIZATION FOR SALE OF COUNTY PROPERTY

An Act amending and re-enacting Section 3274 of the 1913 Compiled Laws of North Dakota relating to the Authority of County Commissioners to sell County real and personal property; authorizing the County Commissioners to reserve all or any part of the oil, gas, coal and/or mineral rights in land so sold; repealing all Acts or parts of Acts in conflict therewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 3274 of the Compiled Laws of 1913 for the State of North Dakota be amended and re-enacted to read as follows:

§ 3274. COMMISSIONERS AUTHORIZED TO SELL. PUBLISH NOTICE.] The County Commissioners of any County in this State shall have the right to dispose of any property, either real or personal, which the County may have acquired, either through purchase, forfeiture or operation of law. Upon resolution of any Board of County Commissioners authorizing the same, the County Auditor shall cause to be published a notice in some legal newspaper published in such County, once each week for three consecutive weeks, containing a description of the property to be sold, and designating the day and hour when such sale shall be held. Such sale shall be held at the office of the County Auditor and conducted by him, and the property so advertised shall be sold to the highest responsible bidder, if such bid is deemed sufficient by a majority of the board authorizing the sale, and such bids may be either auction or sealed bids as may be ordered by the Board and specified in the notice; provided, however, that when the property to be disposed of is estimated by the Board to be of a value below One Hundred Dollars such sale may be at private sale upon proper resolution of the Board of County Commissioners. If in the opinion of the Board of County Commissioners the facts justify it, said Board may on sale of any land reserve to the County all or any part of the oil, gas, coal and/or mineral rights therein; the proceeds of such sale shall be paid into the County Treasury and any amounts which may be due the State or any City, Township, Incorporated Village or School District, from taxes which had been previously levied against said property, or their just proportion thereof, shall be apportioned and placed to the credit of the State, City, Township, Incorporated Village or School Corporation entitled thereto, and the remainder shall go to the general funds of the County.

§ 2. REPEAL.] All Acts or parts of Acts in conflict with this Act are hereby repealed.

§ 3. EMERGENCY.] WHEREAS, an emergency exists, this Act is declared to be an emergency measure and shall be in full force and effect immediately upon its passage and approval.

Approved March 9, 1937.

DANCES

CHAPTER 124

S. B. No. 59—(Mutchler)

DANCES PROHIBITED WHERE LIQUORS ARE SOLD

An Act prohibiting dances in or on premises, or premises adjacent to a place where intoxicating liquors are sold as a beverage; defining the duties of States Attorneys and Peace Officers; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. It shall be unlawful for any owner, person in possession, or person, club, group, copartnership or corporation to hold or permit any dance or dancing in or on any premises or premises adjacent to but connected with by door, stairs or other entrance a place or premises where intoxicating liquors are sold as a beverage.

§ 2. The failure of any States Attorney, Sheriff, Deputy Sheriff, Chief of Police, or other police officer, to rigidly enforce the provisions of this Act shall constitute sufficient grounds for the removal of such officer from office.

§ 3. PENALTY.] Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction shall be fined a sum of not less than Two Hundred Dollars (\$200.00) or imprisonment in the County jail for a period not exceeding six months, or by both such fine and imprisonment.

§ 4. EMERGENCY.] This Act is declared to be an emergency measure and shall be in force and effect from and after its passage and approval.

Approved March 17, 1937.

(NOTE: House Emergency Certificate Shows Ayes, 63; Nays, 38; Absent, 12.)

DEALERS

CHAPTER 125

H. B. No. 252—(Peterson of Renville, by request)

REFUNDS, IMPLEMENT AND AUTOMOBILE DEALERS

An Act providing for the payment to a retail implement dealer or an automobile or truck dealer of certain sums for all stock of farming implements and repairs for farm implements and automobiles or trucks or parts therefor upon the cancellation or discontinuation of any contract between such retail implement dealer and the manufacturer, wholesaler, or distributor of farm implements, machinery and repair parts for farm implements and farm machinery, or automobiles or trucks or repair parts for automobiles or trucks.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Whenever any person, firm, or corporation engaged in business of selling and retailing farm implements and repair parts for farm implements or automobiles or trucks or repair parts for automobiles or trucks, may hereafter have a contract with any wholesaler, manufacturer, or distributor of farm implements and machinery or repair parts for farm implements and machinery, or automobiles or trucks or repair parts for automobiles or trucks, and such wholesalers, manufacturer, or distributor desires to cancel or discontinue the contract with such retailer, such wholesaler, manufacturer, or distributor shall, as a condition precedent to such cancellation or discontinuation, pay to such retailer unless dealer should desire to keep such merchandise, a sum equal to seventy-five per cent (75%) of the net price of all farm implements and machinery and repair parts for farm implements and machinery in stock and for all automobiles or trucks or repair parts for automobiles or trucks and held by such retailer on date of cancellation or discontinuation of such contract.

§ 2. The price of such farm implements, machinery, and repair parts and automobiles, trucks or repair parts, shall be determined by taking the net prices as shown upon the manufacturer's, wholesaler's, or distributor's price lists or catalogues in effect at the time such contract is sought to be cancelled or discontinued, and deducting from such net prices as so shown, twenty-five per cent (25%) thereof.

§ 3. In the event any manufacturer, wholesaler, or distributor of farm machinery, farm implements and repair parts for farm machinery and farm implements or automobiles, trucks or repair parts therefor, fails or refuses to pay such sum as hereinbefore specified at the time of the cancellation or discontinuation of such contract,

or refuses to supply farm machinery, farm implements and repair parts for farm machinery and farm implements or automobiles or trucks or repair parts therefor to any retailer of such products who may hereafter have a retail sales contract with such manufacturer, wholesaler, or distributor, such manufacturer, wholesaler or distributor shall be liable in a civil action to be brought by such retailer for seventy-five per cent (75%) of the net price of such farm implements, farm machinery or repair parts or automobiles or trucks or repair parts therefor as may be on hand on the date of the cancellation or discontinuation of such contract; provided, however, that upon the payment of said sum equal to seventy-five per cent (75%) of the net price of such farm implements, farm machinery, and repair parts or automobiles or trucks or repair parts therefor, the title to such farm implements, farm machinery and repair parts or automobiles or trucks or parts therefor shall pass to the manufacturer, wholesaler, or distributor paying such seventy-five per cent (75%) of the net values thereof, and such manufacturer, wholesaler or distributor shall be entitled to the possession of such farm implements, farm machinery, and repair parts for farm implements and farm machinery, or automobiles or trucks or repair parts therefor.

Approved March 10, 1937.

CHAPTER 126

(H. B. No. 209—(Knutson of LaMoure, by Request))

THE FAIR TRADE ACT

An Act to protect trade mark owners, distributors and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguished trade mark, brand or name.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. No contract relating to the sale or resale of a commodity which bears, or the label or content of which bears, the trade mark, brand, or name of the producer or owner of such commodity and which is in fair and open competition with commodities of the same general class produced by others shall be deemed in violation of any law of the State of North Dakota by reason of any of the following provisions which may be contained in such contract:

(1) That the buyer will not resell such commodity except at the price stipulated by the vendor.

(2) That the vendee or producer require in delivery to whom he may resell such commodity to agree that he will not, in turn, resell except at the price stipulated by such vendor or by such vendee.

Such provisions in any contract shall be deemed to contain or

imply conditions that such commodity may be resold without references to such agreement in the following cases :

- (1) In closing out the owner's stock for the purpose of discontinuing delivery of any such commodity.
- (2) When the goods are damaged or deteriorated in quality, and notice is given to the public thereof.
- (3) By any officer acting under the orders of any Court.
- (4) When sold for taxes or other liens.

§ 2. Willfully and knowingly advertising, offering for sale or selling any commodity at less than the price stipulated in any contract entered into pursuant to the provision of this Act, whether the person so advertising, offering for sale or selling is or is not a party to such contract, is unfair competition and is actionable at the suit of any person damaged thereby.

§ 3. This Act shall not apply to any contract or agreement between producers or between wholesalers or between retailers as to sale or resale prices.

§ 4. The following terms, as used in this Act, are hereby defined as follows :

"Producer" means grower, baker, bottler, maker, packer, converter, processor, manufacturer or publisher.

"Commodity" means any subject of commerce.

§ 5. If any provision of this Act is declared unconstitutional it is the intent of the Legislature that the remaining portions thereof shall not be affected but that such remaining portions remain in full force and effect.

§ 6. This Act may be known and cited as the "Fair Trade Act."

Approved March 15, 1937.

DENTISTRY

CHAPTER 127

S. B. No. 93—(Crandall and McGillic)

REGULATING LICENSES TO PRACTICE DENTISTRY

An Act to amend and re-enact Section four (4) of Chapter 104 of the Laws of North Dakota for the year 1933, relating to the granting and revocation of licenses to practice dentistry, setting forth the grounds for the revocation thereof and defining unprofessional conduct.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section four (4) of Chapter 104 of the Laws of North Dakota for the year 1933, is hereby amended and re-enacted to read as follows:

§ 510. EXAMINATION. LICENSES, REVOCATION. ASSUMED NAME.] Any person not already a licensed dentist in this State at the time of the going into effect of this Article, desiring to practice dentistry in North Dakota, shall apply to the Secretary-Treasurer of the Board for Examination and enclose with the application, a recent autographed picture of himself, and a fee of Twenty-five Dollars for the first examination and Ten Dollars for any subsequent examination, which fee shall in no case be refundable. At the next regular meeting of the Board held after such application is made, the applicant shall present himself for examination and produce a diploma issued to him by some dental college recognized by the Board. No person shall be admitted to examination unless he shall prove to the satisfaction of the Board that he is a citizen of the United States, provided, however, that the privileges of such examination are not denied to any citizen applicant therefor who holds a license to practice dentistry in some other State than North Dakota, whose laws and requirements in this particular were equivalent to those operating in North Dakota prior to January 1st, 1920. No holder of a degree or diploma from a foreign country or province which does not accept for examination the holder of a license to practice dentistry issued by the State Board of dental examiners of this State shall be eligible for such examination. The Board shall give the applicant such an examination as to thoroughly test his fitness for the practice of dentistry and include therein the subjects of anatomy, physiology, oral surgery, chemistry, materia medica, therapeutics, metallurgy, histology, pathology, bacteriology, orthodontia, prosthetic dentistry, crown and bridge, X-ray, and operative, surgical and mechanical dentistry, and such other subjects as may be deemed by the Board to be necessary or proper. If the applicant successfully passes the examination, he shall forthwith be registered upon the records of the Board as a duly

qualified dentist, and shall receive a certificate of registration signed by all members of the Board, whereby he shall be authorized to practice dentistry in said State for the calendar year of the date of such certificate and thereafter as long as such certificate shall be annually renewed as hereinafter provided, provided, that any dentist who has for five years or more immediately preceding his application been in legal practice in another State having and maintaining a standard of laws regulating the practice of dentistry equal with this State, including reciprocity provisions, and who is a reputable dentist of good moral character and who is desirous of removing to this State and who deposits in person with the North Dakota Board of Dental Examiners a certificate from the Examining Board of the State in which he is practicing, certifying to the fact of his registration and that he is of good moral character, and a letter from the Secretary of the State dental organization of the State in which he is practicing, certifying that he is a member in good standing of that dental organization, and upon payment of a fee of Fifty Dollars (\$50.00), may, at the discretion of the Board, be permitted by said Board to take the practical examination only, as prescribed by said Board, and upon his demonstrating his ability to the satisfaction of said Board, the Board shall grant to him a license to practice in this State without theoretical examination.

The State Board of Dental Examiners may revoke or suspend the license of any dentist in the manner hereinafter provided, upon any one or more of the following grounds:

- (1) That the holder thereof has been convicted of a felony, or of a misdemeanor involving moral turpitude.
- (2) That the holder thereof has been adjudged insane by the regularly constituted authorities.
- (3) That the holder thereof has been guilty of habitual intemperance or addiction to the use of drugs.
- (4) That the holder thereof employs or permits, or has employed or permitted, unlicensed persons to practice dentistry in the office under his control and management.
- (5) That the holder thereof has become grossly negligent or inefficient in the practice of his profession.
- (6) That the holder thereof has been guilty of unprofessional conduct.

The term unprofessional conduct, as used in Paragraph 6 above, shall be and embrace any one or more of the following practices:

- (a) The obtaining of any fee by fraud or misrepresentation.
- (b) The employment of a solicitor or "capper" to obtain business.
- (c) The wilful betrayal of professional secrets.
- (d) The practice of dentistry under a trade or corporate name or a false or assumed name other than a partnership name containing the names of one or more of the partners or deceased partners;

provided, however, that a licensed dentist, who is associated with an ethical medical clinic, may announce the fact of such association.

(e) The sharing of any professional fee with any one or paying any one for sending or referring patients, provided, however, that this shall not be understood to forbid licensed dentists from practicing in a partnership and sharing one another's professional fees or to forbid a licensed dentist from employing another licensed dentist or dental hygienist.

(f) The giving of a public demonstration of any dental operation except under such circumstances as may be approved by the State Board of Dental Examiners.

(g) The use of any advertising statements of a character tending to deceive or mislead the public.

(h) The use of any advertising in which reference is made to the character or quality of the services performed or to be performed by any dentist, or of the material or medicines used or to be used by him.

(i) The use of any advertising in which reference is made to any price, cost, charge, fee, or terms of credit for the services performed or to be performed, or for material used or to be used.

(j) The use of display signs of a larger area than six hundred (600) square inches or containing letters more than six (6) inches in height.

(k) The use of artificial lighting or illumination of all kinds either as a part of a sign itself, or in a manner which has the effect of making any sign more prominent or conspicuous.

(l) The advertising of any free dental work or any free examination or consultation.

(m) The advertising of a guarantee for any dental services.

(n) The advertising of the performance of any dental operation painlessly.

(o) The use in connection with any advertising of artificial teeth or dentures or any representation of a tooth, teeth, bridge work, or of any portion of the human head.

(p) The use of all newspaper advertising, provided, however, that a dentist shall be permitted to insert a professional card in the local press, or in programs, yearbooks, etc., but such cards must not occupy more space than four column inches and must not include more than the dentist's name, title, address, telephone number, and office hours. If a dentist has a specialty he may also announce that fact, provided, that he has secured the authorization of the State Board of Dental Examiners so to do.

(q) The advertising in any manner herein prohibited, by a dental laboratory or X-ray laboratory which shall be owned or controlled by or operated in connection with the office of any licensed dentist.

The term advertising, throughout this Law, shall include the use, either directly or indirectly, of handbills, posters, circulars, cards, signs, stereopticon slides, motion pictures, radio, newspapers, lectures, and any kind of written or printed publications, including novelty gifts such as calendars, mirrors, match books, etc.

Provided, however, that any person or persons who were engaged in the practice of dentistry under a corporate, trade, or assumed name on January 1, 1937, may, until December 31, 1938:

- (1) Continue to use such corporate, trade, or assumed name.
- (2) Continue to use and maintain all signs which were in place on January 1, 1937.
- (3) Continue the use of newspaper advertising as provided in Sub-section (p) above, except that such advertisements may occupy a space of not more than 8 column inches and such person or persons may use his, her or their personal names as successor to the corporate, trade or assumed name heretofore used.

In any proceeding to revoke or suspend any license upon the ground that the holder thereof has been convicted of a crime or adjudged insane, certified copies of the records of the Court in which such conviction or adjudication of insanity was had shall be conclusive evidence of the facts therein stated. All proceedings for the revocation or suspension of any license may be initiated upon motion of the State Board of Dental Examiners or upon the information of another. All accusations must be in writing, verified by some person familiar with the facts therein charged, and three copies thereof must be filed with the Secretary-Treasurer of the Board. Upon receiving the accusation, the Board shall, if it deem the complaint sufficient, make an order setting the same for hearing at a specified time and place, and the Secretary-Treasurer shall cause a copy of the order and the accusation to be served upon the accused, by delivery of the same to him personally, or by registered mail, at least twenty (20) days before the day appointed in the order for such hearing. The accused must appear at the time appointed in the order and answer the charges and make his defense to the same unless for sufficient cause the Board assign another day for the purpose. If he does not appear after due service upon him of the accusation and order as aforesaid, the Board may proceed and determine the accusation in his absence. If the accused pleads guilty or refuses to answer the charges or upon the hearing thereof the Board shall find them or any of them true, it may revoke his license or suspend it. The Board and the accused may have the benefit of the services of counsel duly licensed to practice law in this State. The Board shall have power to administer oaths, and summon witnesses and take testimony upon such hearing, and when the Board or the accused shall desire to secure the presence or testimony of any person before the Board, said Board or such accused may procure subpoenas from the Clerk of the District Court of the County wherein such hearing is to be had, and the Clerk of the Court is hereby directed to issue such

subpoenas in the name of the State, commanding the persons whose name shall be given to such Clerk by the Board or by such accused person to appear before the Board at a certain time and place fixed by the Board for such hearing and then and there to testify upon such hearing. If any person so commanded to appear and testify shall fail or refuse to obey such subpoenas, he shall be dealt with by said District Court in the same manner and to the same effect as though such subpoenas had commanded such person to appear and testify in a cause or trial in said Court. Such persons so commanded to appear and testify shall be entitled to the same fees as witnesses in District Court, and such subpoena shall be served in the manner provided by law for the service of subpoenas for trials in said Courts and shall be substantially the same form. Testimony of witnesses not subject to subpoena may be taken, upon notice, certified and returned to the secretary-treasurer of the Board in the same manner as is provided by the law applicable to civil cases in District Court.

§ 2. SAVING CLAUSE.] If any clause, sentence or part of this Act shall for any reason be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not impair nor invalidate the remainder of the Act, but shall be confined in its operation to that part adjudged invalid.

Approved February 16, 1937.

DIVORCE

CHAPTER 128

H. B. No. 324—(Knudson of Steel and Leum)

PROCEDURE IN DIVORCE ACTIONS

An Act to amend and re-enact Section 4400 of the Supplement to the 1913 Compiled Laws of North Dakota, relating to the affirmative proof required in divorce actions.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 4400 of the Supplement to the 1913 Compiled Laws of North Dakota is hereby amended and re-enacted to read as follows:

§ 4400. Affirmative proof required. No divorce can be granted upon the default of the defendant, or upon the uncorroborated statement, admission or testimony of the parties, or upon any statement or finding of fact made by a referee; but the Court must in addition to any statement or finding of the referee require proof of the facts alleged.

Approved March 17, 1937.

ELECTIONS

CHAPTER 129

H. B. No. 336—(Schauss)

ELECTION OF PRECINCT COMMITTEEMEN

An Act providing for the election of party precinct committeemen; repealing Acts or parts of Acts in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Precinct committeemen hereafter elected in conformity with existing law shall hold office for two years or until their successors are elected and qualified.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are herewith repealed.

Approved March 17, 1937.

CHAPTER 130

S. B. No. 126—(Johnson and Lian)

PRIMARY ELECTION—DATE OF

An Act to amend and re-enact Section 852 of the Supplement to the Compiled Laws of 1913, relating to the holding of primary elections and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 852 of the Supplement to the Compiled Laws of 1913, is hereby amended and re-enacted to read as follows:

§ 852. HELD WHEN; FOR WHAT OFFICES.] On the last Tuesday in June of every year in which occurs a general election there shall be held, in lieu of party caucuses and conventions, a primary election in the various voting precincts of this State, for the nomination of candidates for the following offices to be voted for at the ensuing general election, viz.: Members of Congress, State Officers, County Officers, District Assessors and the following officers on the years of their regular election, viz.: Judges of the Supreme and District Courts, members of the Legislative Assembly, County Commissioners, United States Senators. For special elections for the officers enumerated herein the nominations shall be made as otherwise provided by law.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 3, 1937.

FIRE MARSHAL

CHAPTER 131

H. B. No. 80—(Godwin)

FIRE MARSHAL DEPARTMENT

An Act to amend and re-enact Sections 201 and 214 and 215 of the Compiled Laws of North Dakota for the year 1913 as amended and re-enacted by Sections 1, 3 and 4 of Chapter 147 of the 1931 Session Laws of the State of North Dakota, and repealing Section 213 of the Compiled Laws of North Dakota for the year 1913 as amended by Section 2 of Chapter 147 of the 1931 Session Laws of the State of North Dakota, and repealing Section 217 of the 1913 Compiled Laws of the State of North Dakota, relating to the creation of a Fire Marshal Department.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 201 of the Compiled Laws of North Dakota, for the year 1913, as amended by Section 1 of Chapter 147 of the 1931 Session Laws of the State of North Dakota, be and is hereby amended and re-enacted to read as follows:

§ 201. ORGANIZATION OF DEPARTMENT.] Upon taking effect of this Act, the Department of Fire Marshal, as an independent department, shall be abolished and all the records, files and equipment of the Fire Marshal Department, shall be turned over to the Insurance Department of the State of North Dakota. The Commissioner of Insurance shall be ex-officio State Fire Marshal, and the duties of the Fire Marshal, as provided for by law, shall be under the management, control and supervision of the Commissioner of Insurance, subject to the provisions of this Act and other statutory provisions relating to the duties of the Fire Marshal.

The Commissioner of Insurance shall appoint a Deputy Fire Marshal, whose salary shall not exceed \$1800 per annum. With the approval of the Commissioner, the Deputy Fire Marshal may employ any help necessary to maintain the Fire Marshal Department. The Deputy Fire Marshal shall give a bond to the State of North Dakota in a penal sum of \$5,000 conditioned on the faithful discharge of his duties. Before entering on his duties, he shall take and subscribe and file, in the office of the Secretary of State of the State of North Dakota, the constitutional oath.

§ 2. AMENDMENT.] That Section 214 of the Compiled Laws of North Dakota for the year 1913, as amended and re-enacted by Section 3 of Chapter 147 of the 1931 Session Laws of the State of North Dakota, be and is hereby amended and re-enacted to read as follows:

§ 214. SALARIES AND OTHER EXPENSES.] The salaries of the Deputy Fire Marshal and all employees, together with all other expenditures for the operation and maintenance of the Department, shall be paid out of the Insurance Department Operating Account, upon vouchers issued by the Commissioner of Insurance and approved by the State Auditing Board. All officers who shall perform any services at the request of the Deputy Fire Marshal, shall receive the same fees as officers in District Court and such fees shall be paid out of the Insurance Department Operating Account.

§ 3. AMENDMENT.] That Section 215 of the Compiled Laws of North Dakota for the year 1913, as amended and re-enacted by Section 4 of Chapter 147 of the 1931 Session Laws of the State of North Dakota, be and is hereby amended and re-enacted to read as follows:

§ 215. RULES FOR PREVENTION OF FIRES TO BE ISSUED.] The Deputy Fire Marshal, under the supervision of the Commissioner of Insurance, shall make rules, not inconsistent with the statutory provisions, for the prevention of fires, and such rules shall be fully explained to all State, County and City Boards and officers, by the Deputy Fire Marshal or his assistants. All such rules shall be posted in such conspicuous places as will tend to be of the greatest benefit to the residents of the State, and when called upon the Deputy Fire Marshal, or one of his assistants, shall appear before such Board and explain the benefits derived by the compliance with such rules and regulations, in the reduction of the hazardous conditions and reduction in loss by fire.

§ 4. REPEAL.] That Section 213 of the Compiled Laws of 1913, as amended and re-enacted by Section 2 of Chapter 147 of the 1931 Session Laws and Section 217 of the 1913 Compiled Laws, and all Acts and parts of Acts in conflict herewith, are hereby repealed.

Approved March 4, 1937.

FOODS

CHAPTER 132

H. B. No. 253—(Frazier)

FOOD AND DRUGS ACT

An Act amending Articles 2889b4, 2889b5 and 2889b6 of the 1925 Supplement to the 1913 Compiled Laws of North Dakota, and being part of Article 40b of Chapter 38 of the Political Code, relating to food and drugs, and known as the North Dakota Food and Drugs Act.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2889b4 of the 1925 Supplement to the 1913 Compiled Laws of North Dakota be amended and re-enacted to read as follows, to-wit:

§ 2889b4. DEFINITIONS.] The term "food" as used herein shall include all articles, whether simple, mixed or compound, used for or entering into the composition of, or intended for use in the preparation of food, drink, confectionery or condiment for man or other animals. The term "drug" as used herein shall include all substances and preparations recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States or the official National Formulary or any supplement to any of them, and any substance or mixture of substances intended or designed to be used for the cure, mitigation, prevention or treatment of disease of man or other animals, and all substances and preparations, other than food, intended to affect the structure or any function of the body; provided, however, that the term "drug" shall include soap only when medicinal or curative qualities are claimed therefor.

§ 2. AMENDMENT.] That Section 2889b5 of the 1925 Supplement to the 1913 Compiled Laws of North Dakota be amended and re-enacted to read as follows, to-wit:

§ 2889b5. ADULTERATION. WHAT CONSTITUTES.] For the purpose of this Act a food or drug shall be deemed to be adulterated:

(a) In the case of drugs:

First. If, when a drug is sold under or by a name recognized in the United States Pharmacopoeia, the Homeopathic Pharmacopoeia of the United States or the National Formulary, it differs from the standard of strength, quality or purity as determined by the tests or methods of assay set forth therein; except that whenever tests or methods of assay have not been prescribed therein, or such tests or methods of assay as are prescribed are insufficient for determining whether or not such drug complies with such standard,

then they may be examined by other recognized tests or methods of assay. No drug shall be deemed to be adulterated because it differs from the standard of strength, quality, or purity set forth in the United States Pharmacopoeia, the Homeopathic Pharmacopoeia of the United States or the National Formulary, if its standard of its strength, quality or purity be plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopoeia and the Homeopathic Pharmacopoeia of the United States, it shall be subject to the requirements of the United States Pharmacopoeia unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopoeia of the United States and not those of the United States Pharmacopoeia.

Second. If when a drug is sold under or by a name not recognized by the United States Pharmacopoeia, Homeopathic Pharmacopoeia of the United States or National Formulary, its strength, quality or purity falls below the professed standard of strength, quality or purity under which it is sold.

Third. If it contains any methyl alcohol, or if it consists in whole or in part of any filthy, decomposed or putrid substance, or if its container is composed in whole or in part of any poisonous or deleterious substance which may render it injurious to health.

(b) In the case of foods:

First. If any substance has been mixed or packed with it so as to lower, reduce or injuriously affect its quality, strength, or fitness for consumption.

Second. If any substance has been substituted wholly or in part for the article.

Third. If any valuable constituent of the article has been wholly or in part abstracted.

Fourth. If it be mixed, colored, powdered, coated, stained or otherwise treated in a manner whereby damage or inferiority is concealed, or the article is made to appear better than it really is, or if such treatment be for the purpose of imitating another article of recognized quality.

Fifth. If it contains any poisonous or deleterious substance which may render the article injurious or detrimental to health. The word "substance" as used herein shall include ingredients naturally present or added.

Sixth. If it consists in whole or in part of filthy, decomposed or putrid animal or vegetable substance, or any portion of an animal unfit for food, or if it be the product of a diseased animal or one that has died otherwise than by slaughter.

Seventh. If it does not conform to the standard of purity or quality established for the article.

§ 3. AMENDMENT.] That Section 2889b6 of the 1925 Sup-

plement to the 1913 Compiled Laws of North Dakota be amended and re-enacted to read as follows, to-wit:

§ 2889b6. MISBRANDING; WHAT CONSTITUTES.] That the term "misbranded" as used herein shall apply to all drugs, foods or articles which enter into the composition of food, the package or label of which shall bear any statement, design or device regarding such article, or the ingredients or substances contained therein which shall be false or misleading in any particular, and to any food or drug product which is falsely branded as to locality, State or Country of origin, or in which it was manufactured or produced, or if the package or label of which does not contain the true name and address of the manufacturer, jobber or other person responsible for its being placed in commerce.

That for the purposes of this Act an article shall also be deemed to be misbranded:

(a) In the case of drugs:

First. If it be an imitation of or offered for sale under the name of another article; if its container is so made, formed or filled as to mislead the purchaser.

Second. If the contents of the package as originally put up shall have been removed, in whole or in part, and other contents shall have been placed in such package.

Third. If the package or label of which fails to bear a statement of the quantity or proportion of alcohol or any narcotic or habit forming drug.

Fourth. If the package or label shall bear or contain any statement, design or device regarding the curative or therapeutic effect of such article or any of the ingredients or substances contained therein, which is misleading, false or fraudulent.

Fifth. If, in package form, the name of the article together with the quantity of the contents in terms of weight, measure or numerical count be not plainly marked on the outside of the package.

Sixth. If it is dangerous to health when used in the dosage or with the frequency or duration prescribed in the labeling or advertising thereof.

Seventh. If it is not designated solely by a name recognized in the United States Pharmacopoeia or the National Formulary and its label fails to bear a common or usual name of the drug if such there be; or in case it is fabricated from two or more ingredients, the name of each active ingredient, and the quantity, kind and proportion of any alcohol: Provided, however, if such statements of the ingredients alone be insufficient to prevent fraud or deception or to convey to the purchaser the true nature of the product, the percentage of each ingredient shall in addition be required.

EIGHTH. If its labeling fails to bear plainly and conspicuously adequate directions for use, or adequate warning against use in those

pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application.

Ninth. If its name is recognized in the United States Pharmacopoeia, the Homeopathic Pharmacopoeia of the United States or the National Formulary, or if it purports to be a drug the name of which is so recognized and it is not packaged and labeled as prescribed therein; or if it is a drug liable to deterioration and is not packaged in such form and manner, or its label fails to bear a statement of such precautions as are required for the protection of public health.

(b) In the case of food:

First. If it be offered for sale under the distinctive name of another article.

Second. If it be labeled or branded so as to deceive or mislead the purchaser, or purport to be a foreign product when not so, or if the contents of the package as originally put up shall have been removed in whole or in part and other contents shall have been placed in such package.

Third. If the label fails to bear the quantity or proportion of alcohol.

Fourth. If, in package form, the name of the article, together with the quantity of the contents in terms of weight, measure or numerical count, be not plainly and conspicuously marked on the outside of the package.

Fifth. If, in package form the package be not filled with the food it purports to contain, irrespective of whether the quantity of the contents be plainly and conspicuously marked on the outside of the package in terms of weight, measure or numerical count.

Sixth. If the package containing it or its label shall bear any statement, design or device regarding the ingredients or substances contained therein, which statement, design or device shall be false or misleading in any particular.

Seventh. If it be an imitation of another article and it be not marked with the word "imitation" equally conspicuous with and immediately adjoining the name of the imitated article.

EIGHTH. If it be a compound for which no standard of purity or quality has been established and it be not marked with the word "compound" equally conspicuous with and immediately adjoining the name of the article: provided, however, that imitations, compounds, blends, mixtures or products sold under their own distinctive names shall, where necessary to prevent fraud or deception or to convey to the purchaser the true nature of the product, bear on the label a plain statement of the ingredients. If such statement of the ingredients alone be insufficient for the purpose herein designated the percentage of each ingredient shall in addition be required.

Approved March 20, 1937.

CHAPTER 133

H. B. No. 240—(Odegard and Levin)

DEFINING IMITATION ICE CREAM

An Act to amend and reenact Section 1, Chapter 159, Session Laws for 1931, as amended and reenacted by Chapter 130, Session Laws for the year 1933, and as again amended and reenacted by Chapter 142 of the Session Laws for the year 1935, defining imitation ice cream, providing penalty for violation and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 1, Chapter 159, Session Laws 1931, as amended and reenacted by Chapter 130, Session Laws 1933, and as again amended and reenacted by Chapter 142 Session Laws 1935, of the State of North Dakota be amended and reenacted to read as follows:

§ 1. Imitation Ice Cream is any frozen substance, mixture or compound regardless of the name under which it is sold or offered for sale, in which the freezing is accompanied by agitation of the ingredients, or which is made in imitation or semblance of ice cream or is prepared or frozen as ice cream is customarily prepared or frozen and which is not ice cream, milk sherbet, ice or frozen or frosted Malted Milk, in accordance with the definitions in force under the North Dakota Food and Drug Act or contains less than twelve per centum (12%) of milk fat or weighs less than four and one-half pounds ($4\frac{1}{2}$) avoirdupois per gallon.

§ 2. PENALTY.] The penalty as provided for under Section 6 of Chapter 159 of the Session Laws of 1931, being the original Act, shall in all ways apply to this Act.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency Act and shall be in full force and effect after its passage and approval.

Approved March 9, 1937.

GAS AND OIL

CHAPTER 134

S. B. No. 212—(Thatcher)

GAS AND OIL LEASE CANCELLATION

An Act providing for the cancellation and release of gas and oil leases which have expired by the terms thereof and have not been renewed of record within five years after the expiration thereof, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The owner of any legal or equitable interest in real property heretofore leased for the production of gas or oil or both by lease of record which lease has expired by its terms more than five years before application for cancellation and release hereunder, may apply to the Register of Deeds of the County wherein such lease is of record for the cancellation and release thereof.

§ 2. Such application shall describe the land leased, shall state the name and address of the lessee, if known to the applicant, and if not known, the application shall so state, and that said lease has not been renewed within the five years then last past, and that the same has terminated according to its terms, which application shall be verified by the affidavit of the applicant.

§ 3. Upon the filing of such application and the payment of the estimated expense of the notice provided for herein and the lawful recording fees for the recording of papers herein provided for, it shall be the duty of the Register of Deeds to mail to the lessee or assignee of record by registered mail addressed to his address as shown by the records in the office of such Register of Deeds if any there be, otherwise to the address as shown by such application, a notice that such lease will be cancelled and released unless such lessee or assignee shall appear before the District Court in and for such County within ninety (90) days after the mailing of such notice and show cause therein why such lease should not be so cancelled and released.

§ 4. If such lessee or assignee appears in such District Court he shall notify such Register of Deeds of such appearance and such Register of Deeds shall thereupon notify such applicant of such appearance. Thereafter such lessee or assignee and such applicant shall appear before such District Court at such time and place and on such notice as may be fixed by such District Court, and the Court shall thereupon summarily determine the question as to whether such lease shall be cancelled and released, and shall make such order as may be proper in the premises. If such order determines that said

lease shall be cancelled and released, such order shall be duly recorded by said Register of Deeds, and thereupon such lease shall be held to be cancelled and released.

§ 5. If such lessee or assignee shall make no appearance within such ninety (90) days, said Register of Deeds shall present to the said District Court a true copy of the notice mailed together with his affidavit that such notice was mailed as herein provided and that such lessee or assignee has made no appearance as in said notice required. Thereupon said Court, if satisfied that the same should be done, shall make an order determining that said lease be cancelled and released and said Register of Deeds shall thereupon record the same and thereupon such lease shall be held to be cancelled and released.

§ 6. EMERGENCY.] This Act is hereby declared to be an emergency measure and it shall be in full force and effect from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 135

H. B. No. 14—(Peterson of Renville, Bjornson, Morland and Ritter)

OIL AND GAS WELLS—RULES AND REGULATIONS

An Act to conserve the natural gas and oil resources of the State of North Dakota, to prevent waste through negligent methods of operation, and to provide for the prescribing and enforcing of rules and regulations governing the drilling, casing and abandonment of oil and gas wells and the waste of oil and gas and providing a penalty for the violation thereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. For the purpose of conserving the natural resources of the State of North Dakota, and to prevent waste thereof through negligent methods of operation, the State Geologist of the State of North Dakota shall, immediately upon the passage and approval of this Act, prescribe and enforce rules and regulations governing the drilling, casing and abandonment of oil and gas wells, and the waste of oil and gas therefrom. The rules and regulations so prescribed shall be those from time to time adopted by the Bureau of Mines or by the Secretary of the Interior of the United States, pursuant to Act of Congress approved February 25th, 1920 (public 146), governing the methods of operators upon lands embraced within permits or leases issued under the provisions of said Act of Congress.

§ 2. It shall be the duty of all persons and corporations drilling and operating oil or gas wells, upon lands within the jurisdiction of the State of North Dakota, to comply with the said rules and

regulations, and to file with the State Geologist all logs of wells within six months after the completion or abandonment thereof, and also to file with the said State Geologist such other reports as may be required thereby, and to case, control and plug all wells as therein prescribed.

§ 3. All Acts and parts of Acts in conflict herewith are hereby repealed.

§ 4. PENALTY.] Any person or corporation violating the provisions of this Act or any rule or any regulation prescribed pursuant hereto, and any person or corporation violating the lawful orders of the State Geologist with reference to the matters referred to in this Act shall upon conviction be fined not more than \$500.00, or be imprisoned in the County jail not more than six months, or by both such fine and imprisonment.

Approved February 6, 1937.

HAIRDRESSERS AND COSMETOLOGISTS

CHAPTER 136

H. B. No. 291—(Olson of McLean)

COSMETIC ACT

An Act for the protection of health and prevention of fraud and deception in cosmetics; for the prevention of adulteration, misbranding and false advertising thereof; requiring labeling thereof; providing for the enforcement of the provisions of the Act; and to provide penalties for the violation thereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. NAME OF ACT.] This Act may be cited as the North Dakota Cosmetic Act.

§ 2. DEFINITIONS.] (a) The term "cosmetic" as used herein shall include all substances and preparations intended for cleansing or altering the appearance of or promoting the attractiveness of the person, except that such term shall include soaps only when medicinal or curative qualities are claimed therefor.

(b) The term "person" as used in this Act shall be construed to import both the singular and plural, as the case demands, and shall include individuals, partnerships, corporations, companies and associations.

§ 3. ADULTERATION. WHAT CONSTITUTES.] A cosmetic shall be deemed to be adulterated:

First. If it bears or contains any poisonous or deleterious substance which may render it injurious to users under the conditions of use prescribed in the labeling or advertisement thereof, or under such conditions of use as are customary or usual.

Second. If it consists in whole or in part of any filthy, putrid, or decomposed substance.

Third. If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

Fourth. If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render it injurious to health.

§ 4. MISBRANDING. WHAT CONSTITUTES.] A cosmetic shall be deemed to be misbranded :

First. If its labeling is false or misleading in any particular.

Second. If in package form unless it bears a label containing the name and place of business of the manufacturer, packer, seller, or distributor ; and an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count.

Third. If any word, statement, or other information required on the label under any provision of this Act is not prominently placed thereon in such a manner as to be easily seen and in such terms as to be readily understood by the purchasers and users of such articles under customary conditions of purchase and use, due consideration being given to the size of the package.

§ 5. UNLAWFUL TO SELL CERTAIN COSMETICS.] It shall be unlawful for any person to manufacture, sell, offer or expose for sale or delivery or to have in possession for sale or delivery any cosmetic which is adulterated, misbranded or otherwise violates any provision of this Act or any rule or regulation issued pursuant thereto.

§ 6. FALSE AND MISLEADING ADVERTISING PROHIBITED.] The dissemination by any person of any advertisement which contains any statement, design or device regarding any cosmetics or the ingredients thereof or the substances therein, or the curative, therapeutic, preventive or beneficial effects thereof, or the dosage, frequency or duration of use pertaining thereto, which is false or misleading in any particular, is prohibited.

§ 7. RIGHT OF INSPECTION.] For obtaining information regarding suspected violations of this Act, the State Food Commissioner and Chemist or his agents shall have free access, ingress and egress to all places where cosmetics are manufactured, sold, exposed for sale or transported or held in possession with intent to use, sell or transport, except in a private home; that said agents upon paying or offering to pay to the person entitled thereto the full value

thereof may open any package, receptacle or container containing any cosmetic, and may take a sample therefrom sufficient for inspection and analysis. Any person obstructing such entry or inspection shall be deemed guilty of a misdemeanor.

§ 8. RULES, REGULATIONS AND TOLERANCES.] It shall be the duty of the State Food Commissioner and Chemist to adopt, publish and enforce rules and regulations for the enforcement of this Act and he may fix the limit of tolerance for any poisonous or deleterious substance which may be present in a cosmetic.

§ 9. ANALYSIS AND PUBLICATION.] It shall be the duty of the State Food Commissioner and Chemist to make or cause to be made analyses, examinations and inspections of cosmetics included under provisions of this Act, to determine whether such cosmetics are adulterated, misbranded, insufficiently or improperly labeled, and whether such articles have been manufactured, used, sold, transported, offered for sale or transportation or had in possession with intent to use, sell or transport in violation of any provision of this Act or any rule, regulation or tolerance issued pursuant thereto, and for other reasons. The said State Food Commissioner and Chemist shall have authority to make such analyses, inspections and investigations and to carry on research and to publish the reports of such analyses, inspections and research for the information of the public.

§ 10. DUTY TO PROSECUTE.] It shall be the duty of any State's Attorney to whom the State Food Commissioner and Chemist or his agent shall report any violation of this Act, to cause, without delay, appropriate proceedings to be instituted in the proper Court of jurisdiction for the enforcement of the penalties, as in such case, is herein provided.

§ 11. PENALTIES.] Any person violating or failing to comply with any of the provisions of this Act or any rule, regulation, definition or standard issued pursuant thereto, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than Twenty-five (\$25.00) Dollars or more than One Hundred (\$100.00) Dollars or by imprisonment for not less than ten days or more than thirty days or both at the discretion of the Court.

Approved March 16, 1937.

CHAPTER 137

S. B. No. 256—(Committee on Delayed Bills)

REGULATION OF HAIRDRESSERS AND COSMETOLOGISTS

An Act to amend and re-enact Sections 4 and 28 of Chapter 157 of the Session Laws of North Dakota for 1927 relating to the occupation of hairdressers and cosmetologists, the conduct of schools for hairdressers and cosmetologists, and to provide penalties for violation thereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 4 of Chapter 157 of the Session Laws of North Dakota for 1927 be, and the same is hereby amended and re-enacted to read as follows:

§ 4. REGISTERED SCHOOLS.]

(a) It shall be competent for any person, firm or corporation to apply to the Board of Hairdressers and Cosmetologists for a Certificate of Registration as a school for both of the classified occupations within this Act, upon the payment of a reasonable annual registration fee as determined annually by the said Board for both of the classified occupations, not to exceed a total sum of One Hundred Dollars.

(b) No school for hairdressers and cosmetologists within this Act shall be granted a Certificate of Registration unless it shall attach to and maintain upon its staff a regularly licensed physician and in addition thereto at least one competent and qualified instructor for each twenty-five students or fraction thereof, which said instructor must be registered as such instructor, and such school shall give and require a course of training and instruction of not less than one thousand hours for both of the said classified occupations, as provided in this Act, to include practical demonstrations, written, or oral tests, and practical instructions in sanitation, sterilizations, and the use of antiseptics, and cosmetics and electrical appliances, consistent with the practical and theoretical requirements as applicable to the classified occupations as provided in this Act.

(c) No person who has not completed the regular course offered by a recognized Hairdressing and Cosmetology School shall be granted a license under this Act. This provision shall not apply to any person heretofore licensed under Chapter 157 of the Session Laws of 1927.

(d) No school, as provided in this Act, shall operate within this State unless a proper Certificate of Registration under this Act has first been obtained.

(e) No person, firm or corporation operating or conducting a school of hairdressing and cosmetology under license pursuant to this Act shall advertise, in any manner whatsoever, to perform any

of the practices referred to herein without disclosing therein that the practice offered is to be performed in said school by students under the supervision of a licensed instructor or instructors and it is expressly provided that no school of hairdressing or cosmetology shall make any charge for any services or material which is covered and included within the practice of hairdressing or cosmetology, and which may be rendered by any student in such school except the actual cost of material used. Any violation of this Subdivision shall authorize the Board, after notice and hearing, and it shall be its duty upon determining as a fact that this Subdivision has been violated, to forthwith cancel the certificate granted to said school.

§ 2. AMENDMENT.] That Section 28 of Chapter 157 of the Session Laws of North Dakota for 1927 be, and the same is hereby amended and re-enacted to read as follows:

§ 28. PENALTIES.] Any person who shall practice any of the occupations, maintain a school or act in any capacity wherein a certificate is required, without a certificate provided in this Act, shall be guilty of a misdemeanor and shall be fined not less than \$25.00 and not more than \$100.00 or shall be imprisoned for no more than 30 days or both.

Approved March 17, 1937.

HIGHWAYS

CHAPTER 138

H. B. No. 312—(Frosaker, by Request)

FEEDER ROADS

An Act authorizing the State Highway Commissioner to administer feeder or other roads for which Federal appropriations are made.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The State Highway Commissioner is hereby authorized to receive any appropriations now made, or which may hereafter be made, by the Congress of the United States to be applied to secondary or feeder roads and other roads or streets not on the State Highway System and may carry out the intent and purpose of such appropriations, to the same extent that he may now legally cooperate on roads which are on the State Highway System.

§ 2. No State funds shall be expended for feeder roads or other roads not on the State Highway System except for the necessary administrative costs and except for such work as is reimburs-

able from Federal, County, or funds from other organizations or governmental departments, for which reimbursement arrangements have been made. After completion of any such cooperative construction, all authority and control over roads off the State Highway System shall be returned to the local authorities under whom control was previously vested.

§ 3. All Acts and parts of Acts in so far as they are in conflict herewith are hereby repealed.

Approved March 9, 1937.

CHAPTER 139

H. B. No. 2—(Byrne and Schauss)
Special Session

HIGHWAY PATROL AND DRIVERS LICENSES

An Act providing for the appointment of a Superintendent of Divisions of Highway Safety and Patrol and Patrolmen and employees; providing for operator's and chauffeur's license and the fees to be paid therefor and providing for the taking of registration and operator's and chauffeur's license applications, providing for the repeal of all conflicting Acts, declaring an emergency and providing for penalties for violation of this Act.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITIONS.] The following words: "Motor Vehicle," "Farm Tractor," "Owner," "Operator," "Non-Resident," "Public Highways," as used in this Act shall be interpreted to have the meanings usually ascribed to them, except on those instances where the context clearly indicates a different meaning.

§ 2. Except as provided by Section 3 of this Act no person shall operate or drive a motor vehicle upon any highway of this State after the taking effect of this Act without first obtaining a license for that purpose as provided in this Act. No such license shall be issued to any person under the age of sixteen years except as hereinafter provided, or to any person who is physically or mentally incompetent to safely operate a motor vehicle upon the public highway, or to anyone of the following:

(a) Any person whose driver's license has been withheld or revoked either by this State or any other State of the Union during the period in which such withholding or revocation shall be in full force and effect. In case of revocation this disqualification shall terminate one year after such revocation except when such revocation is stayed or suspended during such year, in which event the period of any such stay or suspension shall be added to the year.

(b) Any person who is a habitual drunkard or is addicted to the use of narcotic drugs.

(c) Any person who has been adjudged insane or an idiot, embecile, epileptic, or feeble-minded and who has not at the time of his application for the license required herein, been declared restored to competency by judicial decree, or released from a hospital for the insane or feeble-minded upon the certificate of the superintendent that such person is competent.

(d) Any person who is afflicted with or suffering from a mental or physical disability or disease such as to prevent such person from exercising reasonable control of a motor vehicle; providing that deafness in itself shall not be considered as a disqualification.

(e) Any person who shall have been found negligent in the operation of a motor vehicle in any civil action for damages growing out of an accident and against whom a judgment shall have been rendered on account thereof, unless such person shall have furnished and filed proof of ability to respond in damages for any injury to person or property thereafter occurring. Such disqualification shall continue for a period of two years from the date of such judgment. Such disqualification shall not apply during any period during which the enforcement of such judgment shall be legally stayed, but the period of any stay shall be added to the said two year period of disqualification.

(f) Any person who shall have been three times convicted of a misdemeanor under this Act or the laws of the State relating to highways during the two-year period covered by any single license.

§ 3. EXEMPTIONS.] Every person driving or operating a road roller, road machinery, or any farm tractor or implement, temporarily drawn or moved upon the highways, and every person in the service of the army, navy, marine corps of the United States, when furnished a driver's permit and operating an official motor vehicle in such service shall be exempt from license under this Act.

§ 4. LICENSE TO PERSONS UNDER SIXTEEN YEARS.] Upon the recommendation in writing of the County Judge of the County wherein the child resides, an automobile driver's license may be issued to any child, otherwise qualified, who is less than sixteen years of age but more than fourteen years of age. A license issued pursuant to this action shall be a different color than the licenses issued to persons who are sixteen years of age or over, so as to be readily distinguishable from such licenses, and shall have stamped across the face thereof the words, "Not good after (the date when such child becomes sixteen years of age.)" No County Judge shall make a recommendation for the issuance of an automobile driver's license to a child who is less than sixteen years of age unless such child, accompanied by his parent or guardian, shall appear in person before such Judge and shall satisfy the Judge that such child is at least fourteen years of age, that he appears to be qualified to safely operate an automobile, and that it is necessary for such child to drive his

parent's or guardian's automobile without being accompanied by some person over the age of sixteen. The parent or guardian shall at all times be responsible for any and all damages growing out of the negligent operation of a motor vehicle by any such child. The provisions of this Section shall not authorize such child to drive a motorcycle, commercial truck, motor bus, or taxi-cab.

§ 5. APPLICANT'S EXAMINATION.] In case any application for a motor vehicle operator's license, or other information coming to the attention of the State Highway Department of the State of North Dakota, under whose supervision and control this Act shall be carried out, suggests or indicates that the applicant might be lacking in qualifications necessary to entitle him to such license, such applicant may be required to undergo an examination under oath, and such physical, mental, and driving tests as may be necessary to determine his qualifications; to facilitate such examination and tests, the State Highway Commissioner may require any Chief of Police or Sheriff to conduct the same in accordance with such reasonable rules as such State Highway Department may prescribe. The officer conducting such examination shall forward a report of the same on a blank furnished by said Highway Department, with a recommendation as to whether or not an operator's license should be issued to the applicant. When said State Highway Department shall require a physical examination the cost of same shall be paid by the applicant, but no physician shall charge more than \$2.00 for such examination.

In such examinations the persons to be examined shall furnish the motor vehicle to be used in connection with the examination and shall appear at such time and place in the city or village nearest the resident as the State Highway Commissioner shall designate.

§ 6. APPLICATION FOR LICENSE. FILING. FORM. CONTENTS.] Applications for motor vehicle operator's license shall be filed with the State Highway Commissioner upon blanks furnished under his authority and shall be verified before a person authorized to administer oaths. The form of such application shall be determined by the State Highway Commissioner and shall include the name, age, color of eyes, color of hair, complexion, sex, height, weight, race, residence, and business address and occupation of the applicant and also state whether the applicant has been licensed as an operator of a motor vehicle before, and if so by what State and whether or not such license has ever been revoked, and if so the date and cause of such revocation; applicant shall further state the previous experience of the applicant in operating an automobile, whether or not the applicant has ever been adjudged insane, an idiot, imbecile, epileptic, or feeble-minded, and whether at the time of the application the applicant has been declared to have been restored to competency by a judicial decree or released from a hospital for the insane or feeble-minded upon a certificate of the superintendent that such person is competent, or whether the applicant is suffering from any

physical or mental disability or disease and if so, the nature and extent thereof, giving the names and addresses of the physicians then or theretofore in attendance upon the applicant. If the applicant has been declared restored to competency by a judicial decree, a certified copy of such decree shall be attached to such application, or if the applicant has been released from a hospital for the insane or feeble-minded upon the certificate of the superintendent that such person is competent, a certified copy of such certificate shall accompany the application.

The application shall state such other and further information as the State Highway Commissioner may require, including all the liability insurance, if any, and name of same, which applicant carried, or by which he will be protected if the license is issued, and what accidents he has previously had and in what amount and manner and by whom the same have been compensated or settled, and if not paid for or settled, the reasons therefor, and such further details as to previous accidents and compensation or lack of compensation for results of same as may be requested by the Highway Commissioner.

§ 7. LICENSE FEE.] The fee for such operator's license shall be the sum of fifty (50¢) cents for the head of the family and shall be for each current term of two calendar years, or part thereof, and shall be renewable at the beginning of each term. For each additional member of the family who operate the family motor vehicle, the fee shall be twenty-five cents for a period of two years. Applicants who are not the head of a family and who are over the age of twenty-one shall be required to pay a fifty cent fee for such two year period. When application is made after a revocation or suspension of a former license the same fee shall again be paid as though the application were being made for the original license. All driver's licenses issued under the provisions of Chapter 175 of the 1935 Session Laws of the State of North Dakota shall become invalid.

In the event of the loss or destruction of such operator's license card the person to whom it was issued may obtain a duplicate thereof by filing an application with the State Highway Department and by paying a twenty-five cent fee. Whenever a motor vehicle operator's license card becomes worn or mutilated to such an extent that it is not legible but is not wholly destroyed or lost, the holder of such card shall immediately apply to the said State Highway Department for a duplicate and forward the said fee of twenty-five cents, and a duplicate will be issued.

§ 8. LICENSE CARD. USE.] The State Highway Department shall assign a number to each motor vehicle operator's license and keep proper record of all licenses issued, which record shall be open to public inspection. A license card shall be issued to each licensee in the form of a triple license card issued by the State Highway Department and shall contain the name and postoffice address of, the dis-

tinguishing number assigned thereto, and a brief description of the licensee for the purpose of identification. Upon the receipt of such card, the licensee shall endorse his or her name thereon in ink in the space provided for that purpose and such license shall not be valid until such card is so endorsed. Such card shall be carried at all times by the licensee when operating a motor vehicle upon the public highways of this State and shall be submitted for examination to any public officer upon demand. For the purpose of verification any officer may require the licensee to write his signature in the presence of such officer. Upon change of Post Office address by the licensee he shall immediately endorse his new address on the back of his license card and notify in writing the State Highway Department of such change.

§ 9. STATEMENT BY MAGISTRATE AS TO AN OFFENSE.] That any magistrate upon finding any licensee guilty of any misdemeanor under this Act or the laws of this State relating to highways shall detach one of the three license cards and forward same immediately to the State Highway Commissioner with a statement of the true facts of the offense. Any Magistrate who shall fail to comply with this Act shall be guilty of a misdemeanor.

§ 10. FOREIGN LICENSES AND THE RIGHT TO OPERATE A MOTOR VEHICLE WITHIN THE STATE.] A non-resident who has been duly licensed as an operator or chauffeur under a law requiring the licensing of operators or chauffeurs in his home State or province, and which license shall still be in full force and effect and which has not been suspended or revoked, and which he has in his immediate possession, such license shall be permitted, without examination or possessing a license as provided under this Section, to drive a motor vehicle upon the highways of this State except as hereafter provided. It shall be unlawful for any non-resident whose home State or Province does not require the licensing of operators, and who has not been licensed as an operator in his home State to operate any motor vehicle upon any highway in this State without first obtaining a driver's license, except that any such non-resident non-licensed, who is over the age of sixteen years, and who is the owner of a motor vehicle which has been duly registered for the current year in the State or Province of which the owner is a resident, may operate such motor vehicle upon the highways of this State for a period of not more than thirty days in any calendar year without making application for or obtaining a driver's license under this Section.

Provided, however, that such non-resident must have in his possession while so driving, an official certificate showing the lawful registry of the motor vehicle in his possession and may be required at any time or place to prove the lawful possession or the right to operate such vehicle and to establish his proper identity.

Any non-resident or other person whose license or privilege to operate a motor vehicle has been suspended or revoked shall not op-

rate a motor vehicle in this State during the period of such suspension or within one year after the date of such revocation.

§ 11. FALSE STATEMENT PENALTY.] Any person convicted of making a false statement in the application for license under this Act shall have committed a misdemeanor and be subject to the maximum penalty thereof and his or her license shall immediately be revoked for a period of two years from the date of such revocation.

§ 12. STATE HIGHWAY COMMISSIONER TO REVOKE LICENSES.] The State Highway Commissioner shall forthwith revoke the license of any person and require that the certificate of license be returned to him upon receiving a record of the conviction of such person for any of the following offenses :

(a) Manslaughter or homicide on any degree arising out of the operation of a motor vehicle.

(b) Driving a motor vehicle while under the influence of intoxicating liquor or narcotic drugs.

(c) Any crime punishable as a felony under the motor vehicle laws of this State, or any other felony in the commission of which a motor vehicle was used.

(d) Conviction or forfeiture of bail upon two charges of reckless driving within the preceding twelve months.

(e) Conviction of a driver of a motor vehicle involved in an accident resulting in the death or injury of another person upon a charge of failing to stop and disclose his identity at the scene of the accident.

(f) The State Highway Commissioner upon receiving the record of conviction of any person upon a charge of operating a motor vehicle while the license of such person is suspended, shall immediately extend the period of such first suspension for an additional six months, and such person, driving a motor vehicle upon the highways of this State, while such license is suspended or revoked, shall be guilty of a misdemeanor.

(g) Any person who shall have been convicted of three misdemeanors for violation of this Act or of any law of this State relating to highways during the two-year period covered by any single license.

§ 13. COURT REVIEW OF ACTION OR STATE HIGHWAY COMMISSIONER.] The action of the State Highway Commissioner in refusing to issue a license or in declaring a suspension or revocation of the driver's license of any person under the provisions of this Act shall be subject to review by action in any District Court with the right to appeal as in other civil actions, and if it shall appear that the action of the State Highway Commissioner has been unlawful or unreasonable, such action shall be reversed with direction requiring action which shall be according to law.

§ 14. MAY APPLY FOR NEW LICENSE.] Any person whose license has been revoked under the provisions of this Act, may, after one year from the date of such revocation, petition any District Court for an order directing the State Highway Commissioner to issue a certificate of license to him. The District Court is hereby given jurisdiction and it shall be the duty of such Court to set the matter for hearing upon ten days' written notice to the said Highway Commissioner. At the hearing the Court shall take testimony and examine witnesses to determine whether the petition is entitled to such license and shall make its order granting or denying the petition. If the petition is granted the said Highway Commissioner, upon receipt of a certified copy of the Order of the Court, shall issue such license. If the petition is denied no renewal of such petition shall be made for a period of one year from the date of the order of the Court.

§ 15. FEES TO BE PAID INTO STATE TREASURY—HOW APPROPRIATED AND DISTRIBUTED.] All moneys received under the provisions of this Act shall be paid monthly into the State Treasury and the same is hereby appropriated out of the Treasury, into a special fund to be used by the Motor Patrol branch of the State Highway Department, or so much thereof as shall be necessary for the branch of the Department, and the balance to flow into the General Highway Fund.

§ 16. COMMISSIONER TO APPOINT LOCAL AGENTS.] The Highway Commissioner shall appoint local agents for the purpose of issuing and causing to be issued, driver's licenses in each village and municipality of his respective County, and his compensation and expenses shall be as hereafter provided in Section 17 of this Act.

§ 17. ADMINISTRATION OF EXPENSES.] The driver's license division of the State Highway Department shall pay such local agents five cents per license remitted, for expense and compensation for the extra work and expense as local agent under this Act.

§ 18. ESTABLISHMENT OF DIVISION OF HIGHWAY SAFETY AND POLICE PATROL.] The Commissioner is authorized and empowered to appoint a State Highway Patrol Superintendent and an Assistant Highway Patrol Superintendent. Said Superintendent and Assistant Superintendent shall hold office during the pleasure of the Commissioner and it shall be their duty to enforce the provisions of the laws of the State of North Dakota relating to the protection and use of the highways in this State, and the operating of motor and other vehicles upon said highways, the jurisdiction of said officers shall extend throughout the State.

(b) The State Highway Patrol Superintendent, with the approval of the Highway Commissioner, is hereby authorized and empowered to appoint not more than fifteen patrolmen, who shall constitute the Division of Highway Safety and Patrol, who shall hold office during the pleasure of the Superintendent and whose duty

it shall be to enforce the provisions of the laws of the State of North Dakota relating to the protection and use of the highways in this State. The Superintendent shall require that the Division of Highway Safety and Patrol properly patrol the highways of this State and cooperate with sheriffs and police in enforcing the laws regulating the operation of vehicles and the use of highways, provided further that all sheriffs, peace officers, and the local authorities are required to enforce the provisions of this Act.

(c) OATH AND BOND.] Every person appointed as Superintendent of the Division of Highway Safety and Patrol, or Assistant Superintendent, or as a Highway Patrolman shall, before entering upon his duties subscribe to an oath, and sign and file a bond with the Commissioner, the bond to run to the State of North Dakota; said oath and bond to be in such form and in such amounts as shall be prescribed by the Commissioner.

(d) SALARIES, WAGES AND EXPENSES.] All salaries, wages and other expenses of the Division of Highway Safety and Patrol shall be paid by the State Auditor and State Treasurer out of the "Patrol Fund" herein provided, upon vouchers as now required by law for the payment of all state expenses, duly approved by the Commissioner and the Superintendent, and audited and allowed by the State Auditing Board. The salary of the Superintendent of the Division of Highway Safety and Patrol shall not exceed \$2000. per annum, and the salary of the Assistant Superintendent shall not exceed \$1,800. per annum, the salary of each highway patrolman shall be fixed by the Superintendent at not to exceed \$125. per month, and shall be paid monthly out of the funds in the "Patrol Fund," provided the salary of any appointee as patrolman shall not exceed \$100. per month for the first six months of employment.

(e) QUALIFICATIONS OF HIGHWAY PATROLMEN.] All members of the Division of Highway Safety and Patrol shall not be less than twenty-five nor more than forty-seven years old on the date of their appointment. They shall, before being qualified to appointment, be required to pass such physical examination and such other qualification test as may be determined by the Superintendent, be of good moral character and of temperate habits, have been citizens of the United States and of the State of North Dakota for not less than two years prior to their appointment. For appointment preference shall be given at all times to honorably discharged veterans and all appointments shall be made without regard to any political party affiliation of the applicant.

(f) POLICE AUTHORITY OF THE DIVISION OF HIGHWAY SAFETY AND PATROL.] The Commissioner and such officers and inspectors of the department as he shall designate and all members of the Division of Highway Safety and Patrol shall have the power:

(1) Of peace officers for the purpose of enforcing the pro-

visions of this Act and of any other law regulating the operation of vehicles or the use of the highways.

(2) To make arrests upon view and without warrant for any violation committed in their presence of any of the provisions of this Act or other law regulating the operation of vehicles or the use of the highways.

(3) At all times to direct all traffic in conformance with law and in the event of a fire or other emergency or to expedite traffic or to insure safety to direct traffic as conditions may require notwithstanding the provisions of law.

(4) When on duty, upon reasonable belief that any vehicle is being operated in violation of any provision of this Act or of any other law regulating the operation of vehicles to require the driver thereof to stop and exhibit his driver's license and the registration card issued for the vehicle and submit to an inspection of such vehicle, the registration plates and registration card thereon or to an inspection and test of the equipment of such vehicle.

(5) To inspect any vehicle of a type required to be registered hereunder in any public garage or repair shop or in any place where such vehicles are held for sale or wrecking, for the purpose of locating stolen vehicles and investigating the title and registration thereof.

(6) To serve all warrants relating to the enforcement of the laws regulating the operation of vehicles or the use of the highways.

(7) To investigate traffic accidents and secure testimony of witnesses or of persons involved.

(8) To investigate reported thefts of motor vehicles, trailers, and semi-trailers.

(9) That said patrolmen shall be required to inspect all motor vehicles as to compliance with the provisions of law relating to the issuance and possession of motor vehicle licenses and to fully cooperate with the Motor Vehicle Registrar in carrying out all of the laws relating to motor vehicle licenses, and to take over and perform the duties now performed by motor vehicle license inspectors under the Regulatory Department.

(10) To take applications for driver's licenses without making charge therefor.

(g) (a) The Commissioner shall issue to each member of the division of Highway Safety and Patrol a badge of authority with the seal of this State in the center thereof, the word "North Dakota Highway Patrol" encircling said seal and below the designation of the position held by the member to whom issued. Every such badge shall be serial numbered or each member shall otherwise display a distinctive serial number.

(b) Neither the Commissioner nor any other person shall issue

any such badge to any person who is not a duly appointed and acting member of said division.

(c) Any person who without authority wears the badge of a member of said division, or a badge of similar design which would tend to deceive anyone, is guilty of a misdemeanor.

(d) Any person who impersonates a member of said division or other officer or employees of the department with intent to deceive anyone, or who without authority wears a uniform likely to be confused with the official uniform of any such officer, is guilty of a misdemeanor.

§ 19. If any of this Act shall be held to be unconstitutional such unconstitutionality shall not be held to affect the remaining parts of this Act.

§ 20. INCONSISTENT ACTS REPEALED.] All Acts or parts of Acts inconsistent with the provisions of this Act are hereby repealed.

§ 21. PENALTIES.] Any person violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and for first conviction thereof shall be punished by a fine of not more than \$100.00 or imprisonment for not more than thirty days; for a second and subsequent convictions within one year thereafter by a fine of not more than \$200.00 or by imprisonment for not more than ninety days, or by both such fine or imprisonment.

§ 22. EMERGENCY.] This Act is declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 11, 1937.

CHAPTER 140

H. B. No. 55—(Frazier)

RESTRICTIONS STATE HIGHWAYS

An Act to amend and re-enact Section 41, Chapter 162, Session Laws of North Dakota 1927 as amended and re-enacted by Chapter 141, Session Laws of North Dakota 1929, authorizing the State Highway Commissioner or such of his employees as he may designate and local authorities to prohibit or restrict the use of highways under the jurisdiction of such officers, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 41 of Chapter 162 of the Session Laws of North Dakota 1927 as amended and re-enacted by Chapter 141, Session Laws of North Dakota 1929 is hereby amended and re-enacted to read as follows:

§ 41. WHEN LOCAL AUTHORITIES MAY RESTRICT THE RIGHT TO USE HIGHWAYS.] The State Highway Commissioner (or such of his employees as he may authorize,) and local authorities by order, or ordinance or resolution may prohibit the operation of vehicles upon any highway or impose restrictions as to the weight of vehicles, for a total period not to exceed sixty days in any one calendar year, when operated upon any highway under the jurisdiction of and for the maintenance of which such officers are responsible whenever any said highway by reason of deterioration, rain, snow or other climatic conditions will be seriously damaged or destroyed unless the use of vehicles thereon is prohibited or the permissible weights thereof reduced. Such officers making such order or enacting any such ordinance or resolution shall erect or cause to be erected and maintained signs designating the provisions of the order, or ordinance, or resolution at each end of that portion of any highway affected thereby and the order or ordinance or resolution shall not be effective until or unless such signs are erected and maintained. The State Highway Commissioner or such of his employees as he may authorize and local authorities, by ordinance or resolution, may also prohibit the operation of trucks or other commercial vehicles, or impose limitations as to weight thereof on designated highways, which prohibitions and limitations shall be designated by appropriate signs placed on such highways.

§ 2. This Act is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved March 10, 1937.

(NOTE: Emergency failed in Senate.)

HOLIDAYS

CHAPTER 141

H. B. No. 207

LEGAL HOLIDAYS

An Act to amend and re-enact Section 7297 of the Supplement to the 1913 Compiled Laws of North Dakota, as amended by Chapter 165 of the Session Laws of North Dakota for 1927 relating to holidays.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 7297 of the Supplement to the 1913 Compiled Laws of North Dakota as amended by Chapter 165 of the Session Laws of North Dakota for 1927, is hereby amended and re-enacted to read as follows:

§ 7297. HOLIDAYS.] Holidays are every Sunday; the first day of January, which is New Year's Day; the twelfth day of February, which is the birthday of Abraham Lincoln; the twenty-second day of February, which is the birthday of George Washington; the fourth day of July, which is the anniversary of the Declaration of Independence; the twenty-fifth day of December, which is Christmas Day; the thirtieth day of May, which is Memorial Day; the first Monday of September, which is Labor Day; the twelfth day of October, which is Discovery Day, to commemorate the discovery of America by Lief Erickson about the year A. D. 1000; and by Christopher Columbus in the year A. D. 1492; the eleventh day of November, which is Armistice Day; the Friday next preceding Easter Sunday and commonly known as Good Friday; every day on which an election is held throughout the State, and every day appointed by the President of the United States or by the Governor of this State for a public fast, Thanksgiving or holiday. Provided, however, that nothing in this Act contained shall be construed to prevent the holding of legislative sessions or the taking of final action on any legislative matter upon any of the aforesaid holidays, other than Sundays, and provided further, that any action heretofore taken upon any legislative matter upon any such holiday be and the same is hereby declared to be valid and legal for all purposes.

Approved March 10, 1937.

INSANITY

CHAPTER 142

H. B. No. 106—(Tax Survey Commission)

COMMISSIONER OF INSANITY

An Act to amend and re-enact Sections 2551, 2552, 2553, 2562, 2564 and 2567 of the Compiled Laws of the State of North Dakota for the year 1913; providing for application of admission to the State Hospital for the Insane; providing for the investigation by the Commissioners of Insanity as to such application; providing for method of sending patients to the State Hospital for the Insane; defining the terms "insane" and "idiot"; providing for the issuance of warrants of insanity, or warrants as to the requirement of treatment and/or observation by the Superintendent of the State Hospital for the Insane; providing for the issuance of a writ of habeas corpus in certain cases; repealing all Acts and parts of Acts in conflict therewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] Section 2551 of the Compiled Laws for North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 2551. APPLICATION FOR ADMITTANCE TO THE STATE HOSPITAL FOR THE INSANE.] Application for admission to the State Hospital for the Insane must be made in writing in the nature of an information, verified by affidavit. Such information must allege that the person in whose behalf the application is made, is believed by the informant to require treatment and/or observation at the State Hospital for the Insane and is a fit subject for treatment and/or observation in such hospital; that such person is found in the County and has a legal residence therein, if such is known to be the fact; and if such residence is not in the County, where it is, if known, or where it is believed to be, if the informant is advised on the subject.

§ 2. AMENDMENT.] Section 2552 of the Compiled Laws for North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 2552. INVESTIGATION BY COMMISSIONERS AS TO ALLEGED NECESSITY FOR TREATMENT AND/OR OBSERVATION.] On the filing of an information as above provided the Commissioners shall at once investigate the grounds for such information. For this purpose they may require that the person for whom such admission is sought be brought before them, and that the examination be had in his presence, and they may issue their warrant therefor and provide for the suitable custody of such person until their investigation is concluded. Such warrant may be executed by the Sheriff or any Constable of the County, or if they shall be of opinion from such preliminary inquiries as they may make, and in making which they shall take the testimony of the informant if they deem it necessary or desirable, and of other witnesses if offered, that such course would probably be injurious to such person or attended with no advantages, they may dispense with such presence. In their examination they shall hear testimony for and against such application, if offered. Any citizen of the County or any relative of the person alleged to be insane, may appear and resist the application, and the parties may appear by counsel if they elect. The Commissioners, whether they decide to dispense with the presence before them of such person, or not, shall appoint some regular practicing physician of the County to visit such person and make a personal examination touching the truth of the allegations in the information, and touching the actual condition of such person, and forthwith report to them thereon. Such physician may or may not be of their own number, and the physician so appointed and acting shall certify under his hand that he has, in pursuance of his appointment, made a careful personal examination as required, and that on such examination he finds the person in question requires treatment and/or observation at the State Hospital, if such is the fact, and if otherwise, that he does not require such treatment and/or observation; and in connection with his examination such physician shall endeavor to obtain from the relatives of the person in question, or from others who know the facts, correct answers, as far as may be, to the in-

terrogatories hereinafter required to be propounded in such cases, which interrogatories and answers shall be attached to his certificate.

§ 3. AMENDMENT.] Section 2553 of the Compiled Laws for North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 2553. (a) HOW PATIENT SHALL BE SENT TO HOSPITAL.] On the return of the physician's certification, the Commissioners shall, as soon as practicable conclude their investigations and having done so, they shall find whether the person alleged to require treatment and/or observation does in fact require such treatment and/or observation; whether the legal residence of such person is in their County, and if not in their County, where it is, if ascertained. If they find that such person does not require treatment and/or observation they shall order his discharge, if in custody. If they find such person requires treatment and/or observation at the State Hospital for the Insane, and is a fit subject for treatment and/or observation, and/or custody in the hospital, they shall forthwith issue their warrant of transportation to the State Hospital and a duplicate thereof, stating such finding, with the resident of the person, if ascertained; and if not ascertained, their information, if any, in regard thereto, authorizing the Superintendent of the hospital to receive, render treatment, observe, and keep such person as a patient therein. Such warrant and duplicate, together with the finding and certificate of the physician and the finding of the Commissioners, shall be delivered to the officer provided by Law for the transportation of insane persons to the State Hospital. Such officer shall execute the same by conveying such person to the hospital, by delivering him, together with the duplicate warrant, finding and certificate of the physician and finding of the Commissioners to the Superintendent of such hospital. The Superintendent, under his official signature, shall acknowledge such delivery on the original warrant, which the officer executing the warrant shall return to the County Judge. If any relative or intimate friend of the patient, who is a suitable person, shall so request, he shall have the privilege of accompanying such officer transporting said patient to the State Hospital.

(b) DUTIES OF SUPERINTENDENT.] Upon the arrival at the State Hospital, the Superintendent thereof, together with the staff of said hospital, shall examine and observe such patient and determine either as to the sanity or insanity of such patient. If they find that such patient is not insane, but requiring treatment and/or observation, the Superintendent of the State Hospital shall enter the said patient into the care and custody of the said hospital and shall notify the Commissioners of Insanity of the County transmitting such patient to the effect that such patient is not insane, but requiring treatment and/or observation and that such patient will be so treated, and/or observed at such hospital. If the Superintendent finds that the patient is insane and should be in custody, such Superintendent

shall make a finding of Insanity and shall send a duplicate thereof to the Commissioners of Insanity of the County of transmission, which said finding shall have the same force and effect as the finding of insanity of the Commissioners of Insanity, as now provided by law. Provided, however, that if it be necessary to issue a warrant to restrain the liberty and retain custody of the patient during the period of treatment and/or observation, and he be, in the opinion of the Superintendent not insane but requiring treatment and/or observation the Superintendent shall have the power and it shall be his duty to issue his finding to that effect and such finding shall have the same force and effect as a finding of Insanity now provided by law.

§ 4. AMENDMENT.] Section 2562 of the Compiled Laws for North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 2562. (a) PROCEEDINGS FOR RELEASE OF PERSONS ALLEGED NOT TO BE INSANE.] On a statement in writing verified by affidavit, addressed to the County Judge of the County in which the hospital is situated, or of the County in which any person confined in the hospital has his residence, alleging that such person is not insane or does not require treatment and/or observation at the State Hospital for the Insane and is unjustly deprived of his liberty, such Judge shall appoint a Commission of not more than three persons in his discretion, to inquire into the merits of the case, one of whom shall be a physician and if two or more are appointed, one shall be an attorney. Without first summoning the person to meet them, they shall proceed to the hospital and have a personal interview with such person so managed as to prevent him if possible, from suspecting its object; and they shall make any inquiries and examinations they may deem necessary and proper of the officers and records of the hospital, touching the merits of the case. If they shall deem it prudent and advisable they may disclose to the person the object of their visit, and in the presence of such person make further investigation of the matter. They shall forthwith report to such County Judge the result of their examination and inquiries. Such report shall be accompanied by a statement of the facts and signed by the Superintendent. After the receipt of such report, and before finding such patient sane or ordering his discharge, the County Judge shall notify by registered letter, the nearest relative or friend of such patient, together with all persons appearing as witnesses at the hearing at which such patient was found to be insane, to appear before him not less than five (5) days after the mailing of such *notice*, to give testimony respecting the character or insanity of the patient, at and prior to the time such patient was committed, particularly with respect to matters affecting the question of whether the symptoms and actions of such patient at such time disclosed a character of insanity in which a recurrence would be expected, and which might render the discharge of such patient dangerous to his own or the

public safety. If on such report and statement and hearing of the testimony, if any is offered, the County Judge shall find the person sane and not requiring treatment and/or observation, he shall order his discharge. If he shall find him insane or requiring treatment and/or observation, he shall authorize his continued detention. The finding and order of such Judge with the report and other papers, shall be filed in his office, and entered on his records and he shall forthwith notify the Superintendent of his findings and order and the Superintendent shall carry out such order. The Commissioners appointed as provided in this Section shall be entitled to their necessary expenses and a reasonable compensation to be allowed by such Judge and paid by the State out of any funds not otherwise appropriated; provided, that the applicant shall pay same if the Judge shall find that such application was made without probable grounds and shall so order.

(b) The provisions of Law providing for the payment of the care and treatment of insane patients shall be applicable to and have the same force and effect in cases where the patient is determined not to be insane but where it is determined by the Superintendent of the State Hospital for the Insane that such patient should remain in said hospital for observation and/or treatment.

§ 5. AMENDMENT.] Section 2564 of the Compiled Laws of North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 2564. INSANE PERSONS ENTITLED TO HABEAS CORPUS.] All persons confined as insane or as requiring treatment and/or observation in the State Hospital for the Insane, shall be entitled to the benefit of the writ of habeas corpus, and the question of insanity, or necessity for treatment and/or observation in the State Hospital for the Insane, shall be decided at the hearing, and if the Judge or Court shall decide that the person is insane, or requires treatment and/or observation at the State Hospital for the Insane, such decision shall be no bar to the issuing of the writ a second time, whenever it shall be alleged that such person shall have been restored to reason.

§ 6. AMENDMENT.] Section 2567 of the Compiled Laws for North Dakota for 1913, is hereby amended and re-enacted to read as follows:

§ 2567. TERMS "INSANE" AND "IDIOT," DEFINED.] The term "Insane" as used in this Article, includes any species of insanity or mental derangement except such species of mental derangement which is of a temporary character and may reasonably be expected to be cured within a reasonable time. The term "Idiot," is restricted to a person supposed to be naturally without mind. No idiot is to be admitted into the Hospital for the Insane.

§ 7. REPEAL.] All Acts and parts of Acts in so far as they are in conflict herewith, are hereby repealed.

§ 8. EMERGENCY.] This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 143

H. B. No. 108—(Godwin)

INSANE PERSONS CHARGES FOR MAINTENANCE AND TREATMENT

An Act to amend and re-enact Section 2579 of the 1925 Supplement to the Compiled Laws of the State of North Dakota for 1913, providing that the expenses for the treatment and maintenance of insane persons in the State Hospital for the Insane shall be charged against the estate of such persons, providing for the disposition of property of insane persons, repealing all Acts in conflict therewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 2579 of the 1925 Supplement to the 1913 Compiled Laws of North Dakota is hereby amended and re-enacted to read as follows:

§ 2579. EXPENSES CHARGEABLE AGAINST THE ESTATE OF INSANE PERSONS.] The amount of expense incurred by any County in this State, or by the State, for treatment and maintenance of any insane person in the State Hospital for the Insane shall be charged against the estate of such insane person; provided, that the insane person has no heirs within the United States dependent upon said estate for support; and provided, further, that no real property shall be sold during the life of the insane person, except for the maintenance and support of the family of said insane person, or when it is shown to be for the best interests of the estate, and in either case only upon order of the proper Court and with the consent of the Board of County Commissioners of the proper County, and further provided that no personal property shall be sold under five years from the date of sending such insane person to the State Hospital for the Insane, unless by order of the proper Court, where such property is liable to deteriorate in value during the time above specified, and when sold as above the County Court shall order the proceeds thereof to be safely invested for the benefit of such insane person, or be used for the support and maintenance of the family of such insane person.

§ 2. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall take effect and be in full force from and after its passage and approval.

Approved March 10, 1937.

INSURANCE

CHAPTER 144 H. B. No. 163—(Byrne)

ACCIDENT AND SICKNESS INSURANCE COMPANIES REQUIRED TO CARRY RESERVE

An Act to amend and re-enact Section 4969 Compiled Laws of North Dakota for 1913; requiring accident and sickness insurance corporations, associations or societies to have and maintain admitted assets of \$5,000.00; repealing all Acts or parts of Acts in conflict herewith; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 4969 of the Compiled Laws of North Dakota for 1913 is hereby amended and re-enacted to read as follows:

§ 4969. APPLICATION CONTAINS WHAT.] Each corporation, association or society organized under this Act shall, before issuing any policy or certificate of membership, have actual applications upon at least 250 persons for accident indemnity or accident and sickness benefits in such corporation, association or society as the case may be, and shall file satisfactory proof with the Insurance Commissioner that the president, secretary and treasurer of such association or society will satisfactorily discharge their duties as such officers and fully comply with this Act in the organization and carrying on the business of such corporation, association or society. A list of said applications giving the name, age, and residence of the applicants together with the annual dues and assessments thereon shall be filed with the Insurance Commissioner with a sworn statement of such officers and that such parties have deposited with them one advance assessment on the insurance applied for, and a certificate of a solvent bank that the funds herein provided for are deposited therein to be turned over to the treasurer of the corporation, association or society after the Certificate of Authority is issued by the Insurance Commissioner as provided herein. Provided, that in addition to the deposit of such funds as herein required, such corporation, association or society shall have admitted assets of an amount not less than \$5,000.00 before certificate of authority shall be issued. Provided further, that such corporation, as-

sociation or society shall at all times maintain admitted assets of at least \$5,000.00. Provided further, that any corporation, association or society authorized to transact business on the effective date of this Act shall comply with the provisions of this Section within two years after this Act becomes operative, and that one-half of such amount shall be accumulated within one year.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 145

S. B. No. 119—(Committee on Insurance)

REGULATION BENEVOLENT ASSOCIATIONS

An Act regulating all Benevolent Corporations, Associations, or Societies operating on voluntary or involuntary assessment or contribution plan, which provide for protective and/or indemnity benefits, excepting Fraternal Benefit Societies as defined by Section 5059 of the Compiled Laws of North Dakota for 1913 and for the repeal of Chapter 160 of the Session Laws of 1931, and Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. BENEVOLENT SOCIETIES SUBJECT TO GENERAL INSURANCE LAWS. EXCEPTIONS.] All domestic corporations, associations or societies operating on the voluntary or involuntary assessment or contribution plan, providing protective and/or indemnity benefits, shall be under the jurisdiction of the Commissioner of Insurance of this State and shall be and remain subject to all laws, rules and regulations applicable to insurance companies transacting business within the State, except assessment benevolent societies providing only for a death benefit to the beneficiary of a deceased member, which shall be subject to the provisions of this Act.

§ 2. DEFINITION.] An assessment benevolent society is hereby defined as any domestic corporation, association or society, which operates on the voluntary assessment or contribution plan for the sole purpose of providing through assessments of its members for the payment of a death benefit to the beneficiary of a deceased member.

§ 3. HOW FORMED.] Any number of persons, not less than five, all of whom are residents of this State, may form a benevolent society in the manner hereinafter set forth.

§ 4. ARTICLES. CONTENTS. APPROVAL AND FILING.] The articles of incorporation shall set forth the name of the society, which shall include the words "Benevolent Society," the purpose for which formed, with the plan of doing business fully and clearly defined; the time and place of holding meetings of the membership; the location of its principal office, which must be within this State; the date for commencement and termination of its fiscal year; the term for which it is incorporated, not to exceed thirty years; the number of its directors, not less than five nor more than nine, all of whom shall be residents of this State; and the names and addresses of the directors selected to serve until the first meeting of the membership.

The articles of incorporation shall be submitted to the Attorney General and if found in conformity with this Act and not inconsistent with the Constitution and Laws of this State, shall be approved by him and certified to the Commissioner of Insurance, who shall also make an examination to ascertain if all requirements of law have been met. After approval by the Attorney General and Commissioner of Insurance the articles shall be filed with the Secretary of State, a certified copy filed with the Commissioner of Insurance and one certified copy filed with the Register of Deeds of the County where the principal office is located. Such filing with the Commissioner of Insurance, together with a deposit of United States Government Bonds, United States Treasury Certificates, bonds of the State of North Dakota, or certificates of deposit of the Bank of North Dakota, in the minimum amount of Two Hundred Fifty Dollars (\$250.00) shall constitute the society's authority to solicit and secure the necessary preliminary members as a basis for issue of certificate of authority; the solicitation of such preliminary members to be conducted in accordance with requirements and regulations prescribed by the commissioner.

Upon issue of certificate of authority as provided for in Section 10 hereof, there shall at all times be maintained the deposit above required, which shall be sufficient in amount until the society's membership reaches one thousand, after which there shall be maintained with the Commissioner a deposit of the nature herein provided for equal in amount to at least twenty-five cents (25c) per member in good standing.

§ 5. CLASSIFICATION OF MEMBERSHIP. UNITS.] Such society may provide for classification of its membership by one or more units, based on the age of individual members, or by the adoption of a maximum limit of one group or unit. On the organization of a new group or unit the society shall notify the Commissioner of Insurance of its proposal to so organize another unit, and the organization thereof shall be conducted in accordance with regulations and requirements prescribed by the Commissioner, the number of members in such unit to be not less than is required for the organization of a society.

Any group or unit of any such society whose membership falls below two hundred (200) shall be consolidated with another group or unit of such society; provided that such group or unit shall have a period of sixty (60) days in which to restore its membership to the minimum herein provided. Provided that an age group composed of members over age sixty-five (65) may be established and maintained at not less than one hundred (100) members.

§ 6. BY-LAWS. CONTROL OF SOCIETY.] By-laws shall be adopted, not contrary to the Articles of Incorporation and the provisions of this Act. Each member shall be entitled to one vote, and shall be notified of the time and place of annual meetings by a notice incorporated in the certificate of membership. Articles of incorporation may be amended and by-laws adopted, amended or repealed at any annual meeting or at a special meeting called for that purpose, by a two-thirds vote of the members voting in person or by proxy.

§ 7. CERTIFICATE OF MEMBERSHIP. MORTUARY FUND. CANCELLATION OF CERTIFICATE.] The certificate of membership shall fully state the conditions on which the benefit shall be paid, which shall be confined to a death benefit to the beneficiary of the deceased member, not exceeding One Thousand Dollars (\$1,000.00). The certificate shall provide for an assessment levy on the membership to be paid after notice and proof of death in an amount not exceeding Two Dollars (\$2.00), the proceeds of such assessment levy to be paid to the beneficiary of the deceased member, less an amount not exceeding ten per cent as an allowance for expenses, and in no event shall such death benefit exceed the maximum amount stated in the certificate. In case the proceeds of one such post-mortem assessment is more than sufficient to pay the death claim for which the levy was made, the balance shall be placed in a mortuary fund and be applied toward payment of the next claim within the unit from which it arose. No assessment levy shall be made unless the balance in the mortuary fund is insufficient to pay a claim on which notice and proof of death has been received. The notice of assessment shall provide that if the member does not make payment within the time named, not less than fifteen nor more than forty-five days from the date of such notice, upon further notice forthwith by mail to the last known address of the member, proof of such mailing to be established on forms provided for that purpose by the United States Post Office Department, his certificate shall be cancelled if payment is not made within ten days of the mailing of such cancellation notice. In case any such assessment is received subsequent to the date of cancellation, as provided in this Section, such assessment may be considered as a reinstatement fee, and placed in the Expense Fund of the society. The certificate together with the application therefor must be approved as to form by the Commissioner of Insurance prior to its issuance.

§ 8. ENTIRE CONTRACT. INCONTESTABILITY. SUICIDE.] The certificate of membership together with the application therefor shall constitute the entire contract, and shall be incontestable after two years from its date of issue, except for fraud, non-payment of assessments or military or naval service in time of war. In event of the member's suicide within two years from the date of issue of the certificate, the society's liability shall be limited to the return of all membership fees and assessments paid.

§ 9. REQUIRED PROVISION IN CERTIFICATE AND APPLICATION.] Every certificate of membership and application for such certificate shall have printed or stamped thereon in red ink and in ten point bold face type: "This is not an insurance policy. The Society maintains no reserve. All benefits are dependent upon voluntary assessments from members."

§ 10. PRELIMINARY APPLICATIONS. CERTIFICATE OF AUTHORITY.] Any such society, before any certificate of membership may be issued, must have actual applications from at least three hundred (300) persons upon which certificates may be simultaneously issued. Such applications shall be submitted to the Commissioner of Insurance, together with a certificate from a solvent bank stating that there has been deposited to the account of the society an amount which is determined by the preliminary applications presented as constituting the entire proceeds of membership fees collected. Upon submission of such preliminary applications and evidence satisfactory to the Commissioner of Insurance that all of the requirements of this Act have been complied with, certificate of authority may be issued.

§ 11. BONDS OF OFFICERS AND AGENTS.] After a society has been licensed by the Commissioner of Insurance the bonding of its officers and agents shall be discretionary with the Board of Directors; provided, however, that during the period between filing of articles of incorporation and issuing certificate of authority the amounts of bonds shall be fixed by the Commissioner of Insurance sufficient to guarantee return of membership fees collected in case the organization is not completed, such bonds to be placed on file with the State Insurance Department.

§ 12. ASSESSMENTS BENEFITS.] It shall be the duty of the secretary, upon receipt of notice and proof of death of a member, and if the Mortuary Fund is insufficient to meet the claim, to levy an assessment upon the membership in accordance with the provisions of the membership certificate and Section 7 of this Act. Such notice shall contain the name and address of the deceased member, the maximum benefit to be paid, the amount of the assessment, date upon which the assessment becomes delinquent, and shall be mailed to each member at the last post office address given the secretary. Upon expiration of the period in which payment of the assessment may be made, and the further period for cancellation hereinbefore provided

for, the secretary shall pay to the beneficiary of the deceased member the proceeds of the assessment then in his possession, and available for the purpose.

§ 13. FUNDS.] The society shall maintain and keep separate two funds, viz: An Expense Fund and a Mortuary Fund. The membership fee, not less than One Dollar (\$1.00) and not more than Five Dollars (\$5.00) may be used for expenses. The certificate of membership shall state the percentage of assessments, not exceeding ten per cent, that may be used for expenses. Such expense allowance shall be credited to the Expense Fund and the balance to the Mortuary Fund. Expense Fund assessments may be levied in accordance with the provisions therefor in the membership certificate, in amounts not exceeding One Dollar (\$1.00), and not more than four such assessments may be levied in any one calendar year; provided, however, that any society having a membership in good standing of five thousand (5000) or more may not levy more than three such Expense Fund assessments, and any society having a membership of ten thousand (10,000) or more may levy not more than two such Expense Fund assessments in any one calendar year. Such Expense Fund assessments, shall be levied uniformly, in point of time, throughout the year. In case of more than one unit of membership the Mortuary Fund shall be kept separate by units. No expenses may be paid from the Mortuary Fund.

§ 14. ANNUAL STATEMENT. RENEWAL CERTIFICATE OF AUTHORITY.] On or before February 1st of each year, all such societies shall file with the Commissioner of Insurance an annual statement as of December 31st next preceding, on forms provided by the Commissioner of Insurance, showing all income by sources, disbursements detailed as to nature, assets, liabilities, number of membership, and such other information as may be required, and shall pay a fee of Ten Dollars (\$10.00) for the filing of such statement. If it appears from such statement that the society has a membership at least equal in number to that required as a condition to authorization, and is otherwise qualified under the requirements of this Act, renewal certificate of authority shall be issued on April 1st next succeeding, for which a fee of Two Dollars (\$2.00) shall be paid.

§ 15. EXAMINATIONS OF SOCIETIES.] The Commissioner of Insurance shall have the same power and authority over all societies to which this Act is applicable as to visitation and examination as are given to him by the statutes of this State over domestic insurance companies, the expenses of such examination to be paid by the society examined. The Commissioner may require a deposit in advance of such examination to guarantee payment of the estimated necessary expense to be incurred.

§ 16. AGENTS LICENSED.] All agents of such societies must

be licensed in the same manner as agents for insurance companies and shall be residents of this State.

§ 17. NO BENEFITS EXCEPT AS PROVIDED.] No benefits on the voluntary contribution plan shall be provided for by any society, except as herein stated.

§ 18. TERRITORY.] Any society organized under the provisions of this Act shall confine its activities, insofar as solicitation by agents is concerned, to the State of North Dakota.

§ 19. APPLICABILITY TO SOCIETIES ALREADY DOING BUSINESS.] Assessment benevolent societies organized and doing business on the effective date of this Act shall, within thirty days of such date, comply with and become subject to the provisions hereof. Any such society having a membership at least equal to that required as a condition to first authorization of a society, shall not be required to present its applications to the Commissioner of Insurance, nor to make a showing that the membership fees are intact to the society. Any such society shall also be required to make a deposit with the Commissioner of Insurance of the nature provided for in Section 4 hereof in the sum of Two Hundred Fifty Dollars (\$250.00). Any additional deposit required to equal twenty-five cents (25¢) per member in good standing may be made in two installments: Fifty per cent within six months from the date of issue of certificate of authority, and the remaining fifty per cent within one year from such date of issue.

Any such society already organized on the effective date of this Act, having a name which does not include the words "Benevolent Society" shall not be required to change its name to comply with Section 4 of this Act; but its membership certificate, stationery and literature shall clearly state that it is a benevolent society.

§ 20. TRANSFER OF MEMBERSHIP.] Any society organized or operating under the provisions of this Act, may, by a two-thirds vote of its members present or voting by proxy at any annual meeting or special meeting called for that purpose, transfer its membership to any other society, or organization; provided, however, that notice of such contemplated action must be mailed to each member in good standing, at his last known post office address, at least fifteen days prior to the date of such meeting; provided, further, that any such transfer of membership, and the conditions thereof, shall have the approval of the Commissioner of Insurance.

§ 21. NOT APPLICABLE TO FRATERNAL BENEFIT SOCIETIES.] Nothing in this Act contained shall be construed as applying to Fraternal Benefit Societies as defined by Section 5059 of the Compiled Laws of North Dakota for 1913 nor to benefit societies organized within and limited to members of Fraternal Benefit Societies.

§ 22. PENALTY.] Any officer or agent violating the provisions

of this Act shall be guilty of a misdemeanor and upon conviction thereof, shall be sentenced to pay a fine of not more than Five Hundred Dollars (\$500.00) or, at the discretion of the Court, to imprisonment in the County jail for a period of not more than six months, or both.

§ 23. REPEAL.] Chapter 160 of the 1931 Session Laws, and all Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 3, 1937.

CHAPTER 146

H. B. No. 31—(Peterson of Bottineau)

COUNTY MUTUAL INSURANCE COMPANIES—POWER TO BORROW MONEY

An Act to amend and re-enact Section 4950a13 of the Supplement to the Compiled Laws of North Dakota relating to County Mutual Insurance Companies, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 4950a13 of the Supplement to the Compiled Laws of North Dakota be amended and re-enacted so as to read as follows:

§ 4950a13. NOTICE OF ASSESSMENT. POWER TO BORROW MONEY.] It shall be the duty of the secretary, whenever such assessment shall have been completed to notify every member of such company by letter sent to his last known postoffice address, postage prepaid, of the amount of such assessment, the purpose for which made, and if for the payment of certain losses, the amounts of such losses, the sum due from such member as his share of such assessment, the time when and to whom, payment shall be made which time shall not be less than thirty (30) nor more than sixty (60) days from the date of such notice. Provided, however, that the Board of Directors shall have the power to grant an extension of not to exceed sixty days for the payment of such assessment if in their judgment it is for the best interest of the company to do so. The Board of Directors shall have authority, in their discretion, to borrow money for the payment of any unpaid losses, said borrowed money to be repaid from moneys collected from the next ensuing assessment levied in accordance with the provisions of this Act.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 15, 1937.

CHAPTER 147**S. B. No. 1—(Young, Coffey and Bilden)****PROVIDING FOR THE ORGANIZATION OF FARMERS MUTUAL
FIRE AND LIGHTNING REINSURANCE COMPANIES**

An Act providing for the organization of Farmers Mutual Fire and Lightning Reinsurance Companies, and repealing all Acts and parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. ORGANIZATION.] Any number of County mutual fire and lightning insurance companies, not less than five, organized under and by virtue of Sections 4932 to 4950, both inclusive, of the Compiled Laws of North Dakota for the year 1913, or Sections 4950a1 to 4950a21 both inclusive of the 1925 Supplement to the Compiled Laws of North Dakota for 1913, may form a corporation for the purpose of reinsuring the fire and lightning risks of the members, on the mutual plan.

§ 2. ARTICLES OF INCORPORATION. BY-LAWS.] The Articles of Incorporation of such corporation shall contain the name, which shall include the words "mutual reinsurance company," purpose, the location of its principal place of business which shall be within this State, the term of its corporation which may be perpetual, the number of directors which shall not be less than five nor more than thirteen, and the names and residences of the persons who are to serve as such until the election and qualification of their successors, and the said articles of incorporation may set forth any other provisions which are permitted under the general incorporation laws of the State, or are permitted in the case of County mutual insurance companies. The by-laws of such farmers state mutual fire and lightning reinsurance company shall contain such provisions for the government of the company and the conduct of its business, as are permitted in the case of County mutual insurance companies.

§ 3. CERTIFIED COPY OF CERTIFICATE OF COMPLIANCE WITH LAW.] The Articles of Incorporation and the by-laws of such corporation, if found in conformity with this Act and not inconsistent with the laws and Constitution of this State, shall be approved by the Commissioner of Insurance, and a certified copy thereof shall be delivered to such members, and a certificate to the effect that said corporation has complied with all the requirements of law, which, on being filed in the office of the Register of Deeds of the County where the principal office of the corporation is located shall be its authority to commence business and issue policies, and such certified copy of the Articles of Incorporation and of such certificate may be used for or against such company, with the same effect as the original, and shall be conclusive evidence of the fact of the organization of such corporation.

§ 4. ANNUAL STATEMENT.] The secretary of the company shall prepare and submit to the members thereof, at each annual meeting, a copy of the annual statement required to be filed with the Commissioner of Insurance, as provided in Section 4949 of the Compiled Laws of 1913, of the State of North Dakota.

§ 5. APPLICABILITY OF GENERAL LAWS.] In all other respects companies organized under the provisions of this Act shall be subject to the provisions of the general laws of the State of North Dakota relating to county mutual companies.

§ 6. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved February 9, 1937.

CHAPTER 148
H. B. No. 173—(Byrne)

LICENSE RESIDENT AGENTS

An Act to amend and re-enact Section 7 of Chapter 152 of the Session Laws of North Dakota of 1935 relating to the licensing of resident agents for surety and insurance companies other than life insurance companies; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 7 of Chapter 152 of the Session Laws of North Dakota of 1935 is hereby amended and re-enacted to read as follows:

§ 7. Any surety company or insurance company violating or failing to observe and comply with any of the provisions of this Act shall be subject to a penalty of \$500.00 for the first violation thereof and a penalty of One Thousand (\$1,000.00) Dollars for each subsequent violation or failure to observe and comply with any of the provisions of this Act. Such penalty may be collected and recovered in an action brought in the name of the State in any Court having jurisdiction thereof. Any surety company or insurance company affected hereby which shall neglect and refuse for thirty (30) days after judgment is entered in any such action to pay and discharge the amount of such judgment shall have its authority to transact business in this State suspended by the Commissioner of Insurance, and such suspension shall continue until said fine or fines are paid. Provided, further, that any agent who shall write any surety bonds or insurance business in any company not authorized to transact business in this State, or as otherwise provided by law, shall be personally liable to the State for the legal tax on any bonds or insurance business so written.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 149

H. B. No. 196—(Niewoehner and Biberdorf)

PREMIUMS STATE FIRE AND TORNADO INSURANCE

An Act to amend and re-enact Section 189c14 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by Section 12 of Chapter 153 Session Laws of 1935 relating to collection of premiums for fire and tornado insurance on public buildings and investment by the State Treasurer, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] Section 189c14 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by Section 12 of Chapter 153, Session Laws of 1935, is hereby amended and re-enacted as follows:

§ 189c14. The Commissioner of Insurance shall collect from the State or the political subdivisions thereof, the entire premium for all the excess insurance and for such assessment as may be made as hereinbefore provided and deposit it in the State Fire and Tornado Fund, as herein provided, and shall draw his warrant upon the State Treasurer against the State Fire and Tornado fund for the amount of premium due for the excess insurance placed with such reliable fire and tornado insurance company or companies.

The State Treasurer shall deposit with the State Fire and Tornado Fund in the Bank of North Dakota at the usual rate of interest paid on other funds of the State, subject to check, but whenever there is in such checking account more than \$50,000.00, the State Treasurer shall deposit the same upon time certificates of deposit drawing the same rate of interest as other state funds deposited upon time certificates, or such funds may be invested upon the recommendation of the Commissioner of Insurance in bonds of any State or of the United States. Provided, further, such funds may be invested in bonds of political subdivisions of the State of North Dakota, but investment in bonds of political subdivisions shall at no time exceed 25% of the amount of the fund and must be in bonds of political subdivisions with an assessed valuation in excess of Two Million Dollars (\$2,000,000.00). In addition to the investments hereinbefore provided for, such funds may be invested in legally issued and registered warrants of any school district in this State issued in payment of salaries. Such warrants shall be bought at par value and only from the payee named

in such warrant. The Attorney General shall approve such bonds and warrants as to form and legality.

§ 2. This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

INTEREST

CHAPTER 150

H. B. No. 75 (Anderson and Livingstone)

INTEREST RATE ON JUDGMENTS

An Act to amend and re-enact Section 6077 of the 1913 Compiled Laws of the State of North Dakota as amended and re-enacted by Chapter 158 of the Session Laws of 1935 relating to the rate of interest to be allowed on judgments.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 6077 of the 1913 Compiled Laws of the State of North Dakota as amended and re-enacted by Chapter 158 of the Session Laws of 1931 be, and the same is hereby amended and re-enacted to read as follows:

§ 6077. JUDGMENTS BEAR 2% INTEREST.] Interest is payable on judgments recovered in the Courts of this State at the rate of 2% per annum, and no greater rate, and such interest must not be compounded in any manner or form.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved February 8, 1937.

LIGNITE

CHAPTER 151

H. B. No. 269—(Ritter and Greiser)

NATIVE LIGNITE DEFINED

An Act to define native lignite and to separately classify native lignite; and to declare the public policy in respect thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Native lignite existing in this State in immense quantities in its soil, howsoever mined or produced in any form, is hereby defined as a substance in which the texture of the original wood is more or less distinct and which is a different substance than anthracite or bituminous coal and is not entitled to be classified as a coal but as lignite.

§ 2. For all purposes of transporting native lignite within this State, the Board of Railroad Commissioners, all shippers and all carriers, shall consider lignite in a classification of its own, separate and distinct from that which applies or may apply to anthracite or bituminous or any other coal.

§ 3. It is hereby declared to be the public policy of this State to promote and develop mining and the use of native lignite in our public institutions and by the public generally in every manner possible to provide for the lowest reasonable rates possible in the transportation of lignite within this State for the better progress, welfare and prosperity of the State and all of its people.

§ 4. All Acts and parts of Acts inconsistent herewith are hereby repealed.

§ 5. Whereas proceedings are pending before the North Dakota Board of Railroad Commissioners and the Interstate Commerce Commission involving rates on lignite and the consideration of lignite as coal with rates similarly to be applied on lignite as on other coal; therefore this Act is hereby declared to be an emergency Act and shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

LIQUORS

CHAPTER 152

H. B. No. 260—(Kapaun and Frosaker and Schauss)

ADVERTISING INTOXICATING LIQUORS AUTHORIZED

An Act to repeal Sections 10133 and 10134 of the Compiled Laws of North Dakota of 1913 being the Act making it unlawful to advertise intoxicating liquors within the State and prescribing penalty therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. LAWS REPEALED.] That Sections 10133 and 10134 of the Compiled Laws of North Dakota of 1913, be and the same are hereby repealed.

Approved March 17, 1937.

CHAPTER 153

H. B. No. 234—(Schauss)

LICENSED LIQUOR DEALERS REPORTS

An Act requiring all licensed liquor dealers to make available reports, records, vouchers, books, and other documents to the State Treasurer; providing for examination; providing penalties for delinquencies and for violations:

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That the State Treasurer of the State of North Dakota as custodian of the Liquor Fund, and collector of revenue developing from the sale of liquor stamps required to be placed on all containers of beverages containing more than four per centum (4%) alcohol by weight, is hereby authorized and empowered to demand, require and receive from any licensed wholesale liquor dealer in North Dakota, and from any licensed retail liquor dealer in North Dakota, any monthly, weekly or daily report or reports in such form as the State Treasurer shall determine upon; also any book, record, document, invoice and voucher kept, maintained, received or issued by such licensed dealer in connection with the business of such licensee, which in the judgment of the State Treasurer as custodian of the Liquor Fund may be necessary to properly administer and discharge the duties of said State Treasurer as custodian of the Liquor Fund, and secure the maximum of revenue to be properly paid into said Liquor Fund, and to properly carry out the provisions of law.

§ 2. If default be made, or if any of such licensees shall fail or

refuse to furnish any of the reports or information referred to in Section 1 of this Act upon request being made therefor, the State Treasurer as custodian of such liquor fund or any of his duly appointed representatives are hereby empowered to enter upon delinquent licensees' premises where said records are kept and make such examination as is necessary to compile the required report, and that cost of such examination shall be paid by the dealer whose reports are in default, and in addition to such cost of examination said defaulting dealer shall be subject to a fine of \$50.00 for each such default.

§ 3. In the event of a default, failure or refusal to furnish the information referred to in Section 1 of this Act, the Treasurer, in his discretion, may refuse to sell or deliver to such defaulting licensee any liquor stamps until such default is made good.

Approved March 10, 1937.

CHAPTER 154

S. B. No. 151—(Fredrickson)

LIQUOR CONTROL AND LICENSE BY COMMON CARRIERS

An Act to authorize, regulate and control the transportation, importation, handling, possession, purchase, sale and dispensing of intoxicating liquors, as defined by the 1936 Liquor Control Act, in this State by common carriers, providing for the method of taxing and licensing such intoxicating liquors when handled and sold by common carriers, and of expending and distributing the revenues from such taxes and licenses, and providing penalties for the violation of this Act; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Any railroad company, dining car company or sleeping car company, operating in this State is hereby authorized to transport, import, handle, possess, purchase and sell and dispense intoxicating liquors as now defined by the 1936 Liquor Control Act, upon any dining car, buffet or observation or cafe car, where meals or lunches are served. Sales shall be made only to bona fide passengers.

§ 2. Any common carrier coming within the provisions of this Act, carrying on business in the State of North Dakota, either interstate or intrastate, may engage in the retail sale of intoxicating liquors in the manner and pursuant to the regulations and restrictions contained in this Act.

§ 3. Any common carrier referred to in this Act engaging in the retail sale of intoxicating liquors as defined by the 1936 Liquor Control Act must first procure from the State Treasurer a license, the fee for which license shall be the sum of One Hundred Dollars

from and after the passage of this Act to July 1st, and the sum of Two Hundred Dollars per annum from July 1st to June 30th of each succeeding year, and which license shall not be transferable. Such license shall not permit the sale at any one time to any person of an amount greater than five wine gallons.

That all purchases of liquor under this Act must be made from duly licensed wholesalers in the State of North Dakota.

§ 4. It is further provided that the wholesaler shall report his sales, as in the case of other sales, and that the revenue realized from the sale of stamps on intoxicating liquors, sold under the provisions of this Act, shall be converted into the General Fund of the State as a part thereof.

§ 5 Any person violating any of the provisions of this Act shall upon conviction, be fined not more than Five Hundred Dollars for the first offense, or imprisoned in the County jail for not more than ninety days, or by both such fine and imprisonment. For any subsequent violation of this Act the offender shall be fined not more than One Thousand Dollars, or imprisoned in the County jail for not more than six months, or by both such fine and imprisonment.

§ 6. This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after the date of its passage and approval.

Approved March 17, 1937.

(NOTE: House Emergency Certificate shows Ayes, 66; Nays, 38.)

MINING

CHAPTER 155

H. B. No. 239—(Krank, Sticka and Bjornson)

COAL MINING REGULATIONS

An Act to amend and re-enact Section 77 of Chapter 168, Session Laws of 1919 which also appears as Section 3084a77 of the 1925 Supplement governing underground coal mining near boundary lines and including therein coal mining near State, County and Township highways.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Section 77 of Chapter 168 of the Session Laws of 1919 which also appears as Section 3084a77 of the 1925 Supplement, is hereby amended and re-enacted to read as follows:

§ 77. WORKING NEAR BOUNDARY LINES AND STATE, COUNTY

AND TOWNSHIP HIGHWAYS.] In no case shall the workings of an underground coal mine be driven nearer than ten (10) feet to the boundary line of the coal rights pertaining to said mine nor shall such workings to be driven nearer than four (4) rods to the perpendicular center line of any State, County or Township highway, except that double entries, each not more than nine (9) feet wide with forty (40) foot pillars between, and properly timbered, may be driven under such highways for the purpose of connecting workings between properties owned or mined by the same person or making an underground communication between contiguous mines as provided for elsewhere in this Act, and workings may be driven nearer than ten (10) feet to such boundary line for the same purpose or purposes.

Approved March 9, 1937.

CHAPTER 156

H. B. No. 17.—(Peterson of Renville, Bjornson, Morland and Ritter)

“AUTHORIZING COUNTY COMMISSIONERS TO LEASE COUNTY PROPERTY FOR MINING AND DRILLING PURPOSES”

An Act to authorize the Board of County Commissioners of the Counties in the State of North Dakota, to make, execute and deliver, on behalf of the County, leases and other contracts for the purpose of mining, and operating for oil and gas, lay pipe lines, and for establishing and maintaining tanks, power stations and structures thereon, to produce, save, sell and take care of said products, together with power and authority to include in the provisions of said leases any and all provisions which would be within the power of an individual owner to make, with certain limitations, and providing for the distribution of moneys received from said leases; repeal; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The County Commissioners of the respective Counties of this State, for and in behalf of their respective Counties, shall have the right, power and authority to demise, lease and let, both real and personal property, which the County may have acquired through purchase, forfeiture or operation of law, for the purpose of mining, and operating for oil and gas, laying pipe lines, and for establishing and maintaining tanks, power stations and structures thereon, to produce, save, sell and take care of said product.

§ 2. Further, said County Commissioners shall have full power and authority to include in the provisions of said leases and authorized to carry out, any and all provisions which would be within the power of an individual owner to make, provided, however, that nothing herein shall be construed as authority to the Board of County Commissioners to enter into any of the lines of business hereinbe-

fore set out, nor shall this Act be construed to give to the County Commissioners any right or authority to expend or bind the County to the expenditure by contract or otherwise, of any moneys or property.

§ 3. That all leases heretofore made for the purposes hereinbefore set out, by County Commissioners, and within the terms of this Act are hereby declared valid.

§ 4. All moneys received from mining, oil and gas leases and royalties, shall be paid into the County Treasurer and any amounts which may be due the State or any City, Township or Incorporated Village or School District, from taxes which had been previously levied against said property, or the just proportion thereof, shall be apportioned and placed to the credit of said City, Township, Incorporated Village or School District, entitled thereto, and the remainder shall be credited to the general fund of said County.

§ 5. All Acts and parts of Acts, insofar as they conflict herewith, are hereby repealed.

§ 6. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 18, 1937.

MINORS

CHAPTER 157

H. B. No. 53—(Nellie C. Olson by request)

DELINQUENCY OF MINOR

An Act making it unlawful to encourage, cause or contribute to the delinquency of a minor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. UNLAWFUL TO ENCOURAGE OR CONTRIBUTE TO DELINQUENCY OF MINOR.] Any person who shall by any act willfully encourage, or cause, or contribute to the delinquency or dependency of any minor shall be guilty of a misdemeanor.

§ 2. REPEAL.] That all Acts or parts of Acts inconsistent herewith are hereby repealed.

Approved March 2, 1937.

CHAPTER 158**H. B. No. 54—(Nellie C. Olson by request)**

MARRIAGE OF MINORS

An Act prohibiting the marriage of minors under the supervision of the Juvenile Court of State Training School, without order of the Juvenile Court or Superintendent of the State Training School; for the annulment of such marriage; and prescribing penalties.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. MARRIAGE OF CERTAIN MINORS PROHIBITED.] It shall be unlawful for any minor, while under the supervision or custody of the Juvenile Court or the Superintendent of the State Training School, to marry without the order of the Juvenile Court or of the Superintendent of the State Training School, as the case may be; and any such marriage made without such order shall be subject to annulment in a proceeding brought in District Court by the State's Attorney or by any person authorized by law to bring such annulment action. Any person knowingly aiding, abetting or encouraging such marriage shall be guilty of misdemeanor.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 1, 1937.

MORTGAGES

CHAPTER 159**S. B. No. 72—(Olson)**

DEFICIENCY JUDGMENTS IN FORECLOSURES PROHIBITED

An Act relating to the foreclosure of real estate mortgages and land contracts, providing what the judgment and decree shall contain, and prohibit any deficiency judgments.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. WHAT JUDGMENTS SHALL CONTAIN.] In any action hereafter brought for the foreclosure or satisfaction of a real estate mortgage or the cancellation or foreclosure of land contract entered into after this law take effect, the Courts shall have power to render judgment against the mortgagor or purchaser for the amount found to be due at the time of the rendition of said judgment, and the costs of the action, and to order and decree a sale of

the premises in such mortgage or contract described, or such part thereto as may be sufficient, in full and complete satisfaction of said judgment so entered, and shall have power to order and compel delivery of the possession of the premises to the purchaser; but in no case under this Article shall the possession of the premises so sold be delivered to the purchaser or purchasers entitled thereto until after the expiration of one year from such sale, and the Court shall direct and the judgment shall provide, that during said one year period the debtor or owner of said premises shall be entitled to the possession, rents, use and benefit of the real property sold, and the Court shall under no circumstance have power to render a deficiency judgment for any sum whatever. Nothing herein contained shall be construed to postpone or effect any remedies the creditor may have against any party personally liable for the debt other than the contractor or purchaser and their successors in interest.

§ 2. OTHER SUITS PROHIBITED.] That neither before nor after the rendition of the judgment and decree herein provided for, shall the mortgagee or contract holder, or their successors interest, be authorized or permitted to bring any action in any Court in this State for the recovery of any part of the debt secured by said mortgage or contract so foreclosed.

§ 3. INTENT. INTERPRETATION.] It is the intent of the legislature to provide by this Act that hereafter there shall be no deficiency judgments rendered upon notes, mortgages, or contracts given to secure the payment of money loaned upon real estate or given to secure the purchase price of real estate, and in case of default the holder of a real estate mortgage or land contract shall only be entitled to a foreclosure or a cancellation of the mortgage or contract and no Court shall place any other construction upon this Act.

§ 4. SAVING CLAUSE.] If the Courts declare this Act unconstitutional in so far as it relates to mortgages or contracts in existence at the time of taking effect of the Act, they shall never consider its constitutionality with reference to mortgages or contracts entered into after the date when this Act becomes effective.

§ 5. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 1, 1937.

CHAPTER 160
S. B. No. 106—(Cain and Coffey)

FORECLOSURE COSTS

An Act to amend and re-enact Section 7792 of the Compiled Laws of North Dakota for 1913, as amended by Chapter 154 of the Session Laws of North Dakota, for 1933, relating to the amount of costs on foreclosure of liens, who entitled thereto, prohibiting the division of attorneys fees, prescribing penalty for violation, and repealing all Acts, or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 7792 of the Compiled Laws of North Dakota for 1913, as amended by Chapter 154 of the Session Laws of North Dakota for 1933, be, and the same is hereby amended and re-enacted to read as follows:

§ 7792. COSTS ON FORECLOSURE OF LIENS.] In all actions or proceedings for the foreclosure of mortgage upon personal property, or a mortgage or other lien upon real property, the plaintiff, or the person commencing such action or proceeding, shall be entitled to tax as a part of his costs the sum of Twenty-five Dollars; provided that no fee shall be allowed unless the foreclosure proceedings shall be conducted under the supervision of a resident attorney, duly authorized to practice in the Courts of this State; provided, further, that it shall be unlawful for any such attorney to pay, or agree to pay, to the party foreclosing said mortgage, or other lien, any part of such attorney's fees, and any attorney violating the provisions of this Section shall be guilty of a misdemeanor.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this Act shall be in force from and after its passage and approval.

Approved February 23, 1937.

CHAPTER 161

S. B. No. 83—(Cain, Young, Thatcher and Coffey)

MORATORIUM FROM FORECLOSURES AND EVICTIONS

An Act providing for relief in certain cases during the emergency declared to exist, from foreclosure of mortgages or other liens on real estate, and execution sales of real estate, and cancellation of contracts for the sale of real property, eviction of tenants from real estate, and for postponing certain sales and extending the period of redemption from certain sales, and relating to the jurisdiction and procedure for such relief, and for the right to possession during the extended period, and limiting the right to emergency actions for deficiency judgment, and for extending the expiration of certain periods of redemption to thirty days after the passage of this Act; repealing all Acts inconsistent herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly, of the State of North Dakota:

§ 1. In view of the severe financial and economic distress prevailing throughout the State and Nation, and the extreme drought of the past two or three years, the legislature of the State of North Dakota hereby declares that a public economic emergency exists in the State of North Dakota.

§ 2. (a) In any proceeding for the foreclosure of any mortgage or other lien upon real property, or the cancellation of any contract for the sale of real estate by advertisement or publication of notice, the mortgagor, lienee or assignee of either, or the owner in possession of such property, or any one claiming under said mortgage or lienor, or any one liable for the mortgage debt, or the vendee or his assignee of such contract for the sale of said premises, may, at any time after the publication of notice for the foreclosure of such mortgage or other lien, or the cancellation of a contract, apply to the Court of the County wherein such proceedings are being had, or are pending, by filing with the Court his affidavit, setting forth such reasons, consistent with the provisions of this Act, as the party applying for such order may have for postponement thereof, with a prayer that the foreclosure or cancellation, if any, shall be had by action in the Court. If it appears to the Court that granting of the relief, as prayed for in such affidavit, would be equitable and just, then and in that event the foreclosure or cancellation proceedings by advertisement or publication of notice may be postponed by the Court by ex parte order, which may be served upon the attorney or agent of the mortgagee or assignee, or vendor or assignee, or upon the party foreclosing or cancelling said contract, and the party seeking to foreclose such mortgage or other lien, or cancel such contract, shall proceed, if at all, to foreclose such mortgage or other lien, or cancel said contract, by action in the Court of the County having jurisdiction thereof and shall tax as a part of the costs in said action the expense incurred in publishing such notice.

(b) When any mortgagee or lienor, vendor or the assignee of either desires to foreclose any mortgage or lien or cancel any contract for the sale of land, he shall first make application to the District Court of the County where the property is situated, or if situated in more than one County, then in the County in which the instrument creating the obligation was first filed, for permission to foreclose such mortgage or lien or cancel such contract, as the case may be. Upon the filing of the application, as aforesaid, the Court shall by letter addressed to the mortgagor, lienee or vendee, as shown by the instrument of record, and if no address is shown, then to the post office nearest to the property in question, notifying such party to appear before the Court at a time fixed by the Court, which shall not be more than fifteen days after the date of the notice to show cause if any he has why the application should not be granted. The hearing on the application shall be informal, the Court shall inquire into the equities existing between the parties, the ability of the mortgagor, lienee, or vendee to pay the amount due or any part thereof at the present time, the question of taxes and all facts and circumstances in the particular case; and after such hearing the Court shall issue its order permitting the foreclosure of the mortgage or lien or the cancellation of the contract, or delaying for such time as in the judgment of the Court is fair and just the foreclosure of the mortgage or lien or the cancellation of the contract, and fixing the time when, pursuant to the provisions of this Act, such mortgagee, lienor or vendor shall be permitted to institute such action.

§ 3. When any mortgage or other lien has been foreclosed by action, the Court shall, on the coming in of the report of sale, on the request of any party who has been personally served with a summons or who has appeared, cause notice of hearing thereon to be served on the parties to the action, who have appeared, and fix the time and place for hearing on said report. Before granting an order confirming said sale, the Court shall, if it appears upon due examination that the sale price is unreasonable and unfairly inadequate, or that justice has otherwise not been done, order a re-sale. If the sale is confirmed, the Sheriff or his deputy shall forthwith execute and deliver the proper certificate of sale, which shall be recorded within twenty days after such confirmation. Upon the hearing of the motion for an order confirming the sale of the premises involved in the foreclosure of mortgages or other liens by action, in case the evidence is insufficient to establish a fair and reasonable market or rental value of such property, the Court shall receive any competent evidence, including evidence tending to establish the actual value of the property involved in such mortgage foreclosure proceedings for the purpose or purposes for which said property is or can be used. The Court shall also receive any evidence tending to show to what extent, if any, the property has decreased in actual or market value by reason of the economic conditions existing at the time, or prior to such sale.

§ 4. When any judgment has been entered for the cancellation of a contract for the sale of real estate, or eviction or ejection of any tenant from the possession of real estate, the Court having jurisdiction thereof shall, at the request of any party to the action, cause notice of hearing to be served upon the parties thereto, who have appeared therein, to show cause, if any they have, why a stay of execution should not be granted. Before granting such request on the part of any party to said action, the Court having jurisdiction thereof shall receive any competent evidence of the reasonable rental value of said property, taxes levied and assessed against the same, the interest on the indebtedness, if any, due thereon, and the purpose or purposes for which said property is or can be used.

§ 5. (a) In case the parties to any such foreclosure action, or other action heretofore set forth in this Act, shall agree in writing upon terms of compromise settlement thereof, or of composition of the mortgage or other indebtedness, or both, the Court shall have jurisdiction and may by its order confirm and approve such settlement or composition, or both, as the case may be.

(b) The Court shall have the same jurisdiction to postpone the enforcement of judgment by execution sale, or to order re-sale, or give other relief where such judgment is rendered in an action to collect a debt or obligation secured by real estate mortgage or other lien, the foreclosure of which might be effected under the terms of this Act, as is conferred by this Act, with regard to the mortgage or other lien, or the cancellation of a contract, or the enforcement of an obligation for rent.

§ 6. Where any mortgage or other lien upon real estate has been foreclosed and the period of redemption has not yet expired, or where sale is hereafter had in the case of real estate mortgage or other lien foreclosure proceedings, now pending, or which may hereafter be instituted, prior to the expiration of two years from and after the passage and approval of this Act, or upon the sale of any real property under any judgment or execution where the period of redemption has not yet expired, or where such sale is made hereafter within two years from and after the passage and approval of this Act, the period of redemption may be extended for such additional time as the Court may deem just and equitable, but in no event beyond July 1, 1939; or where stay of execution has been granted against the cancellation of a contract or the ejection of a tenant from premises, for such additional time as the Court may deem just and equitable, but in no event beyond July 1, 1939. Provided, that the mortgagor or the owner in possession of said property in the case of mortgage foreclosure proceedings, or the lienor or person in possession of said property in the case of foreclosure of such a lien, or the judgment debtor in the case of sale under judgment or execution, or the tenant in case of judgment of eviction, or the vendee in case of a contract of sale of real property, shall, prior to

the expiration of the period of redemption, or in case of judgment or eviction or cancellation of land contract within the period of time described in Section 4 hereof, apply to the Court having jurisdiction of the matter, on not less than ten days written notice to the mortgagee, the lienee, judgment creditor or plaintiff, or the attorney of either as the case may be, for an order determining the reasonable value of the income of said property, or if the property has no income then the reasonable rental value of the property involved in such sale, cancellation or eviction, and directing and requiring such mortgagor, lienor, vendee, tenant or other judgment debtor to pay all or a reasonable part of such income or rental value in or toward the payment of taxes, insurance, interest, mortgage, or judgment indebtedness, at such time and in such manner as shall be fixed and determined and ordered by the Court; provided, however, that in fixing the rental value of farm lands, the rental value of any buildings thereon shall not be included or considered; and the Court shall thereupon hear said application and after such hearing shall make and file its order directing the payment by such mortgagor, lienor, vendee, tenant or judgment debtor of such an amount, at such times and in such manner as to the Court shall, under all circumstances, appear just and equitable, and provided that upon the service of notice or demand aforesaid, that the running of the period of redemption shall be tolled until the Court shall make its order upon such application. Provided, further, however, that if such mortgagor, lienor, vendee, tenant, or judgment debtor or personal representative shall default in the payments, or any of them, in such order required on his part to be done, or commits waste, his right of redemption from said sale shall terminate thirty days after such default, and holders of subsequent liens may redeem in the order and manner now provided by law beginning thirty days after the filing of notice of such default with the Clerk of Court, and his right to possession shall cease, and the party acquiring title to such real estate shall then be entitled to immediate possession of said premises. If default is claimed by allowance of waste, such thirty day period shall not begin to run until the filing of an order of the Court finding such waste. Provided, further, that the time of redemption from any real estate mortgage or other lien foreclosure, or judgment, or execution sale heretofore made, which otherwise cannot expire less than thirty days after the passage and approval of this Act, shall be, and the same hereby is extended to a date thirty days after the passage and approval of this Act, and in such case the mortgagor, lienor, vendee, tenant or judgment debtor, or the assignee or personal representatives of either, as the case may be, or the owner in possession of the real property may, prior to said date, apply to said Court for, and the Court may thereupon grant, the relief as hereinbefore and in this Section provided. Provided, further, that prior to July 1, 1939, no action shall be maintained in this state for a deficiency judgment until the period of redemption, as allowed by

existing laws or as extended under the provisions of this Act, has expired; provided, however, that the provisions of the Act shall not be construed as a repeal of Chapter 155 of the Session Laws of 1933 or any other similar enactment.

§ 7. Upon application of either party, prior to the expiration of the extended period of redemption as provided for in this Act, and upon the presentation of evidence that the terms fixed by the Court are no longer just and reasonable, the Court may revise and alter said terms in such manner as the changed circumstances and conditions may require.

§ 8. The trial of any action, hearing or proceedings mentioned in this Act shall be held within twenty days after the filing by either party of notice of hearing or trial, as the case may be, and such hearing or trial may be held at any general or special term, or in chambers, or during vacation of the Court, and the order of the Court shall be filed within five days after trial or hearing. No more than five days' stay shall be granted, and review by the Supreme Court may be had by certiorari, if application for the writ shall be made within 15 days after notice of such order, and such writ shall be returnable within 20 days after the filing of such order.

§ 9. Every law and all the provisions thereof now in force insofar as inconsistent with the provisions of this Act, are hereby suspended until July 1, 1939. No extension of the period for redemption, nor any postponement of sale judgment on execution shall be ordered or allowed under this Act which would have the effect of extending the period of redemption or enforcement of judgment beyond July 1, 1939.

§ 10. This Act as to mortgage or other lien foreclosures shall apply only to mortgages or contracts or liens made prior to the passage and approval of this Act, but shall not apply to mortgages, liens, contracts or leases made prior to the passage of this Act which shall hereafter be renewed or extended for a period ending more than one year after the passage of this Act. Neither shall this Act apply in any way which would allow a re-sale, stay, postponement, or extension to such time that any right might be adversely affected by the statute of limitations.

§ 11. The provisions of this Act shall not apply to any mortgage, lien, contract or lease while such mortgage or other instrument is held by the United States or any agency, department, bureau, board, instrumentality or commission thereof, as security or pledge of the maker, its executors or assigns, nor shall the provisions of this Act apply to any mortgage holder as security or pledge to secure payment of a public debt, or to secure payment of the deposit of public funds, nor shall the provisions of this Act apply to notes and obligations incurred under Title I and to insured mortgages

issued under Title II of the National Housing Act, including the Land Bank Commissioner, a Federal Land Bank, a Federal Intermediate Credit Bank, a Production Credit Association, a Bank for Co-operatives, and a Regional Agricultural Credit Corporation.

§ 12. It is hereby declared that if any of the provisions of this Act in any manner contravenes the provisions of the Constitution, the remaining provisions would have been enacted by this Legislative Assembly even though such provisions had been eliminated from the act. Hence, if any of the provisions are found to be violative of the Constitution, the remaining provisions shall not be affected by such invalidity, but shall remain in full force and effect.

§ 13. This Act is declared to be an emergency measure and shall take effect from and after its passage and approval.

Approved February 15, 1937.

CHAPTER 162
S. B. No. 160—(Trout)

RESTRICTIONS PERSONAL PROPERTY MORTGAGES

An Act prohibiting Chattel Mortgages on personal property when the property designated therein is described such as "all other property owned by the mortgagor" or language of like effect; repealing all Acts or parts of Acts in conflict herewith; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Any chattel mortgage containing a printed or written description or designation of property, such as "all other property owned by the mortgagor" or language of like effect as a part of the printed or written form, shall be void and of no effect as to the property covered by such language.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 3, 1937.

CHAPTER 163

H. B. No. 264—(Frey and Wolf)

RELEASE OF MORTGAGE JAMESTOWN TRAINING SCHOOL

An Act authorizing, directing and empowering the proper officers of the State of North Dakota to release any interest which the State of North Dakota has against lot fifteen (15) and the north half (N½) of lot fourteen (14) in block thirty-nine (39) of the original plat of the City of Jamestown, North Dakota, by virtue of a loan of \$5,000.00 made by the State of North Dakota to said Training School in the year 1911, and declaring an emergency.

WHEREAS, on or about March 20th, 1906, Company H 1st Regiment, North Dakota National Guard Training School, with its principal place of business at Jamestown, North Dakota, was incorporated as a perpetual corporation under Section 1788 of the 1905 Revised Codes of the State of North Dakota; and

Said Corporation in its corporate name acquired title to Lot Fifteen (15) and the North Half (N½) of Lot Fourteen (14) in Block Thirty-nine (39) of the Original Plat of the City of Jamestown, North Dakota, on which it erected an armory and mortgaged said property to secure a loan of \$8,000.00, which mortgage was dated June 15th, 1911 and recorded June 21st, 1911, in Book 39 of Mortgages on page 55, which mortgage has never been paid, and on which there is past due \$7,000.00 and accrued interest, a new mortgage for \$7,000.00 having been executed under date of April 11th, 1932 to take its place; and

WHEREAS, the minute book of the said Training School corporation shows that on or about August 8th, 1911 a Resolution was passed authorizing the officers of said corporation to execute a second mortgage in the sum of \$5,000.00 to the State of North Dakota, under Section 2416 of the 1913 North Dakota Code, and it would appear that such sum was borrowed but that a mortgage to secure said sum was never recorded; and

WHEREAS, Said Training School Corporation is unable to pay said first mortgage, and it appears likely that the title to said property will be lost by foreclosure of said first mortgage; and

WHEREAS, It is contemplated that if said second mortgage to the State of North Dakota can be released without payment, and said property can be deeded, subject to said first mortgage to the City of Jamestown, to be used for public purposes, that the City of Jamestown, either through Federal Aid or otherwise, can borrow sufficient funds to pay up said first mortgage and acquire title to said property free from encumbrances and thus save said property for public purposes.

NOW THEREFORE,

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That the proper officials of the State of North Dakota

be, and they are, hereby directed, authorized and empowered to execute a release of all its interest to the above described property, for the purpose of releasing any claim it might have against the same by virtue of said \$5,000.00 loan, provided, however, that said Company H. 1st Regiment North Dakota, National Guard Training School, a corporation, execute and deliver to the City of Jamestown, North Dakota, a deed to said premises, subject to the same being used for public purposes.

§ 2. EMERGENCY.] It being necessary to act immediately in the event Federal Aid can be obtained, an emergency is hereby declared to exist, and this Bill shall be in full force and effect from and after its passage and approval.

Approved March 9, 1937.

CHAPTER 164

H. B. No. 311—(Bjornson)

AUTHORIZING SATISFACTION OF MORTGAGE NATIONAL GUARD ARMORIES

An Act authorizing the State Treasurer to execute on behalf of the State Satisfactions of Mortgages on National Guard Armories in the State of North Dakota given in accordance with the Provisions of Chapter 174 of the Session Laws of North Dakota for 1907 and Amendments thereto, and declaring an emergency:

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The State Treasurer is hereby authorized and directed to execute and deliver to the mortgagors therein named, or their successors or assigns, satisfactions of mortgages given pursuant to Section 5 of Chapter 174 of the Session Laws of the State of North Dakota for 1907, either with or without payment of the mortgage debt, when requested in writing so to do by such mortgagors or their successors or assigns provided such request is approved by the Board of Armory Supervisors of the State of North Dakota by endorsement upon such request.

§ 2. This Act is hereby declared to be an emergency measure and shall be in full force and effect upon its passage and approval.

Approved March 9, 1937.

MOTION PICTURES

CHAPTER 165

H. B. No. 112—(Godwin)

MOTION PICTURE THEATERS

An Act to prohibit the operation of motion picture theaters which are owned, controlled, managed, or operated, in whole or in part, by producers or distributors of motion picture films, or in which such producers or distributors have any interest.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITIONS.] For the purpose of this Act, unless the context otherwise requires:

(1) The term "Motion Picture Theater" or "Theater" includes any place in which motion pictures are publicly exhibited and to which an admission price is charged.

(2) The term "Motion Picture Film" or "Film" includes all motion picture films (whether copyrighted or uncopyrighted), including positive and negative prints, and copies or reproductions of such prints, which films contain photoplays or other subjects and are produced for public exhibition.

(3) The term "Person" includes an individual, partnership, association, joint stock company, trust, or corporation.

(4) The term "Distributor" includes any person who engages or contracts to engage in the distribution of motion picture films, whether as seller, lessors, or licensor, and whether the distribution is effected by means of sale, lease, license, contract, or any other type of agreement whereby the film is supplied for public exhibition.

§ 2. EFFECTIVE DATE.] This Act shall become effective twelve months after its enactment.

§ 3. OPERATION PROHIBITED.] It shall be unlawful for any motion picture theater to be operated in this State which is owned, controlled, managed, or operated, in whole or in part, by any producer or distributor of motion picture films or in which any such producer or distributor has any interest, direct or indirect, legal or equitable, through stock ownership or otherwise.

§ 4. AFFIDAVIT TO BE FILED.] As a condition of the lawful operation of a motion picture theater in this State the person operating it shall file with the Secretary of State within thirty days after the date on which this Act becomes effective or after the date on which the operation of the theater is begun, whichever is the later, and annually thereafter on or before the fifteenth day of January an affidavit that such theater is not owned, controlled, managed, or

operated, in whole or in part, by any producer or distributor of motion picture films, and that no such producer or distributor has any interest, direct or indirect, legal or equitable, through stock ownership or otherwise, in such theater.

§ 5. CIVIL PROCEEDINGS.] The District Courts of this State shall have jurisdiction to prevent and restrain violations of this Act; and it shall be the duty of the several State's Attorneys of the State in their respective Counties, under the direction of the Attorney General, to institute proceedings to prevent and restrain such violations. Such proceedings may be by way of petition, setting forth the case and praying that such violations shall be enjoined or otherwise prohibited. When the parties complained of shall have been duly notified, the Court shall proceed, as soon as may be, to the hearing and determination of the case; and pending such petition, and before final decree, the Court may at any time make such temporary restraining order or prohibition as shall be deemed just in the premises. Whenever it shall appear to the Court before which any such proceeding may be pending that the ends of justice require that other parties should be brought before the Court, the Court may cause them to be summoned.

§ 6. CRIMINAL PENALTIES.] Every person who operates a motion picture theater in this State the operation of which is prohibited by Section III, or who fails to file the affidavit as and when required by Section IV, or who knowingly makes any false statement in such affidavit, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding Ten Thousand Dollars, or by imprisonment for not exceeding one year, or by both, in the discretion of the Court. In the case of a corporation, the violation of this Act shall be deemed to be also that of the individual directors, officers or agents of such corporation who have authorized, ordered, done, or had knowledge of any of the Acts or omissions constituting in whole or in part such violation, and upon conviction thereof any such director, officer, or agent shall be punished by fine or imprisonment, or both, as in this Section provided.

§ 7. SEPARABILITY.] If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the applicability of such provision to other persons and circumstances shall not be affected thereby.

Approved March 15, 1937.

MOTOR VEHICLES

CHAPTER 166

S. B. No. 87—(Guthrie)

APPLICATION OF MOTOR VEHICLE AND GASOLINE TAXES FOR STATE HIGHWAY PURPOSES

An Act for an Act providing for the application to highway purposes of all special taxes on motor vehicle transportation and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The proceeds, after deduction of costs of administration and collections, from State motor vehicle registration fees, licenses, gasoline taxes, and other special taxes on motor vehicle owners and operators shall be applied to the construction, improvement, and maintenance of highways and administration expenses in connection therewith, including the retirement of bonds for the payment of which such revenues have been pledged, and for no other purposes.

§ 2. REPEAL.] All other Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved February 13, 1937.

CHAPTER 167

H. B. No. 248—(Frosaker and Benno)

SALES TAX MOTOR VEHICLES

An Act imposing an excise tax on motor vehicles for the privilege of using the streets and highways of this State; to provide for the collection of such tax; the distribution and use of the revenue derived therefrom and the administration of said law; providing for certain exemption; fixing fines and penalties for the violation of the provisions of this Act; defining motor vehicles and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby levied and imposed upon every owner of a motor vehicle, for the privilege of using the streets and highways of this State, a tax of two per cent of the sales price of any motor vehicle purchased or acquired for use on the streets and highways of this State requiring registration thereof under the Motor Vehicle

laws of North Dakota; which said tax shall be paid to the Motor Vehicle Registrar at the time of applying for the first registration or certificate of title of such motor vehicle within this State. No registration plate or certificate of title shall be issued for same unless and until said tax has been paid.

§ 2. EXEMPTION.] The provisions of this Act shall not apply providing, if such person so applying for registration plate or certificate of title therefor shall furnish to the Motor Vehicle Registrar a certificate from a licensed motor vehicle dealer in this State, upon a form furnished by the Registrar, certifying that such person has paid the retail sales tax thereon provided by law; this exemption to such person being to avoid, in effect, double taxation on said motor vehicle under this Act; in order that no undue burden be imposed on interstate commerce, the provisions of this Act shall not apply to common carrier vehicles engaged in interstate commerce.

§ 3. DISTRIBUTION AND USE OF REVENUE.] All moneys accruing under this Act shall be paid by the Registrar of Motor Vehicles, as soon as collected, into the State Treasurer and shall be by him transferred and credited to the Motor Vehicle Registration Fund.

§ 4. DEFINITION.] The term "Motor Vehicle" shall mean any automobile, motor bus, truck, truck-tractor, trailer, semi-trailer, or any self propelled or motor driven vehicle used on any public highways of this State for the purpose of transporting persons or property.

§ 5. PENALTIES.] Failure to comply with the provisions of this Act shall constitute a misdemeanor and subject the offender to a fine of not to exceed One Hundred Dollars or thirty days imprisonment, or both such fine and imprisonment.

§ 6. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 168

H. B. No. 150—(Jensen, Bieloh and Semerad)

DISTRIBUTION OF TAX ON MOTOR FUELS

An Act to amend and re-enact Section 5 of Chapter 166 of the 1929 Session Laws of the State of North Dakota, relating to Tax on Motor Fuels and for the distribution of the Revenues derived from said tax.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 5 of Chapter 166 of the 1929 Session Laws of the State of North Dakota be, and the same is hereby amended and re-enacted to read as follows :

§ 5. That said license tax in respect to motor vehicle fuel sold or used in any calendar month, shall be paid at the same time the statement provided for in Section 2 hereof is rendered, to the State Auditor, who shall receipt to the dealer therefor, and shall forthwith pay over all the money thus received to the State Treasurer, except such money as shall have been expended by said State Auditor for the purpose of making refunds as herein provided. The State Treasurer shall promptly credit to the State Highway Commission two-thirds of said license tax. The money so credited, being two-thirds of said license tax, is hereby appropriated to be used by such Commission for the construction, reconstruction, maintenance or repairs of highways or roads under the jurisdiction of said Commission. One-third of said license tax so received by the State Treasurer, shall be deposited by him to a "County Highway Aid Fund." During the months of January, April, July and October of each year, the State Treasurer, upon the warrant of the State Auditor, shall apportion and disburse all of the moneys of such "County Highway Aid Fund" not previously disbursed, including interest received thereon, to the various Counties of the State in the same proportion and ratio as the number of motor vehicles registered in each County shall bear to the total motor vehicles registered in all the Counties of the State during the entire preceding calendar year as shown by the certificate of the registrar of motor vehicles. Such moneys so received by the respective Counties shall be set aside in a separate fund, under the jurisdiction and control of the Board of County Commissioners and appropriated and employed solely by such Counties in the construction, reconstruction, maintenance and repair of County highways, bridges and culverts thereon and City streets leading up to and connecting with Federal Aid and State Aid highways. On making the payments to the State Auditor as provided in this Section, the dealer shall first deduct from the amount of tax due, one and one-half per centum thereof to cover the cost of collecting said tax and transmitting the same to the State Auditor, provided, that in order to reimburse the State on account of the

expenses of carrying the provisions of this Act into effect, the State Auditor is hereby authorized and directed to credit to the general fund of the State, on the first day of July of each year, the sum of Twenty-five Thousand Dollars out of the moneys collected as a license tax under the provisions of this Act.

Approved March 10, 1937.

CHAPTER 169
S. B. No. 194—(Blaisdell)

REGULATION OF USED MOTOR VEHICLE DEALERS

An Act to regulate the business of selling used motor vehicles by dealers not residing in or having a permanent place of business in this State, and by resident dealers purchasing, handling and selling used motor vehicles received or acquired from non-resident dealers; requiring the registration of all used motor vehicles brought into this State for the purpose of sale to be registered with the Motor Vehicle Registrar, and requiring all such dealers to execute and deliver to each purchaser a bond indemnifying the purchaser against failure of title, breach of warranty or fraudulent misrepresentation; requiring delivery of a Certificate of Title and providing penalties for the violation of the provisions of this Act.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Every dealer in used, or second hand, motor vehicles who is a non-resident of this State or who does not have a permanent place of business in this State, and every person, firm or corporation who bring any used, or second hand motor vehicles into this State for the purpose of sale or resale except as a trade-in on a new motor vehicle or another used motor vehicle, shall within ten days from the date of entry of said motor vehicle into the limits of the State of North Dakota, register such motor vehicle with the Motor Vehicle Registrar on a form to be provided by him, and under such rules and regulations as may be promulgated by him from time to time, and shall before said used or second hand car is put on a used car lot for sale or offered for sale, or sold, execute a bond to be approved by the Registrar for the use and benefit of the purchaser and his vendees, conditioned to pay all loss, damages, and expenses that may be sustained by the purchaser or vendees, that may be occasioned by reason of the failure of the title of such vendor or by reason of any fraudulent misrepresentations or breaches of warranty as to freedom from liens, quality, condition, use or value of the motor vehicle being sold. Said bond shall be in the full amount of the sale price of such motor vehicle but in no event to exceed the sum of \$1,000.00 and shall be filed with the Motor Vehicle Registrar by the vendor. The vendor shall pay to the Motor Vehicle Registrar a fee of \$1.00 for the registration of each said motor vehicle and a further

fee of \$5.00 for each bond so filed and approved which sums shall be paid into the State Treasury to the credit of the State Highway Fund.

§ 2. Every person, firm or corporation upon the sale and delivery of any used, or second hand, motor vehicle shall within 24 hours thereof deliver to the vendee, a Certificate of Title indorsed according to law, issued for said vehicle by the Motor Vehicle Registrar.

§ 3. No action, nor right of action to recover any such motor vehicle, nor any part of the selling price thereof, shall be maintained in the Courts of this State by any such dealer or vendor, his successors or assigns, in any case wherein such dealer or vendor shall have failed to comply with the terms and provisions of this Act, and in addition thereto such dealer or vendor, upon conviction for the violation of any of the provisions of this Act shall be deemed guilty of a misdemeanor and shall be punished by a fine of not less than \$100.00 and not more than \$500.00 or by imprisonment for not less than thirty days or more than six months, or by both such fine and imprisonment.

§ 4. The term "dealer" and "vendor" herein used shall be construed to include every individual, partnership, corporation or trust whose business in whole or in part is that of selling new or used motor vehicles and shall be construed to include every agent, representative or consignee of any such dealer as defined above, except that no agent, representative or consignee of such dealer or vendor shall be required to make and file said bond herein provided for if such dealer or vendor for whom such agent, representative or consignee acts has complied with the provisions of this Act.

§ 5. If any Section or part of a Section of this Act shall for any reason be adjudged by any Court of competent jurisdiction to be invalid and unconstitutional, such unconstitutionality shall not affect, impair, or invalidate the remainder of this Act, and the Legislature hereby states that they would have passed the remainder of said Act if it had known that such part or parts thereof would be declared unconstitutional.

§ 6. EMERGENCY.]

WHEREAS, non-resident dealers in used motor vehicles have caused to be transported large numbers of used or second hand motor vehicles into this State for sale and the legal title thereto has been the cause of much difficulty; and

WHEREAS, non-resident dealers have made representations or warranties that are not true as to such motor vehicles and the vendee is without recourse except in the Courts of the domicile of the vendor; and

WHEREAS, there is no law now in effect protecting the purchaser

as against such foreign dealers this Act is hereby declared to be an emergency and shall be in force from and after its passage and approval.

Approved March 10, 1937.

MUNICIPAL CORPORATIONS

CHAPTER 170 S. B. No. 69—(Blaisdell)

QUALIFICATIONS OF CITY ALDERMEN

An Act to amend and re-enact Section 3585 of the Compiled Laws of 1913 relating to the qualifications of City Aldermen, repealing all Acts and parts of Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 3585 of the Compiled Laws of 1913 is hereby amended and re-enacted to read as follows:

§ 3585. QUALIFICATIONS.] No person shall be eligible to the Office of Alderman who is not a qualified elector of and resident within the ward for which he is elected; provided, that in Cities, where Aldermen are elected at large, he shall be a qualified elector of and resident within such City, nor shall he be eligible if he is directly or indirectly interested in any contract whatever to which the City is a party; nor shall he be eligible if he shall have been convicted of malfeasance, bribery, or other corrupt practices or crimes; nor shall he be eligible to any office, the salary of which is payable out of the City Treasury, if at the time of his appointment he shall be a member of City Council; nor shall any member of the City Council at the same time hold any other office under the City Government; nor shall he either directly or indirectly, individually, or as a member of a firm engage in any business transaction, other than official, with such City through its Mayor or any of its authorized boards, agents or attorneys, whereby any money is to be paid directly or indirectly out of the Treasury to such member or firm.

§ 2. All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 15, 1937.

CHAPTER 171
S. B. No. 89—(Lowe)

CITIES, DUTIES OF BOARD OF EQUALIZATION

An Act to amend and re-enact Section 3644 of the Compiled Laws of North Dakota for the year 1913 relating to the duties of City Boards of Equalization, and repealing all Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 3644 of the Compiled Laws of North Dakota for the year 1913 be and the same is hereby amended and re-enacted to read as follows:

§ 3644. DUTIES OF THE BOARD.] The Board of Equalization shall meet at the usual place of meeting of the City Council, and shall proceed to equalize and correct such assessment roll. It may change the valuation and assessment of any real or personal property upon the roll by increasing or diminishing the assessed valuation thereof as shall be reasonable and just to render taxation uniform; provided, that the valuation of any property as returned by the Assessor shall not be increased more than twenty-five per cent without first giving the owner or his agent notice of the intention of the Board so to increase it. Such notice shall be by personal notice served upon the owner or his agent, or by leaving a copy at his place of business or last place of residence, and shall state the time when the Board will be in session to Act upon the matter.

§ 2. REPEAL.] All Acts or parts of Acts in conflict with this Act are hereby repealed.

Approved February 8, 1937.

CHAPTER 172

H. B. No. 214—(Brusseau, Dalzell, Page and Symington)

VALIDATING CERTAIN CITY ELECTIONS

An Act to validate actions heretofore taken in cities in connection with special elections of the question of erecting electric light and power systems and authorizing the construction of such systems, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That all actions heretofore taken in connection with the calling, giving notice, holding of, or in anywise appertaining to special elections held in any city pursuant to the provisions of Chapter 172, Laws of North Dakota, 1929, as amended by Chapter

200, Laws of North Dakota, 1935, on the question of erecting, operating and maintaining an electric light and power plant, site, buildings, and equipment thereof, for the purpose of furnishing electric energy for heat, light and power for such City and its inhabitants and industries, and to pay for the cost thereof from the earnings thereof, where a majority of the voters voting at such election voted in favor of erecting, operating and maintaining such a system, are hereby validated notwithstanding any defects, errors or omissions in any of the actions taken, and any such City is hereby authorized to erect, operate and maintain an electric light and power plant, site, buildings and equipment thereof and an electric distribution system and equipment thereof for the purpose of furnishing electric energy for heat, light and power for the inhabitants and industries of such City.

§ 2: This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 9, 1937.

CHAPTER 173

H. B. No. 221—(Twitchell, Godwin and Burgum)

CIVIL SERVICE CITY EMPLOYEES

An Act permitting and authorizing the adoption of Civil Service by Cities having a population in excess of 4,000 according to the latest official census, Federal or State; providing for such adoption by passage or ordinance; when not so adopted, by proceeding by petition and election based thereon; providing for abolishing such Civil Service after adoption, by vote of electors; prescribing procedure with respect thereto; and penalties for violations hereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The governing body of any City within the State, having a population in excess of 4,000 according to the latest official census, Federal or State, is hereby authorized and empowered to adopt by ordinance a Civil Service system, for the selection, employment, classification, advancement, suspension, retirement or discharge of appointive officials and employees of such City. Such governing body may provide and create a Civil Service Commission of three members, or a Civil Service Commissioner, and may delegate to such Commission or Commissioner, as the case may be, such powers and duties in relation thereto, including the making and enforcing of Civil Service rules and regulations as in its discretion may be deemed advisable, but such rules and regulations shall have no force or effect until duly adopted by ordinance. If a Commission is created, the term of office of the three Commissioners to be first appointed shall

be for one, three and five years respectively; thereafter original appointments shall be to a five year term; if a Commissioner is created, the appointment and subsequent original appointments, shall be for a three year term. In case of vacancy in the office of member of the Commission or in the office of Commissioner, such governing body shall fill such vacancy by appointment for the balance of the term. The compensation of any Commissioner or member of the Commission, shall not exceed Five (\$5.00) Dollars per day attending meetings, with actual expenses; and not to exceed a per diem of One Hundred and Twenty (\$120.00) Dollars in any year of employment. The governing body of the City shall fix such per diem, but not in an amount in excess of that hereinbefore provided as a maximum. The City Clerk or Auditor shall be ex-officio clerk, of such Commission or Commissioner.

§ 2. It is the intent and purpose of the provisions of this Act to enable, authorize and empower the governing body of any City within the perview hereof, to adopt a Civil Service system adapted to the size and requirements of such City, and that such system may if deemed by such body advisable, consist merely in the setting up of a minimum of employment qualifications for full time members of the City's paid fire and police departments, and the heads thereof; with provisions prohibiting their suspension, removal or discharge, or the suspension, removal or discharge of any other appointive employee or official, except upon adequate reason and cause shown upon hearing had thereon after reasonable notice to the person or persons sought to be suspended, removed or discharged. Or such Civil Service system may consist of a comprehensive system covering all paid fire and police department full time employees and the heads of these two departments and other appointive full time employees and officials, other than common labor and employees who have not been in the continuous employment of the City for a period of more than one year; as in the discretion of the governing body of the City may be for the best interests of the public, such employees and the service to be rendered the City.

In any ordinance creating such system, such governing body shall designate the departments, class of employees and appointive officials of the City who shall then come thereunder, and may subsequently add thereto; but all full time paid employees of the fire and police departments, with the Chiefs thereof shall be placed under any Civil Service system adopted, whether so included in such ordinance or not. Such governing body, Civil Service having been adopted, shall not abolish Civil Service or remove any department or employee thereof, or any employee or appointive official, from under the such Civil Service and the provisions hereof, unless and until Civil Service has been abandoned by such City after the question shall have been submitted to the qualified voters thereof at a special or regular election held in such City, in which election the abandonment of Civil

Service, shall have been approved by a two-thirds vote of those voting thereat upon such proposition; but the office and employment may be terminated by the governing body of the City, by resolution declaring there is no longer need therefor, after due hearing given officials and employees to be affected and determination to such effect.

§ 3. The governing body of any municipality subject to the provisions of this Act, may contract with the governing board of any other municipality within this State, or with any State department for the conducting of competitive examinations to ascertain the fitness of applicants for positions and employment in the City service, and for the performance of any other service in connection with personnel selection and administration.

§ 4. Any ordinance adopted by the governing body of any municipality under the provisions of this Act shall include the following provisions and penalty; no person holding an office or place in any department placed by the governing body under a Civil Service System, pursuant to the provisions of this Act, shall seek or accept election, nomination or appointment as an officer of a political club or organization, or take an active part in a County or municipal political campaign, or serve as a member of a committee of such club or organization, or seek signatures to any petition provided for by any law, or act as a worker at the polls, or distribute badges or pamphlets, dodgers or handbills of any kind favoring or opposing any candidate for election, or for nomination to a public office, whether State, County or municipal; provided, however, that nothing in this Act shall be construed to prevent any such officer or employee from becoming or continuing to be a member of a political club or organization, or from attendance at a political meeting, or from enjoying entire freedom from all interference in casting his vote or from seeking or accepting election or appointment to public office.

§ 5. In the event the governing body of any City subject to the provisions of this Act fails or refuses to adopt the provisions hereof for a period of six months after the Act becomes effective, twenty (20) per cent of the qualified electors of said City may file a written petition with the Clerk or Auditor demanding that the same be adopted or that the question be submitted to the electors of the City and unless said Civil Service is adopted the question shall be submitted to the electors of said City at the next regular election.

At any election held to determine whether a City shall adopt a Civil Service system hereunder, the question shall be submitted to the voter in the following form:

“Shall the City Adopt the Civil Service System.....”

At any election held to determine whether the City shall abandon the Civil Service system, the question shall be submitted to the voter in the following form:

“Shall the City abandon the Civil Service System.....”

If sixty (60) per cent of the votes cast upon the question of adopting a Civil Service system shall favor the same, the governing body of such City shall pass the necessary ordinance and adopt a Civil Service system as herein provided for, within sixty (60) days after such election.

§ 6. PENALTY.] Any wilful violation of the provisions hereof or any violation of such provisions through culpable negligence, shall be grounds for removal from office, in case of a City official, or in case of a City employee, for summary discharge.

Approved March 17, 1937.

CHAPTER 174

H. B. No. 332—(Twitchell, Johnson, Krause and Fitch)

POLICE PENSION ACT

An Act creating pensions for disabled or retired policemen, their widows, and children under sixteen years of age; disabled or retired police matrons and their children under sixteen years of age; and widows of policemen who die in the service, and their children under sixteen years of age; in Cities now or hereafter having a population in excess of twenty-five (25,000) thousand by the last official Census, Federal or State; and providing for a fund out of which such persons shall be paid; and for the establishment of a Pension Board for the management, control and distribution of such fund.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. POLICE PENSION FUND.] Any City now or hereafter having a population in excess of Twenty-five (25,000) thousand, according to the last official Census, Federal or State, and having an organized paid police department, may annually levy a tax of not more than one-half of one mill for the purpose of creating a policemen's pension fund.

Provided, further, that Cities, in which a police retirement system based upon actuarial tables, shall be established by law, shall levy for the police pension fund a tax sufficient in amount to meet all necessary obligations and expenditures; and said obligations and expenditures shall be direct liabilities of said Cities.

Whenever there is a sufficient balance in said fund to meet any proper or legitimate charges that may be made against the same, such City shall not be required to levy a tax for this purpose.

All moneys derived from each tax so levied, and all moneys received as membership fees and dues, and all moneys received from grants, donations, and devises for the benefit of such fund shall constitute a fund, to be known and designated as a policemen's pension fund.

§ 2. BOARD OF TRUSTEES:—OFFICERS.] The Chief Officer of such department, with the City Treasurer and the City Attorney of such Cities shall be ex officio members of and shall constitute the Board of Trustees for the management of such fund. The Chief Officer of the department shall be president and the City Treasurer, Treasurer of such Board, and the faithful performance of the duties of the Treasurer shall be secured by his official bond as City Treasurer. Such trustees shall not receive any compensation for their services as members of said Board.

§ 3. INVESTMENT OF SURPLUS.] The Board shall have power to invest any surplus left in such fund, at the end of the fiscal year, but no part of the funds realized from any tax levy shall be used for any purpose other than the payment of pensions. Investments shall be limited to interest-bearing bonds of the United States, of the State of North Dakota, of any County, Township, or Municipal Corporation of the State of North Dakota. All such securities shall be deposited with the Treasurer of the Board of Trustees for safe-keeping.

§ 4. GIFTS, DEVISES, OR BEQUESTS.] Such Board may take by gift, grant, devise, or bequest, any money or property, real or personal, or other thing of value for the benefit of said funds. All rewards in moneys, fees, gifts, or emoluments of every kind or nature that may be paid or given to any police department or to any member thereof, except when allowed to be retained or given to endow a medal or other permanent or competitive reward on account of extraordinary services rendered by said department or any member thereof, and all fines and penalties imposed upon members, shall be paid into the said pension fund and become a part thereof.

§ 5. MEMBERSHIP FEE—ASSESSMENTS.] Every member of said department shall be required to pay to the Treasurer of said fund a membership fee to be fixed by the Board of Trustees, not exceeding Five (\$5.00) Dollars, and shall also be assessed and required to pay annually an amount equal to two (2%) per cent per annum upon the amount of the annual salary paid to him, which assessment shall be deducted and retained in equal monthly installments out of such salary.

§ 6. WHO ENTITLED TO PENSION. CONDITIONS.] Any member of said department, including officers and police matrons, who shall have served twenty-two (22) years or more in such department, and shall have reached the age of sixty years; or who shall while a member of such department become mentally or physically permanently disabled from discharging his duties, shall be entitled to be retired, and upon retirement shall be paid out of the pension fund of such department a monthly pension equal to sixty (60) per cent of the amount of salary received by him monthly at the date he actually retires from said department. If any member shall have served twen-

ty-two (22) years in said department, but shall not have reached the age of sixty (60) years, he shall be entitled to retirement, but no pension shall be paid while he lives until he reaches the age of sixty (60) years.

§ 7. SOLDIERS AND SAILORS.] Any member of the police department, who resigned therefrom to serve in the army, navy or marine reserve, or marine corps, of the United States, or as a member of the United States army and navy reserve, or in the world war 1917-1918, and has returned with an honorable discharge from such service, to the fire or police department, shall have the period of such service included as part of his period of service in the department.

§ 8. DISABILITY—HOW CONTRACTED.] No member who has not served five (5) years or more in said department shall be entitled to be retired and paid a pension under the provisions of this Chapter, unless such disability was contracted while engaged in the performance of his duties, or by reason of following such occupation. The question of disability shall be determined by the trustees upon the concurring report of at least two out of three physicians designated by the Board of trustees to make a complete physical examination of the member. After any member shall become entitled to be retired, such right shall not be lost or forfeited by discharge or for any other reason except conviction for felony.

§ 9. RETIRED MEMBERS ASSIGNED FOR LIGHT DUTY.] The Chief of the Police department of such City may assign any member of such department, retired or drawing pensions under the provisions of this Chapter, to the performance of light duties in such department.

§ 10. PENSIONS—WIDOW—CHILDREN—DEPENDENTS.] Upon the death of any acting or retired member of such department, leaving a widow or minor children, or dependent father or mother surviving him, there shall be paid out of said fund as follows:

(1) To the surviving widow, so long as she remains unmarried and of good moral character, Forty Dollars per month.

(2) If there be no surviving widow, or upon the death or remarriage of such widow, then to his dependent father and mother, if both survive, or to either dependent parent, if one survives, Forty (\$40.00) Dollars per month.

(3) To the guardian of each surviving child under sixteen (16) years of age, Ten (\$10.00) Dollars per month.

The aggregate of all such payments shall not exceed sixty (60%) per cent of the amount of the salary of such member at the time of his death or retirement. Provided, however, that the benefits provided by this Section shall be subject to the following definitions: The term "widow" shall mean only such surviving spouse of a marriage contracted prior to retirement of a deceased member from active service,

or of a marriage of a retired member contracted prior to the date this Act takes effect. The terms "child" and "children" shall mean only the surviving issue of a deceased active or retired member, or the child or children legally adopted by a deceased member prior to his retirement from active service, or by a member now retired prior to the date this Act takes effect.

§ 11. EXEMPTION.] All pensions paid under the provisions of this Chapter shall be exempt from liability for debts of the person to or on account of whom the same is paid, and shall not be subject to seizure upon execution or other process.

§ 12. RE-EXAMINATION OF RETIRED MEMBERS.] The Board of Trustees of such department shall have power, at any time, to cause any member of such department retired by reason of physical or mental disability to be brought before it and again examined by three competent physicians appointed by the Board of Trustees to discover whether such disability yet continues and can be improved and whether such retired member should be continued on the pension roll, and shall have power to examine witnesses for the same purpose. The question of continued disability or ability to perform regular or light duty in the police department shall be determined by the concurring report of at least two of the three examining physicians. Such member shall be entitled to reasonable notice that such examination will be made, and to be present at the time of the taking of any testimony, shall have the right to examine the witnesses brought before the Board and to introduce evidence in his own behalf. All witnesses shall be examined under oath, which may be administered by any member of such Board.

§ 13. DECISION OF BOARD.] The decision of such Board upon such matters shall be final and conclusive, in the absence of fraud, and no appeal shall be allowed therefrom. Such disabled member shall remain upon the pension roll unless and until reinstated in such department by reason of such examination.

§ 14. MONEYS DRAWN—HOW PAID—REPORT.] All pensions paid and all moneys drawn from the pension fund under the provisions of this Chapter shall be upon warrants signed by the appropriate Board of Trustees, which warrants shall designate the name of the person and the purpose for which payment is made. The Treasurer's annual report shall show the receipts and expenditures of each fund for the preceding fiscal year, the money on hand, and how invested.

§ 15. HOSPITAL EXPENSE.] Cities and towns are hereby authorized and empowered to provide hospital, nursing, and medical attention for the members of the police department of such Cities, when injured while in the performance of their duties as members of such department, and the cost of such hospital, nursing, and medical

attention shall be paid out of the appropriation for the department; provided that any amounts received by such injured person under the workmen's compensation law of the State, or from any other source for such specific purposes, shall be deducted from the amount paid by such City under the provisions of this Section.

§ 16. HOURS ON DUTY LIMITED.] Policemen employed in the police department of Cities having a population of twenty-five thousand or over, shall not be required to remain on duty for periods of time which will aggregate in each month more than an average of eight hours per day, and no single period of time, or shift, shall exceed twenty-four hours in length, provided that in cases of serious emergencies such policemen may be required to remain on duty until such emergency has passed, when so ordered by the Chief of the department or person acting in his place.

§ 17. EXCEPTIONS.] The provisions of the foregoing Section shall not apply to the Chief, or other persons in command of a police department, not to policemen who are employed subject to call only.

Approved March 11, 1937.

CHAPTER 175

S. B. No. 101—(Guthrie)

TAX LIMITATION OF CITIES

An Act to amend and re-enact Chapter 208 of the Session Laws of North Dakota for the year 1935 relating to tax limitations of Cities.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Chapter 208 of the Session Laws of North Dakota for the year 1935 be and the same is hereby amended and re-enacted to read as follows:

(b) The aggregate amount levied for general City purposes shall not exceed such an amount as will be produced by a levy of fourteen mills on the net taxable assessed valuation of property in the City, provided that in Cities supporting bands, public libraries or airports an additional levy not to exceed two mills on the net taxable assessed valuation of property in such Cities may be made for these purposes.

Approved March 16, 1937.

CHAPTER 176

H. B. No. 32—(Norheim and Blair)

FUNDING AND REFUNDING INDEBTEDNESS,
MUNICIPALITIES

An Act to amend and re-enact Section 1 and 2 of Chapter 195 of the Session Laws for 1935 relating to funding and refunding existing indebtedness of municipalities and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Sections 1 and 2 of Chapter 195 of the Session Laws for the year 1935 be amended and re-enacted to read as follows:

A municipality may issue bonds under the provisions of this Act for the purpose of funding and refunding its existing indebtedness at any time prior to May 1, 1939. The term "governing body" and "municipality" as used herein shall be deemed and construed to mean the same as such terms are respectively defined in Chapter 196, Laws of 1927. The terms "floating indebtedness" and "bonded indebtedness" shall collectively be deemed to include orders, certificates of indebtedness, bonds, contracts and warrants and other instruments evidencing a general municipal indebtedness, issued and outstanding prior to January 1, 1937.

§ 2. Any municipality may by resolution of the governing body propose or accept and adopt a plan for funding and refunding floating indebtedness and/or bonded indebtedness or any part thereof existing prior to January 1, 1937. Such resolution shall recite the plan in detail and contain such provisions not inconsistent with this Act as shall be found to be for the best interests of the municipality, its creditors, and its taxpayers. The plan may contemplate the issuance of bonds to refund any or all of its outstanding bonds, including bonds which are not due or about to become due, may provide that bonds may be exchanged in whole or in part for unmatured bonds with the consent of the holders thereof, and may provide for the execution and sale or exchange and delivery of bonds from time to time as needed to meet maturing obligations. Any such plan may provide for the issuance of one series of bonds or more than one series. The governing body may fix a time limit within which creditors may surrender obligations for payment or exchange and may thereafter extend such time if it is found beneficial to the municipality to do so. The plan may require the consent of any specified percentage or amount of the holders of the obligations included in such plan before it shall become effective. Any municipality may take any action authorized by any present or future bankruptcy or similar law enacted by the Congress of the United States designed to assist in the compounding or compromising and refinancing of indebtedness, including the payment

of fees and expenses necessary to make use of such Act and approved by the Court having jurisdiction thereof.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 12, 1937.

CHAPTER 177

H. B. No. 203—(Schauss, Peterson of Renville)

HOURS OF EMPLOYMENT MUNICIPAL EMPLOYEES

An Act to amend and re-enact Chapter 201 of the 1935 Session Laws relating to limiting the hours of employment of municipal employees, fixing the penalty for violation thereof, and repealing all Acts and parts of Acts in conflict therewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Chapter 201 of the Session Laws of 1935 is hereby amended and re-enacted to read as follows:

§ 1. It shall be unlawful for any person employed by any City in the State of North Dakota having a population of 5,000 or more to work for any City more than eight hours in any one day, or more than fifty-six hours in any one week, except in case of emergency, provided, that this Act shall not apply to public officers who are elected to their said office; provided, however, that the provisions of this Act shall not apply to the fire department or head of any department of any City

§ 2. Any employee of any City wilfully violating this Act, and any City officer, or member of any Board, Bureau, or Commission, having charge or supervision over the employment of any such employee, who shall require such employee to violate Section 1 hereof, by requiring him to work more than eight hours in any one day or more than fifty-six hours in any one week, except in case of emergency, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punishable by a fine of not less than Ten Dollars or more than One Hundred Dollars, or by imprisonment in the County jail for not more than thirty days, or by both such fine and imprisonment.

§ 3. All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 17, 1937.

CHAPTER 178

H. B. No. 57—(State Affairs Committee)

VOLUNTEER FIREMEN DECLARED MUNICIPAL
EMPLOYEES

An Act declaring volunteer firemen to be employees of the municipalities which they serve, and entitled to the protection of the Workmen's Compensation Laws of the State; defining the term "Volunteer Firemen"; fixing the basis of payment of benefits out of the Workmen's Compensation Fund and the method of making assessments of premiums against municipalities; and declaring an emergency.

THAT, WHEREAS there are in the State of North Dakota approximately 8,000 volunteer firemen, who devote a portion of their time to the hazardous undertaking of protecting their various communities against the hazards of fire, and

WHEREAS, such service is rendered by them without the payment of any fee or compensation; or if compensation be paid, the same is inadequate and insufficient upon which to base an assessment, by the Workmen's Compensation Bureau, against the several municipalities, for which such services are rendered, adequate to justify the payments, out of the Workmen's Compensation Fund, of death and disability benefits as provided by the Laws of the State of North Dakota, and

WHEREAS, by reason of such facts the vast majority of such volunteer firemen are receiving no protection from said Workmen's Compensation Fund, and the Workmen's Compensation Bureau has no authority, under the present laws of the State of North Dakota, to make assessments against municipalities for the protection of such volunteer firemen, or to pay benefits to such volunteer firemen out of said Workmen's Compensation Fund, and

WHEREAS, said volunteer firemen are entitled to be protected against the hazards of their occupation to the same extent as paid employees,

THEREFOR:

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. VOLUNTEER FIREMEN DECLARED EMPLOYEES.] That volunteer firemen of the State of North Dakota, as hereinafter defined, be and they are hereby declared to be employees of the municipalities which they serve and entitled to the same protection and rights under the Workmen's Compensation Laws of the State of North Dakota, as are full time paid employees.

§ 2. VOLUNTEER FIREMEN DEFINED.] A volunteer fireman is hereby defined to be, any active member of an organized volunteer fire department of the State of North Dakota, and any other person performing services as a volunteer fireman for a municipality, at

the request of the Chief, or other person in command, of the fire department of such municipality, or of any other officer of such municipality having authority to demand such services; provided, that firemen who are paid a regular wage or stipend by the municipality as such, or whose entire time is devoted to such services for the municipality, shall not for the purpose of this Act be deemed volunteer firemen.

§ 3. COMPENSATION BENEFITS: HOW DETERMINED.] The basis of compensation and benefits, to be paid to volunteer firemen under the terms of this Act, shall be established by the Workmen's Compensation Bureau of the State of North Dakota, by ascertaining the average weekly wage paid to full time paid firemen by municipalities of the State of North Dakota, maintaining paid departments, and the amount of such weekly wage shall be taken and deemed to be the wages of volunteer firemen, for the purpose of such payments.

§ 4. ASSESSMENT OF PREMIUMS.] For the purpose of making assessments of premiums to be charged against municipalities, for protection of such volunteer firemen, the Workmen's Compensation Bureau of the State of North Dakota shall make such survey, as to such bureau may seem advisable, to ascertain the probable annual expenditures necessary to be paid out of the Workmen's Compensation Fund to carry out the provisions of this Act, and shall fix the annual charge and assessment which shall be made against municipalities, employing volunteer firemen as defined in this Act, which charge shall be a fixed sum for each 100 of the population of such municipalities, the same to be uniform as to all such municipalities, but in proportion to the population thereof. Provided, however, that the Bureau may establish a minimum charge or assessment, to be applicable to municipalities where the fixed rate or charge multiplied by the number of hundreds of the population thereof would amount to less than the amount of such minimum charge or assessment. Population as herein contemplated shall be that shown by the latest official North Dakota State or United States Government Census, whichever may be the later.

§ 5. PURPOSE OF ACT.] Except as the provisions of this Act are in conflict therewith, this Act is declared to be supplemental to and a part of the Workmen's Compensation Laws of the State of North Dakota as enacted by Chapter 162 of the Laws of North Dakota 1919 and amendments thereof, it being the intent and purpose of this Act to confer upon volunteer firemen of the State of North Dakota, the same rights, privileges and protection, under the Workmen's Compensation Laws of the State, as are now or may in the future be afforded to or enjoyed by paid employees of the several municipalities of the State, under such laws, and to impose upon such municipalities the same obligations and responsibilities, in respect to volunteer firemen, under such Workmen's Compensation Laws, as

are now, or in the future may be required of or imposed upon such municipalities, by such laws, as the same apply to paid employees of such municipalities.

§ 6. EMERGENCY.] Whereas an emergency now exists, in that there is at present no adequate protection under the Workmen's Compensation Laws of the State of North Dakota for volunteer firemen, as defined in this Act, therefore this Act is hereby declared to be an emergency measure, and shall become and be in force immediately upon its passage and approval.

Approved February 18, 1937.

CHAPTER 179

H. B. No. 81—(Olson of Sargent, and Nelson of Sargent)

DEFINITION OF VILLAGES

An Act extending the definition of "Villages" to include "Incorporated Towns" where such Towns were incorporated under any law of the territory of Dakota or of the State of North Dakota, and repealing all Acts or parts of Acts in conflict therewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. VILLAGE DEFINED.] Whenever the term "Village" is used in the laws of this State, such term "Village" shall include any "Incorporated Town" heretofore incorporated under any Law of the Territory of Dakota or of the State of North Dakota, and to all intents and purposes under said Law an Incorporated Town shall be deemed an Incorporated Village.

§ 2. REPEAL OF CONFLICTING LAWS.] Any Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 4, 1937.

CHAPTER 180

H. B. No. 129—(Beaton)

POLLING HOURS—VILLAGE ELECTIONS

An Act to amend and re-enact Section 3852 of the Compiled Laws of North Dakota for 1913, fixing the hours during which the polls shall be open at annual village elections; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 3852 of the Compiled Laws of the State of North Dakota for 1913 be amended and re-enacted to read as follows:

§ 3852. POLLING HOURS.] At all elections in said village the polls shall be opened at nine o'clock in the forenoon, and shall not be closed until seven o'clock in the afternoon of such day.

§ 2. EMERGENCY.] Whereas annual elections in villages in this State are held on the third Tuesday of March, and under the present law many working people are disfranchised by inability to leave their work to vote during the present polling hours, therefore, an emergency is hereby declared to exist and this Act shall be in force from and after its passage and approval.

Approved February 15, 1937.

CHAPTER 181

H. B. No. 128—(Beaton)

HOURS OF VOTING AT ELECTIONS FOR PROPOSED VILLAGE INCORPORATION

An Act to amend and re-enact Section 3846 of the Compiled Laws of North Dakota for 1913, fixing the hours during which the polls shall be open at an election upon the question of whether or not a proposed village shall incorporate.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Section 3846 of the Compiled Laws of the State of North Dakota for 1913 be amended and re-enacted to read as follows:

§ 3846. POLLING HOURS.] At the meeting of the qualified voters as herein provided, the polls shall be opened at nine o'clock in the forenoon, of such day and shall be kept open until seven o'clock in the afternoon, of such day.

Approved February 15, 1937.

NORTH DAKOTA

CHAPTER 182

S. B. No. 239--(Guthrie)

ARROWOOD LAKE PARK

An Act authorizing and directing the State Historical Society of North Dakota to sell to the United States Government lands acquired for park purposes at Arrowood Lake in Stutsman County, North Dakota, and providing for manner of disposing of funds accruing from said sale, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The State Historical Society of North Dakota is hereby authorized and ordered to convey by Warranty Deed to the United States of America, the following described property: Lots three (3) and four (4) of Section thirty (30) Township One Hundred Forty-four (144) North, Range Sixty-four (64) West of the Fifth Principal Meridian, containing 63.41 Acres, more or less. The said Deed of Conveyance shall be executed and acknowledged by the Governor for the State of North Dakota and attested by the Secretary of State and shall also be executed and acknowledged by the President of the State Historical Society of North Dakota and attested by its Secretary. The consideration for the sale of the afore described property shall be \$634.10 which shall be deposited with the Treasurer of the State of North Dakota in a special fund to be designated as the "State Park Purchase Fund" and said fund or any part thereof may be used by the Society for the purchase of other lands or sites as it may desire to purchase within this State for park purposes.

§ 2. EMERGENCY.] An emergency is hereby declared to exist, and this Act shall become operative and in effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 183

S. B. No. 246—(Committee on Taxes and Tax Laws)

AUTHORIZING CERTIFICATES OF INDEBTEDNESS BY
STATE OF NORTH DAKOTA

An Act providing for the issuance by the Industrial Commission of Certificates of Indebtedness in anticipation of the collection of property taxes, which have been levied by the State Board of Equalization; prescribing the terms and conditions hereof; providing for their sale and delivery and payment; establishing a Certificate of Indebtedness Retirement Fund, and repealing all Acts or parts of Acts inconsistent with the provisions of this Act, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The Industrial Commission shall have power, from time to time, to borrow in anticipation of revenues to be derived from property taxes already levied by the State Board of Equalization for the current year, and the five next preceding years. Such power, however, can be exercised only in accordance with the provisions of this Act. For the purpose of such borrowing the Industrial Commission shall issue (d) Certificates of Indebtedness.

Certificates of Indebtedness as provided for in this Act shall be sold only against that portion of the uncollected general property State Tax levied by the State Board of Equalization, to defray the general expenses of the State Government, known as the general fund, and no certificates shall be sold under this Act against uncollected taxes levied for interest and sinking funds. A Certificate of Indebtedness shall consist of an agreement on the part of the State of North Dakota to pay a stated sum on a specified date not more than twenty-four months in the future, together with interest thereon, at a specified rate not exceeding four per cent per annum, which may be made payable semiannually, which certificate shall be signed on behalf of the State by the Governor and also by the State Treasurer, and such certificates shall be payable primarily out of funds derived from the collection of the taxes as herein provided. Certificates of Indebtedness shall bear the certificate of the State Auditor to the effect that they, together with all other Certificates of Indebtedness outstanding, are within seventy-five per cent of the amount of uncollected taxes for the years enumerated in such certificates which have been lawfully levied. Such certificates shall possess no validity unless they bear such certificate of the State Auditor. It shall be the duty of the State Auditor to make such certificate in accordance with the facts. When so executed with the prescribed certificate signed by the State Auditor, Certificates of Indebtedness shall be fully negotiable and shall be incontestable except on the ground of fraud on the part of the holder or original payee, or connivance between the holder or the original payee and officer or officers of the State. In the hands of the holder in due course, the execution of a Certificate

of Indebtedness by the State under this Act, shall be conclusive evidence that the issuance thereof was duly authorized by the Industrial Commission of the State. A tax under this Act, shall be deemed to have been levied when it has been voted by the State Board of Equalization and certified by the Tax Commissioner.

That State Auditor shall, at the time of attaching his certificate to Certificates of Indebtedness, register such certificates of indebtedness in the permanent records of his office. He shall also inform the State Treasurer of such registration, and the State Treasurer shall likewise keep a permanent record of such Certificates of Indebtedness.

After Certificates of Indebtedness are paid and cancelled they shall be exhibited to the State Auditor, who shall note the cancellation and payment upon his records, whereupon said certificates shall be properly cancelled by the State Treasurer in the presence of the State Auditor, and filed in the office of the State Treasurer.

§ 2. After the sale of such Certificates of Indebtedness, all tax receipts derived from the said taxes levied for the years listed in such certificates shall be by the State Treasurer set aside into a separate fund to be known as the Certificate of Indebtedness Retirement Fund, which is to be used only for the purpose of retiring such Certificates of Indebtedness and paying interest thereon until sufficient funds shall have accumulated to retire such certificates. Certificates of Indebtedness shall cease to bear interest at maturity; provided, however, that certificates not paid upon presentation at or after maturity shall bear interest from maturity until paid at the same rate as before maturity.

If the amount in Certificate Retirement Fund is insufficient to redeem certificates on maturing dates of said certificates, the Industrial Commission shall issue new certificates, the proceeds from sale of which to be used to retire maturing certificates.

§ 3. SALE OF CERTIFICATES OF INDEBTEDNESS; BANK OF NORTH DAKOTA TO BUY SAME; DISPOSITION OF PROCEEDS.] The Industrial Commission shall sell said Certificates of Indebtedness for cash on such terms and conditions as it shall determine, but in no event for less than par plus accrued interest, and on no terms conflicting with the provisions of this Act. All certificates must be sold by the Industrial Commission in the open market or upon sealed bids, upon at least twenty days' notice by publication in not less than two newspapers published in this State. Provided the Industrial Commission reserve the right to reject any and all bids and if no acceptable bids are received for such certificates the Industrial Commission may deliver the same to the Bank of North Dakota, which shall pay for such certificates the par value thereof plus accrued interest. The proceeds from such sale of said certificates shall be paid to the State Treasurer.

Out of the moneys developing from sale of certificates, the Industrial Commission is hereby directed, authorized and empowered, from time to time, to transfer to the State Public Welfare Fund for use by the Public Welfare Board in carrying out the duties and powers imposed upon it by law, such moneys, not exceeding One Million Dollars, as said Industrial Commission, in its discretion, may determine are available or may become available after making provision for the payment of the unpaid appropriations from General Fund appropriated for the 1935-1937 biennium.

§ 4. The Certificates of Indebtedness issued under this Act shall not be general obligations of the State of North Dakota except to the extent only that the State of North Dakota shall guarantee to pay any deficiency in principal and interest due and payable thereon which may exist at the maturity of such Certificates or any renewal thereof in an aggregate amount of not to exceed Two Million Dollars.

§ 5. All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 6. This Act is hereby declared to be an emergency Act and shall be in full force and effect from and after its passage and approval.

Approved March 9, 1937.

CHAPTER 184

H. B. No. 229—(Freitag)

CUSTODIAN CAPITOL BUILDING AND GROUNDS

An Act to repeal Chapter 267 of the 1935 Session Laws, the same being an amendment and re-enactment of Chapter 94 of the Session Laws of the State of North Dakota for the year 1929, relating to the custodian of the Capitol Building and grounds, describing his duties, powers, and compensation and appointing of such custodian.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REPEAL.] That Chapter 267 of the 1935 Session Laws, the same being an Act to amend and re-enact Chapter 94 of the 1929 Session Laws of the State of North Dakota, relating to the custodian of the Capitol building and grounds, describing his powers, duties and compensation and appointing such custodian, be, and the same is hereby repealed.

Approved March 4, 1937.

CHAPTER 185**H. B. No. 322—(Holmquist)****ABOLISHING HETTINGER EXPERIMENT STATION**

An Act abolishing the Agricultural Experiment Station near Hettinger, Adams County, and providing for conveyance of land where located and improvements thereon to the City of Hettinger under certain conditions, repealing Sections 1643 and 1644 of the Compiled Laws of North Dakota, 1913, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. STATION ABOLISHED; CONVEYANCE OF LAND; CONDITIONS.] The Agricultural Experiment Station located near the City of Hettinger, Adams County, and created under the provisions of Chapter 115 of the 1909 Session Laws, is hereby abolished, and the Governor is authorized to convey by Quit Claim Deed for and on behalf of the State to the City of Hettinger, North Dakota, the land upon which the same is now located and the permanent improvements thereon, the same to be used by the said city for the exclusive purpose of establishing and maintaining thereon a municipal hospital, and to revert, together with all added improvements thereon, to the State of North Dakota in the event the said municipal hospital thereon is discontinued, unless otherwise directed by future legislative enactment.

§ 2. REPEAL.] Sections 1643 and 1644 of the Compiled Laws of North Dakota, 1913, are repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

CHAPTER 186**S. B. No. 255—(Committee on Printing)****LEGISLATIVE SEALS**

An Act relating the introduction and printing of bills and providing for an Official Seal for each branch of the Legislative Assembly; repealing Section 52 of the Compiled Laws of 1913 and all Acts and parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. SEAL; INTRODUCTION OF BILLS.] The Secretary of State is hereby directed to present to the Secretary of the Senate and the Clerk of the House of Representatives an official seal at the opening of each legislative session. Four copies of all bills introduced shall

be presented to the desk at the time of introduction and every page of each bill introduced shall be impressed with said seal. The lines of the typewritten copies of bills introduced shall be numbered and such lines shall not exceed 65 spaces in length.

§ 2. BILLS TO BE PRINTED; HOW.] Five hundred copies of each bill or concurrent resolution shall be printed unless otherwise ordered by motion or resolution of either branch of the Legislative Assembly. Bills and concurrent resolutions to amend the Constitution shall be numbered consecutively and be printed on first class calendar paper in eleven point Roman type with a single space between each line, the printed pages to be 30 picas wide and 50 picas long. The numbering and the lines in the printed bill shall correspond to the numbering and the lines of the typewritten copy. A calendar of bills and resolutions introduced and referred shall be printed daily for the use of the members of the Legislative Assembly and for distribution. Such calendar shall be printed on sized and calendered paper, set solid in eight point type, two columns thirteen ems wide, in pages of sufficient length to contain a brief synopsis of each bill or resolution introduced and referred on that day, the number of each bill or resolution, the name of the person introducing the same, the name of the committee to whom referred, the number of each bill that day passing either branch of the Legislative Assembly and messaged to the other, and the statement of the final disposition of any bill or resolution on that day made. The synopsis of bills and resolutions to be so printed in such calendar, and such other matter to be printed therein as hereinbefore provided, shall be edited by a clerk to be employed for such purpose by the branch of the Legislative Assembly in which such bill or resolution is introduced or in which the action respecting such measure is had. Such synopsis or statement of any bill or resolution, as published in such calendar, shall not exceed ten printed lines in length. Such daily calendar shall be distributed and mailed in such number and manner as by resolution of either branch of the Legislative Assembly determined. Copies of every bill or resolution shall be furnished for the files of each member of the Legislative Assembly, and may be procured by any person by applying either in person or in writing to the billclerk of the branch of the Legislative Assembly in which such bill or resolution originated.

§ 3. REPEAL.] Section 52 of the Compiled Laws of 1913 and all Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 10, 1937.

CHAPTER 187

H. B. No. 73—(Committee on Taxes and Tax Laws)

MILEAGE STATE OFFICIALS AND EMPLOYEES

An Act for an Act to amend and re-enact that certain Initiated Law entitled: "An Act reducing, equalizing and fixing allowance for mileage and travel expense of State Officials, elective and appointive, their deputies, assistants, clerks and other state employees, and repealing all Acts and parts of Acts in so far as they are in conflict herewith, and taking effect as to all except elective officials on the 30th day of July, 1932, and as to elective officials upon their election and qualification hereafter," adopted and approved by the electors at the June 29th, 1932, Primary Election, reducing and fixing allowances for mileage and travel expenses of State Officials, elective and appointive, their deputies, assistants, clerks and other State employees, providing for the filing of an itemized statement thereof, repealing all Acts and parts of Acts in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That certain initiated law entitled "An Act reducing, equalizing and fixing allowances for mileage and travel expense of State officials, elective and appointive, their deputies, assistants, clerks and other State employees, and repealing all Acts and parts of Acts in so far as they are in conflict herewith, and taking effect as to all except elective officials on the 30th day of July, 1932, and as to elective officials upon their election and qualification herein," adopted and approved by the electors at the June 29th, 1932, primary election, be and the same is hereby amended and re-enacted to read as follows:

§ 1. AMENDMENT.] Hereafter, State officials, whether elective, or appointive, and deputies, assistants, clerks of such officials, or other State employees, entitled by law to be reimbursed for mileage or travel expense, shall be allowed and paid for mileage and travel expense the sum of five cents per mile for each mile actually and necessarily travelled within this State in the performance of official duty when such travel is by motor vehicle or by team, and when any such motor vehicle or team is owned by the State or by any department or political subdivision thereof, no allowance shall be made or paid for such mileage. When travel is by rail or other common carrier the allowance for mileage and travel expense is hereby fixed at the amount actually and necessarily expended therefor in the performance of official duties, but in no case exceeding the sum of five cents per mile for each mile actually and necessarily travelled in the performance of such duties. Provided, that before any allowance for any such mileage or travel expense shall be made, such official, deputy, assistant, clerk or other employee shall file with the State Auditor an itemized statement showing the mileage travelled, the days when and how travelled and the purpose thereof, verified by his

or her affidavit, which statement shall be submitted to the State Auditing Board for approval and shall only be paid when approved by said Board.

§ 2. All Acts and parts of Acts in conflict herewith, are hereby repealed.

§ 3. This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 13, 1937.

CHAPTER 188
H. B. No. 326—(Sand)

DISPLAY NEW YORK WORLD'S FAIR, 1939

An Act to provide for the collection, arrangement and display of the products and resources of the State of North Dakota at the New York World's Fair in 1939.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. For the purpose of exhibiting the resources, products and advantages of the State of North Dakota at the New York World's Fair to be held in the City of New York in the year 1939, a Commission consisting of the Governor, Secretary of State and the Commissioner of Agriculture and Labor and three citizens of the State of North Dakota to be appointed by the Governor, is hereby created. The Governor shall be the President of the Commission and the Commissioner of Agriculture and Labor shall be the Secretary.

§ 2. The Commissioners shall meet at the call of the Governor at such time and place as he shall designate and may do all things necessary to send a complete and creditable exhibit to the New York World's Fair to be held in the City of New York, during the year 1939, which exhibit shall have for its purpose the exhibition of the resources and industries of the State of North Dakota. Said Commissioners shall adopt their own rules and regulations necessary and proper for the purpose of carrying out this Act.

§ 3. The members of the Commission shall serve without compensation unless they shall, through the generosity of our citizens be able to collect a fund sufficient to cover the expenses of the Commission, in which event they shall be entitled to such compensation and expenses as may be agreed upon, the same to be paid wholly out of the sum so collected.

§ 4. The Commission shall make a full statement and report

of any action taken under the provisions of this Act to the next Legislative Assembly.

Approved March 6, 1937.

CHAPTER 189
H. B. No. 333—(Schauss)

**REGULATION SALE PURCHASE AND EXCHANGE OF STATE
BONDS AND INDEBTEDNESS**

An Act making it unlawful for any officer or the head of any department, board, bureau, institution or industry, to buy, sell, exchange or in any manner acquire or dispose of any bond, stocks, certificates of indebtedness, notes, mortgages or other evidence of debt in which any public funds have been or may be invested, without permission of the Industrial Commission of the State of North Dakota; providing penalty for violation and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That from and after the passage and approval of this Act it shall be unlawful for any officer, or the head of any board, bureau, commission, institution or industry of the State of North Dakota except the Bank of North Dakota, to buy, sell, exchange, or in any manner acquire or dispose of any stocks, bonds, certificates of indebtedness, notes, mortgages or other evidence of debt, in which any of the public funds of said officer, board, bureau, commission, institution, department or industry is invested or may be invested, without first having obtained permission from the Industrial Commission of the State of North Dakota; such permission to be granted by a resolution duly adopted; provided, however, that the provisions of this Act shall not apply to loans and investments made by the Board of University and School Lands.

§ 2. Any officer, or the head of any board, bureau, commission, department, institution or industry of the State violating any of the provisions of Section 1 of this Act shall upon conviction thereof be punished by fine not less than \$100.00 nor more than \$1,000.00, or by imprisonment in the County jail for not less than thirty days nor more than one year, or by both such fine and imprisonment.

§ 3. EMERGENCY.] Whereas there is now no provision for the orderly investment for the public funds in the State's various departments, boards, bureaus, commissions, industries and offices in this State, an emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

CHAPTER 190
S. B. No. 226—(Johnson)

SESSION LAWS

An Act amending and re-enacting Section 69 of the 1925 Supplement to the Compiled Laws of North Dakota, 1913, relating to printing of popular and authenticated editions of the Session Laws, reducing number of copies of popular editions required to be printed, and repealing all Acts or parts of Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 69 of the 1925 Supplement to the Compiled Laws of North Dakota, 1913, is amended and re-enacted to read as follows:

§ 69. LAWS; HOW PRINTED.] In addition to the official and authenticated edition of the Session Laws to be published, the Secretary of State shall cause to be printed a popular edition of the session laws of each session in the following form: Type to be of ten point size set solid twenty-five ems pica wide, title to be set eight point solid twenty-five ems pica wide. Same to be printed on first grade print paper of the basis of twenty-four by thirty-six inches and thirty-five pounds to the ream, with proper heading, size to be five and three-fourths by eight and three-fourth inches, wire stitched with paper covers of the grade and weight now used and specified for departmental reports. There shall be two thousand copies of said popular edition so printed.

The official and authenticated edition of the Session Laws shall be printed and published from the same matter and from the same type as for the popular edition thereof, to be properly edited, revised and authenticated. The same shall be printed on first grade machine finished paper twenty-five by thirty-eight inches of fifty pounds to the ream, page to be six by nine inches, said volume to be bound in library buckram and properly titled. The popular edition and the authenticated edition of the Session Laws so printed shall be a part of the fourth class of State printing.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this Act shall become operative from the date of its passage and approval.

Approved March 16, 1937.

CHAPTER 191**H. B. No. 145—(Benno, Frazier and Niewoehner)****TRANSFER OF TRANSIENT CAMP IN BOTTINEAU COUNTY TO
THE STATE HISTORICAL SOCIETY**

An Act providing for a transfer of certain school lands situated in Bottineau County, State of North Dakota, with the buildings thereon, to the State Historical Society to be used and maintained as a part of the State Public Park System, and providing for an appropriation to reimburse the permanent school fund of the State, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

WHEREAS, the Government of the United States has expended large sums of money in the construction of Transient Camp Buildings on Section 36, Township 164, North of Range 75 West of the Fifth Principal Meridian, located in Bottineau County, State of North Dakota, which buildings are so designed that they are best suited for use in connection with public park service, and

WHEREAS, the United States Public Park Service requires the title to such land, as they will develop for park purposes, to be in the Public, NOW, THEREFORE:

§ 1. The Governor and the Board of University and School Lands are hereby authorized and directed to transfer and convey said Section 36, of Township 164 North of Range 75 West of the Fifth Principal Meridian, located in Bottineau County, State of North Dakota, containing 640 acres, more or less, according to the United States Government Survey, including the said buildings thereon, to the State Historical Society for public park purposes.

§ 2. That there be and is hereby appropriated to reimburse the Permanent School Fund of the State the sum of \$400.00 for the year 1937; \$1,000.00 for the year 1938; \$1,000.00 for the year 1939; \$1,000.00 for the year 1940; \$1,000.00 for the year 1941; \$1,000.00 for the year 1942, and \$1,000.00 for the year 1943, payable out of any moneys in the State Treasury not otherwise appropriated.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved February 17, 1937.

NOTARY PUBLIC

CHAPTER 192

H. B. No. 320—(Burgum)

PROVIDING FOR THE FORM OF CERTIFICATES OF ACKNOWLEDGEMENT

An Act to amend and re-enact Section 5574 of the Compiled Laws of the State of North Dakota for the year 1913, relating to the form of certificates of acknowledgement; repealing all Acts or parts of Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Section 5574 of the Compiled Laws of the State of North Dakota for the year 1913 be, and is hereby amended and re-enacted to read as follows:

§ 5574. FORMS OF CERTIFICATES.] An officer taking the acknowledgement of an instrument must indorse thereon or attach thereto a certificate substantially in the forms hereinafter prescribed.

(1) Such certificate of acknowledgement, unless it is otherwise in this article provided, must be in substantially the following form:

State of..... }
County of }

On this.....day of.....in the year.... before me personally appeared..... known to me (or proved to me on oath of.....) to be the person who is described in and who executed the within instrument, and acknowledged to me that he (or they) executed the same.

(2) The certificate of acknowledgement of an instrument executed by a corporation must be substantially in the following form:

State of..... }
County of }

On this.....day of....., in the year.... before me (here insert the name and quality of the officer), personally appeared....., known to me (or proved to me on oath of.....) to be the president (or other officer or person) of the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

(3) The certificate of acknowledgement by an attorney in fact must be substantially in the following form:

State of..... }
County of }

On this . . . day of, in the year . . . , before me (here insert the name and quality of the officer), personally appeared, known to me (or proved to me on the oath of) to be the person who is described in and whose name is subscribed to the within instrument as the attorney in fact of and acknowledged to me that he subscribed the name of thereto as principal and his own name as attorney in fact.

(4) All acknowledgements of deeds or other instruments in writing made by any deputy sheriff of this State shall be made substantially according to the following form:

State of }
 County of }

On this day of, in the year . . . before me, a, in and for said County, personally appeared, known to me to be the person who is described in and whose name is subscribed to the within instrument as deputy sheriff of said County and acknowledged to me that he subscribed the name of thereto as sheriff of said County and his own name as deputy sheriff.

§ 2. REPEAL.] All Acts or parts of Acts in conflict with the provisions of this Act are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 16, 1937.

(NOTE: House Emergency Certificate shows Ayes, 62; Naves, 33; Absent, 18.)

PHARMACY

CHAPTER 193

S. B. No. 66—(Strehlow, Whelan and Stucke)

REGULATION OF PHARMACIES

An Act to regulate the operation of pharmacies, require the obtaining of permit therefor, prescribing certain requirements with respect thereto, providing for rules and regulations to be formulated by the North Dakota Board of Pharmacy; and prescribing penalties for violation thereof.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. On and after sixty days from and after the taking effect

of this Act, it shall be unlawful for any person, co-partnership, association or corporation to open, establish, operate or maintain any pharmacy, as defined by statute, within the State of North Dakota, without first obtaining a permit so to do from the North Dakota Board of Pharmacy. Application for such permit shall be made upon a form to be prescribed and furnished by said Board, such application shall be accompanied by a fee of Two (\$2.00) Dollars. The permit issued shall be for one year only, but may be renewable annually upon payment of a like fee. Separate applications shall be made and separate permits required for each pharmacy opened, established, operated or maintained by the same owner. All permit or renewal fees collected under the provisions of this Act shall accrue to the North Dakota Board of Pharmacy for use, so far as may be necessary, in the enforcement and carrying out of the provisions hereof.

§ 2. Upon evidence satisfactory to the said North Dakota Board of Pharmacy: (a) that the pharmacy for which a permit, or renewal thereof, is sought, will be conducted in full compliance with this Act, with existing laws, and with the rules and regulations as established hereunder by said Board; (b) equipment and facilities of such pharmacy are such that it can be operated and maintained in manner not to endanger the public health or safety; (c) that such pharmacy is equipped with proper pharmaceutical and sanitary appliances and kept in a clean, sanitary and orderly manner; (d) that the management of said pharmacy is under the personal charge of a registered pharmacist duly registered under the laws of North Dakota; (e) that said pharmacy is operated in compliance with the rules and regulations legally prescribed with respect thereto by the North Dakota Board of Pharmacy, a permit or renewal thereof shall be issued to such persons, co-partnerships, associations, or corporations as the said North Dakota Board of Pharmacy shall deem qualified to conduct such Pharmacy.

§ 3. The permit, or renewal thereof, issued under the provisions of this Act, and under which a pharmacy is being operated, shall be posted and exposed in a conspicuous place in such pharmacy; and the same shall expire upon the last day of June following the date of issue; such permit or renewal of permit shall not be transferable.

Application blanks for renewal permits shall be mailed by the North Dakota Board of Pharmacy to each permittee on or before the first day of May in each year, and if application for renewal of permit is not made before the first day of June following, the existing permit, or renewal thereof, shall lapse and become null and void upon the 30th of that month, and no new or further permit renewal shall be granted except: (a) upon evidence satisfactory to said Board of good and sufficient reason or excuse for failure to file application within the time prescribed; and (b), payment of a renewal fee of five (\$5.00) Dollars. All fees collected under the provisions of this Act shall be

used by the North Dakota Board of Pharmacy, so far as may be necessary, in the enforcement of its provisions.

§ 4. The North Dakota Board of Pharmacy may make such rules and regulations, not inconsistent with law, as may be necessary to carry out the purposes and enforce the provisions of this Act; and such Board is hereby authorized and empowered, after due notice and opportunity given for hearing, to revoke any permit or renewal thereof, when examination or inspection of a pharmacy shall disclose to such Board that such pharmacy is not being operated or conducted according to such legal rules and regulations and the laws of North Dakota with respect thereto.

Rules or regulations made by the North Dakota Board of Pharmacy under the provisions of this Act, shall be adopted and become of force and effect, only upon the affirmative vote of a majority of the full membership of such Board.

§ 5. If an application for permit or for renewal of permit shall be refused, or a permit or renewal of permit, shall be revoked, the Board shall notify the applicant or permittee by registered mail of such refusal or revocation, with its reasons therefor.

And any such applicant or permittee aggrieved by such refusal or revocation, may appeal from the decision or order of such Board to the District Court of Burleigh County, North Dakota, at any time within thirty days after the receipt of such decision or order, so appealed from: provided, however, that the appellant shall give bond in the penal sum of Two Hundred and Fifty (\$250.00) Dollars, to be approved by the Clerk of such Court, conditioned that appellant will pay all costs if the order or decision of the Board be affirmed. With the perfecting of such appeal and the filing of such bond, the decision or order of the Board shall be stayed pending the determination of such appeal.

§ 6. No pharmacy shall be licensed under the provisions of this Act unless it be equipped with proper pharmaceutical instruments and utensils, so that prescriptions can be accurately and properly filled and United States Pharmacopoeia and National Formulary preparations properly compounded, or unless it shall have on file at all times the latest decennial revision of the United States Pharmacopoeia and the latest edition of the National Formulary, and supplements thereto; which books must be in evidence at all times to the North Dakota Board of Pharmacy and its properly authorized agents. The Board shall prescribe the minimum of technical equipment which a pharmacy shall at all times possess. No permit shall be issued or renewed for the operation of a pharmacy unless the same shall be operated in a manner and according to the rules and regulations prescribed by law and by the North Dakota Board of Pharmacy with respect thereto.

§ 7. Any violation of the provisions of this Act or any violation of the rules or regulations legally adopted by the North Dakota Board of Pharmacy, hereunder, shall constitute a misdemeanor, and upon conviction thereof, the violator shall be subject to a fine of not less than Twenty-five (\$25.00) Dollars for each offense, and each and every day such violation shall continue shall constitute a separate and distinct offense and be punished as such; and upon any conviction of a permittee hereunder, the permit or renewal thereof of such violator, shall be null and void.

Approved March 11, 1937.

PROCEDURE

CHAPTER 194

S. B. No. 129—(Committee on Judiciary)

BUSINESS RECORDS AS EVIDENCE

An Act making provision for the use of business records as evidence and making uniform the law with reference thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITION.] The term "business" shall include every kind of business, profession, occupation, calling or operation of institutions, whether carried on for profit or not.

§ 2. BUSINESS RECORDS.] A record of an Act, condition or event, shall, insofar as relevant, be competent evidence if the custodian or other qualified witness testifies to its identity and the mode of its preparation, and if it was made in the regular course of business, at or near the time of the Act, condition or event, and if, in the opinion of the Court, the sources of information, method and time of preparation were such as to justify its admission.

§ 3. UNIFORMITY OF INTERPRETATION.] This Act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those States which enact it.

§ 4. SHORT TITLE.] This Act may be cited as the Uniform Business Records as Evidence Act.

§ 5. REPEAL. All Acts or parts of Acts which are inconsistent with the provisions of this Act are hereby repealed.

Approved March 1, 1937.

CHAPTER 195**S. B. No. 131—(Committee on Judiciary)****OFFICIAL REPORTS AS EVIDENCE**

An Act providing for the use of official reports as evidencing and making uniform the law with reference thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. OFFICIAL REPORTS.] Written reports or findings of fact made by officers of this State, on a matter within the scope of their duty as defined by Statute, shall, insofar as relevant, be admitted as evidence of the matters stated therein.

§ 2. NOTICE BEFORE TRIAL.] Such report or findings shall be admissible only if the party offering it has delivered a copy of it or so much thereof as may relate to the controversy, to the adverse party a reasonable time before trial, unless in the opinion of the trial Court the adverse party has not been unfairly surprised by the failure to deliver such copy.

§ 3. CROSS-EXAMINATION.] Any adverse party may cross-examine any person making such reports or findings or any person furnishing information used therein; but the fact that such testimony may not be obtainable shall not affect the admissibility of the report or finding unless, in the opinion of the Court, the adverse party is unfairly prejudiced thereby.

§ 4. UNIFORMITY OF INTERPRETATION.] This Act shall be so interpreted and construed as to effectuate its general purpose to make uniform the Law of those States which enact it.

§ 5. SHORT TITLE.] This Act may be cited as the Uniform Official Reports as Evidence Act.

§ 6. REPEAL.] All Acts or parts of Acts which are inconsistent with the provisions of this Act are hereby repealed.

Approved March 3, 1937.

CHAPTER 196

S. B. No. 130—(Committee on Judiciary)

PROCEDURE JUDICIAL NOTICE

An Act for the judicial notice of the Laws of other jurisdictions and for proof thereof and to make uniform the Law with reference thereto.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. JUDICIAL NOTICE.] Every Court of this State shall take judicial notice of the Common Law and Statutes of every State, territory and other jurisdiction of the United States.

§ 2. INFORMATION OF THE COURT.] The Court may inform itself of such laws in such manner as it may deem proper, and the Court may call upon counsel to aid it in obtaining such information.

§ 3. RULING REVIEWABLE.] The determination of such laws shall be made by the Court and not by the jury, and shall be reviewable.

§ 4. EVIDENCE AS TO LAWS OF OTHER JURISDICTIONS.] Any party may also present to the trial Court any admissible evidence of such Laws, but, to enable a party to offer evidence of the Law in another jurisdiction or to ask that judicial notice be taken thereof, reasonable notice shall be given to the adverse parties either in the pleadings or otherwise.

§ 5. FOREIGN COUNTRY.] The law of a jurisdiction other than those referred to in Section 1, shall be an issue for the Court, but shall not be subject to the foregoing provisions concerning judicial notice.

§ 6. INTERPRETATION.] This Act shall be so interpreted and construed as to effectuate its general purpose to make uniform the Law of those States which enact it.

§ 7. SHORT TITLE.] This Act may be cited as the Uniform Judicial Notice of Foreign Law Act.

§ 8. REPEAL.] All Acts or parts of Acts inconsistent with the provisions of this Act are hereby repealed.

Approved March 1, 1937.

CHAPTER 197**S. B. No. 208—(Committee on Judiciary)****AFFIDAVIT OF IDENTIFICATION REQUIRED BEFORE
FILING OF JUDGMENTS**

An Act to amend and re-enact Chapter 244 of the Session Laws of North Dakota for 1935, requiring judgment creditors to file an affidavit identifying the judgment debtor, forbidding Clerks of Court, and other officers to enter judgments without affidavits of identification, and providing a penalty for failure to comply with this law.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Chapter 244 of the Session Laws of North Dakota for 1935, be and the same is hereby amended and re-enacted to read as follows:

§ I. No judgment for the recovery of money against any person shall hereafter be docketed or entered until the judgment creditor, his agent, or attorney, shall have filed with the Clerk of the District Court, an affidavit stating the full name, occupation, place of residence, and post office address of the judgment debtor, to the best of affiant's information and belief; and if debtor has a known street address, or residence number, or both, it shall be given; provided that this Section shall not apply to any case where judgment is taken against a corporation, co-partnership, public official, or party sued in a representative capacity. Failure to file such affidavit, or the filing of a defective or insufficient affidavit, shall not invalidate the judgment docketed or entered, but the Clerk of the District Court entering or docketing a judgment without such affidavit of identification, shall be liable to any person damaged thereby in the sum of Five Dollars.

Approved March 10, 1937.

CHAPTER 198**S. B. No. 112—(Strehlow, Guthrie, Lowe)****PUBLIC WORKS PROCEDURE ACT**

An Act simplifying the procedure for the construction and financing of Public Works Projects by municipalities, enabling municipalities to make and perform contracts with Federal Agencies relating to the construction and financing of such projects and conferring additional power upon municipalities; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. SHORT TITLE.] This Act may be cited as "The Public Works Procedure Act."

§ 2. DEFINITION.] The following terms wherever used or referred to in this Act shall have the following meaning unless a different meaning appears from the context:

(a) The term "municipality" shall mean any public institution of the State, a County, City, Village, Town, Township, common school district, independent school district, special school district or park district empowered to borrow money and issue written obligations to repay the same out of public funds or revenues.

(b) The term "governing body" shall mean the board, commission, council, or other local legislative body of a municipality.

(c) The term "Law" shall mean any Act or statute, general, special or local, of this State, including, without being limited to, the charter of any municipality.

(d) The term "Bonds" shall mean bonds, interim receipts, certificates, or other obligations of a municipality issued or to be issued by its governing body for the purpose of financing or aiding in the financing of any work, undertaking or project for which a loan or grant, or both, has heretofore been made or may hereafter be made by any Federal Agency.

(e) The term "Recovery Act" shall mean the National Industrial Recovery Act, being the Act of the Congress of the United States of America, approved June sixteenth, nineteen hundred thirty-three, entitled "An Act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes," and any Acts amendatory thereof, and any Acts supplemental thereto, and revisions thereof, and any further Acts or Joint Resolutions of the Congress of the United States of America to reduce and relieve unemployment or to provide for the construction of public works or for work relief.

(f) The term "Federal Agency" shall include the United States of America, the President of the United States of America, the Federal Emergency Administrator of Public Works, Reconstruction Finance Corporation, and any agency or instrumentality of the United States of America, which has heretofore been or hereafter may be designated, created or authorized to make loans or grants.

(g) The term "public works project" shall mean any work, project, or undertaking which any municipality, is authorized or required by law to undertake or any lawful purpose for which any municipality is authorized or required by law to make an appropriation.

(h) The term "contract" or "agreement" between a Federal Agency and a municipality shall include contracts and agreements in the customary form and shall also be deemed to include an allotment of funds, resolution, unilateral promise, or commitment by a Federal Agency by which it shall undertake to make a loan or grant, or both, upon the performance of specified conditions or compliance with rules and regulations theretofore or thereafter promulgated, pre-

scribed or published by a Federal Agency. In the case of such an allotment of funds, resolution, unilateral promise, or commitment by a Federal Agency, the terms, conditions and restrictions therein set forth and the rules and regulations theretofore or thereafter promulgated, prescribed or published shall, for the purpose of this Act, be deemed to constitute covenants of such a contract which shall be performed by the municipality, if the municipality accepts any money from such Federal Agency.

§ 3. POWERS CONFERRED.] Every municipality shall have power and is hereby authorized:

(a) To accept from any Federal Agency grants for or in aid of the construction of any public works project.

(b) To make contracts and execute instruments containing such terms, provisions, and conditions as in the discretion of the governing body of the municipality may be necessary, proper or advisable for the purpose of obtaining grants or loans, or both, from any Federal Agency pursuant to or by virtue of the Recovery Act; to make all other contracts and execute all other instruments necessary, proper or advisable in or for the furtherance of any public works project and to carry out and perform the terms and conditions of all such contracts or instruments.

(c) To subscribe to and comply with the Recovery Act and any rules and regulations made by any Federal Agency with regard to any grants or loans, or both, from any Federal Agency.

(d) To perform any acts authorized under this Act through or by means of its own officers, agents and employees, or by contracts with corporations, firms or individuals.

(e) To award any contract for the construction of any public works project or part thereof upon any day at least fifteen days after one publication of a notice requesting bids upon such contract in a newspaper of general circulation in the municipality, provided that in any case where publication of notice may be made in a shorter period of time under the provisions of existing Statute or Charter, such Statute or Charter shall govern.

(f) To sell bonds at private sale to any Federal Agency without any public advertisement.

(g) To issue interim receipts, certificates or other temporary obligations, in such form and containing such terms, conditions and provisions as the governing body of the municipality issuing the same may determine, pending the preparation or execution of definitive bonds for the purpose of financing the construction of a public works project.

(h) To issue bonds bearing the signatures of officers in office on the date of signing such bonds, notwithstanding that before delivery thereof any or all the persons whose signatures appear thereon

shall have ceased to be the officers of the municipality issuing the same.

(i) To include in the cost of a public works project which may be financed by the issuance of bonds: (1) Engineering, inspection, accounting, fiscal and legal expenses; (2) the cost of issuance of the bonds, including engraving, printing, advertising, and other similar expenses; (3) any interest costs during the period of construction of such public works project and for six months thereafter on money borrowed or estimated to be borrowed.

(j) To stipulate in any contract for the construction of any public works project or part thereof the maximum hours that any laborer, workman or mechanic should be permitted or required to work in any one calendar day or calendar week or calendar month, and the minimum wages to be paid to laborers, workmen or mechanics in connection with any public works project; provided, that no such stipulation shall provide for hours in excess of or for wages less than may now or hereafter be required by any other law.

(k) To exercise any power conferred by this Act for the purpose of obtaining grants or loans, or both, from any Federal Agency pursuant to or by virtue of the Recovery Act, independently or in conjunction with any other power or powers conferred by this Act or heretofore or hereafter conferred by any other Law.

(l) To do all acts and things necessary or convenient to carry out the powers expressly given in this Act.

§ 4. CONSTRUCTION OF ACT.] The powers conferred by this Act shall be in addition and supplemental to and not in substitution for the powers now or hereafter conferred upon any municipality by any other law. This Act is intended to aid in relieving the existing emergency by simplifying the procedure for the construction and financing of public works projects. This Act is remedial in nature and the powers hereby granted shall be liberally construed. Nothing in this Act shall be construed to authorize the issuance of bonds for any purpose by any municipality not authorized to issue bonds for such purpose under any other law heretofore or hereafter enacted, nor to dispense with the approval by a State Department, Board, Officer or Commission of a public works project where such approval is necessary under provisions of existing Law.

§ 5. SEPARABILITY OF PROVISIONS.] If any provision of this Act, or the application thereof to any person, body, or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons, bodies, or circumstances other than those as to which it shall have been held invalid shall not be affected thereby.

§ 6. TERMINATION OF ACT.] Except in pursuance of any contract or agreement theretofore entered into by and between any mu-

municipality and any Federal Agency, no municipality shall exercise any of the powers conferred by this Act after December 31, 1939.

§ 7. EMERGENCY.] Whereas, this Act is necessary for the immediate support of the State Government and its existing institutions, an emergency is hereby declared and this Act shall be in full force and effect from and upon its passage and approval.

Approved March 12, 1937.

CHAPTER 199

H. B. No. 137—(Burgum)

PROCEDURE DISTRICT COURT ACTIONS

An Act amending and re-enacting Section 7812 of the Compiled Laws of North Dakota for the year 1913, as to the furnishing of surety for costs in District Court actions by plaintiffs who are non-residents of the State or foreign corporations other than United States corporations; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 7812 of the Compiled Laws of North Dakota for the year 1913 be and the same is hereby amended and re-enacted to read as follows:

§ 7812. NON-RESIDENTS MUST FURNISH SURETY.] In cases in which the plaintiff is a non-resident of the State or a foreign corporation, the plaintiff must before commencing such action furnish a sufficient surety for costs; provided, however, that no surety for costs shall be required when the plaintiff is a corporation that is an instrumentality or agency of the United States. The surety must be a resident of the County or subdivision where the action is to be brought and must be approved by the Clerk. His obligation shall be complete by simply endorsing the summons or signing his name on the complaint as security for costs.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 200
H. B. No. 139—(Burgum)

SURETY FOR COSTS NON-RESIDENT PLAINTIFFS

An Act to amend and re-enact Section 9020 of the Compiled Laws of North Dakota for the year 1913, and to provide for the furnishing of surety for costs by plaintiffs who are non-residents or corporations other than United States corporations, declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 9020 of the Compiled Laws of North Dakota for the year 1913 is hereby amended and re-enacted to read as follows:

§ 9020. SURETY FOR COSTS. HOW GIVEN. NON-RESIDENTS.] The Justice shall in all cases, when plaintiff is a non-resident of the State or a corporation, before issuing a summons, require of the plaintiff sufficient surety for costs; provided, however, that no surety for costs shall be required when the plaintiff is a public corporation, or a corporation that is an instrumentality or agency of the United States. The surety must be a resident of the State. His obligation shall be complete by simply endorsing the summons or signing his name on the complaint as security for costs. In all other cases the justice may in his discretion require surety for costs.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

PUBLIC UTILITIES

CHAPTER 201
H. B. No. 230—(Thorson of Barnes)

METER DEPOSITS TO ELECTRIC POWER COMPANIES

An Act prohibiting electrical power companies from charging a deposit upon any meter installed upon the premises of any user of current unless interest is paid annually upon such deposit.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. It shall be unlawful for any person or corporation engaged in the business of furnishing electrical current for light, heat

or power in this State to require any customer to keep with the said person or corporation a deposit covering such meter, unless such person or corporation shall each year pay interest on such deposit at the rate of six per cent per annum. Such interest may be paid to the user of such current, or may be deducted from his or her indebtedness for current furnished, such deduction or payment to be made during the month of December of each calendar year. Provided, further, that that during the month of December following the taking effect of this Act that any and all unpaid accumulations of such interest shall also be paid or deducted as above provided.

§ 2. EMERGENCY.] Whereas an emergency exists, in that public utility companies have large sums of money on deposit upon which no interest is paid by them to the great damage of the users of electricity, this Act shall be in full force and effect from and after its passage and approval by the Governor.

Approved March 9, 1937.

CHAPTER 202

S. B. No. 245—(McGillic)

TESTING OF METERS—GAS AND ELECTRIC

An Act directing the Board of Railroad Commissioners to test electric meters of Electric Utility Companies and gas meters of Gas Utility Companies, and to determine the heat values of natural and/or artificial gas distributed by Public Gas Utility Companies, and making an appropriation for testing equipment therefor, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The Board of Railroad Commissioners of the State of North Dakota are hereby directed to make tests, from time to time, of meters of public utility companies which are used by the utility companies for measuring the amount of electric current passing through such meters to consumers, and are hereby directed to test, from time to time, meters of public utility gas companies used to measure the amount of gas passing through such meters for the use of its customers, and to make tests, from time to time, to determine the B. T. U. content of natural and/or artificial gas distributed by public utility companies in this State.

§ 2. That such tests are to be made for the purpose of determining the accuracy of the meters and to determine whether or not the B. T. U. content of gas, either natural or artificial, distributed by public utility companies is of the standard that may now or hereafter be prescribed by the Board of Railroad Commissioners under its general powers and duties.

§ 3. That the Board of Railroad Commissioners shall make such rules and regulations as it may deem proper and necessary to as the manner in which such tests of such meters and of such heat values shall be made.

§ 4. There is hereby appropriated to the use of the Board of Railroad Commissioners to purchase the necessary equipment to make such tests, as required by this Act, the sum of \$1,500.00, to be paid out upon proper voucher and audit by the State Auditing Board.

§ 5. EMERGENCY.] Whereas, an emergency now exists in that the Board of Railroad Commissioners has no equipment for the testing of gas meters or of heating value of gas, and that the equipment of the Board of Railroad Commissioners for the purpose of testing electric meters is obsolete, and of practically no value and that any tests made by such would not stand in any Court as giving a fair and accurate test of electric meters, and that it is highly desirable for the expeditious and efficient carrying out of this Act that such equipment be procured without unnecessary delay, therefore, this Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 5, 1937.

CHAPTER 203

H. B. No. 124—(Godwin)

PUBLIC UTILITIES HEARINGS

An Act relating to the jurisdiction and powers of the Board of Railroad Commissioners of the State of North Dakota, relating to hearings and investigation in connection with public utilities; and relating to the payment of expenses of hearings, and investigations, and valuations, and/or revaluations, and of methods of assessing and collecting the same, re-creating and continuing "Public Utility Fund," a revolving fund, and declaring an emergency, and repealing all Acts or parts of Acts in conflict herewith, except the provisions of Acts relating to "Public Utility Fund."

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. JURISDICTION AND POWERS.] In addition to the powers which it already possesses, the Board of Railroad Commissioners of the State of North Dakota is hereby vested with power and jurisdiction to supervise, regulate and determine rates of all associations, firms, corporations, persons, and agencies, which are now or which may hereafter be engaged in the business usually conducted by telephone and telegraph companies; pipe line companies for the transportation of gas, oil, and water; electric light companies and individuals engaged in generating, distributing and selling light, heat or power; companies engaged in generating, distributing and selling

gas, natural and artificial; and all heating companies for the distribution of heat, whether incorporated or not, within the State; and to do things necessary and convenient in the exercise of such powers and jurisdiction, and to enforce their orders.

§ 2. HEARINGS: INVESTIGATIONS: EXPERTS: RIGHTS TO HIRE: PAYMENT OF COMPENSATION AND EXPENSES.]

(1) All hearings, investigations, proceedings, and valuations and/or revaluations, provided for in any of the laws in the State of North Dakota, now in force and effect, or which may hereafter become in force and effect, shall be public and shall be governed by this Act and by the rules, practice, and procedure heretofore or hereafter to be adopted by the Board of Railroad Commissioners, and in the conduct thereof, the technical rules of evidence shall not be applied. No informality in any hearings, investigation, proceeding, or valuation and/or revaluation, or in the manner of taking testimony, shall invalidate any order, decision, rule, regulation or rate made, approved, promulgated, or confirmed by said Board of Railroad Commissioners.

(2) The Board of Railroad Commissioners shall have authority and is hereby invested with power to employ any and all rate experts, engineers, auditors, accountants, attorneys, and any and all other expert help and assistance, and to fix the compensation therefor; provided, however, that the expense of such hearings, investigations, and proceedings, and the compensation and actual expense of any such employees shall be paid by the utility being investigated or involved in such hearing or proceedings. The Board of Railroad Commissioners shall ascertain such costs and expenditures and after giving such public utility notice thereof and opportunity to be heard thereon, and after hearing had to determine the amount of such costs and expenditures, if hearing is demanded by the utility, shall render a bill therefor, and make an order for payment thereof by registered mail or by personally handing to one of the managing officers of such public utility, either at the commencement of such valuation and/or revaluation, or from time to time during the progress thereof, or at the conclusion of such valuation and/or revaluation, as such Board shall determine. Upon the bill so rendered and order for payment thereof such public utility shall, within ten days after receipt thereof by such utility, as evidenced by return register receipt or other proof, pay to such Board the amount of said costs and expenses so billed. Provided, however, that the total amount which may be charged by the Commission to any public utility, under authority of this Act, shall not exceed two per centum of the final value placed upon said public utility property used and useful in the intrastate utility operations, of such utility; provided, further, however, that the total amount which may be charged and assessed by the Commission to any public utility, under the authority of this Act, shall not exceed two per centum of the final value placed upon said public utility

property used and useful in the intrastate utility operations of such utility, and, provided further, however, that no petition for valuation and/or revaluation shall be filed or made, nor order of the Commission for valuation and/or revaluation shall be made more than once in every three years.

§ 3. ADDITIONAL AMOUNT TO BE PAID REFUND.] That in the event the amount so fixed shall be insufficient to cover the total cost and expenses of such valuation and/or revaluation, the Board of Railroad Commissioners may from time to time and as often as shall be necessary, make its order for an amount sufficient to cover such additional costs, and the same shall be levied and collected in the same manner as the original amount; and in the event the original shall be for an amount in excess of the actual cost and expense of such investigation, such surplus shall be refunded to the utility depositing the same, such refund to be made within thirty days after the actual amount has been determined.

§ 4. AMOUNT NOT PAID TO DRAW INTEREST: ATTORNEY GENERAL TO COLLECT WHEN.] All amounts billed against public utilities under the provisions of this Act not paid within thirty days after the service of notice as herein provided, shall draw interest at the rate of six per cent per annum from the date of the service of said notice, and it shall be the duty of the Attorney General to proceed by action, in the name of the State, to collect said amount or amounts, together with interest and the costs of the suit, and any amount so recovered shall be credited to the fund herein provided for.

§ 5. WRITS OF ATTACHMENT AND GARNISHMENT SUMMONS TO BE ISSUED: WHEN: HOW.] In connection with any action brought by the Attorney General as herein provided for, the Court, or Clerk thereof, shall have power to issue writs of attachment against the property of the utility company involved without bond and without the usual affidavit for attachment, and the Attorney General may cause garnishment summons to be issued in connection with any such actions without filing an affidavit as now by Law provided.

§ 6. FUND CREATED.] There is hereby recreated a fund to be known as the "Public Utility Valuation Fund," which shall be a revolving fund, and all costs and expenses of valuation and/or revaluations collected under the provisions of this Act whether collected through voluntary payments or through suit shall be paid into the State Treasury monthly and shall be credited to the said Public Utility Valuation Fund, in addition to monies now in said fund, or which may hereafter be paid into said fund, under the provisions of Chapter 220 of Session Laws of 1933, Chapter 253 of Session Laws of 1935, the same to constitute a revolving fund to be used by said Board of Railroad Commissioners in the performance of its duties in the making of such valuations and/or revaluations and shall be paid out upon proper voucher and audit by the State Auditing Board.

§ 7. NOT TO INVALIDATE PENDING PROCEEDINGS.] No part of these amendments shall be construed as in any way affecting any proceedings now pending under provisions of Chapter 220 of the 1933 Session Laws, and/or Chapter 253 of the 1935 Session Laws, but they shall apply as far as possible to said proceedings where it can be done without invalidating proceedings taken and had up to the present time, and the provisions of said Chapter 220 of the 1933 Session Laws, and/or Chapter 253 of the 1935 Session Laws shall remain in force so far as it shall be necessary to complete proceedings now pending.

§ 8. EMERGENCY.] This Act is declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

§ 9. REPEAL] Except as herein otherwise provided all Acts or parts of Acts in conflict herewith are hereby repealed, except the provisions of Acts creating a "Public Utility Fund."

Approved March 10, 1937.

CHAPTER 204

H. B. No. 212—(Freitag)

PUBLIC UTILITY RATES

An Act requiring certain matters to be considered by the Board of Railroad Commissioners in determining rates to be allowed to public utilities under their jurisdiction; repeal.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. In addition to all other statutory provisions existing at this time, the Board of Railroad Commissioners in determining the rates to be charged by any of the utilities under its jurisdiction, shall ascertain whether an advanced or fictitious cost price and/or a price in excess of the fair market value of any commodity, machinery, equipment, material, or service has been paid or is being paid, or charged, by said public utility, and if it shall appear that any such fictitious or advance price for any such commodity, machinery, equipment, service or material is being paid or charged, it shall be the duty of said Commissioners to fix and allow as a part of the valuation or rate basis only the reasonable and fair market price of such items, eliminating all such fictitious or excessive prices or values.

§ 2. All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 9, 1937.

CHAPTER 205
H. B. No. 123—(Hagen)

PUBLIC UTILITY RATE ADJUSTMENTS

An Act relating to petitions by patrons and users of services of public utility companies for reduction of public utility rates, authorizing negotiations touching such rates, providing for temporary reductions or increases in rates, and for refunds and reoperations, and jurisdiction and duties of the Board of Railroad Commissioners, and declaring an emergency, and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The Board of Railroad Commissioners, upon its own motion or whenever twenty-five per cent of the public utility or corporation's patrons, customers or users within the incorporated limits of any City, Village or Town, shall petition the Board of Railroad Commissioners for a valuation and/or revaluation of the property of such public utility company or corporation including necessary audits for the purpose of determining the rate or rates to be charged for the service rendered, said Board of Railroad Commissioners shall forthwith endeavor to arrive at a reasonable rate or rates, through negotiations with said utility company or corporation and in the event they are unable to agree upon the new rate or rates to be charged for said service within thirty days after the filing of said petition, or within thirty days after the making of an order or resolution by the Board of Railroad Commissioners on its own motion, which new rate or rates shall grant a net reduction of not less than fifteen per cent from the rate or rates in force at the time of the filing of said petition, and/or at the time of the making of the order or resolution by the Board of Railroad Commissioners on its own motion, it shall be the duty of the Board of Railroad Commissioners to proceed with a valuation and/or revaluation of the properties of the public utilities involved, in the manner as may be now or hereafter provided by the Laws of the State of North Dakota, provided further that each person, firm or corporation receiving service is to be considered a patron, customer or user within the purview of this Act, regardless of the number of meters owned, rented or used, by such person, firm or corporation, but a firm shall be considered a separate entity from the individual members thereof.

§ 2. That if no new rate or rates shall have been agreed upon, as provided in Section 1 hereof, then pending the investigation and final order of the Board of Railroad Commissioners, if it be of the opinion that public interest so requires, shall immediately make an order that the said utility shall file with said Board of Railroad Commissioners, a corporate surety bond of a corporate surety company, approved by the Board of Railroad Commissioners, authorized to do such surety business within the State of North Dakota, said bond to be condi-

tioned, that said public utility as principal shall remit to the several customers, patrons, or users of the service of said utility company, during the period between the date of such order and the date that the rates to be charged, received and collected by such utility company, shall finally have been fixed, determined and prescribed in proceedings instituted hereunder, if on such final determination the rates fixed, determined and prescribed are less than the rates charged, received and collected by said public utility company during said period of time; the amount to be paid and remitted to each of the several customers, patrons or users shall be such sum as such customer, patron or user has paid to said utility for said service over and above the amounts that such customer, patron or user would have paid during said time had the rates fixed, determined and prescribed in the final order been in effect during said period, said bond and/or undertaking to be filed with said Board of Railroad Commissioners within thirty days after the service of said order upon said public utility; and service of said order may be made by personal service upon said public utility or by registered mail, and if by registered mail, service shall be deemed completed when such registered mail is delivered to said public utility, as evidenced by the registry return receipt for said registered mail.

§ 3. If within thirty days after the service of the order, as set forth in Section 2 hereof, the said public utility fails and neglects and refuses to file such bond and/or undertaking with the said Board of Railroad Commissioners, then in that event the said Board of Railroad Commissioners shall immediately fix, determine and prescribe temporary rates to be charged by said public utility pending the final determination of said rate proceeding, said temporary rates, so fixed, determined and prescribed shall be sufficient to provide a return of not less than five per centum per annum upon the original cost less accrued depreciation of the physical property of said public utility used and useful in the public service, and if the duly verified reports of said utility to the Commission do not show the original cost, less accrued depreciation, of said property, the Commission may estimate said cost less depreciation and fix, determine and prescribe rates as hereinbefore provided, and in determining the original cost and/or in estimating the cost as herein provided the said Commission may take into consideration any report or reports, annual or otherwise, filed with the Commission by any utility together with any other fact or information which the Commission may acquire or receive from an investigation of the books, records or papers of said public utility and from an inspection of the property of said public utility, and/or examination of any report or reports, annual or otherwise, made by the public utility involved in the proceedings, filed with the State Tax Commission, and/or any report or reports, annual or otherwise, made by the said public utility to either the Federal Power Commission, Federal Communications Commission and/or Federal Securities and Exchange Commission.

§ 4. If, on a final determination of the investigation, the rates fixed, determined and prescribed are less than the temporary rates fixed in Section 3 hereof, then the said public utility shall pay and/or remit to each of the several customers, patrons or users such sum as such customer, patron or user has paid to the said utility for the said service over and above the amounts that such customer, patron or user would have paid during the said time, had the rates fixed, determined and prescribed in the final order been in effect during the period that said temporary rates were in effect.

§ 5. DETERMINATION OF PERMANENT RATES.] Temporary rates so fixed, determined and prescribed under this Section shall be effective until the rates to be charged, received and collected by said utility company shall finally have been fixed, determined and prescribed. The Commission is hereby directed and required in any proceeding in which temporary rates are fixed, determined and prescribed under this Section, to consider the effect of such rates in fixing, determining and prescribing rates to be thereafter charged and collected by said public utility company on final determination of the rate proceeding.

§ 6. No petition or order for valuation and/or revaluation shall be filed or made more than once in every three years.

§ 7. No part of these amendments shall be construed as in any way affecting any proceedings now pending under provisions of Chapter 220 of the 1933 Session Laws and/or Chapter 253 of the 1935 Session Laws, but they shall apply as far as possible to said proceedings where it can be done without invalidating proceedings taken and had up to the present time, and the provisions of said Chapter 220 and Chapter 253 shall remain in force so far as it shall be necessary to complete proceedings now pending.

§ 8. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

§ 9. REPEAL.] Except as herein otherwise provided all Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 10, 1937.

CHAPTER 206

H. B. No. 140—(Greiser)

REPORTS OF PUBLIC UTILITIES

An Act relating to public utilities, reports of public utilities to the Board of Railroad Commissioners; valuations of public utilities made by the Board of Railroad Commissioners; duties of State Board of Equalization and/or State Tax Commissioner; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The State Board of Equalization and/or State Tax Commissioner shall, in assessing taxes upon public utilities, take into consideration the report or reports, annual or otherwise, filed with the Board of Railroad Commissioners by Public Utilities in arriving at the value of such public utility, for taxation purposes.

§ 2. Whenever the Board of Railroad Commissioners have made a valuation of any public utility, the State Board of Equalization and/or State Tax Commissioner shall take into consideration such valuation so made by the Board of Railroad Commissioners in arriving at the valuation of such public utility, for taxation purposes.

§ 3. EMERGENCY.] This Act is declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 207

S. B. No. 157—(Owings and Mutchler)

TARIFF RATES

An Act amending and re-enacting sub-division (a) of Section 4609c14 of the Supplement to the Compiled Laws of 1913 concerning changes in the tariffs, rates, joint rates, fares, tolls, schedules or classifications or service; repealing all Acts or parts of Acts in conflict herewith; and declaring this Act to be an emergency measure.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That sub-division (a), Section 4609c14 of the Supplement to the Compiled Laws of 1913 shall be and the same is hereby amended and re-enacted to read as follows:

§ 4609c14. (a) No change shall be made by any public utility in any tariffs, rates, joint rates, fares, tolls, schedules or classifications, or service which have been filed and published by any public utility, except after thirty days' notice to the Commissioners,

which notice shall plainly state the changes proposed; provided, that the Commissioners may, in their discretion and for good cause shown, allow changes upon less than the notice herein specified either in particular instances or by a general order applicable to special or peculiar circumstances or conditions.

§ 2. REPEAL.] That all Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared and this Act shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 208

H. B. No. 121—(Wolf)

FOR THE USE OF TAX REPORTS OF PUBLIC UTILITIES BY THE BOARD OF RAILROAD COMMISSIONERS IN DETERMINING VALUATIONS FOR RATE-MAKING PURPOSES

An Act relating to public utilities, tax reports of public utilities; and duties of the Board of Railroad Commissioners; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Upon request of the Board of Railroad Commissioners, a public utility shall furnish to the Board of Railroad Commissioners a verified copy of the public utility's tax reports filed by the public utility with the State Tax Commissioner; such tax reports shall be admissible in evidence before the Board of Railroad Commissioners in any matter or proceeding, or in any action or proceeding in any of the Courts of this State.

§ 2. EMERGENCY.] This Act is declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

PUBLIC WELFARE

CHAPTER 209

S. B. No. 68—(Women's and Children's Welfare Committee)

AID TO DEPENDENT CHILDREN

An Act in relation to Public Welfare and Social Security; to provide for public aid to dependent children, and prescribing the duties of the State Public Welfare Board and the County Welfare Boards in the administration thereof and declaring an emergency, and repealing Chapter 165 of the Laws of 1925, Sections 2546a1 to 2546a10 inclusive of the 1925 Supplement to the 1913 Compiled Laws of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITION.] The term "State Board" as used in this Act shall mean the State Public Welfare Board, created by Chapter 221 of the Session Laws of 1935; the term "County Board" as used in this Act shall mean the County Welfare Board in each of the Counties of the State as created by Chapter 123 of the Session Laws of 1935. The word "assistance" means money payments with respect to dependent children; an "applicant" shall mean a person or agency having the custody of a dependent child or children who is making application for aid for such child or children under the provisions of this Act; a "dependent" child means a needy child under the age of eighteen years who has been deprived of parental support or care by reason of the death, continued absence from the home, or physical or mental incapacity of a parent, and whose relatives liable under the law for his support are not able to provide adequate care and support for such child without public assistance, and who is living with his father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle or aunt in the place of residence maintained by one or more of such relatives as his or their own home or who is living in a foster home other than that of a relative; or in a home maintained or provided by any child-caring or child-placing agency duly authorized under the laws of North Dakota to carry on such work or in a foster home other than that of a relative approved and selected by such agency and approved by the State Board. As used in this Act "child placement" shall mean the placing of a dependent child in a family home for care, education or adoption.

§ 2. DUTIES OF THE STATE BOARD.] The State Board shall:

- (a) Supervise the administration of assistance to dependent children under this Act by the County Boards;
- (b) Make rules and regulations and take such action as may be necessary or desirable for carrying out the provisions of this Act.

All rules and regulations made by the State Board shall be binding on the Counties and shall be complied with by the respective County Boards.

(c) Establish adequate standards for personnel employed by the County Boards in the administration of this Act and make the necessary rules and regulations to maintain such standards.

(d) Prescribe the form of and print and supply to the County Boards blanks for applications, reports, affidavits, and such other forms as it may deem necessary and advisable.

(e) Co-operate with the Federal Social Security Board created under Title 7 of the Social Security Act enacted by the Seventy-fourth Congress and approved August 14, 1935, in any reasonable manner as may be necessary to qualify for Federal Aid for assistance to dependent children, in conformity with the provisions of this Act, including the making of such reports on such forms and containing such information as the Federal Social Security Board may, from time to time, require and comply with such provisions as such Board may, from time to time, find necessary.

§ 3. DUTIES OF COUNTY BOARDS.] The County Boards shall:

(a) Administer the provisions of this Act in the respective Counties, subject to the rules and regulations prescribed by the State Public Welfare Board, pursuant to the provisions of this Act.

(b) Report to the State Board at such times and in such manner and form as the State Board may, from time to time, direct.

(c) Submit quarterly and annually to the Board of County Commissioners a budget containing an estimate and supporting data, setting forth the amount of money needed to carry out the provisions of this Act.

(d) To co-operate with Juvenile Courts and licensed children's agencies; but this Act is not to be construed to authorize a County Board to make child placement.

§4. PRESERVE AND PROTECT RELIGIOUS FAITH.] It shall be the duty of the County and State Welfare Boards to preserve and protect the religious faith of children coming under their jurisdiction.

§ 5. ELIGIBILITY FOR ASSISTANCE TO DEPENDENT CHILDREN.] Any dependent child shall be granted assistance under this Act who:

(a) Has resided in the State for one year immediately preceding the application for such assistance; or was born within the State within one year immediately preceding the application and whose mother has resided in the State for one year immediately preceding the date of application; provided, however, that if such child has not resided in any County in the State for the full period of one year, within the year preceding the application, it shall be eligible

for assistance under this Act from the County of longest residence within such year.

(b) Is living in a suitable family home, meeting the standards of care and health fixed by the laws of this State and the rules and regulations of the State Public Welfare Board, or is living in a home maintained or selected by a child caring or child placing agency duly licensed under the laws of the State of North Dakota; provided, however, that funds received from the Federal Government under the Social Security Act shall not be expended in paying for such care unless or until the laws of the United States permit Federal funds granted to the State for aid to dependent children be expended for such purposes.

§ 6. AMOUNT OF ASSISTANCE.] The amount of assistance which shall be granted for any dependent child shall be determined with due regard to the resources and the necessary expenditures of the family and the conditions existing in such case and in accordance with the rules and regulations made by the State Board, and shall be sufficient, when added to all other income and support available to the child, to provide such child with a reasonable subsistence, compatible with decency and health; provided that the maximum amount allowed for one child shall not exceed the sum of \$18.00 per month, or if there is more than one child in the same home, not to exceed \$18.00 for any month with respect to one such dependent child, and \$12.00 for each month with respect to each of the other dependent children; provided, however, that the State Board shall have authority to increase such maximum amounts in the event the Federal Social Security Act is amended so as to increase the amount of aid that may be granted to the State by the Federal Government with respect to dependent children; provided, however, that the State Welfare Board may authorize the payment of not to exceed \$18 per month for any number of children in the care of a licensed agency out of State Funds.

§ 7. APPLICATION FOR ASSISTANCE.] Application for assistance under this Act shall be made to the County Board of the County in which the dependent child resides or in the County of longest residence if such child has not resided within one County for the full period of one year immediately preceding the date of application. The application shall be made by the person with whom the child is living or the person or organization having custody of such child and shall contain information as to the age and residence of the child and such other information as may be required by the rules and regulations of the State Board. One application may be made for several children of the same family. The application shall contain a statement of the amount of property both personal and real, which is owned by the applicant or such dependent child, and of all income which he may have at the time of filing of the application, and the names and addresses of all relatives legally responsible for the sup-

port of the child or children for whom aid is requested, and of their financial condition and income.

§ 8. INVESTIGATION.] Whenever a County Board receives a notification of the dependency of a child, or an application for assistance, an investigation shall be made promptly of the circumstances of the child to ascertain the facts supporting the application and such other information as may be required by the State Board. The investigation shall include a visit to the home of the child and of the person who will have custody of the child during the time assistance is granted; provided, however, that such visit may be dispensed with where the child is in a home maintained or that has been selected and approved by a child-placing agency duly qualified under the laws of the State of North Dakota. All reports and all documentary evidence submitted in connection with any application for assistance under this Act shall be made a part of the files in the case and on appeal to or review by the State Board, such reports and documentary evidence shall be considered by the State Board.

The County Board and the State Board and the officers and authorized employees thereof authorized to make investigations under this Act shall have the power to conduct examinations, require the attendance of witnesses and the production of books, records and papers, and may make application to the District Court of the County to compel the attendance of witnesses and the production of such books, records and papers. The officers and employees designated by the County Boards or the State Board may also administer oaths and affirmations.

§ 9. DISPOSITION OF APPLICATION.] Upon the completion of such investigation the County Board shall determine whether the applicant is eligible for assistance and shall make a written finding in duplicate to the effect that the application be allowed or rejected as the case may be. If the County Board finds that the application should be allowed it shall set forth in said finding the amount of monthly assistance which it finds the applicant ought to receive. In all cases a copy of the application and of the findings of the County Board shall forthwith be transmitted to the State Board. If the County Board finds that the application for assistance should be rejected it shall forthwith notify the applicant in writing of its decision, by registered mail, return receipt requested, or by delivery of notice personally to the applicant.

The notice to the applicant shall also state that he or she may appeal from the finding of the County Board to the State Board within thirty days from the receipt by the applicant of such written notice and that such appeal may be taken by filing a written notice of appeal with the County Board and sending one by registered mail, addressed to the Executive Director of the Public Welfare Board of North Dakota, Bismarck, North Dakota.

The State Board may approve, modify or reverse the findings

of the County Board in any case; it may return the application to the County Board for such further action or proceedings as it may direct; or it may conduct the hearing or make or cause a further investigation to be made and make such final disposition of the application as in its judgment the ends of justice require; but in any case where assistance is withdrawn, revoked or suspended, the applicant must be afforded a fair hearing before the State Board in the same manner as a hearing is afforded upon an appeal from the decision of the County Board rejecting an application for assistance.

§ 10. APPEAL TO THE STATE BOARD.] The County Board shall at once report to the State Board its decision upon each application. If an application is not acted upon by the County Board within a reasonable time after the filing of the application or if the application is denied or if the applicant deems the allowance insufficient, the applicant may appeal to the State Board by filing a written notice with the County Board and mailing a copy of such notice of appeal addressed to the Executive Director of the Public Welfare Board at Bismarck, North Dakota. Where an appeal is taken, the State Board shall give the applicant an opportunity for a fair hearing. All decisions of the State Board shall be binding upon the County Board. The Public Welfare Board of North Dakota may designate one or more members of such Board to hear an appeal. It may also designate some person to act as referee and take and certify evidence to the Board. When an appeal is heard before a member of the State Board, or a referee designated by such Board, such person shall make findings in writing and state the reason why the application should be granted or rejected as the case may be, and report such findings to the State Board, together with all the evidence upon which the same is based. The State Board may accept and approve such findings or reverse or modify the same or hear the matter anew or make such disposition of the appeal as the facts and the law warrants; but in each case where the action of the Board results in a denial of assistance or in a denial of the claim, of the applicant in whole or in part, such appellant upon demand shall be afforded a fair hearing before the State Board.

§ 11. PERIODIC RECONSIDERATION AND CHANGES IN AMOUNT OF ASSISTANCE.] All assistance granted under this Act may be reconsidered at such times as the State Board shall so require. After such further investigation as the State Board may direct, the amount of assistance may be changed or assistance may be withdrawn entirely if it is found that the child's circumstances have altered sufficiently to warrant such action.

The State Board may also upon its own motion reconsider any and all assistance grants theretofore made. It may make such additional investigation in any case or in all cases as it may deem necessary. It may consider any application upon which a decision has not been made by the County Board within a reasonable time and if

after such investigation the State Board determines that the ends of justice so require, assistance may be granted where it has been refused or the amount may be changed or assistance may be withdrawn; but whenever assistance is withdrawn, revoked or suspended, or in any way changed, either pursuant to the findings of the County Board or the decision of the State Board, the applicant shall be notified in writing and shall thereupon have the same right and opportunity of fair hearing before the State Board as is afforded upon an appeal from the decision of the County Board in rejecting an application for assistance.

§ 12. STATE BOARD AUTHORIZED TO EXTEND PROVISIONS OF ACT.] In case the Social Security Act is amended so as to authorize the expenditure of funds for care of dependent children in foster homes or child caring homes or institutions, then the State Board shall be authorized to extend the provisions of the plan set up under this Act accordingly.

§ 13. COUNTY APPROPRIATION.] The Board of County Commissioners in each County in this State shall appropriate annually such sum as in its judgment may be needed to carry out the provisions of this Act, including expenses of administration based upon a budget prepared by the County Welfare Board, after taking into account State aid and shall include in the tax levy for such County the sum or sums appropriated for that purpose. Should the sum so appropriated, however, be expended or exhausted during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by the Board of County Commissioners.

If the financial condition of any County is such that it cannot make an appropriation or levy a tax for aid to dependent children or cannot legally issue warrants in an amount sufficient to provide the necessary funds to comply with the provisions of this Act, the Board of County Commissioners shall report such fact to the State Board. The State Board shall make, or cause to be made, a complete investigation of the financial condition of such County and if such investigation shows that any County cannot appropriate funds or legally issue warrants or levy a tax in an amount sufficient to provide the County's share of funds needed for aid to dependent children in that County, the State Board may provide either as a grant or as a loan that County's share of funds for aid to dependent children or so much thereof as may be necessary from State funds appropriated to the Public Welfare Board for aid to dependent children.

§ 14. AID TO DEPENDENT CHILDREN FUND.] There shall be established by the Public Welfare Board of North Dakota a fund to be known as "North Dakota Aid to Dependent Children Fund"; and all moneys that shall be received by the State Board for aid to dependent children purposes from the State of North Dakota, from

any of the Counties within the State or from the United States under the provisions of the Social Security Act, or from any other source, shall be placed in such fund. It shall be and is made the duty of the Treasurer of the State Board to receive all such monies as the same may be paid to him and to deposit the same in such fund; and the Treasurer shall disburse such funds only for aid to dependent children and expenses of administration of aid to dependent children in North Dakota, and only upon checks or vouchers, duly drawn upon him for such purposes, pursuant to the directions and authority of the State Board.

The Treasurer shall issue in triplicate receipts for all monies received by him for the "Aid to Dependent Children Fund for North Dakota," showing the dates upon and sources from which the monies are received, and shall deliver forthwith one of such receipts to the person, officer or agent making the payment, one receipt to the Executive Director of the State Board, and the other receipt shall be retained by the Treasurer.

§ 15. REIMBURSEMENT PROCEDURE.] (a) The State Board shall keep records and accounts in relation to the expenditures for aid to dependent children in each County in North Dakota; and each County shall reimburse the State Board for one-half of the amount expended for aid to dependent children in such County in excess of the amount provided by the Federal Social Security Board.

(b) Claims for reimbursement shall be presented by the State Board to the Board of County Commissioners at the end of each calendar month. The Executive Director of the State Board shall certify to each County the total amount paid for aid to dependent children to persons in that County, and the County's share of such payments; and the amount so certified shall be paid to the Treasurer of the Public Welfare Board from the County Treasurer upon the audit and approval of the County Auditor and the Chairman of the Board of County Commissioners.

§ 16. DISBURSEMENTS OF AID TO DEPENDENT CHILDREN FUND.] (a) All payments for aid to dependent children and for expenses incident to the administration of aid to dependent children in North Dakota shall be made by checks or warrants drawn on the Aid to Dependent Children Fund. Such checks or warrants shall be drawn only by persons who are duly authorized so to do by resolution of the Public Welfare Board of North Dakota.

(b) The Treasurer of the State Board and all persons having any control over or who handle any money of the Aid to Dependent Children Fund shall be bonded in such sum as the State Board by resolution shall require.

(c) Checks or warrants drawn in payment of aid to dependent children shall be mailed to the Executive Secretary of each County Welfare Board and it shall be the duty of the Executive

Secretary of the County Welfare Board to mail or deliver such checks to the person or agency having legal custody of the child or children for whom the aid has been provided.

§ 17. NO FEES TO BE CHARGED.] No person shall make any charge or receive any fee for representing an applicant or recipient of assistance to dependent children in any proceeding hereunder; or with respect to any application, whether such fee or charge be paid by the applicant or recipient or by any other person or persons.

§ 18. RECORDS TO BE CONFIDENTIAL.] All applications and records concerning any child shall be confidential and shall be open to inspection only by persons authorized by the State or the United States in connection with their official duties, but any part of the records may be used as a basis for decision on claim of the applicant or recipient and shall be available for inspection by the applicant in any case where he applies for fair hearing either by appeal or otherwise.

§ 19. FRAUDULENT ACTS.] Whoever knowingly obtains, or attempts to obtain, or aids or abets any person to obtain by means of a wilfully false statement or representation, or by impersonation, or other fraudulent device,

(1) Assistance to which he is not entitled;

(2) Assistance greater than that to which he is justly entitled; shall, upon conviction therefor, be fined not more than \$500.00 or be imprisoned for not more than one year in the State Penitentiary or the County jail, or by both such fine and imprisonment, in the discretion of the Court. In assessing the penalty the Court shall take into consideration the amount of money fraudulently received.

§ 20. LIMITATION OF ACT.] All assistance granted under this Act shall be deemed to be granted and to be held subject to the provision of any amending or repealing Act that may hereafter be passed, and no recipient shall have any claims for compensation or otherwise by reason of his assistance being affected in any way by any amending or repealing Act.

§ 21. SHORT TITLE.] This Act may be cited as the "Aid to Dependent Children" Act.

§ 22. REPEALS.] Chapter 165 of the Session Laws of 1925, including Section 2546a1 to and including 2546a10 of the Supplement to the 1913 Compiled Laws of North Dakota for 1925, are hereby repealed.

§ 23. SEPARABILITY CLAUSE.] If any Section of this Act shall be held unconstitutional, the remaining provisions shall be given full force and effect as if the part held unconstitutional had not been included therein.

§ 24. EMERGENCY.] Whereas this Act is necessary in order that the State may cooperate with the Federal Social Security Board, created under Title 7 of the Social Security Act enacted by the Seventy-fourth Congress and approved August 14, 1935, and in order that the State may qualify for Federal aid to dependent children under said Social Security Act, this Act is declared to be an emergency measure and shall be in force and effect immediately after its passage and approval.

Approved March 16, 1937.

CHAPTER 210

S. B. No. 98—(Committee on Women's and Children's Welfare)

AID TO THE NEEDY BLIND

An Act to promote the Public Welfare by providing aid to the needy blind.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. DEFINITIONS.] As used in this Act the masculine pronoun in all cases includes the feminine:

“State Agency” means the Public Welfare Board of North Dakota;

“County Agency” means the County Welfare Board in each of the several Counties of the State;

“Applicant” means a person who has applied for aid to the blind;

“Recipient” means a person who has received assistance under the terms of the Act;

“Assistance” means money payments to blind persons in need as provided in this Act;

“Ophthalmologist” means a physician licensed to practice medicine in this State and who is actively engaged in the treatment of diseases of the human eye.

“Supplementary Services” means services other than money payments to blind persons in need, including payments toward the funeral expenses of such persons as provided in this Act.

2. ELIGIBILITY FOR ASSISTANCE TO THE NEEDY BLIND.] Assistance shall be given under this Act to any person who:

- (a) Is a citizen of the United States;
- (b) Has attained the age of 18 years;
- (c) Has resided in the State for not less than one year continuously immediately preceding application for assistance;
- (d) Has no vision or whose vision with correcting glasses is

so defective as to prevent the performance of ordinary activities for which eyesight is essential;

(e) Has not sufficient income or other resources to provide a reasonable subsistence compatible with decency and health;

(f) Is not an inmate of or being maintained by any municipal, State or National institution at the time of receiving assistance. An inmate of such institution may, however, make application for such assistance but the assistance, if granted, shall not begin until after he ceases to be an inmate.

(g) Has no child or other relative of sufficient financial ability to support the applicant and responsible under the law for the support of the applicant;

(h) Has not made an assignment or transfer of property so as to render himself eligible for assistance under this Act;

(i) Is not a recipient of Old Age Assistance under the North Dakota Act for Old Age Assistance.

§ 3. AMOUNT OF ASSISTANCE.] The amount of assistance which any recipient shall receive shall be determined with due regard to the resources and necessary expenditures of the individual and the conditions existing in each case and in accordance with such rules and regulations and directions as the State Agency may find it necessary to prescribe. The amount of assistance shall be sufficient when added to all other income and support of the recipient to provide such person with a reasonable subsistence compatible with decency and health which shall not exceed a maximum of \$40.00 per month.

§ 4. DUTIES OF THE STATE AGENCY.] The State Agency shall:

(a) Administer assistance to the needy blind under this Act.

(b) Take such action, give such direction and promulgate such rules and regulations as may be necessary and desirable for carrying out the provisions of this Act.

(c) Provide for such methods of administration as are found by the Federal Social Security Board to be necessary for the efficient operation of the State plan for aid to the blind and to provide such qualified employees and representatives as may be necessary for that purpose.

(d) Prescribe the form of, and print and supply to the County Agencies blanks for applications, reports, and such other forms as may be necessary or advisable.

(e) Designate the procedure to be followed in securing a competent medical examination for the purpose of determining blindness in the individual applicant for assistance.

(f) Establish minimum standards for personnel employed by

the State Department in the administration of this Act and make necessary rules and regulations to maintain such standards;

(g) Cooperate with the Federal Government in matters of mutual concern pertaining to assistance to the needy blind, including the adoption of such methods of administration as are found by the Federal Government to be necessary for the efficient operation of the plan for such assistance;

(h) Make such reports, in such form and containing such information, as the Federal Government may from time to time require and comply with such provisions as the Federal Government may from time to time find necessary to assure the correctness and verification of such reports;

(i) Publish an annual report and such interim reports as may be necessary;

(j) Promulgate rules and regulations stating, in terms of ophthalmic measurements, the amount of visual acuity which an applicant may have and still be eligible for assistance under this Act;

(k) Designate a suitable number of ophthalmologists, duly licensed to practice medicine in North Dakota and actively engaged in the treatment of diseases of the human eye, to examine applicants and recipients of assistance to the blind;

(l) Fix and pay to ophthalmologists fees for examinations of applicants.

(m) Develop or cooperate with other agencies in developing measures for the prevention of blindness, the restoration of eyesight, and the vocational adjustment of blind persons.

§ 5. APPLICATION FOR ASSISTANCE TO THE NEEDY BLIND.] Application for assistance under this Act shall be made to the County Agency of the County in which the applicant resides.

The application shall be in writing or reduced to writing in the manner and upon the form prescribed by the State Agency and shall be verified by the oath of the applicant. Such application shall contain a statement of the amount of property, both personal and real, which the applicant owns or in which he has an interest, and of all income which he may have at the time of the filing of the application, and such other information as may be prescribed by the State Agency.

§ 6. INVESTIGATION OF APPLICATION.] Whenever a County agency receives an application for aid to the blind, an investigation shall be made promptly of the circumstances of the applicant to ascertain the facts supporting the application and such other information as may be required by the State Agency.

In determining the amount of assistance due account shall be taken of any income and property of the applicant and any support which the applicant may receive from other sources.

The applicant shall be entitled to appear before the County

Agency and submit both oral and documentary evidence. All documentary evidence submitted shall be made a part of the files in the case of the applicant and on appeal to, or review by the State Agency, such documentary evidence shall be considered by the State Agency.

The County Agency and the State Agency and the officers and authorized employees thereof authorized to make investigations under this Act shall have the power to conduct examinations, require the attendance of witnesses and the production of books, records and papers, and may make application to the District Court of the County to compel the attendance of witnesses and the production of such books, records and papers. The officers and employees designated by the County Agency or the State Agency may also administer oaths and affirmations.

§ 7. EXAMINATION BY OPHTHALMOLOGIST.] No application shall be approved until the applicant has been examined by an ophthalmologist designated or approved by the State Department to make such examinations. The examining ophthalmologist shall certify in writing upon forms provided by the State Agency the findings of the examination.

§ 8. DISPOSITION OF APPLICATIONS.] Upon completion of such investigation the County Agency shall determine whether the applicant is eligible for assistance under the provisions of this Act and shall make a written finding in duplicate thereof to the effect that the application be allowed or rejected as the case may be. If the County Agency finds that the application should be allowed it shall set forth in said finding the amount of monthly assistance which the applicant ought to receive. In all cases a copy of the findings of the County Agency shall forthwith be transmitted to the State Agency. If the County Agency finds that the application should be rejected it shall forthwith notify the applicant in writing of its decision, by registered mail, return receipt requested, or by delivery of notice personally to the applicant. The notice to the applicant shall also state that he or she may appeal from the finding of the County Agency to the State Agency within thirty days from the receipt of such written notice and that such appeal may be taken by filing a written notice of appeal with the County Agency and sending one by registered mail addressed to the Executive Director of the Public Welfare Board of North Dakota at Bismarck, North Dakota.

The State Agency may approve, modify or reverse the findings of the County Agency in any case; it may return the application to the County Agency for such further action or proceedings as it may direct; or it may conduct a hearing or make or cause a further investigation to be made and make such final disposition of the application as in its judgment the ends of justice require; but in any case where assistance is withdrawn, revoked or suspended the applicant shall be afforded a fair hearing before the State Agency in the same

manner as a hearing is afforded upon an appeal from the decision of a County Agency rejecting an application for assistance.

§ 9. APPEAL TO THE STATE AGENCY.] The County Agency shall at once report to the State Agency its decision upon each application. If an application is not acted upon by the County Agency within a reasonable time after the filing of the application or if the application is denied or if the applicant deems the allowance insufficient, the applicant may appeal to the State Agency by filing a written notice with the County Agency and mailing a copy of such notice of appeal addressed to the Executive Director of the Public Welfare Board at Bismarck, North Dakota. Where an appeal is taken, the State Agency shall give the applicant an opportunity for a fair hearing. All decisions of the State Agency shall be binding upon the County Agency. The Public Welfare Board of North Dakota may designate one or more members of such Board to hear an appeal. It may also designate some person to act as referee and take and certify evidence to the State Agency. When an appeal is heard before a member or members of the State Agency, or a referee designated by such Agency, such person or persons shall make findings in writing and state the reason why the application should be granted or rejected as the case may be, and report such findings to the State Agency, together with all the evidence upon which the same is based. The State Agency may accept and approve such findings or reverse or modify the same or hear the matter anew or make such disposition of the appeal as the facts and the law warrants; but in each case where the action of the Board results in a denial of assistance or in a denial of the claim of the applicant, in whole or in part, such appellant upon demand shall be afforded a fair hearing before the State Agency.

§ 10. PERIODIC RECONSIDERATION AND CHANGES IN AMOUNT OF ASSISTANCE.] All assistance granted under this Act may be reconsidered at such times as the State Agency shall so require. After such further investigation as the State Agency may direct, the amount of assistance may be changed or assistance may be withdrawn entirely if it is found that the applicant's circumstances have altered sufficiently to warrant such action.

The State Agency may also upon its own motion reconsider any and all assistance grants theretofore made. It may make such additional investigation in any case or in all cases as it may deem necessary. It may consider any application upon which a decision has not been made by the County Agency within a reasonable time and if after such investigation the State Agency determines that the ends of justice so require, assistance may be granted where it has been refused or the amount may be changed or assistance may be withdrawn; but whenever assistance is withdrawn, revoked or suspended, or in any way changed, either pursuant to the findings of the County Agency or the decision of the State Agency, the applicant shall be notified in writing and shall thereupon have the same right and op-

portunity of fair hearing before the State Agency as is afforded upon an appeal from the decision of the County Agency in rejecting an application for assistance.

§ 11. RE-EXAMINATION AS TO EYESIGHT.] A recipient shall submit to a re-examination as to his eyesight when required to do so by the State Agency. He shall also furnish any information required by the State Agency.

§ 12. RESTORATION OF EYESIGHT.] No assistance under this Act shall be granted or continued to any person who refuses medical, surgical or other treatment when his eyesight may be partially or wholly restored by such treatment, and a certificate in writing to that effect is made by the examining ophthalmologist. Any person denied assistance upon this ground may appeal to the State Agency in the manner hereinbefore provided.

§ 13. EXPENSES FOR TREATMENT.] On the basis of the findings of the ophthalmologist's examination as provided in Section 7 of this Act supplementary services may be provided by the State Agency to any applicant or recipient who is in need of treatment either to prevent blindness or to restore his eyesight whether or not he is blind as defined in Section 2 of this Act if he is otherwise qualified for assistance under this Act. The supplementary services may include necessary traveling and other expenses to receive treatment from a hospital or clinic designated by the State Agency.

§ 14. PAYMENT FOR BENEFIT OF RECIPIENT.] Whenever a guardian shall have been appointed for any blind person by a Court of competent jurisdiction in the State of North Dakota, the payment of aid to the blind under this plan shall be made to such legal guardian and in such case the legal guardian shall file with the County Agency a report at the end of each quarter, based upon the calendar year, showing the disbursement of the money so received by him as blind assistance payments under this plan.

Where a recipient of aid to the blind has no legal guardian and it shall appear to the County Agency to be necessary, desirable or advisable that such blind person have the benefit of the assistance, guidance and counsel of some competent person in caring for himself, then the County Agency shall recommend, and the State Agency may direct the appointment of some suitable person to so aid, guide, and counsel such blind person.

§ 15. INELIGIBLE FOR OTHER PUBLIC ASSISTANCE.] No person receiving assistance under this plan shall at the same time receive any other public relief from the State or from any municipality or political subdivision thereof, except for temporary medical and surgical assistance, or for vocational training.

§ 16. RECOVERY FROM A RECIPIENT.] If at any time during the continuance of assistance the recipient thereof becomes possessed

of any property or income in excess of the amount stated in the application provided for in Section 5 of this Act, it shall be the duty of the recipient immediately to notify the State Agency of the receipt or possession of such property or income. Any assistance paid after the recipient has come into possession of such property or income in excess of his need shall be recoverable by the State as a debt due to the State.

§ 17. BLIND AID FUND.] The Public Welfare Board of North Dakota shall establish a fund to be known as "North Dakota Blind Aid Fund"; and all moneys that shall be received by the Public Welfare Board of North Dakota for aid to the blind purposes from the State of North Dakota, from the United States under the provisions of the Social Security Act, or from any other source shall be placed in such fund. It shall be and is made the duty of the Treasurer of the Public Welfare Board of North Dakota to receive all such moneys as the same may be paid to him and to deposit the same in such fund; and the Treasurer shall disburse such funds only for aid to the blind and expenses of administration of the aid to the blind plan in North Dakota, and only upon checks or vouchers duly drawn upon him for such purposes pursuant to the directions and authority of the Public Welfare Board of North Dakota.

The Treasurer shall issue in triplicate receipts for all moneys received by him for the "Blind Aid Fund" showing the dates upon, and the sources from, which the moneys are received and shall deliver forthwith one of such receipts to the person, officer, or agency making the payment, one receipt to the Executive Director of the Public Welfare Board of North Dakota, and the other receipt shall be retained by the Treasurer.

§ 18. DISBURSEMENT OF BLIND AID FUND.]

(a) All payments for aid to the blind and for expenses incident to the administration of aid to the blind plan in North Dakota shall be made by checks or warrants drawn on the Blind Aid Fund. Such checks or warrants shall be drawn only by persons who are duly authorized so to do by resolution of the Public Welfare Board of North Dakota.

(b) The Treasurer of the State Agency and all persons having any control over or who handle any of the moneys in the Blind Aid Fund shall be bonded in such sum as the Public Welfare Board of North Dakota by resolution shall require.

§ 19. FUNERAL EXPENSES.] On the death of the recipient reasonable funeral expenses, not exceeding \$75.00 may be paid by the State Agency if the estate of the deceased is insufficient to pay the same and the persons legally responsible for the support of the deceased are unable to pay the same.

§ 20. ASSISTANCE NOT ASSIGNABLE.] Assistance granted un-

der this Act shall not be transferable or assignable, at law or in equity, and none of the money paid or payable under this Act shall be subject to execution, levy, attachment, garnishment or other legal process, or to the operation of any bankruptcy or insolvency law.

§ 21. NO FEES TO BE CHARGED.] No person shall make any charge or receive any fee for representing an applicant or recipient of assistance to the needy blind in any proceeding hereunder; or with respect to any application, whether such fee or charge be paid by the applicant or recipient or by any other person or persons.

§ 22. RECORDS TO BE CONFIDENTIAL.] All applications and records concerning any applicant shall be confidential and shall be open to inspection only by persons authorized by the State or the United States in connection with their official duties, but any part of the records may be used as a basis for decision on claim of the applicant or recipient and shall be available for inspection by the applicant in any case where he applies for a fair hearing, either by appeal or otherwise.

§ 23. FRAUDULENT ACTS.] Whoever knowingly obtains, or attempts to obtain, or aids, or abets any person to obtain by means of a wilfully false statement or representation or by impersonation, or other fraudulent device, assistance to which he is not entitled or assistance greater than that to which he is justly entitled, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$150.00 or be imprisoned in the County jail for not more than one month(s), or be both so fined and imprisoned in the discretion of the Court. In assessing the penalty the Court shall take into consideration, among other factors, the amount of money fraudulently received.

§ 24. LIMITATIONS OF ACT.] All assistance granted under this Act shall be deemed to be granted and to be held subject to the provisions of any amending or repealing Act that may hereafter be passed, and no recipient shall have any claim for compensation, or otherwise, by reason of his assistance being affected in any way by any amending or repealing Act.

§ 25. SEPARABILITY CLAUSE.] If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances shall not be affected thereby.

§ 26. SHORT TITLE.] This Act may be cited as the "Aid to the Blind Act."

§ 27. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

§ 28. EMERGENCY.] Whereas the subject matter of this Act

relates to a matter peculiarly affected by public interest this Act is declared to be an emergency measure and shall be in force and effect immediately upon its passage and approval.

Approved March 16, 1937.

CHAPTER 211

S. B. No. 141—(Committee on Women's and Children's Welfare)

OLD AGE ASSISTANCE ACT

An Act to promote the public welfare by providing for public assistance to aged persons in need; to authorize action to be brought against persons legally responsible for the support of needy aged, to protect recipients of old age assistance in possession of their homesteads, and other assets, by restricting the right to transfer or encumber such homesteads, and to safeguard any values in insurance policies.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITIONS AS USED IN THIS ACT.] The masculine pronoun in all cases includes the feminine; the term "State Agency" means the Public Welfare Board of North Dakota; "County Agency" means County Welfare Board in each of the several Counties of the State; "applicant" means a person who has applied for old age assistance; "recipient" means any person who has received assistance under the terms of this Act; "assistance" means money payments to aged persons in need as provided in this Act; and "supplementary services" means services other than money payments to aged persons in need, including payments toward funeral expenses of such persons, as provided in this Act.

§ 2. ELIGIBILITY FOR ASSISTANCE TO THE NEEDY AGED.] Assistance shall be granted under this Act to any person who:

- (a) Is a citizen of the United States;
- (b) Has attained the age of sixty-five years, provided, however, that if at any time the laws of the United States shall authorize funds for old age assistance granted by the United States to the State to be paid to a person less than sixty-five years of age, then the State Agency shall have authority to reduce the age of an applicant for old age assistance to such lesser age;
- (c) Has resided in North Dakota for at least five years during the nine years immediately preceding the application for old age assistance, and has resided therein continuously for one year immediately preceding application;
- (d) Has not sufficient income or other resources to provide a reasonable subsistence compatible with decency and health;
- (e) Is not an inmate of, or being maintained by, any municipal, State or National institution at the time of receiving assistance;

(f) Has no child or other relative of sufficient financial ability to support the applicant and responsible under the law for the support of the applicant;

(g) Has not at any time before or after making application for old age assistance made an assignment or transfer of property for the purpose of rendering himself or herself eligible for old age assistance under this plan.

§ 3. AMOUNT OF ASSISTANCE.] The amount of assistance which any person shall receive shall be determined with due regard to the resources and necessary expenditures of the individual and the conditions existing in each case and in accordance with such rules, regulations and directions as the State Agency may find it necessary to prescribe. The amount of assistance shall be sufficient, when added to all other income and support of the recipient, to provide such person with a reasonable subsistence compatible with decency and health, but shall not exceed a maximum of Thirty Dollars (\$30.00) per month. Provided, however, that if at any time the amounts received or to be received by this State from the United States for old age assistance shall be more than \$15.00 per month for each person entitled to the full monthly compensation of \$30 per month under this Act, then the State Agency shall have authority to increase such maximum amount of old age assistance in an amount corresponding to the increase that such increase in the amount received from the Federal Government will permit.

§ 4. DUTIES OF THE STATE AGENCY.] The State Agency shall:

(a) Take such action and make such rules and regulations as may become necessary to entitle the State to receive aid from the Federal Government for assistance to the needy aged in North Dakota.

(b) Administer assistance to the needy aged throughout the State of North Dakota.

(c) Take such actions, give such directions and promulgate such rules or regulations as may be necessary or desirable to carry out the provisions of this Act.

(d) Cooperate with the Federal Government in matters of mutual concern pertaining to assistance to the needy aged, including the adoption of such methods of administration as are found by the Federal Government to be necessary for the efficient operation of the plan for such assistance and to provide such qualified employees and representatives as may be necessary.

(e) Prescribe the form of and print and supply to the County Agencies blanks for applications, reports and such other forms as it may deem necessary and advisable.

(f) Establish minimum standards of personnel employed by the State Agency and County Agencies in the administration of this

Act and make necessary rules and regulations to maintain such standards.

(g) Make such reports in such form and containing such information as the Federal Government may from time to time require and comply with such provisions, rules and regulations as the Federal Government may from time to time find it necessary to make to assure the correctness and verification of such reports.

(h) Publish an annual report and such interim reports as may be deemed necessary.

§ 5. APPLICATION FOR ASSISTANCE.] Application for assistance under this Act shall be made to the County Agency of the County in which the applicant resides. The question as to the residence of an applicant for old age assistance shall be determined by the same rules and regulations as those prescribed by Section 4, Chapter 97, Laws 1933, as amended by Chapter 119, Laws 1935. A County in which an applicant has a residence for poor relief purposes under said Statute will be deemed the County of his residence for the purpose of application for old age assistance.

The application shall be in writing or reduced to writing in the manner and upon the form prescribed by the State Agency and shall be verified by the oath of the applicant. Such application shall contain a statement of the amount of property, both personal and real, which the applicant owns or in which he has an interest, and of all income which he may have at the time of the filing of the application, and such other information as may be prescribed by the State Agency.

§ 6. INVESTIGATION OF APPLICATIONS.] Whenever a County Agency receives an application for old age assistance an investigation shall promptly be made of the circumstances of the applicant to ascertain the facts supporting the application and such other information as may be required by the directions of the State Agency.

In determining the amount of assistance due account shall be taken of any income and property of the applicant and any support which the applicant may receive from other sources. The County Agency and the State Agency and the officers and authorized employees thereof authorized to make investigations under this Act shall have the power to conduct examinations, require the attendance of witnesses and the production of books, records and papers, and may make application to the District Court of the County to compel the attendance of witnesses and the production of such books, records and papers. The officers and employees designated by the County Agency or the State Agency may also administer oaths and affirmations.

§ 7. DISPOSITION OF APPLICATIONS.] Upon the completion of such investigation the County Agency shall determine whether the applicant is eligible for assistance and shall make a written finding in

duplicate to the effect that the application be allowed or rejected as the case may be. If the County Agency finds that the application should be allowed it shall set forth in said finding the amount of monthly assistance which it finds the applicant ought to receive. In all cases a copy of the findings of the County Agency shall forthwith be transmitted to the State Agency. If the County Agency finds that the application for old age assistance should be rejected it shall forthwith notify the applicant in writing of its decision, by registered mail, return receipt requested, or by delivery of notice personally to the applicant. The notice to the applicant shall also state that he or she may appeal from the finding of the County Agency to the State Agency within thirty days from the receipt by the applicant of such written notice and that such appeal may be taken by filing a written notice of appeal with the County Agency and sending one by registered mail addressed to the Executive Director of the Public Welfare Board of North Dakota, Bismarck, North Dakota.

The State Agency may approve, modify or reverse the findings of the County Agency in any case; it may return the application to the County Agency for such further action or proceedings as it may direct; or it may conduct a hearing or make or cause a further investigation to be made and make such final disposition of the application as in its judgment the ends of justice require; but in any case where assistance is withdrawn, revoked or suspended, the applicant must be afforded a fair hearing before the State Board in the same manner as a hearing is afforded upon an appeal from the decision of the County Agency rejecting an application for assistance.

§ 8. RECONSIDERATION OF, AND CHANGES IN, AMOUNT OF ASSISTANCE.] The State Agency may, upon its own motion, reconsider any or all assistance grants theretofore made. It may make such additional investigation in any case, or in all cases, as it may deem necessary. It may consider any application upon which a decision has not been made by the County Agency within a reasonable time. If, after further investigation, the State Agency determines that the ends of justice so require, assistance may be granted where it has been refused; or the amount of assistance may be changed, or assistance may be withdrawn if it is found that the recipient's circumstances have altered sufficiently to warrant such action. But whenever assistance is withdrawn, revoked, suspended or in any way changed, the recipient shall be notified in writing and shall thereupon have the right of a fair hearing before the State Agency in the same manner as a hearing is afforded upon an appeal from the decision of the County Agency rejecting an application for assistance.

§ 9. PAYMENT FOR BENEFIT OF RECIPIENT.] Whenever it shall appear to be necessary or advisable so to do the County Agency may recommend and the State Agency may direct the payment of old age assistance to some suitable person, recommended by the County Agency and designated by the State Agency, for the use of

any applicant who may be under such mental or physical disability as to be unable to care for himself or his money.

§ IO. APPEAL TO THE STATE AGENCY.] The County Agency shall at once report to the State Agency its decision upon each application. If an application is not acted upon by the County Agency within a reasonable time after the filing of the application or if the application is denied or if the applicant deems the allowance insufficient, the applicant may appeal to the State Agency by filing a written notice with the County Agency and mailing a copy of such notice of appeal by registered mail, addressed to the Executive Director of the Public Welfare Board at Bismarck, North Dakota. Where an appeal is taken the State Agency shall give the applicant an opportunity for a fair hearing. All decisions of the State Agency shall be binding upon the County Agency. The Public Welfare Board of North Dakota may designate one or more members of such Board to hear an appeal. It may also designate some person to act as referee and take and certify evidence to the State Agency. When an appeal is heard before a member or members of the State Agency, or a referee designated by such agency, such person or persons shall make findings in writing and state the reason why the application should not be granted or rejected or changed in amount as the case may be, and report such findings to the State Agency, together with all the evidence upon which the same is based. The State Agency may accept and approve such findings or reverse or modify the same or hear the matter anew or make such disposition of the appeal as the facts and the law warrant; but in each case where the action of the Board results in a denial of assistance or in a denial of the claim, of the applicant in whole or in part, such appellant upon written demand shall be afforded a fair hearing before the State Agency. The decision of the State Agency shall be final.

§ II. COUNTY APPROPRIATION.] The Board of County Commissioners in each County in this State shall appropriate annually such sum as, in its judgment, may be needed to carry out the provisions of this Act, including expenses of administration based upon a budget prepared by the County Welfare Board, after taking into account State aid, and shall include in the tax levy for such County the sum or sums appropriated for that purpose. Should the sum be so appropriated, however, be expended or exhausted during the year and for the purpose for which it was appropriated, additional sums shall be appropriated by the Board of County Commissioners.

If the financial condition of any County is such that it cannot make an appropriation or levy a tax for old age assistance or cannot legally issue warrants in an amount sufficient to provide the necessary funds to comply with the provisions of this Act, the Board of County Commissioners shall report such fact to the State Board. The State Board shall make, or cause to be made, a complete investigation of the financial condition of such County and if such investiga-

tion shows that any County cannot appropriate funds or legally issue warrants or levy a tax in an amount sufficient to provide the County's share of funds needed for old age assistance in that County, the State Board may provide either as a grant or as a loan that County's share of funds for old age assistance or so much thereof as may be necessary, from State funds appropriated to the Public Welfare Board for old age assistance.

§ 12. OLD AGE ASSISTANCE FUND.] The Public Welfare Board of North Dakota shall establish a fund to be known as the "North Dakota Old Age Assistance Fund"; and all moneys that shall be received by the Public Welfare Board of North Dakota for old age assistance purposes from the State of North Dakota, from any of the Counties within the State, from the United States under the provisions of the Social Security Act, or from any other source, shall be placed in such fund. It shall be and is made the duty of the Treasurer of the Public Welfare Board of North Dakota to receive all such moneys as the same may be paid to him and to deposit the same in such fund; and the Treasurer shall disburse such funds for old age assistance and expenses of administration of the old age assistance plan in North Dakota, and only upon checks or vouchers duly drawn upon him for such purposes pursuant to the directions and authority of the Public Welfare Board of North Dakota.

The Treasurer shall issue in triplicate receipts for all moneys received by him for the "North Dakota Old Age Assistance Fund" showing the dates upon, and the sources from which the moneys are received and shall deliver forthwith one of such receipts to the person, officer or agency making the payment, one receipt to the Executive Director of the Public Welfare Board of North Dakota, and the other receipt shall be retained by the Treasurer.

§ 13. REIMBURSEMENT PROCEDURE.]

(a) The State Agency shall keep records and accounts in relation to the expenditures for old age assistance in each County in North Dakota; and each County shall reimburse the State Agency for one-half of the amount expended for such assistance in such County in excess of the amount provided by the Federal Government.

(b) Claims for reimbursement shall be presented by the State Agency to the Board of County Commissioners at the end of each calendar month. The Executive Director of the State Agency shall certify to each County the total amount paid for old age assistance to persons in that County, and the County's share of such payments; and the amount so certified shall be paid to the Treasurer of the Public Welfare Board of North Dakota from the County Treasury upon the audit and approval of the County Auditor and the Chairman of the Board of County Commissioners.

§ 14. DISBURSEMENT OF OLD AGE ASSISTANCE FUND.]

(a) All payments for old age assistance and for expenses incident to the administration of this Act shall be made by checks or warrants drawn on the Old Age Assistance Fund. Such checks or warrants shall be drawn only by persons who are duly authorized so to do by resolution of the Public Welfare Board of North Dakota.

(b) The Treasurer of the State Agency and all persons having any control over or who handle any of the moneys in the Old Age Assistance Fund shall be bonded in such sum as the Public Welfare Board of North Dakota by resolution shall require.

§ 15. AID EXCLUSIVE OF OTHER AID; FUNERAL EXPENSES.]

No person receiving assistance under this Act shall, at the same time, receive any other assistance from the State or from any political subdivision thereof, except for medical or surgical aid or hospitalization. On the death of a recipient of old age assistance, reasonable funeral expenses shall be allowed and paid, if the estate of the decedent is not sufficient to defray the same and the persons legally responsible for the support of the decedent are unable to pay the same, provided, however, that such expenses shall not exceed Seventy-five (\$75.00) Dollars.

§ 16. ASSISTANCE NOT ASSIGNABLE.] Assistance granted under this Act shall not be transferable or assignable in law or in equity and none of the money paid or payable under this Act shall be subject to execution, attachment, garnishment, or other legal process or to the operation of any bankruptcy or insolvency law.

§ 17. NO FEES TO BE CHARGED.] No person shall make any charge or receive any fee for representing an applicant or recipient of old age assistance in any proceeding hereunder; or with respect to any application, whether such fee or charge be paid by the applicant or recipient or by any other person or persons.

§ 18. RECORDS TO BE CONFIDENTIAL.] All applications and records concerning any applicant shall be confidential and shall be open to inspection only by persons authorized by the State or the United States in connection with their official duties, but any part of the records may be used as a basis for decision on claim of the applicant or recipient and shall be available for inspection by the applicant in any case where he applies for a fair hearing either by appeal or otherwise.

§ 19. RECOVERY FROM A RECIPIENT.] If, at any time during the continuation of assistance, the recipient becomes the owner of any property or income in excess of the amount stated in the application provided for in Section 5 of this Act, it shall be the duty of the recipient immediately to notify the State Agency of the receipt or possession of such property or income and the State Agency may, after investigation, either cancel the assistance or alter the amount

thereof in accordance with the circumstances. Any assistance paid after the recipient has come into possession of such property or income, and in excess of his needs, shall be recoverable by the State from the estate of the recipient.

§ 20. If at any time during the continuance of any allowance granted under the provisions of this Act it is ascertained that anyone liable for the support and care of the recipient of such assistance is able to afford the necessary support and care of such recipient, and such person so liable for the care and support of such recipient fails and refuses to support and care for such recipient, then there shall exist a cause of action for such assistance against the person or persons liable therefor; which action shall be brought by the States Attorney of such County in the name of the County in which such assistance was granted against such person or persons so liable for the recovery of the amount of money with interest thereon paid to such recipient together with the costs and disbursements of such action. One-half the net amount so recovered shall promptly be paid to the United States and the remaining one-half thereof shall be paid to the Treasurer of the North Dakota Old Age Assistance Fund and credited respectively to the State and the County entitled thereto in proportion to the amounts which the assistance payments represented funds contributed by the State and the County.

§ 21. RECOVERY FROM THE ESTATE.] On the death of any recipient, the total amount of assistance paid under this Act shall be allowed as a preferred claim against the estate of such person in favor of the State, after funeral expenses, not to exceed One Hundred and Twenty-five (\$125.00) Dollars have been paid and after the expense of administering the estate has been paid. No claim shall be enforced against any real estate of a recipient while it is occupied by the surviving spouse or a dependent, nor shall any claim be enforced against any personal property necessary for the support, maintenance or comfort of a surviving spouse or a dependent.

The Federal Government shall be entitled to a share of any amounts collected from any recipient of (or) from their estates, equal to not more than one-half of the amount collected, if required as a condition to Federal financial participation and this amount shall be specified by the State Agency. The amount due the United States shall be paid promptly by the State to the United States Government. The remainder of the amount collected shall be divided equally between the State and the County.

Personal effects, ornaments or keepsakes of the deceased, not exceeding in value Two Hundred (\$200.00) Dollars shall not be subject to the claim against the estate of the recipient, provided for by this Section.

§ 22. The ownership of real or personal property by an applicant for old age assistance or by the spouse of such applicant, either

individually or jointly, or of insurance on the life of the applicant, shall not preclude the granting of old age assistance if the applicant is without funds for his support. But if the applicant is the owner of real property, other than a homestead, of a life insurance policy having a cash surrender value of more than \$300, or of personal property other than household goods, wearing apparel and personal effects, of a value in excess of \$200, then the applicant, as a condition to the grant of assistance, shall be required to transfer such property in trust by appropriate instrument as security for such old age assistance payments as the applicant may thereafter receive. Where an applicant for old age assistance has a policy of insurance or a fraternal beneficiary certificate on his life and where such policy or beneficiary certificate has a surrender value less than that stated or has no cash surrender value at all, the County Agency may recommend and the State Agency may authorize premiums upon such insurance policy or beneficiary certificate to be made out of old age assistance payments and may enter into such arrangement with the insured as shall protect the interest of the insured and the interest of the State and insure repayment to the State, upon the death of the insured, of not less than the premium payments so made after funeral expenses, not to exceed \$125.00, have been paid.

An applicant for old age assistance shall in no case be required to transfer a homestead occupied by him as such unless he or she desires to do so; but a recipient of old age assistance shall not be permitted to encumber or convey such homestead without the approval in writing of the State Agency.

When an application for old age assistance is granted and it appears that the applicant occupies a homestead, which he owns, the State Agency shall cause to be filed in the office of the Register of Deeds of the County in which such homestead is located a statement in writing to the effect that the owner of such homestead is receiving or about to receive old age assistance payments and such written statement shall be signed by the Executive Director of the Public Welfare Board of North Dakota and after the filing of such statement, any instrument of conveyance or encumbrance executed by the applicant for old age assistance who is the owner of such homestead without the approval of the Public Welfare Board of North Dakota shall be null and void.

No fee shall be charged by the Register of Deeds for filing such statement.

§ 23. FRAUDULENT ACTS.] Whoever knowingly obtains, or attempts to obtain by means of a wilfully false statement or representation or by impersonation, or other fraudulent device, assistance to which he is not entitled, or assistance greater than that to which he is justly entitled, shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than Five Hundred (\$500.00) Dollars or be imprisoned in the County jail for not more than 12

months, or by both such fine and imprisonment in the discretion of the Court. In assessing the penalty the Court shall take into consideration, among other factors, the amount of money fraudulently received.

§ 24. LIMITATIONS OF ACT.] All assistance granted under this Act shall be deemed to be granted and to be held subject to the provisions of any amending or repealing Act that may hereafter be passed, and no recipient shall have any claim for compensation or otherwise, by reason of his assistance being affected in any way by any amending or repealing Act.

§ 25. SUSPENSION OF ACT.] In the event any provision or provisions of this Act shall be in conflict with any law of the United States hereinafter enacted, prior to the convening of the Legislative Assembly in 1939, under which, if this Act were not so in conflict, the State would be entitled to receive contributions from the United States for old age assistance, upon the enactment of such law of the United States, such provision or provisions of this Act so in conflict with such law of the United States shall be considered as suspended and be non-effective until one month after the convening of the Legislative Assembly in the year 1939 so as to enable the State to qualify and participate in such contributions for old age assistance from the United States.

§ 26. SEPARABILITY CLAUSE.] If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

§ 27. SHORT TITLE.] This Act may be cited as the "Old Age Assistance Act."

§ 28. REPEAL.] All Laws and parts of Laws in conflict with this Act are hereby repealed.

§ 29. EMERGENCY.] Whereas the subject matter of this Act relates to a matter peculiarly affected by public interest, this Act is hereby declared to be an emergency measure and shall be in force and effect from and after May 1st, 1937.

Approved March 16, 1937.

CHAPTER 212**S. B. No. 132—(Committee on Women's and Children's Welfare)****REPEAL OF OLD AGE PENSION LAW 1933**

An Act to repeal Chapter 254, Laws 1933 relating to old age pensions and to cancel all claims or rights of claim on behalf of the State or any County by virtue of pensions paid under said Act and all transfers of property made by any applicant for pension under said Act; declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. CLAIMS AND TRANSFERS CANCELLED.] That all claims and rights of claim now existing or that may hereafter arise in favor of the State or any County by virtue of any payments made under said Chapter 254, Laws 1933, or out of moneys arising from taxes levied under such Statute are hereby in all things cancelled and discharged; and that any transfers of property that heretofore may have been made under the provisions of said Act to secure repayment or reimbursement to the State or to any County of moneys arising from taxes levied under said Act are hereby terminated, cancelled and set aside; and the Board of County Commissioners of the respective Counties and the Commissioner of Agriculture and Labor as the case may be, are required to execute proper instruments to cancel of record any instruments of conveyance or any mortgages that may heretofore have been executed and recorded and return to the respective applicants the property so transferred.

§ 2. DISPOSITION OF TAXES.] All moneys now in the State Treasury arising from, or that may hereafter be collected under, the levy for taxes provided for in said Chapter 254, Laws 1933, shall be paid into the Public Welfare Fund of North Dakota and the Public Welfare Board of North Dakota shall in turn cause such funds to be placed in the North Dakota Old Age Assistance Fund and credited to the respective Counties in which the taxes were levied and collected to apply upon the County's share of payments for old age assistance.

§ 3. REPEAL.] Chapter 254, Laws 1933 is hereby in all things repealed.

§ 4. EMERGENCY.] Whereas, Chapter 254, Laws 1933 is out of harmony with the provisions of the Social Security Act and does not furnish any substantial basis for aid to the needy aged; but such aid is being furnished by virtue of an old age assistance plan formulated and set up by the Public Welfare Board of North Dakota, under Chapter 221, Laws 1935, and approved by the Social Security Board, therefore it is declared that an emergency exists and this Act shall be in full force and effect from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 213
H. B. No. 357—(Freitag)

WARRANTS FOR EMERGENCY POOR RELIEF

An Act to apply and make applicable the provisions of the House Bill No. 32 of the Twenty-fifth Legislative Assembly and Chapter 195 of the Laws of 1935 as amended by House Bill No. 32 aforesaid, to "Warrants for Emergency Poor Relief" issued pursuant to Chapter 120 of the Laws of 1935 and issued prior to January 1st, 1939.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Chapter 195 of the Session Laws of the State of North Dakota for 1935 relating to funding and refunding indebtedness of municipalities, and all Acts amendatory thereto, including House Bill No. 32 of the Twenty-fifth Legislative Assembly of the State of North Dakota, 1937, together with all of the terms and conditions and provisions thereof, shall be applicable to and include all warrants for emergency poor relief issued under and pursuant to Chapter 120 of the Laws of 1935, and including all warrants issued thereunder, prior to the first day of January, 1939.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 9, 1937.

CHAPTER 214
H. B. No. 199—(Morris, O. C. Olson and Schauss)

RELIEF ACT

An Act making an appropriation for relief to destitute and necessitous persons defining the powers and duties of the Public Welfare Board in relation thereto; providing for allocation of funds to Counties for relief purposes; repealing all Acts and parts of Acts in conflict with this Act; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Economic conditions which led to the adoption by 1935 Legislative Assembly of the policy of providing State grants to Counties to assist County Governments in caring for destitute or necessitous persons have not improved to such an extent as to warrant abandonment of such policy. Either the State or its political subdivisions, acting independently or together, must provide means of alleviating distress and suffering brought about by continued drought and crop failure in the rural areas and by unemployment in the urban areas. The financial ability of many County Governments under existing economic conditions has been exhausted. It remains,

therefore, for the State, acting through a centralized agency, to furnish financial aid to the Counties in order to enable them to undertake and carry forward a program of relief during the current biennium and during the ensuing biennium. The furnishing of such relief is hereby declared to be a matter of State concern and necessary to the preservation of public peace, health, and safety.

§ 2. Disbursements under this Act shall be made for the purpose of relieving the distress of destitute and necessitous persons and their families and dependents by furnishing them with means of support compatible with health and decency, also in carrying out such provisions of Chapter 221, Session Laws of 1935, as are not specifically provided for in any appropriation bill enacted by the 1937 Legislative Assembly.

The Public Welfare Board is hereby authorized to make distribution from the amount herein appropriated for relief to destitute and necessitous persons, among the County Governments of North Dakota from month to month after taking into consideration the number of relief cases to be cared for, the ability of each County to finance the cost of necessary relief and other facts which, in the opinion of the Board should be taken into account in order to do justice and equity among Counties.

§ 3. There is hereby established in the State Treasury a special fund to be known as the State Public Welfare Fund which shall consist of (a) such moneys as remain unexpended in the State Public Welfare Fund created and established by Chapter 221, Laws of 1935, which unexpended portion of such fund is hereby transferred to the State Public Welfare Fund created by this Act, (b) such moneys as remain unexpended in the appropriation provided by House Bill No. 1, Laws of 1937, which unexpended portion of such fund is hereby transferred to the State Public Welfare Fund created by this Act, (c) such moneys as may be allocated to the State Public Welfare Fund under the provisions of any Revenue Act of 1935 or of 1937, (d) transfers from the General Fund as provided by Section 6 of this Act, and (e) such other moneys as may be provided by law.

§ 4. Whenever during the biennium ending June 30, 1937, or the biennium ending June 30, 1939, the balance remaining in the State Public Welfare Fund shall prove insufficient to meet the requirements for relief, the State Board of Equalization of North Dakota is hereby authorized and directed to make a levy sufficient to make up such deficiency, and to make a transfer of the amount so levied from the General Fund of the State, to the State Public Welfare Fund; but the levy and transfers so authorized and directed to be made shall in no case exceed the total sum appropriated by Section 5 of this Act, to the State Public Welfare Fund.

§ 5. There is hereby appropriated from the State Public Welfare Fund, created by Section 3 of this Act the sum of \$3,000,000

or so much thereof as may be necessary for the purpose of carrying out and effectuating the purposes of this Act including the payment of the cost of administration for the period beginning March 1, 1937, and ending June 30, 1939.

§ 6. If any clause, sentence, paragraph, or part of this Act shall for any reason be adjudged invalid or unconstitutional, such adjudication shall not affect, impair, or invalidate the remaining portions of the Act, but shall be confined in its operation to the clause, sentence, paragraph, or part directly involved in the controversy in which such adjudication shall have been made.

§ 7. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 8. EMERGENCY.] This Act is hereby declared an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 16, 1937.

REPEAL

CHAPTER 215 H. B. No. 365—(Fitch)

REPEAL MATES AND SEAMEN LAW

An Act to repeal Article 5 of Chapter 68 of the Civil Code (1913 Compiled Laws of the State of North Dakota) relating to Mates and Seamen.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Article 5 of Chapter 63 of the Civil Code (1913 Compiled Laws of the State of North Dakota) relating to Mates and Seamen be and the same is hereby repealed.

§ 2. EMERGENCY.] In view of the recent extensive drought, there apparently is no further need for this law, therefor an emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

(NOTE: Emergency failed in Senate.)

CHAPTER 216
H. B. No. 366—(Fitch)

REPEAL SHIP'S MANAGERS LAW

An Act to repeal Article 6 of Chapter 63 of the Civil Code (1913 Compiled Laws of the State of North Dakota) relating to Ship's Managers.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REPEAL.] That Article 6 of Chapter 63 of the Civil Code (1913 Compiled Laws of the State of North Dakota) relating to Ship Managers be and the same is hereby repealed.

§ 2. EMERGENCY.] An emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

(NOTE: Emergency failed in Senate.)

CHAPTER 217
Senate Bill No. 50—(Blaisdell)

SMOKING LAW REPEALED

An Act to repeal Section 10185b of the Supplement to the Compiled Laws of 1913, relating to prohibiting smoking in specified places.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. REPEAL.] That Section 10185b of the Supplement to the Compiled Laws of 1913, be and the same is hereby repealed.

Approved February 6, 1937.

SCHOOLS

CHAPTER 218

S. B. No. 48—(Skarvold, Greene and Nelson of Barnes)

DUTIES CLERKS COMMON SCHOOL DISTRICTS

An Act to amend and re-enact Section 1164 of the Compiled Laws of the State of North Dakota for 1913, pertaining to the duties of the Clerks of common school districts, and repealing all Acts and parts of Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Secton 1164 of the Compiled Laws of the State of North Dakota for 1913 is hereby amended and re-enacted as follows:

§ 2. DUTIES AND COMPENSATION OF THE CLERK.] The Clerk of the Board shall keep an accurate record of all proceedings of the Board, give or post all notices, make out all reports and statements and perform all other duties required by law or by the Board. He shall prepare an itemized financial report containing a statement of the receipts and expenditures from the beginning of the school year, up to and including the first Tuesday in June, and a statement of estimated receipts and expenditures to the end of the school year, which report shall be posted in the school polling place before the opening of the polls on school election day. The Clerk shall read or cause to be read such report immediately preceding opening of the polls. He shall receive such compensation as shall be fixed by the Board, not less than Ten Dollars (\$10.00) for one school and Five Dollars (\$5.00) for each additional school in his district; provided, that such salary does not exceed Fifty Dollars (\$50.00) in any one year, provided, further, that the Clerk shall receive such additional compensation for taking the annual school census as the Board may allow.

§ 3. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 4. EMERGENCY. An emergency is hereby declared to exist and this Act shall take effect from and after its passage and approval.

Approved February 15, 1937.

CHAPTER 219**H. B. No. 105—(Schauss and Magill)****COMMON SCHOOL DISTRICT
OFFICERS, ELECTION, QUALIFICATIONS**

An Act to amend and re-enact Section 1151 of the Compiled Laws of 1913 as amended and re-enacted by Chapter 237, Session Laws of 1927, relating to election of officers of common school districts, and prescribing qualifications therefor.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Section 1151 of the Compiled Laws of 1913 as amended and re-enacted by Chapter 237 of the Session Laws of 1927 be amended and re-enacted as follows:

§ 1151. OFFICERS TO BE ELECTED.] On the first Tuesday in June of each year there shall be elected one School Director for the term of three years and on the first Tuesday in June of each even numbered year a School Treasurer for the term of two years. Such officers shall hold their respective offices from the second Tuesday in July following their election for the number of years respectively for which they were elected, and until their successors are elected and qualified. At the first election for the organization of a new School District there shall be elected at large for such School District three Directors, one to serve until the first annual election, one to serve until the second annual election thereafter, and one to serve until the third annual election thereafter, the School Treasurer to serve until the annual election in the next even numbered year and until his successor is elected and qualified; provided, however, that where a Common School District is composed of six or more sections of land having within its boundaries an incorporated Village or City, at least one member of such Board of Directors shall reside upon a farm outside the corporate limits of said village or city.

Approved March 3, 1937.

CHAPTER 220**H. B. No. 37—(Wolf)****ORGANIZATION OF COMMON SCHOOL DISTRICTS**

An Act to amend and re-enact Section 1160 of the Compiled Laws of the State of North Dakota for the year 1913 relating to the organization of common school districts.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] That Section 1160 of the Compiled Laws for the year 1913 be and the same is hereby amended and re-enacted, to read as follows:

§ 1160. ORGANIZATION, CLERK.] The School Board shall meet annually on the second Tuesday in July and organize by choosing one of its members, President, and a competent person, not a member of the Board, who shall be an actual resident within said School District, Clerk, who shall hold office during the pleasure of the Board.

§ 2. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 4, 1937.

CHAPTER 221

H. B. No. 19—(Peterson of Renville, Morland, Bjornson and Ritter)

DISTRIBUTION OF FEDERAL FUNDS

An Act to provide for the distribution of all moneys received from the Treasury of the United States, under the provisions of the Act of Congress of February 25th, 1920 (Public Number 146) to place the same in the State Equalization Fund of the State of North Dakota, and to be distributed as provided by law.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. All moneys paid to the State of North Dakota, by the Secretary of the Treasury of the United States, under the provisions of that certain Act of Congress of February 25th, 1920, (Public No. 146) entitled "An Act to Promote the Mining of Coal, Phosphate, Oil, Oil Shale, Gas and Sodium on the Public Domain," shall be by the State Treasurer of the State of North Dakota, credited to the State Equalization Fund provided by Chapter 260 of the Laws of the State of North Dakota for 1935, and shall be distributed pursuant to the terms of said Act, and any and all amendments thereto.

Approved February 13, 1937.

CHAPTER 222

H. B. No. 160—(Solberg, Seibel, Ireland and C. T. Olson of Bowman)

HIGH SCHOOLS DEFINED

An Act amending and re-enacting Chapter 242 of the 1931 Session Laws of the State of North Dakota; defining high schools and schools doing high school work, and providing that Superintendent of Public Instruction shall provide State course of study for high schools as herein defined.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Chapter 242, Session Laws of 1931, be amended and re-enacted to read as follows:

All six year high schools shall consist of grade seven to twelve inclusive and shall employ a minimum of three full time high school teachers. All five year high schools shall consist of grades eight to twelve inclusive and shall employ a minimum of three full time high school teachers. All four year high schools shall consist of grades nine to twelve inclusive and shall employ a minimum of two full time high school teachers. All three year high schools shall consist of grades ten to twelve exclusive and shall employ a minimum of two full time high school teachers. A principal or superintendent who teaches at least four classes shall be considered a full time high school teacher. All other schools with high school departments shall be considered as graded schools doing high school work and the minimum number of teachers required shall be determined by the Superintendent of Public Instruction. No high school work shall be taught in one room rural schools in which any of the grades from one to eight inclusive are taught, unless conditions are such that the County Superintendent shall consider it proper for one or more years of high school work to be taught. Four units of high school work shall be considered the minimum number for any year from grades nine to twelve inclusive. All unit courses except natural science courses shall be taught a minimum of forty minutes a day for at least five days a week for thirty-six weeks. The length of the periods of all natural science courses shall exceed forty minutes as shall be determined by the Superintendent of Public Instruction. In all four year high schools and all schools doing high school work in which are any or all grades nine to twelve, it must be possible for each grade to complete four units of work each year. The work which is done by pupils in any school which violates the provisions of this Section shall not be accredited by the Department of Public Instruction through State high school examinations or otherwise.

§ 2. The content of all courses and the grade in which they are taught in all types of high schools and in the high school departments of all schools doing high school work shall follow the State course of study for high schools as outlined by the Superintendent of Public Instruction. The Superintendent of Public Instruction in said course of study for high schools shall provide for an elective course of instruction in co-operative marketing, and consumers' co-operatives, said course to be a half year course. No school which violates the provisions of this Section shall be accredited by the Department of Public Instruction through State high school examinations or otherwise.

§ 3. All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 10, 1937.

CHAPTER 223

H. B. No. 170 —(Committee on Education)

SCHOOL CENSUS

An Act to provide that the school census in all types of school districts shall be conducted in odd numbered years only; repeal; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The enumeration of all unmarried persons of school age required to be made in School Districts shall be made between the first and twentieth days of June in each odd numbered year only, in all classes of School Districts, whether common, independent, special, or under special law.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 4, 1937.

CHAPTER 224

H. B. No. 142—(Trydahl, Saumur and Peterson of Renville)

SCHOOL DISTRICT VOTING PRECINCTS ESTABLISHED

An Act providing for the establishment of voting precincts in all special and independent school districts; requiring establishment of polling places for each 6,000 inhabitants; providing for appointment of election officials, fixing their powers, duties and compensation and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. ELECTIONS IN SPECIAL AND INDEPENDENT SCHOOL DISTRICTS.] That at all elections hereafter held in any special or independent School District in this State there shall be provided one polling place, and one set of election officials, for each 6,000 people or majority fraction thereof (as shown by the last available State or National census) residing in said School District, and upon taking effect of this Act, and thereafter as often as it shall be necessary, it shall be the duty of the School Board, or the Board of Education, in every special or independent School District in the State of North Dakota having a population of over 6,000 to divide said School District into voting precincts for school election purposes; said precincts to be formed by motion or resolution of the Board, and to be so arranged as to divide the voters in said School District as nearly equal as pos-

sible. None of said precincts shall have a population greater than six thousand.

§ 2. POLLING PLACES, HOW ESTABLISHED.] Upon such precincts being designated the School Board or Board of Education in all School Districts affected by this Act shall, by resolution or motion, designate one place as a polling place in each voting precinct, said place so designated to be as conveniently located as possible to the voters in such precinct and said place so designated shall remain the voting place until changed by subsequent action of the Board.

§ 3. ELECTION OFFICIALS DESIGNATED: POWERS AND DUTIES.] All election officials for said several voting precincts shall be appointed in the manner as now or hereafter provided by law for the appointment of school election officials in such school districts, and they shall have the same powers and receive the same compensation as now enjoyed or received by such election officials or as may hereafter be provided for.

§ 4. All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved February 17, 1937.

CHAPTER 225
H. B. No. 29—(Dalzell)

**SPECIAL SCHOOL DISTRICT OFFICERS, ELECTION
AND QUALIFICATIONS**

An Act amending and re-enacting Section 1245 of Compiled Laws of North Dakota for the year 1913 relating to the elections of officers of special school districts and prescribing qualifications therefor, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 1245 of the Compiled Laws of North Dakota for the year 1913, be amended and re-enacted to read as follows:

§ 1245. The Board of Education of each special School District shall consist of five members who shall be elected by the legal voters thereof and who shall hold their office for the term of three years and until their successors are elected and qualified, except as provided for the first election under this Article. Three members of the Board of Education shall constitute a quorum for the transaction of business at any legal meeting. Where a special School District is composed of six or more sections of land and has within its boundaries an incorporated Village or City and where the population of the School District does not exceed 2,000 people, at least two members

of such Board of Education shall reside on a farm outside the corporate limits of said Village or City.

§ 2. AN EMERGENCY.] Whereas an emergency exists this Act shall take effect and be in force from and after its passage and approval.

Approved March 1, 1937.

CHAPTER 226

H. B. No. 104—(Magill and Schauss)

OFFICIAL BALLOT SPECIAL SCHOOL DISTRICTS

An Act to amend and re-enact Section 1265 of the Compiled Laws of 1913 relating to candidates and the official ballot at elections in special school districts.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 1265 of the Compiled Laws of 1913 is hereby amended and re-enacted as follows:

§ 1265. CANDIDATES. OFFICIAL BALLOT.] Any person desiring to be a candidate at such election shall file his or her name with the Clerk not less than five days before such election, stating what position he or she desires to be a candidate for. At least three days before such election the Clerk shall prepare and have printed an official ballot containing all the names filed as hereinbefore provided. Such ballot shall be headed "Official Ballot," shall contain the name of the district and the date of such election, shall be non-partisan, and state the number of persons to be voted for for each office, shall contain blank spaces below for writing in other names. Provided, that in Special Districts where it is required by law that at least one of the members of the Board of Education be a person residing on a farm outside the incorporated limits of any City or Village, the official ballot at the election at which such member is chosen shall designate the candidates for the position on such Board of Education to be filled by such member residing on a farm as "Rural Candidates." Provided, further, that nothing herein shall prevent any person qualified as herein provided desiring to be a candidate at such election and who failed to file as hereinbefore provided, from providing stickers to be attached to the official ballot by the voter, such stickers to be not over one-half inch in width and have printed thereon one name only.

Approved March 4, 1937.

CHAPTER 227

H. B. No. 168—(Committee on Education)

STATE EQUALIZATION FUND

An Act to amend and re-enact Chapter 229 of the 1933 Session Laws of the State of North Dakota, as amended by Chapter 260 of the Session Laws of 1935; to provide for the distribution of the same upon the basis of need, in the payment of high school tuition in lieu of that now provided by law and in the payment of direct aid to school districts upon a teacher-unit basis; and to provide methods for the ascertainment and payment of the sums payable to school districts; and to provide for penalty for making false report; repeal all Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Chapter 229 of the Session Laws of North Dakota for 1933, as amended by Chapter 260 of the Session Laws of 1935, is hereby amended and re-enacted to read as follows:

§ 2. STATE EQUALIZATION FUND CREATED.] There is hereby created a fund to be known as the State Equalization Fund. The State Treasurer shall credit to such fund all sums appropriated by the Legislature for that purpose from any source of income whatever, and in the case of direct biennial appropriations, the State Treasurer shall apply one-half of the total appropriation of the biennium to each year thereof, and the amount so applied for each year, plus all accumulations from other sources, shall be construed to be the amount available in such fund for the current year.

All monies now in the State Equalization Fund as it was created by Chapter 229 of the Laws of 1933 and Chapter 260 of the Laws of 1935, are hereby transferred to and shall become a part of the State Equalization Fund as hereby amended and re-enacted.

§ 3. FIRST \$500,000 PER YEAR, OR SUCH PORTION THEREOF AS NECESSARY, TO BE SET ASIDE FOR DISTRIBUTION ON BASIS OF NEED.] The first \$500,000, or such portion thereof as may be necessary, accruing to the State Equalization Fund in each fiscal year from July 1st to June 30th inclusive shall be allocated and set aside for distribution among the needy public schools of this State on the basis of need in the manner hereinafter set forth:

(a) STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TO DETERMINE MONTHLY MINIMUM COST OF MAINTAINING PUBLIC SCHOOLS.] The State Superintendent of Public Instruction shall be charged with the duty of investigating and inquiring into the general subject of public school costs and needs of financially distressed districts within the State. It shall be his duty to prepare the necessary application blanks and forms upon which the information required by him shall be certified to by such school authorities as may be desig-

nated by him. From the information so acquired the State Superintendent of Public Instruction shall from month to month determine the minimum amount of money required to operate each of the various classes of public schools.

(b) STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TO MAKE MONTHLY CERTIFICATE TO STATE AUDITOR OF SCHOOLS IN NEED.] From the information obtained as provided in the preceding subdivision, the State Superintendent of Public Instruction shall monthly certify to the State Auditor a list of School Districts of the State which are unable to pay for the operation of their schools the minimum amount determined in the manner hereinbefore set forth, after having made the maximum financial effort to do so, together with a statement of the amount of money required by such districts to meet such minimum standards.

(c) MAXIMUM FINANCIAL EFFORT DEFINED. WHEN CERTIFICATES OF INDEBTEDNESS MUST ISSUE FOR AID GIVEN.] In determining whether or not a school district has made the maximum financial effort mentioned above, it must appear: (1) That the district shall have levied for the fiscal year, at a millage rate equal to that produced by the average of the prior five year millage levy for that School District; provided, however, said levy need not exceed that specified as a maximum under the provisions of Section 2163a3 of the 1925 Supplement to the Compiled Laws of 1913; (2) that revenues from local taxes, and from State and County sources have been exhausted; (3) that all teachers in the schools in such district have been duly certified by the State Superintendent of Public Instruction and are under contract to receive not less than the minimum salary provided by law, and (4) that such district is unable to sell in the manner now provided by law its certificates of indebtedness in an amount sufficient to permit said district to maintain adequate school facilities. Each district, except as hereinafter provided, receiving aid under the provisions of this Act, shall be required to issue a certificate of indebtedness equal in amount in each instance to the amount of the aid granted, payable to the State Equalization Fund, bearing interest at the rate of 4% per annum, due as the taxes pledged therefor are collected, and cause the same to be delivered to the State Treasurer. The certificates of indebtedness so issued shall be executed, certified, registered and collected, and the payment thereof shall be secured, in the manner now provided by law for certificates of indebtedness issued by any municipality under the provisions of Sections 2079b1 to 2079b13 inclusive, of the 1925 Supplement to the Compiled Laws of 1913, and amendments thereto, but shall not be subject to the provisions of Chapter 50A of the 1925 Supplement to the Compiled Laws of 1913, dealing with the advertisement for sale of certificates of indebtedness. Providing, however, that any district which is found by the Board to be unable under our Constitution or the laws of the State to issue certificates of indebtedness for any purpose shall not be required, to obtain aid under the provisions of this Act,

to issue any certificate of indebtedness, and shall be granted aid, if otherwise entitled thereto, in the same manner that said aid may be granted to a district legally authorized to issue a certificate of indebtedness therefor. The State Treasurer shall report monthly to the State Superintendent of Public Instruction the certificates of indebtedness to him delivered under the provisions of this Act and all collections, if any, made on each of them and shall generally attend to the collection of the said certificates of indebtedness, and the amount so collected shall be converted into the said State Equalization Fund.

No School District which has not complied with all of the terms of the definition of "Maximum Financial Effort" in this paragraph set forth, shall be entitled to any aid from said fund on the basis of need.

(d) SCHOOLS TO RECEIVE AID FOR NOT MORE THAN SEVEN MONTHS IN ANY ONE SCHOOL YEAR.] School Districts shall receive aid as in this Section for not more than seven months in any one school year.

(e) STATE AUDITOR.] The State Auditor shall issue his warrants monthly, in accordance with the certificates of the State Superintendent of Public Instruction, payable to the several School Districts in the amounts so directed by the State Superintendent of Public Instruction, to the County Superintendent of Schools. In case sufficient money for distribution on the basis of need shall not be available in any month, the State Auditor shall pro-rate the available funds among the districts in proportion to the amounts so certified to him.

(f) ADMINISTRATION.] In carrying out the provisions of this Chapter, all evidence, data, and records of transactions of the Superintendent of Public Instruction and of the School Board and County or District Treasurer, shall be open to inspection by the State Auditor and Attorney General.

(g) The Governor, Attorney General, and the Superintendent of Public Instruction shall constitute the Board which is hereby authorized, empowered and directed to carry out and perform the provisions of Section 2 of this Act dealing with the distribution on the basis of need, and there shall be set aside from such portion of the fund a sum not to exceed Five Thousand Dollars (\$5,000.00) per year for use in the necessary expenses incurred in the administration thereof.

(h) Any portion of the said sum of \$500,000.00 allocated for distribution upon the basis of need which shall at the end of any fiscal year remain unexpended shall be available for distribution on a teacher-unit basis as provided in Section 7 of this Act.

(i) The monies received from the State Equalization Fund on the basis of need shall be used only for the payment of teachers' salaries for the current year.

§ 4. HIGH SCHOOL TUITION: WHEN AND HOW PAYABLE.] After setting aside the sum hereinbefore provided for distribution on the basis of need, there shall be paid out of said State Equalization Fund to each Public School District in this State which during the previous school year offered four or more units of standard high school work, approved by the State Superintendent of Public Instruction as by law provided, and which has employed only teachers duly certified by the State Superintendent of Public Instruction and who have been paid not less than the minimum salary required by law, the sum of \$1.50 per week of attendance for each non-resident high school student who attended such high school during the preceding semester, and be it further provided that high school tuition shall be paid to any School District for any pupil or student who has completed the eighth grade, living in a district having no high school and residing in a County that is on the border line of another State who may be attending a four-year high school in the adjoining State; provided that the term "non-resident high school student" shall include only students who have completed all the work of the first eight grades, who are residents of the State of North Dakota and of School Districts which did not, during the preceding school year, offer four full units of high school work, approved by the State Superintendent of Public Instruction, for which the student was prepared, and who had not previously attended high school for four years nor completed fifteen or more full units of high school work. Immediately upon the close of each semester and in any event not later than February 10th and June 30th of each school year, the superintendent or principal of each district claiming high school tuition under this Act shall certify and the clerk shall attest to the County Superintendent of Schools a verified claim, giving the name, residence, number of weeks of attendance and number of units of high school work taken by each non-resident student for whom tuition is claimed. The County Superintendent of Schools shall investigate the propriety of the claim for each student, and determine the residence and other qualifications of each, and on or before February 20th or on or before July 20th as the case may be, shall certify to the State Superintendent of Public Instruction the number of non-resident high school students for which each district is entitled to payment of high school tuition, and shall at the same time notify the School Districts of the names of any students for which the claim has been disallowed by him, and such district may, if it so desires, on or before August 5th of such year, appeal to the State Superintendent of Public Instruction, who may, if in his judgment the evidence submitted by the district warrants it, change or modify the certificate of the County Superintendent of Schools, and his judgment thereon shall be final. Immediately upon receiving the certificate of the County Superintendent of Schools, and in any event not later than March 20th for the first semester and not later than September 1st for the second semester, the State Superintendent of Public Instruc-

tion shall certify to the State Auditor a list of the districts entitled to payment of high school tuition together with the amount to which each district is entitled. It is the purpose of this Section to assure the payment in full of the said high school tuition before any payments are made on the teacher-unit basis as hereinafter set forth. Such high school tuition payment shall be the sole and only compensation received by such districts for non-resident high school students, and no district shall charge or collect from any non-resident student, his parents or guardians or the district of his residence, any tuition fee, registration fee, text-book fee, laboratory fee or any other fee or charge which is not also charged of all resident students; provided, however, that this Act shall not affect the right of a district to charge and collect from students who are not residents of this State such tuition as may be agreed upon.

§ 5. Whenever provisions are established for high school work by correspondence, the cost of such work shall be paid out of the Equalization Fund as determined by the Board of Administration, not in excess of Sixty-five Thousand Dollars (\$65,000.00) for the biennium.

§ 6. \$20,000.00 SET ASIDE FOR CO-OPERATION WITH FEDERAL PROGRAM FOR VOCATIONAL EDUCATION IN AGRICULTURE, HOME ECONOMICS AND DISTRIBUTIVE INDUSTRIES.] The sum of \$20,000.00 from said State Equalization Fund shall be set aside annually to be used for the purpose of co-operating with the Federal Program for Vocational Education in Agriculture, Home Economics and Distributive Industries. Not to exceed \$18,000.00 per year shall be used for the purpose of matching Federal grants for vocational education in agriculture and home economics and not to exceed \$2,000.00 shall be used for the purpose of matching Federal grants for vocational education in distributive industries. Said sum of \$20,000.00 per year shall be paid by the State Auditor upon the certificate of the State Board of Administration to such school districts and in such manner as may be directed by such certificate. The State Board of Administration shall be charged with the duty of administering said funds through its State Director of Vocational Education and the State Supervisors of Vocational Agriculture and Home Economics and said Board and its said officers shall do all things necessary to co-operate with the program of the so-called Smith-Hughes Act, George-Deen Act, and other Federal legislation for vocational education.

§ 7. REMAINDER TO BE DISTRIBUTED AMONG SCHOOLS ON TEACHER-UNIT BASIS.] After the payments for high school tuition and other proper charges against the fund have been provided for, the balance remaining in said State Equalization Fund shall be distributed among the Public School Districts and County Agricultural and Training Schools of the State upon the basis of \$120.00 for each grade or high school teacher-unit maintained by such School Dis-

tricts and County Agriculture and Training Schools during the preceding year.

§ 8. "TEACHER-UNIT" DEFINED BY STATE SUPERINTENDENT OF PUBLIC INSTRUCTION. EXCEPTIONS.] The State Superintendent of Public Instruction shall, on or before the first day of August after this Act shall take effect, define the terms "Grade School Teacher-Unit" and "High School Teacher-Unit" for the purposes of this Act and therein fix the number of pupils and teachers required to constitute such "teacher-unit" and shall give notice of such definitions to all County Superintendents of Schools in the State and such other publicity thereto as shall, in his judgment, be sufficient to apprise the school officers of the State as to the requirements of such definitions. Such definitions may provide for the allowance of fractional credit for partial compliance with the requirements of the definitions. Such definitions shall be framed and formulated with the end in view of effecting efficiency in the schools. In defining teacher-unit as applied to consolidated schools, consideration shall be given to the teacher-pupil ratio and to the territory served by such schools. If, in any particular case, it shall appear that the then existing definitions or either of them would work an injustice or hardship upon any individual School District, because of any peculiar facts existing in such district, the State Superintendent of Public Instruction may, in his sole judgment and discretion, upon request of such district, modify such definitions, or either of them, as the same shall be applied to such individual district; and in all such cases the decision of the State Superintendent of Public Instruction shall be final. No aid on the Teacher-Unit basis shall be paid to any school district unless and until said school district shall have filed with the County Superintendent a statement giving the name of each teacher employed, the number of said teacher's certificate, the subjects taught by said teacher, and the monthly salary paid to said teacher and no such aid shall be given to any district for such teachers as were not properly certified and did not receive at least the minimum salary provided by law. The duties imposed upon the State Superintendent by this Section are mandatory and no aid upon the Teacher-Unit basis shall be extended to any district except in compliance with the terms of this and the following section.

§ 9. COUNTY SUPERINTENDENT OF SCHOOLS AND STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TO CERTIFY AS TO TEACHER-UNITS.] As soon after the close of each semester or half year as possible, and in any event not later than February 20th for the first semester and July 20th for the second semester, the County Superintendent of Schools of each County shall certify to the State Superintendent of Public Instruction a list of all public school districts in his County and the number of high school and grade school teacher-units maintained by each during the preceding semester or half year, and shall also notify each district as to the number of teacher-units so certified. Any school district feeling aggrieved by

the certificate of the County Superintendent of Schools may, on or before August 5th of such year, appeal to the State Superintendent of Public Instruction, who may, if in his judgment the evidence submitted by the district warrants it, change or modify the certificate of the County Superintendent of Schools, and his judgment thereon shall be final. Immediately upon receiving the certificates of the County Superintendents of Schools, and in any event not later than March 20th for the first half of the school year and not later than September 1st for the second half of the school year, the State Superintendent of Public Instruction shall certify to the State Auditor a list of all public school districts in the State, together with a statement as to the teacher-units maintained by each. The State Auditor shall thereupon pay for the first half of the school year one-half of the said sum of \$120.00 and for the second half of the school year one-half of the said sum of \$120.00 for each grade of high school teacher-unit so certified to him, which payment shall be made from the balance remaining in said State Equalization Fund after payment of the amount certified for payment on the basis of need, for high school tuition, high school correspondence, for vocational education and agriculture, home economics and distributive industries, and other proper charges against the Fund as hereinbefore set forth. Should the balance in said Fund prove insufficient to make payment in full of the amounts shown by said certificates to be due the several School Districts, the State Auditor shall pro-rate such balance among the districts.

§ 10. METHOD OF MAKING PAYMENTS.] Upon receipt of the certificates of the State Superintendent of Public Instruction as aforesaid the State Auditor shall make said payments on the basis of need, for high school tuition, high school correspondence, for vocational education in agriculture, home economics and distributive industries, and on the teacher-unit basis, by the Auditor's warrant upon the State Equalization Fund. Said warrants may be sent by the Auditor direct to the Clerks of the said School Districts or to the County Superintendent of Schools, whichever may be deemed by the State Superintendent of Public Instruction to be most effective for the efficient administration of this Act. Said warrants shall be made payable to the School Districts, and shall be delivered to the Clerk thereof, who shall make a record of the receipt thereof and deliver same to the School District treasurers, who shall deposit the same in the general funds of their respective districts, and the funds so received shall be available for use by the districts in the same manner as other general funds thereof unless otherwise specified in other Sections of this Act. The State Auditor may make the payments herein provided for by separate warrants, or combine such payments, as the convenience and efficiency of his office may dictate.

§ 11. STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TO

MAKE RULES AND PREPARE BLANK FORMS.] The State Superintendent of Public Instruction may make such rules and regulations governing the certification to County Superintendents of Schools and to himself of the information and evidence required by this Act to enable him to make his certificates, and governing appeals from decisions of County Superintendents of Schools as may be reasonably necessary to accomplish the purposes herein set forth. He shall also prepare and circulate among the County Superintendents of Schools blank forms for the certificates of the school districts to the County Superintendents of Schools and of the County Superintendents of Schools to the State Superintendent of Public Instruction.

§ 12. STATE SUPERINTENDENT OF PUBLIC INSTRUCTION TO SECURE INFORMATION AND MAKE ESTIMATES.] Immediately after the close of each fiscal year the State Superintendent of Public Instruction shall secure from the State Auditor a statement of the balance in the State Equalization Fund as of the close of the year, and he shall thereupon make an estimate as to the probable amount which may be expected to be paid for each teacher-unit in the State, and shall, on or before July 15th give notice of such estimate to each County Superintendent of Schools, and give the same publicity through the various news channels, so that the same may be available for the school districts in making up their budgets for the ensuing year.

§ 13. DISPOSITION OF SURPLUS.] If at the close of any bien-nium the amount remaining on hand exceeds \$100,000.00, the amount in excess of such sum shall be covered into the general fund of the State of North Dakota.

§ 14. PENALTY FOR FALSE REPORTS.] It shall be a misdemeanor, punishable by fine or imprisonment, or both, for any school official to falsify any report made in connection with the administration of this fund.

§ 15. REPEAL.] Such portions of Sections 1438a1, 1438a2 and 1438a3 of the 1925 Supplement to the Compiled Laws of 1913; Chapter 231, Session Laws, 1933; Chapter 232, Session Laws 1933; Chapter 229, Session Laws 1933; and Chapter 260, Laws of 1935 and all other Acts or parts of Acts as may be in conflict herewith are hereby repealed.

§ 16. EMERGENCY.] An emergency is hereby declared to exist and this Act shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 228
S. B. No. 177—(Fine)

FEEES FOR TEACHERS' CERTIFICATES

An Act to amend and re-enact Section 1376 of the Compiled Laws of North Dakota 1913 relating to fees for examination for teachers' certificates, and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 1376 of the Compiled Laws of North Dakota 1913 is amended and re-enacted to read as follows:

§ 1376. FEES FOR CERTIFICATES.] The State Superintendent of Public Instruction shall require a fee of Five Dollars from each applicant for a first grade professional certificate, and a fee of Three Dollars from each applicant for a second grade professional certificate or for a special certificate. The same fee shall be charged for a renewal of a professional or special certificate as is charged for its issuance. The County Superintendent shall collect a fee of Two Dollars from each applicant for an elementary certificate.

§ 2. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 10, 1937.

CHAPTER 229
S. B. No. 175—(Mutchler)

TEACHERS' CERTIFICATE REQUIREMENTS

An Act to amend and re-enact Section 1373 of the Compiled Laws of North Dakota, 1913, relating to teachers' certificates and repealing all Acts or parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 1373 of the Compiled Laws of North Dakota 1913 is amended and re-enacted to read as follows:

§ 1373. TEACHER MUST HOLD CERTIFICATE, TO BE RECORDED.] No person shall be employed or permitted to teach in any of the public schools of the State except those in cities organized for school purposes under special laws, or organized as independent districts under the general school laws, who is not the holder of a lawful certificate of qualification, and no teacher's certificate, issued by the State Superintendent of Public Instruction, shall entitle a person to teach in such public schools of any County, unless such certificate shall have been recorded in the office of the County Super-

intendent of the County in which the holder is engaged to teach, and it shall be the duty of the County Superintendent to record such certificate.

§ 2. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 10, 1937.

CHAPTER 230
S. B. No. 176—(Fine)

TEACHERS' EXAMINATIONS, DATE

An Act to amend and re-enact Section 1370 of the Compiled Laws of North Dakota, 1913, as amended by Chapter 239 of the 1927 Session Laws relating to teachers' examinations for elementary certificates, repealing all Acts or parts of Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. AMENDMENT.] Section 1370 of the Compiled Laws of North Dakota 1913 as amended by Chapter 239 of the 1927 Session Laws is amended and re-enacted to read as follows:

§ 1370. TO CHANGE THE DATE OF TEACHERS' EXAMINATIONS FOR ELEMENTARY CERTIFICATES.] Under the direction of the State Superintendent of Public Instruction, the County Superintendent shall hold a public examination of all persons over eighteen years of age offering themselves as applicants for teachers' elementary certificates at the most suitable place or places in the County on the last Thursday and Friday of April of each year. The County Superintendent shall examine them by a series of written or printed questions, prepared under the direction of the State Superintendent of Public Instruction. The County Superintendent shall forward all these examination papers submitted by applicants immediately after the close of the examination to the office of the State Superintendent of Public Instruction for examination, marking, filing, and recording. The State Superintendent of Public Instruction shall grant to each applicant a certificate of qualification, if from the percentage of correct answers, required by the rules, said applicant is found to possess the requisite knowledge and understanding to teach, in the common schools of the State, the various branches required by law; provided, that sufficient evidence is furnished that the candidate is a person of good moral character and possesses the general qualifications and aptness to teach and govern as prescribed under Chapter 240 of the Session Laws of 1931.

§2. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this Act shall become effective immediately upon its passage and approval.

Approved March 5, 1937.

CHAPTER 231

H. B. No. 133—(Committee on Education)

TRANSPORTATION CONSOLIDATED SCHOOLS

An Act to amend and re-enact Section 1190 of the 1925 Supplement to the 1913 Compiled Laws of the State of North Dakota, as the same was amended by Chapter 243 of the 1927 Session Laws of the State, relating to consolidation of schools and transportation of pupils; and repealing certain Acts in conflict.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 1190 of the 1925 Supplement to the 1913 Compiled Laws, as the same was amended by Chapter 243 of the 1927 Session Laws of the State, be amended and re-enacted to read as follows:

§ 1190. CONSOLIDATION OF SCHOOLS AND TRANSPORTATION OF PUPILS.] The district school board may call, and, if petitioned by one-third of the voters of the district, shall call an election to determine the question:

(1) To consolidate two or more schools or the territory usually served by two or more schools and select a site and provide a suitable building; or,

(2) To select a school already established and, if necessary, make suitable additions thereto to accommodate the pupils of the schools to be vacated. Said election except as hereafter otherwise provided shall be conducted, both as to notices and as to manner of canvassing the votes, in the same manner as the annual school election. If a majority of the votes cast at such election are in favor of either proposal, then the Board shall carry out the decision of the district within four months thereafter, and such school shall be known as a consolidated school. It shall also be the duty of the Board, if deemed expedient, to move to the site selected school houses already built, or to sell such school houses. In the case of any consolidated school heretofore or hereafter established under the provisions of this Act, it shall be the duty of the school Board to pay to each family residing more than two miles from such school, by the nearest route, whose child or children shall attend such consolidated school, not including children in the high school department thereof, a sum per day for each day's attendance, in proportion to the distance from such school, according to the following schedule:

From 2 Miles to 2¼ Miles. 5c per day

From $2\frac{1}{4}$ Miles to $2\frac{1}{2}$ Miles.....	10c per day
From $2\frac{1}{2}$ Miles to $2\frac{3}{4}$ Miles	15c per day
From $2\frac{3}{4}$ Miles to 3 Miles.....	20c per day
From 3 Miles to $3\frac{1}{4}$ Miles.....	25c per day
From $3\frac{1}{4}$ Miles to $3\frac{1}{2}$ Miles.....	30c per day
From $3\frac{1}{2}$ Miles to $3\frac{3}{4}$ Miles.....	35c per day
From $3\frac{3}{4}$ Miles to 4 Miles.....	40c per day
From 4 Miles to $4\frac{1}{4}$ Miles.....	45c per day
From $4\frac{1}{4}$ Miles to $4\frac{1}{2}$ Miles.....	50c per day
From $4\frac{1}{2}$ Miles to $4\frac{3}{4}$ Miles.....	55c per day
From $4\frac{3}{4}$ Miles to 5 Miles.....	60c per day
From 5 Miles to $5\frac{1}{4}$ Miles.....	65c per day
From $5\frac{1}{4}$ Miles to $5\frac{1}{2}$ Miles	70c per day
From $5\frac{1}{2}$ Miles to $5\frac{3}{4}$ Miles.....	75c per day
From $5\frac{3}{4}$ Miles to 6 Miles.....	80c per day

And for each one-quarter of one mile over and beyond such distance of six miles from such consolidated school the further sum of five cents. Provided, that such distance shall be measured from the front door of the school house to the front door of the family's residence according to the most convenient route. Provided, also, that the school Board, at its option, and in lieu of such payment may

(1) Furnish vehicular transportation by public conveyance to such family; or

(2) Furnish such family the equivalent of such payment in lodging or tuition at some other public school, if acceptable to the family; and when the school Board by resolution provides for such payment, transportation, lodging or tuition, the compulsory attendance law shall apply to all children of school age residing in such district within six miles from the school if vehicular transportation is furnished. Provided, further, that in districts where vehicular by public conveyance is furnished, that resident children who are in the high school department, if such district maintains such high school department, shall be transported in such public conveyance.

Provided, also, that in case a patron is dissatisfied with the arrangement made by the school Board with regard to the transportation of his children, he may apply to the school Board for a Board of Arbitration consisting of one selected by the patron, one selected by the school Board and another chosen by the two already selected; the School District to pay all cost thereof; said cost not to exceed Three Dollars per diem per member of said Arbitration Board. The decision of said Arbitration Board shall be final and binding on the Board.

REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed, provided, however, that Chapter 244 of the Session Laws of 1931 shall not be repealed hereby.

Approved March 10, 1937.

SOCIAL SECURITY

CHAPTER 232

S. B. No. 62—(McGillic, Blaisdell, and Nelson of Grand Forks)

NORTH DAKOTA UNEMPLOYMENT COMPENSATION LAW

An Act to create an Unemployment Compensation Fund from contributions by employers for the payment of compensation for involuntary unemployment, to provide for merit ratings for employers, to create an unemployment compensation division in the Workmen's Compensation Bureau, to transfer the North Dakota State Employment Service to the Workmen's Compensation Bureau as a Division thereof, to provide for cooperation with the Social Security Board of the United States of America, to provide for an employment service account and an appropriation therefor, defining and regulating the administration of this Act, to provide for penalties for violation of said Act; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DECLARATION OF PUBLIC POLICY.] As a guide to the interpretation and application of this Act, the public policy of this State is declared to be as follows: Economic insecurity due to unemployment is a serious menace to the health, morals, and welfare. Economic insecurity due to unemployment is therefore a subject of general interest and concern which requires appropriate action by the legislature to prevent its spread and to lighten its burdens. This can be provided by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment, thus maintaining purchasing power and limiting the serious social consequences of poor relief assistance. The legislature, therefore, declares that in its considered judgment the public good and the general welfare of the citizens of this State will be promoted by providing, under the police powers of the State for the compulsory setting aside of unemployment reserves to be used for the benefit of persons unemployed through no fault of their own.

§ 2. DEFINITIONS.] As used in this Act, unless the context clearly requires otherwise—

(a) (1) "Annual pay roll" means the total amount of wages payable by an employer (regardless of the time of payment) for employment during a calendar year.

(2) "Average annual pay roll" means the average of the annual pay rolls of any employer for the last three or five preceding calendar years, whichever average is higher.

(b) "Benefits" means the money payments payable to an individual, as provided in this Act, with respect to his unemployment.

(c) "Bureau" means the North Dakota Workmen's Compensation Bureau consisting of three Commissioners, appointed for terms of six years.

(d) "Contributions" means the payments to the State Unemployment Compensation Fund required by this Act.

(e) "Employing unit" means any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has or subsequent to January 1, 1936, had in its employ eight or more individuals performing services for it within this State. All individuals performing services within this State for any employing unit which maintains two or more separate establishments within this State shall be deemed to be employed by a single employing unit for all the purposes of this Act. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this Act, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of the work.

(f) "Employer" means:

(1) Any employing unit which for some portion of a day in each of twenty different weeks, whether or not such weeks are or were consecutive, within either the current or the preceding calendar year, has or had in employment eight or more individuals (irrespective of whether the same individuals are or were employed in each such day);

(2) Any individual or employing unit which acquired the organization, trade, or business or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to this Act;

(3) Any employing unit which acquired the organization, trade, or business, or substantially all the assets thereof, of another employing unit, not an employer subject to this Act, and which if subsequent to such acquisition it were treated as a single unit with such other employing unit, would be an employer under Paragraph (1) of this Subsection;

(4) Any employing unit which together with one or more other employing units, is owned or controlled (by legally enforceable means or otherwise) directly or indirectly by the same interests, or which owns or controls one or more other employing units (by legally enforceable means or otherwise), and which, if treated as a single unit with such other employing units, or interests, or both, would be an employer under Paragraph (1) of this Subsection;

(5) Any employing unit which, having become an employer

under Paragraph (1), (2), (3), or (4), has not, under Section 9, ceased to be an employer subject to this Act; or

(6) For the effective period of its election pursuant to Section 9 (c) any other employing unit which has elected to become fully subject to this Act.

(g) "Employee" means every individual, whether male, female, citizen, alien or minor, who is performing, or subsequent to January 1st, 1936, has performed services for an employer in an employment subject to this Act.

(h) (1) "Employment," subject to the other provisions of this Subsection, means service, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, express or implied.

(2) The term "Employment" shall include an individual's entire service, performed within or both within and without this State if—

(a) The service is localized in this State; or

(b) The service is not localized in any State but some of the service is performed in this State and (i) the base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this State; or (ii) the base of operations or place from which such service is directed or controlled is not in any State in which some part of the service is performed but the individual's residence is in this State.

(3) Services not covered under Paragraph (2) of this Subsection and performed entirely without this State, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other State or of the Federal Government, shall be deemed to be employment subject to this Act if the individual performing such services is a resident of this State and the Bureau approves the election of the employing unit for whom such services are performed that the entire service of such individual shall be deemed to be employment subject to this Act.

(4) Service shall be deemed to be localized within a State if—

(a) The service is performed entirely within such State; or

(b) The service is performed both within and without such State, but the service performed without such State is incidental to the individual's service within the State, for example, is temporary or transitory in nature or consists of isolated transactions.

(5) Services performed by an individual for wages shall be deemed to be employment subject to this Act unless and until it is shown, to the satisfaction of the Bureau that—

(a) Such individual has been and will continue to be free from control or direction over the performance of such services, both under his contract of service and in fact; and

(b) Such service is either outside the usual course of the

business for which such service is performed or that such service is performed outside of all the places of business of the enterprise for which such service is performed; and

(c) Such individual is customarily engaged in an independently established trade, occupation, profession, or business;

(6) The term employment shall not include:

(1) Service performed in the employ of this State, or of any political subdivision thereof, or of any instrumentality of this State or its political subdivisions;

(2) Services performed in the employ of any other State of its political subdivisions, or of the United States Government, or of an instrumentality of any other State or States or their political subdivisions or of the United States.

(3) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an Act of Congress, provided that the Bureau is hereby authorized and directed to enter into agreements with the proper agencies under such Act of Congress, which agreements shall become effective ten days after publication thereof in the manner provided in Section 11 (b) of this Act for general rules, to provide reciprocal treatment to individuals who have, after acquiring potential rights to benefits under this Act, acquired rights to unemployment compensation under such Act of Congress, or who have, after acquiring potential rights to unemployment compensation under such Act of Congress, acquired rights to benefits under this Act.

(4) Agricultural labor; *296 n.w. 113*

(5) Domestic service in a private home;

(6) Service performed as an officer or member of the crew of a vessel on the navigable waters of the United States;

(7) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of twenty-one in the employ of his father or mother;

(8) Service performed in the employ of a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

(i) "Employment office" means a free public employment office, or branch thereof, operated by this State or maintained as a part of a State-controlled system of public employment offices.

(j) "Fund" means the Unemployment Compensation Fund established by this Act, to which all contributions required and from which all benefits provided under this Act shall be paid.

(k) "Partial unemployment." An individual shall be deemed "partially unemployed" in any week of less than full-time work if

his wages payable for such week are less than six-fifths of the weekly benefit amount he would be entitled to receive if totally unemployed and eligible.

(l) "State" includes, in addition to the States of the United States of America, Alaska, Hawaii, and the District of Columbia.

(m) "Total unemployment." An individual shall be deemed "totally unemployed" in any week during which he performs no services and with respect to which no wages are payable to him.

(1) As used in Subsections (k) and (m) herein, the term "wages" shall include only that part of remuneration for odd jobs or subsidiary work, or both, which is in excess of \$3 in any one week, and the term "services" shall not include that part of odd jobs or subsidiary work, or both, for which remuneration equal to or less than \$3 in any one week is payable.

(2) As used in Subsections (k) and (m), an individual's week of unemployment shall be deemed to commence only after his registration at an employment office, except as the Bureau may by regulation otherwise prescribe.

(n) "Unemployment compensation administration fund" means the unemployment compensation administration fund established by this Act, from which administrative expenses under this Act shall be paid.

(o) "Wages" means all remuneration payable for personal services, including commissions and bonuses and the cash value of all remuneration payable in any medium other than cash. Gratuities customarily received by an individual in the course of his employment from persons other than his employing unit shall be treated as wages payable by his employing unit. The reasonable cash value of remuneration payable in any medium other than cash, and the reasonable amount of gratuities, shall be estimated and determined in accordance with rules prescribed by the Bureau.

(p) "Week" means such period of seven consecutive calendar days, as the Bureau may by regulations prescribe.

(q) "Weekly benefit amount." An individual's "weekly benefit amount" means the amount of benefits he would be entitled to receive for one week of total unemployment.

(r) "Benefit year," with respect to any individual, means the fifty-two consecutive week period beginning with the first day of the week with respect to which benefits are first payable to him, and thereafter the fifty-two consecutive week period beginning with the first day of the first week with respect to which benefits are next payable to him after the termination of his last preceding benefit year.

(s) "Base period" means the period beginning with the first day of the nine completed calendar quarters immediately preceding the first day of an individual's benefit year and ending with the last day of the next to the last completed calendar quarter imme-

diately preceding any week with respect to which benefits are payable.

(t) "Calendar quarter" means the period of three consecutive calendar months ending on March 31, June 30, September 30, or December 31, excluding, however, any calendar quarter or portion thereof which occurs prior to January 1, 1938, or the equivalent thereof as the Bureau may by regulation prescribe.

§ 3. (a) UNEMPLOYMENT COMPENSATION FUND.]

ESTABLISHMENT AND CONTROL.] There is hereby established as a special fund, separate and apart from all public moneys or funds of this State, an unemployment compensation fund, which shall be administered by the Bureau exclusively for the purposes of this Act. This fund shall consist of (1) all contributions collected under this Act, together with any interest thereon collected pursuant to Section 14 of this Act; (2) all fines and penalties collected pursuant to the provisions of this Act; (3) interest earned upon any moneys in the fund; (4) any property or securities acquired through the use of moneys belonging to the fund; and (5) all earnings of such property or securities. All moneys in the fund shall be mingled and undivided.

(b) Accounts and deposit. The State Treasurer shall be ex-officio the treasurer and custodian of the fund, who shall administer such fund in accordance with the directions of the Bureau and shall issue his warrants upon it in accordance with such regulations as the Bureau shall prescribe. He shall maintain within the fund three separate accounts: (1) a clearing account, (2) an unemployment trust fund account, and (3) a benefit account. All moneys payable to the fund, upon receipt thereof by the Bureau, shall be forwarded to the Treasurer who shall immediately deposit them in the clearing account. Refunds payable pursuant to Section 15 of this Act may be paid from the clearing account upon warrants issued by the Treasurer under the direction of the Bureau. After clearance thereof, all other moneys in the clearing account shall be immediately deposited with the Secretary of the Treasury of the United States of America to the credit of the account of this State in the unemployment trust fund, established and maintained pursuant to Section 904 of the Social Security Act, as amended, any provisions of law in this State relating to the deposit, administration, release, or disbursement of moneys in the possession or custody of this State to the contrary notwithstanding. The benefit account shall consist of all moneys requisitioned from this State's account in the unemployment trust fund. Except as otherwise herein provided moneys in the clearing and benefit accounts may be deposited by the Treasurer, under the direction of the Bureau, in the Bank of North Dakota, but no public deposit insurance charge or premium shall be paid out of the fund. The Treasurer shall give a separate bond conditioned upon the faithful performance of his duties as

custodian of the fund in an amount fixed by the Bureau and in a form prescribed by law or approved by the Attorney General. Premiums for said bond shall be paid from the administration fund.

(c) Withdrawals, Moneys shall be requisitioned from this State's account in the unemployment trust fund solely for the payment of benefits and in accordance with regulations prescribed by the Bureau. The Bureau shall from time to time requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to this State's account therein, as it deems necessary for the payment of benefits for a reasonable future period. Upon receipt thereof the Treasurer shall deposit such moneys in the benefit account and shall issue his warrants for the payment of benefits solely from such benefit account. Expenditures of such moneys in the benefit account and refunds from the clearing account shall not be subject to any provisions of law requiring specific appropriations or other formal release by State officers of money in their custody. All warrants issued by the Treasurer for the payment of benefits and refunds shall bear the signature of the Treasurer and the countersignature of a member of the Bureau or its duly authorized agent for that purpose. Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the benefit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of, benefits during succeeding periods, or, in the discretion of the Bureau, shall be re-deposited with the Secretary of the Treasury of the United States of America, to the credit of this State's account in the Unemployment Trust Fund, as provided in Subsection (b) of this Section.

(d) Management of Funds Upon Discontinuance of Unemployment Trust Fund. The provisions of Sub-sections (a), (b), and (c) to the extent that they relate to the Unemployment Trust Fund, shall be operative only so long as such Unemployment Trust Fund continues to exist and so long as the Secretary of the Treasury of the United States of America continues to maintain for this State a separate book account of all funds deposited therein by this State for benefit purposes, together with this State's proportionate share of the earnings of such Unemployment Trust Fund, from which no other State is permitted to make withdrawals. If and when such Unemployment Trust Fund ceases to exist, or such separate book account is no longer maintained, all moneys, properties, or securities therein, belonging to the Unemployment Compensation Fund of this State shall be transferred to the Treasurer of the Unemployment Compensation Fund, who shall hold, invest, transfer, sell, deposit, and release such moneys, properties, or securities in a manner approved by the Bureau in accordance with the provisions of this Act: Provided, that such moneys shall be invested in the following readily marketable classes of securities: Bonds or other interest-bearing obligations of the United States of America or the

State of North Dakota. Provided further, that such investment shall at all times be so made that all the assets of the fund shall always be readily convertible into cash when needed for the payment of benefits. The Treasurer shall dispose of securities or other properties belonging to the Unemployment Compensation Fund only under the direction of the Bureau.

§ 4. CONTRIBUTIONS.] (a) Payments. (1) On and after January 1, 1937, contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this Act, with respect to wages payable for employment (as defined in Section 2 (h) occurring during such calendar year. Such contributions shall become due and be paid by each employer to the Bureau for the fund in accordance with such regulations as the Bureau may prescribe, and shall not be deducted, in whole or in part, from the wages of individuals in his employ.

(2) In the payment of any contribution, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

(b) Rate of Contribution. Each employer shall pay contributions equal to the following percentages of wages payable by him with respect to employment:

(1) One and eight-tenths per centum with respect to employment during the calendar year 1937;

(2) Two and seven-tenths per centum with respect to employment during the calendar year 1938, 1939, 1940 and 1941.

(3) With respect to employment after December 31, 1941, the percentage determined pursuant to Subsection (c) of this Section.

(c) Future rates based on benefit experience. (1) The Bureau shall maintain a separate account for each employer, and shall credit his account with all the contributions which he has paid on his own behalf in excess of one per cent of his annual pay roll for each calendar year. But nothing in this Act shall be construed to grant any employer or individuals in his service prior claims or rights to the amounts paid by him into the fund either on his own behalf or on behalf of such individuals. Benefits paid to an eligible individual shall be charged, in the amount hereinafter provided, against the account of his most recent employer, except that if such individual has not earned within the completed calendar quarter and the expired portion of the uncompleted calendar quarter immediately preceding the first week of any continuous period of unemployment, wages for employment by such most recent employer equal to more than sixteen times his weekly benefit amount, such benefits may also be charged against the account of his next most recent employer, in the inverse chronological order in which the employment of such individual occurred. The maximum amount so charged against the account of any employer shall not exceed one-sixth of the wages payable to such individual by each such

employer for employment which occurs on and after the first day of such individual's base period, but not more than \$65 per completed calendar quarter or portion thereof, which occurs within such base period; but nothing in this Section shall be construed to limit benefits payable pursuant to Section 5 of this Act. The Bureau shall by general rules prescribe the manner in which benefits shall be charged against the accounts of several employers for whom an individual performed employment at the same time.

(2) The Bureau may prescribe regulations for the establishment, maintenance and dissolution of joint accounts by two or more employers, and shall, in accordance with such regulations and upon application by two or more employers to establish such an account, or to merge their several individual accounts in a joint account, maintain such joint account as if it constituted a single employer's account.

(3) The Bureau shall, for the year 1942 and for each calendar year thereafter, determine the contribution rate of each employer on the basis of such employer's actual record in the payment of contributions on his own behalf and with respect to benefits charged against his account, in accordance with the following requirements:

(i) Each employer's rate shall be 2 7-10 per centum except as otherwise provided in the following provisions. No employer's rate shall be less than 2 7-10 per centum unless there shall have been three calendar years throughout which any individual in his employ could have received benefits if eligible.

(ii) Each employer's rate for the twelve months commencing January 1 of any calendar year shall be determined on the basis of his record up to the beginning of such calendar year. If, at the beginning of such calendar year, the total of all his contributions paid on his own behalf and credited to his account for all past years exceeds the total benefits charged to his account for all such years, his contribution rate shall be—

(a) Two per centum, if such excess equals or exceeds 7½ per centum but is less than 10 per centum of his average annual pay roll.

(b) One per centum, if such excess equals or exceeds 10 per centum of his average annual pay roll.

(iii) No employer's rate for the period of twelve months commencing January 1 of any calendar year shall be less than 2 7-10 per centum, unless the total assets of the fund, excluding contributions not yet paid at the beginning of such calendar year, exceed the total benefits paid from the fund within the last preceding calendar year; and no employer's rate shall be less than 2 per centum unless such assets at such time were at least twice the total benefits paid from the fund within such last preceding year.

§ 5. BENEFITS.] (a) Payment of benefits. Beginning twenty-four months after the date when contributions first accrue under

the terms of this Act, benefits shall become payable from the fund. All benefits shall be paid through employment offices, in accordance with such regulations as the Bureau may prescribe.

(b) Weekly benefit amount for total unemployment. Each eligible individual who is totally unemployed (as defined in Section 2 (m) in any week shall be paid, with respect to such week, benefits at the rate of 50 per centum of his full-time weekly wages, but not more than \$15.00 per week, nor less than either \$5.00 or three-fourths of such full-time weekly wage whichever is the lesser.

(c) Weekly benefit for partial unemployment. Each eligible individual who is partially unemployed (as defined in Section 2 (k) in any week shall be paid with respect to such week a partial benefit. Such partial benefit shall be the amount equal to the difference between his weekly benefit amount and 5-6 of his wages, as used in Section 2 (m). If such partial benefit for any week equals less than \$2.00, it shall not be payable unless and until the accumulated total of such partial benefits with respect to weeks occurring within the preceding thirteen weeks equal \$2.00 or more.

(d) Determination of full time weekly wage. (1) The full time weekly wage of any individual means the weekly wages that such individual would receive if he were employed at the most recent wage rate earned by him in employment by an employer during the period prescribed pursuant to Paragraph 3 of this Subsection and for the customary scheduled full-time weekly hours prevailing for his occupation in the enterprise in which he last earned wages in employment by an employer during the same period.

(2) If the Bureau finds that the full time weekly wage, as above defined, would be unreasonable or arbitrary or not readily determinable with respect to any individual, the full time weekly wage of such individual, shall be deemed to be one-thirteenth of his total wages in employment by employers in that quarter in which such total wages were highest during the period prescribed pursuant to Paragraph 3 of this Subsection.

(3) The full-time weekly wage of any individual shall be determined and redetermined at such reasonable times as the Bureau may find necessary to administer this Act and may by regulation prescribe. The period hereinabove referred to shall consist of the next to the last completed calendar quarter immediately preceding the date with respect to which an individual's full-time weekly wage is determined, and such of the seven immediately preceding consecutive calendar quarters as the Bureau may be (by) regulation prescribe.

(e) Duration of Benefits. The Bureau shall compute wage credits for each individual by crediting him with the wages earned by him for employment by employers during each quarter, or \$390, whichever is the lesser. Benefits paid to any

eligible individual shall be charged, in the same chronological order as such wages were earned, against one-sixth of his wage credits which are based upon wages earned during his base period and which have not been previously charged hereunder. The maximum total amount of benefits payable to any eligible individual during any benefit year shall not exceed whichever is the lesser of (1) 16 times his weekly benefit amount, and (2) one-sixth of such uncharged wage credits with respect to his base period.

(f) Benefits in seasonal and irregular employment.

(1) Whenever in any industry or class of occupation in any industry it is customary to operate only during a regularly recurring period or periods of less than 40 weeks in a calendar year, then the rights to benefits shall apply only to the longest seasonal period or periods which are customary in such industry or class of employment. It shall be the duty of the Bureau prior to the time when benefits may be payable and thereafter from time to time, to ascertain and determine, or redetermine, such seasonal period or periods for each such seasonal employment when the Bureau has determined such season, it shall also fix the right to benefits and the conditions required for the payment of benefits to unemployed persons in such industry or class of occupation and shall modify the requirements of the right to benefit and the conditions required for the payment of benefits in such manner, that the total benefits paid to such persons will be in reasonable proportion to the total contributions of employers in such occupation or industry on account of such seasonal employees to the fund.

(2) The Bureau shall also, prior to the time that benefits may become payable, and from time to time thereafter, ascertain and determine, or redetermine, employment in which it is customary to operate only at irregular periods, and shall fix the right to benefit and the conditions required for payment of benefits to persons having such employment, and shall modify the requirements of the right to benefit and the conditions required for the payment of benefits in such manner, that the total benefits paid to such persons will be in reasonable proportion to the total contributions of employers in such occupation or industry to the fund.

(g) Part Time Workers. (1) As used in this Sub-section the term "part-time worker" means an individual whose normal work is in an occupation in which his services are not required for the customary scheduled full-time hours prevailing in the establishment in which he is employed or who, owing to personal circumstances, does not customarily work the customary scheduled full-time hours prevailing in the establishment in which he is employed.

(2) The Bureau shall prescribe fair and reasonable general rules applicable to part time workers for determining their full time weekly wage and the total wages for employment by employers required to qualify such workers for benefits. Such rules shall, with

respect to such workers, supersede any inconsistent provisions of this Act, but so far as practicable, shall secure results reasonably similar to those provided in the analogous provisions of this Act.

§ 6 BENEFIT ELIGIBILITY CONDITIONS.] An unemployed individual shall be eligible to receive benefits with respect to any week only if the Bureau finds that—

(a) He has registered for work at an (d) thereafter has continued to report to an employment office in accordance with such regulations as the Bureau may prescribe;

(b) He has made a claim for benefits in accordance with the provisions of Section 8 (a) of this Act;

(c) He is able to work, and is available for work; and

(d) Prior to any week for which he claims benefits he has been totally unemployed for a waiting period of two weeks (and for the purposes of this subsection, two weeks of partial unemployment shall be deemed to be equivalent to one week of total unemployment). Such weeks of total or partial unemployment or both need not be consecutive. No week shall be counted as a week of total unemployment for the purposes of this subsection:

(1) If benefits have been paid with respect thereto;

(2) Unless the individual was eligible for benefits with respect thereto in all respects except for the requirements of subsections (b) and (e) of this Section;

(3) Unless it occurs within the thirteen consecutive weeks preceding the week for which he claims benefits, provided that this requirement shall not interrupt the payment of benefits for consecutive weeks of unemployment; and provided further that no individual shall be required to accumulate more than five waiting period weeks during any sixty-five consecutive week period;

(4) Unless it occurs after benefits first could become payable to an individual under this Act.

(e) He has within the first three out of the last four completed calendar quarters immediately preceding the first day of his benefit year, earned wages for employment by employers equal to not less than sixteen times his weekly benefit amount.

§ 7. DISQUALIFICATION FOR BENEFITS.] An individual shall be disqualified for benefits—

(a) For the week in which he has left work voluntarily without good cause, if so found by the Bureau, and for not more than five weeks which immediately follow such week as determined by the Bureau according to the circumstances in each case.

(b) For the week in which he has been discharged for misconduct connected with his work, if so found by the Bureau, and for not more than the five weeks which immediately follow such week as determined by the Bureau in each case according to the seriousness of the misconduct.

(c) If the Bureau finds that he has failed, without good cause,

either to apply for available, suitable work when so directed by the employment office or the Bureau or to accept suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the Bureau. Such disqualification shall continue for the week in which such failure occurred and for not more than the five weeks which immediately follow such week as determined by the Bureau according to the circumstances in each case.

(1) In determining whether or not any work is suitable for an individual, the Bureau shall consider the degree of risk involved to his health, safety, and morals, his physical fitness and prior training, his experience and prior earnings, his length of unemployment and prospects for securing local work in his customary occupation, and the distance of the available work from his residence.

(2) Notwithstanding any other provisions of this Act, no work shall be deemed suitable, and benefits shall not be denied under this Act to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(a) If the position offered is vacant due directly to a strike, lockout, or other labor dispute;

(b) If the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(c) If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(d) For any week with respect to which the Bureau finds that his total or partial unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed; provided that this subsection shall not apply if it is shown to the satisfaction of the Bureau that—

(1) He is not participating in or financing or directly interested in the labor dispute which caused the stoppage of work; and

(2) He does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed at the premises at which the stoppage occurs, any of whom are participating in or financing or directly interested in the dispute; provided further, that if in any case separate branches of work, which are commonly conducted as separate businesses in separate premises, are conducted in separate departments of the same premises, each such department shall for the purposes of this subsection be deemed to be a separate factory, establishment, or other premises.

(e) For the week with respect to which he is receiving or has received remuneration in the form of—

(1) Wages in lieu of notice;

(2) Compensation for temporary partial disability under the

Workmen's Compensation Law of any State or under a similar law of the United States; or

(3) Old age benefits under Title II of the Social Security Act, as amended, or similar payments under any Act of Congress;

Provided that if such remuneration is less than the benefits which would otherwise be due under this Act, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration.

§ 8. CLAIMS FOR BENEFITS.]

(a) Filing. Claims for benefits shall be made in accordance with such regulations as the Bureau may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the Bureau to each employer without cost to him.

(b) Initial Determination. A representative designated by the Bureau, and hereinafter referred to as a deputy, shall promptly examine the claim, and on the basis of the facts found by him, shall either determine whether or not such claim is valid, and if valid, the week with respect to which benefits shall commence, the weekly benefit amount payable and the maximum duration thereof, or shall refer such claim or any question involved therein to an appeal tribunal, which shall make its decision with respect thereto in accordance with the procedure described in Subsection (c) of this Section, except that in any case in which the payment or denial of benefits will be determined by the provisions of Section 7 (d) of this Act, the deputy shall promptly transmit his full findings of fact with respect to that subsection to the Bureau, who, on the basis of the evidence submitted and such additional evidence as he may require, shall affirm, modify, or set aside such findings of fact and transmit to the deputy a decision upon the issues involved under that subsection, which shall be deemed the decision of the deputy. The deputy shall promptly notify the claimant and any other interested parties of the decision and reasons therefor; the deputy may for good cause reconsider his decision and shall promptly notify the claimant and such other interested parties of his amended decision and the reasons therefor. Unless the claimant or any such interested party, within five calendar days after the delivery of the deputy's notification, or within seven calendar days after such notification was mailed to his last-known address, files an appeal from such decision, such decision shall be final and benefits shall be paid or denied in accordance therewith. If an appeal is duly filed, benefits with respect to the period prior to the final decision of the Bureau shall be paid only after such decision; PROVIDED, that if an appeal tribunal affirms a decision of a deputy, or the Bureau affirms a decision of an appeal tribunal, allowing benefits, such benefits shall be paid regardless of

any appeal which may thereafter be taken, but if such decision is finally reversed, no employer's account shall be charged with benefits so paid.

(c) Appeals. Unless such appeal is withdrawn, an appeal tribunal, after affording the parties reasonable opportunity for fair hearing, shall affirm or modify the findings of fact and decision of the deputy. The parties shall be duly notified of such tribunal's decision, together with its reasons therefor, which shall be deemed to be the final decision of the Bureau, unless within ten days after the date of notification or mailing of such decision, further appeal is initiated pursuant to Subsection (e) of this Section.

(d) Appeal Tribunals. To hear and decide disputed claims the Bureau shall appoint one or more impartial appeal tribunals consisting in each case of either a salaried examiner selected in accordance with Section 111 (d) of this Act, or a body consisting of three members, one of whom shall be a salaried examiner who shall serve as chairman, one of whom shall be a representative of employers, and the other of whom shall be a representative of employees; each of the latter ten members shall serve at the pleasure of the Bureau and be paid a fee of not more than \$10.00 per day of active service on such tribunal, plus necessary expenses. No person shall participate on behalf of the Bureau in any case in which he is an interested party. The Bureau may designate alternates to serve in the absence or disqualification of any member of an appeal tribunal. The chairman shall act alone in the absence or disqualification of any other member and his alternates. In no case shall hearings proceed unless the chairman of the appeal tribunal is present.

(e) Review by the Bureau. The Bureau may, on its own motion, affirm, modify, or set aside any decision of an appeal tribunal on the basis of the evidence previously submitted in such case, or direct the taking of additional evidence, or may permit any of the parties to such decision to initiate further appeals before it. The Bureau shall permit such further appeals by any of the parties interested in a decision of an appeal tribunal which is not unanimous and by the deputy whose decision has been overruled or modified by an appeal tribunal. The Bureau may remove to itself or transfer to another appeal tribunal proceedings on any claim pending before an appeal tribunal. Any proceeding so removed to the Bureau shall be heard in accordance with the requirements of Subsection (c) of this Section by the Bureau or, in the absence or disqualification of any partisan member, by the impartial member acting alone. The Bureau shall promptly notify the interested parties of its findings and decision.

(f) Procedure. The manner in which disputed claims shall be presented, and the conduct of hearings and appeals shall be in accordance with regulations prescribed by the Bureau for determining the rights of the parties, whether or not such rules conform to common law or statutory rules of evidence and other technical rules

of procedure. A full and complete record shall be kept of all proceedings in connection with a disputed claim. All testimony at any hearing shall be recorded, but need not be transcribed unless the disputed claim is further appealed.

(g) **Witness Fees.** Witnesses subpoenaed pursuant to this Section shall be allowed fees as otherwise provided by law. Such fees and all expenses of proceedings involving disputed claims shall be deemed a part of the expense of administering this Act.

(h) **Appeal to Courts.** Any decision of the Bureau in the absence of an appeal therefrom as herein provided, shall become final ten days after the date of notification thereof, and judicial review thereof shall be permitted only after any party claiming to be aggrieved thereby has exhausted his administrative remedies, as provided by this Act. The Bureau shall be deemed to be a party to any judicial action involving any such decision and may be represented in any such judicial action by any qualified attorney employed by the Bureau and has been designated by it for that purpose, or, at the Bureau's request, by the Attorney General.

(i) **Court Review.** Within ten days after the decision of the Bureau has become final, any party aggrieved thereby may secure judicial review thereof by commencing an action in the District Court of the County in which the employee claiming compensation resides, against the Bureau for the review of its decision, in which action any other party to the proceeding before the Bureau shall be made a defendant. In such action the complaint, which shall state the grounds upon which a review is sought, shall be served upon the Director of the Bureau or upon such person as the Bureau may designate and such service shall be deemed completed service on all parties, but there shall be left with the party so served as many copies of the complaint as there are defendants and the Bureau shall forthwith mail one such copy to each such defendant. Answers shall be filed within 30 days after the service of said complaint. With its answer, the Bureau shall certify and file with said Court all documents and papers and a transcript of all testimony taken in the matter, together with its findings of fact and decision therein. Such actions shall be heard in a summary manner and shall be given precedence over all other civil cases. An appeal may be taken from the decision of the District Court to the Supreme Court of North Dakota, in the same manner, but not inconsistent with the provisions of this Act, as is provided in civil cases. No bonds shall be required for entering such appeal. Upon the final determination of such judicial proceeding, the Bureau shall enter an order in accordance with such determination.

(j) In any proceeding under this Act before the deputy appeal tribunal or the Bureau, a party may be represented by an agent or attorney, but no fees for services rendered by an agent shall be allowable or payable unless such agent is an attorney at law.

§ 9. PERIOD. ELECTION AND TERMINATION OF EMPLOYER'S COVERAGE.]

(a) Any employing unit which is or becomes an employer subject to this Act within any calendar year shall be subject to this Act during the whole of such calendar year.

(b) Except as otherwise provided in Sub-section (c) of this Section an employing unit shall cease to be an employer subject to this Act only as of the first day of January of any calendar year only if it files with the Bureau, prior to the 5th day of January of such year, a written application for termination of coverage, and the Bureau finds that there were no twenty different days, each day being in a different week within the preceding calendar year, within which such employing unit employed one or more individuals in employment subject to this Act. For the purpose of this sub-section, the two or more employing units mentioned in Paragraph (2) or (3) or (4) of Section 2 (f) shall be treated as a single employing unit.

(c) (1) An employing unit, not otherwise subject to this Act, which files with the Bureau its written election to become an employer subject hereto for not less than two calendar years, shall, with the written approval of such election by the Bureau, become an employer subject hereto to the same extent as all other employers, as of the date stated in such approval, and shall cease to be subject hereto as of January 1 of any calendar year subsequent to such two calendar years, only if at least thirty days prior to such 1st day of January, it has filed with the Bureau a written notice to that effect.

(2) Any employing unit for which services that do not constitute employment as defined in this Act are performed, may file with the Bureau a written election that all such services performed by individuals in its employ in one or more distinct establishments or places of business shall be deemed to constitute employment for all the purposes of this Act for not less than two calendar years. Upon the written approval of such election by the Bureau, such services shall be deemed to constitute employment subject to this Act from and after the date stated in such approval. Such services shall cease to be deemed employment subject hereto as of January 1st of any calendar year subsequent to such two calendar years only if at least thirty days prior to such 1st day of January such employing unit has filed with the Bureau a written notice to that effect.

§ 10. ADMINISTRATIVE ORGANIZATION.]

There is hereby created in the North Dakota Workmen's Compensation Bureau a division to be known as the Unemployment Compensation Division. The North Dakota State Employment Service, as created by Chapter 161 of the Session Laws of 1935, is hereby transferred together with all its records, contracts, agreements and

funds, and established as a division of the Workmen's Compensation Bureau and shall with the Unemployment Compensation Division, constitute two co-ordinate divisions of such Bureau, each of which shall be administered by a full time salaried Director, who shall be subject to supervision and direction of the Bureau. Upon passage and approval of this Act the Workmen's Compensation Bureau shall have all of the powers and duties heretofore placed in the Commissioner of Agriculture and Labor in Sub-section 5, 6, 7, 8 and 9 of Chapter 161 of the 1935 Session Laws. Each division shall be responsible for the discharge of its distinctive functions. Each division shall be a separate and administrative unit with respect to personnel, budgets, and duties, except insofar as the Bureau may find that such separation is impracticable because of the small size of the territory served or of the volume of work performed. The Bureau is authorized to appoint, fix the compensation of, and prescribe the duties of the Director of the Unemployment Compensation Division, provided that such appointment shall be made on a non-partisan merit basis, and to appoint, fix the compensation of, and prescribe the duties of the Director of the North Dakota State Employment Service Division in accordance with the provisions of Section 13 of this Act.

§ II. ADMINISTRATION.] (a) Duties and Powers of Bureau. The Bureau shall have power and authority to adopt, amend or rescind such rules and regulations, employ such persons, make such expenditures, require such reports, make such investigations and take such other action as it deems necessary or suitable in the administration of this Act. Such rules and regulations shall be effective upon publication in the manner, not inconsistent with the provisions of this Act, which the Bureau shall prescribe. The Bureau shall determine its own organization and methods of procedure in accordance with the provisions of this Act and shall have an official seal which shall be judicially noticed. Not later than the 1st day of August of each year, the Bureau shall submit to the Governor a report covering the administration and operation of this Act during the preceding calendar year and shall make such recommendations for amendments to this Act as the Bureau deems proper. Whenever the Bureau believes that a change in contribution or benefit rates will become necessary to protect the solvency of the fund, it shall promptly so inform the Governor and the Legislature and make recommendations with respect thereto.

(b) Regulations and General Special Rules. General and special rules may be adopted, amended, or rescinded by the Bureau only after public hearing or opportunity to be heard thereon, of which proper notice has been given. General rules shall become effective ten days after filing with the Secretary of State and publication in one or more newspapers of general circulation in this State. Special rules shall become effective ten days after notification to or mailing to the last known address of the individuals or

concerns affected thereby. Regulations may be adopted, amended, or rescinded by the Bureau and shall become effective in the manner and at the time prescribed by the Bureau.

(c) Publication. The Bureau shall cause to be printed for distribution to the public the text of this Act, the Bureau's regulations and general rules and its annual reports to the Governor, and other material the Bureau deems relevant and suitable.

(d) Personnel. Subject to other provisions of this Act, the Bureau is authorized to appoint, fix the compensation, and prescribe the duties and powers of such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of his duties under this Act. The Bureau may delegate to any such person such power and authority as he deems reasonable and proper for the effective administration of this Act, and may in his discretion bond any person handling moneys or signing checks hereunder. The Bureau shall classify positions under this Act and shall establish salary schedules and minimum personnel standards for the positions so classified. He shall provide for the holding of examinations to determine the qualifications of applicants for the positions so classified, and except for temporary appointments of not to exceed six months in duration, such personnel shall be appointed on the basis of efficiency and fitness as determined in such examination. No person who is an officer or committee member of any political party organization or who holds or is a candidate for any public office shall be appointed or employed under this Act. The Bureau shall establish and enforce fair and reasonable regulations for appointments, promotions, and demotions based upon ratings of efficiency and fitness and for terminations for cause.

(d) Advisory Councils. The Bureau shall appoint a State Advisory Council and local advisory councils, composed in each case of an equal number of employer representatives and employee representatives who may fairly be regarded as representative because of their vocation, employment, or affiliations, and of such members representing the general public as the bureau may designate. Such councils shall aid the Bureau in formulating policies and discussing problems related to the administration of this Act and in assuring impartiality and freedom from political influence in the solution of such problems. Such advisory councils shall serve without compensation, but shall be reimbursed for any necessary expenses.

(e) Employment Stabilization. The Bureau, with the advice and aid of its advisory councils, and through its appropriate divisions, shall take all appropriate steps to reduce and prevent unemployment; to encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance; to investigate, recommend, advise, and assist in the establishment and operation, by municipalities, Counties, School Districts, and the

State, of reserves for public works to be used in times of business depression and unemployment; to promote the re-employment of unemployed workers throughout the State in every other way that may be feasible; and to these ends to carry on and publish the results of investigations and research studies.

(f) **Records and Reports.** Each employing unit shall keep true and accurate work records containing such information as the Bureau may prescribe. Such records shall be open to inspection and be subject to being copied by the Bureau or its authorized representatives at any reasonable time as often as may be necessary. The Bureau or the chairman of any appeal tribunal may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the Bureau or he deems necessary for the effective administration of this Act. Information thus obtained shall not be published or be open to public inspection (other than to public employees in the performance of their public duties) in any manner revealing the employing unit's identity, but any claimant, or his legal representative at a hearing before an appeal tribunal or the Bureau shall be supplied with information from such records to the extent necessary for the proper presentation of his claim.

(g) **Oaths and Witnesses.** In the discharge of the duties imposed by this Act, the chairman of an appeal tribunal or any duly authorized representative or member of the Bureau shall have power to administer oaths and affirmations, take depositions, certify to official Acts, and issue a subpoena to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda, and other records deemed necessary as evidence in connection with a disputed claim or the administration of this Act.

(h) **Subpoenas.** In case of contumacy by, or refusal to obey a subpoena issued to any person, any Court of this State within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the chairman of an appeal tribunal or the Bureau or its duly authorized representative, shall have jurisdiction to issue to such person an order requiring such person to appear before an appeal tribunal or the Bureau, or its duly authorized representative, there to produce evidence if so ordered or there to give testimony touching the matter under investigation or in question; and any failure to obey such order of the Court may be punished by said Court as a contempt thereof.

(i) **Protection Against Self-Incrimination.** No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, and other records before the chairman of an appeal tribunal, the Bureau or any member thereof or any duly authorized representative of the Bureau in any cause

or proceeding before the Bureau on the ground that the testimony or evidence, documentary or otherwise required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or an (on) account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(j) State-Federal Co-operation. In the administration of this Act, the Bureau shall co-operate to the fullest extent consistent with the provisions of this Act, with the Social Security Board, created by the Social Security Act, approved August 14, 1935, as amended; shall make such reports in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with regulations prescribed by the Social Security Board governing the expenditures of such sums as may be allotted and paid to this State under Title III of the Social Security Act for the purpose of assisting in the administration of this Act. Upon request therefor the Bureau shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this Act.

§ 12. RECIPROCAL BENEFIT ARRANGEMENTS.] The Bureau is hereby authorized to enter into arrangements with the appropriate agencies of other States or the Federal Government whereby individuals performing services in this and other States for a single employing unit under circumstances not specifically provided for in Section 2 (h) of this Act or under similar provisions in the unemployment compensation laws of such other States shall be deemed to be engaged in employment performed entirely within this State or within one of such other States and whereby potential rights to benefits accumulated under the unemployment compensation laws of several States or under such a law of the Federal Government, or both, may constitute the basis for the payment of benefits through a single appropriate agency under terms which the Bureau finds will be fair and reasonable as to all affected interests and will not result in any substantial loss to the fund.

§ 13. EMPLOYMENT SERVICE.] (a) State Employment Service. The North Dakota State Employment Service is hereby established in the Workmen's Compensation Bureau as a division thereof. The Bureau, through such division, shall establish and main-

tain free public employment offices in such number and in such places as may be necessary for the proper administration of this Act, and for the purpose of performing such duties as are within the purview of the Act of Congress entitled "An Act to Provide for the Establishment of a National Employment System and for Co-operation with the States in the Promotion of Such System, and for Other Purposes," approved June 6, 1933 (48 Stat. 113: U. S. C. Title 29, Sec. 49 (c), as amended. The said division shall be administered by a full time salaried Director, who shall be charged with the duty to co-operate with any official or agency of the United States having powers or duties under the provisions of the said Act of Congress, as amended, and to do and perform all things necessary to secure to this State the benefits of the said Act of Congress, as amended, in the promotion and maintenance of a system of public employment offices. The provisions of the said Act of Congress, as amended, are hereby accepted by this State, in conformity with Section 4 of said Act, and this State will observe and comply with the requirements thereof. The North Dakota State Employment Service is hereby designated and constituted the agency of this State for the purposes of said Act. The Bureau is directed to appoint the Director, other officers, and employees of the North Dakota State Employment Service. Such appointments shall be made in accordance with regulations prescribed by the Director of the United States Employment Service.

(b) Financing. All moneys received by this State under the said Act of Congress, as amended, shall be paid into the special "Employment Service Account" in the Unemployment Compensation Administration Fund, and said moneys are hereby made available to the North Dakota State Employment Service to be expended as provided by this Section and by said Act of Congress. For the purpose of establishing and maintaining free public employment offices, the Bureau is authorized to enter into agreements with any political sub-division of this State or with any private, non-profit organization and as a part of any such agreement the bureau may accept moneys, services, or quarters as a contribution to the Employment Service account.

§ 14. UNEMPLOYMENT COMPENSATION ADMINISTRATION FUND.] (a) Special Fund. There is hereby created in the State Treasury a special fund to be known as the Unemployment Compensation Administration Fund. All moneys which are deposited or paid into this fund are hereby appropriated and made available to the Bureau. All moneys in this fund shall be expended solely for the purpose of defraying the cost of the administration of this Act, and for no other purpose whatsoever. The fund shall consist of all moneys appropriated by this State, and all moneys received from the United States of America, or any agency thereof, including the Social Security Board and the United States Employment Service, or from any other source, for such purpose. All moneys

in this fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the State Treasury. Any balances in this fund shall not lapse at any time but shall be continuously available to the Bureau for expenditure consistent with this Act. The State Treasurer shall give a separate and additional bond conditioned upon the faithful performance of his duties in connection with the Unemployment Compensation Administration Fund in an amount to be fixed by the Bureau and in a form prescribed by law or approved by the Attorney General. The premiums for such bond and the premiums for the bond given by the Treasurer of the Unemployment Compensation Fund under Section 3 of this Act, shall be paid from the moneys in the Unemployment Compensation Administration Fund.

(b) Employment Service Account. A special Employment Service account shall be maintained as a part of the Unemployment Compensation Administration Fund for the purpose of maintaining the Public Employment Offices established pursuant to Section 13 of this Act and for the purpose of co-operating with the United States Employment Service. There is hereby appropriated to the Employment Service Account of the Unemployment Compensation Administration Fund, from any money in the State Treasury not otherwise appropriated, \$33,000.00 for the biennium ending June 30, 1939. In addition, there shall be paid into such account the moneys designated in Section 13 (b) of this Act, and such moneys as are apportioned for the purposes of this account from any moneys received by this State under Title III of the Social Security Act, as amended.

§ 15. COLLECTION OF CONTRIBUTIONS.]

(a) Interest on Past Due Contributions. Contributions unpaid on the date on which they are due and payable, as prescribed by the Bureau, shall bear interest at the rate of one per centum per month from and after such date until payment plus accrued interest is received by the Bureau. Interest collected pursuant to this subsection shall be paid into the Unemployment Compensation Fund.

(b) Collection. If, after due notice, any employer defaults in any payment of contributions or interest thereon, the amount due shall be collected by civil action in the name of the Bureau and the employer adjudged in default shall pay the costs of such action. Civil actions brought under this Section to collect contributions or interest thereon from an employer shall be heard by the Court at the earliest possible date, and shall be entitled to preference upon the calendar of the Court over all other civil actions except petitions for judicial review under this Act and cases arising under the Workmen's Compensation Law of this State.

(c) Priorities Under Legal Dissolutions or Distributions. In the event of any distribution of an employer's assets pursuant to an

order of any Court under the laws of this State, including any receivership, assignment for benefit of creditors, adjudicated insolvency, composition, or similar proceeding, contribution then or thereafter due shall be paid in full prior to all other claims except taxes and claims for wages of not more than \$250.00 to each claimant, earned within four months of the commencement of the proceeding. In the event of an employer's adjudication in bankruptcy, judicially confirmed extension proposal, or composition, under the Federal Bankruptcy Act of 1898, as amended, contributions then or thereafter due shall be entitled to such priority as is provided in Section 64 (b) of that Act (U. S. C. Title II, Section 104 (b) as amended.

(d) Refunds. If not later than one year after the date on which any contributions or interest thereon became due, an employer who has paid such contributions or interest thereon shall make application for an adjustment thereof in connection with subsequent contribution payments, or for a refund thereof because such adjustment cannot be made, and the Bureau shall determine that such contributions or interest or any portion thereof was erroneously collected, the Bureau shall allow such employer to make an adjustment thereof, without interest, in connection with subsequent contribution payments by him, or if such just adjustment cannot be made, the Bureau shall refund said amount, without interest, from the fund. For like cause and within the same period, an adjustment or refund may be so made on the Bureau's own initiative.

§ 16. PROTECTION OF RIGHTS AND BENEFITS.]

(a) Waiver of Rights Void. No agreement by any individual to waive, release or commute his rights to benefits or any other rights under this Act shall be valid. No agreement by any individual in the employ of any person or concern to pay all or any portion of an employer's contributions, required under this Act from such employer, shall be valid. No employer shall directly or indirectly make or require or accept any deduction from wages to finance the employer's contributions required from him, or require or accept any waiver of any right hereunder by any individual in his employ.

(b) No Assignment of Benefits: Exemptions. No assignment, pledge, or encumbrance of any right to benefits which are or may become due or payable under this Act shall be valid; and such rights to benefits shall be exempt from levy, execution, attachment, or any other remedy whatsoever provided for the collection of debt; and benefits received by any individual, so long as they are not mingled with other funds of the recipient, shall be exempt from any remedy whatsoever for the collection of all debts except debts incurred for necessities furnished to such individual or his spouse or dependents during the time when such individual was unemployed.

No waiver of any exemption provided for in this sub-section shall be valid.

(c) **Limitation of Fees.** No individual claiming benefits shall be charged fees of any kind in any proceeding under this Act by the Bureau, its representatives, or by any Court or any officer thereof. Any individual claiming benefits in any proceeding before the Bureau or its representatives or a Court may be represented by counsel or other duly authorized agent, but no such counsel or agents shall either charge or receive for such services more than an amount approved by the Bureau.

§ 17. **PENALTIES.]**

(a) Whoever violates any of the provisions of this Act shall be guilty of a misdemeanor and shall be punished by a fine of not more than One Hundred Dollars or by imprisonment for not longer than ninety days or both.

(b) Any person who wilfully makes a false statement or representation to obtain any benefit or payment under the provisions of this Act either for himself or another person or to cause or attempt to cause a lower contribution to be paid to the fund, or any person who wilfully refuses or fails to pay a contribution to the fund shall be guilty of a misdemeanor and punished by a fine of not more than One Hundred Dollars or by imprisonment of not longer than ninety days, or both.

§ 18. **REPRESENTATION IN COURT.]**

In any civil action to enforce the provisions of this Act the Bureau and the State may be represented by any qualified attorney who is employed by the Bureau and is designated by it for this purpose or at the Bureau's request by the Attorney General.

§ 19. **NON-LIABILITY OF STATE.]** Benefits shall be deemed to be due and payable under this Act only to the extent provided in this Act and to the extent that moneys are available therefor to the credit of the Unemployment Compensation Fund and neither the State nor the Bureau shall be liable for any amount in excess of such sums.

§ 20. **SAVING CLAUSE.]** The Legislature reserves the right to amend or repeal all or any part of this Act at any time; and there shall be no vested private right of any kind against such amendment or repeal. All the rights, privileges, or immunities conferred by this Act or by Acts done pursuant thereto shall exist subject to the power of the Legislature to amend or repeal this Act at any time. If for any reasons the excise tax on wages provided for in Title IX of the Social Security Act is held to be invalid by the Supreme Court of the United States or the contributions imposed under this Act are held to be invalid by a Court of last resort, or in case the Social Security Act is repealed, no further contributions shall be collected

under this Act, and no further benefits paid, and any moneys in the Unemployment Compensation Fund shall be refunded without interest and under regulations prescribed by the Bureau to each employer by whom contributions have been paid proportionately to his pro rata share. The tax imposed under this Act shall not be collected for the calendar year 1937 if this Act is not approved by the Social Security Board and the State of North Dakota certified to the Secretary of the Treasury, as provided in Section 902 and 903 of the Social Security Act, previous to July 1, 1937.

§ 21. All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 22. SEPARABILITY OF PROVISIONS.] If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of this Act, and the application of such provisions to other persons or circumstances shall not be affected thereby.

§ 23. SHORT TITLE.] This Act shall be known and may be cited as the "North Dakota Unemployment Compensation Law."

§ 24. EMERGENCY.] This Act is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval.

Approved March 16, 1937.

STATE INSTITUTIONS

CHAPTER 233

H. B. No. 107—(Godwin)

COUNTY SETTLEMENTS FOR CLAIMS OF STATE INSTITUTIONS

An Act to amend and re-enact Section 2572a of the 1925 Supplement to the Compiled Laws of North Dakota for 1913, providing for the settlement of the expenses of patients in the Hospital for the Insane, the Institution for the Feeble-Minded and State Tuberculosis Sanatorium, between the various Counties, the State and such institutions, providing for disputed claims, repealing all Acts in conflict therewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 2572a of the 1925 Supplement of the Compiled Laws of North Dakota for 1913 is hereby amended and re-enacted to read as follows:

§ 2572a. METHOD OF SETTLEMENT BETWEEN COUNTY AND STATE.] The Superintendents of the Hospital for the Insane, the Institution for the Feeble-Minded and the State Tuberculosis Sanatorium shall certify to the State Auditor on the first day of January, April, July and October of each year, the amount not previously certified to by him showing the amounts due their respective institutions from the various Counties having patients chargeable thereto, and the amounts due from the State, as provided in Section 2568, and the State Auditor shall pass the same to the credit of the proper institution. It shall be the duty of the State Auditor to certify to the State Treasurer the amount due from the State to such institution and the State Treasurer shall thereupon remit to such institution such amount out of the appropriation of the Legislature for that purpose. The State Auditor shall thereupon draw his draft upon the County Treasurer for the amount due each institution from such County under the provisions of Section 2568, Compiled Laws of 1913, as amended, as certified to by its Superintendent in the manner provided by Section 3255, Compiled Laws of 1913. In the event that there are not sufficient monies on hand in the County Treasury to remit to the State Treasurer with a County Treasurer's check, the County Auditor shall immediately issue a registered warrant payable to the State Treasurer for the amount of the State Auditor's draft. The State Treasurer shall not issue his regular receipt for such registered warrant accepted in payment of the charges, but may stamp in the face of the draft "Payment of this draft accepted by Registered County Warrant No..... Regular receipt will be issued when this warrant is redeemed." It is hereby made the duty of the County Treasurer and the County Auditor, and they and each of them, are hereby required to remit to the State Treasurer for the amount of the State Auditor's draft. Provided, however, that if there is included as a part of the amount for which such draft is drawn by the State Auditor upon the County Treasurer; any charge or charges for any patient or patients, which patient or patients, have or shall be by proper resolution of the Board of County Commissioners declared not chargeable against such County, the amount of such so disputed claim or claims, may be deducted in making remittance for such draft. Such claims so disputed shall be determined, adjusted and payment made in manner by Sections 2576 and 2577 of the Compiled Laws of North Dakota for 1913 provided.

§ 2. REPEAL.] All Acts and parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall take effect and be in full force from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 234**H. B. No. 36—(Odegard, Thoreson and Niewoehner)****MILITARY TRAINING STATE SCHOOLS****An Act forbidding compulsory military training and tactics in State supported educational institutions.***Be It Enacted by the Legislative Assembly, of the State of North Dakota:*

§ 1. No educational institution receiving aid or support from the State of North Dakota shall require, directly or indirectly, any student to enroll in courses in military training and tactics as a condition or pre-requisite to taking any other course in said institution or enjoying any other privileges offered by said institution to its students. It shall be the duty of the State Board of Administration to enforce this provision.

§ 2. Nothing herein shall be construed to prevent or prohibit any institution as aforesaid from offering courses in military training and/or tactics as elective courses.

§ 3. Any Act or parts of Act in conflict herewith are hereby repealed.

Approved February 16, 1937.

CHAPTER 235**S. B. No. 140—(Cain and Ettestad)****TESTING MINERALS SCHOOL OF MINES****An Act to amend and re-enact Section 1649 of the Compiled Laws of the State of North Dakota for the year 1913, providing for experimentation and testing of State minerals or allied industrial resources of the School of Mines at the University of North Dakota, or at any mining experimental station, or sub-station wheresoever situated in the State of North Dakota, and providing for the patenting of processes and inventions discovered and developed by such experimentation, and declaring an emergency.***Be It Enacted by the Legislative Assembly, of the State of North Dakota:*

§ 1. AMENDMENT.] That Section 1649 of the Compiled Laws of the State of North Dakota, for the year 1913 be amended and re-enacted to read as follows:

§ 1649. All discoveries of utility in experimentation and testing of State minerals or allied industrial resources at the School of Mines at the University of North Dakota, or at any mining experimental station or sub-station wheresoever situated in the State of North Dakota, shall be patented in the name of the inventor or

discoverer and shall be by him duly assigned to the Board of Administration or its successors and assigns as trustee for the benefit of the School of Mines of the University of North Dakota.

It is hereby made the duty of the Director of the said School of Mines and the professors connected therewith and any person or persons in the employ of the said School of Mines, experimental station or sub-station to report such discovery to the Board of Administration or its successors and assigns and to make proper application for patent therefor and to duly assign the patent when obtained to the State Board of Administration or its successors or assigns as trustee for said School of Mines.

Any costs and expenses necessarily incurred in securing the patents herein provided for shall be paid for out of the funds provided for the School of Mines at the University of North Dakota for the investigation and development of the mineral resources in the State of North Dakota.

The Board of Administration of the State of North Dakota, its successors or assigns, upon recommendation of the President of the University of North Dakota and the Director of the School of Mines of the University of North Dakota, are hereby authorized to assign, or grant permission to use any patent rights procured under the provisions of this Act, to any person, firm, association or corporation which has or which may hereafter assist the School of Mines of the University of North Dakota in making any such industrial or scientific research, upon such terms and conditions as may to the Director of the said School of Mines be deemed just and equitable.

Any person or persons engaged in experimental work as Director of the School of Mines or professor or employee of the School of Mines at the University of North Dakota, or any experimental station or sub-station failing to comply with the provisions of this Act shall be guilty of a misdemeanor.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in force and effect from the date of its enactment and approval.

Approved March 10, 1937.

TAXATION

CHAPTER 236 H. B. No. 304—(Bieloh)

ASSESSMENT OF CAR LINE, EXPRESS, AND AIR TRANSPORTATION COMPANIES

An Act to provide for the assessment of Car Line Companies, Express Companies, and Air Transportation Companies. Providing for the allocation of the tax to the State of North Dakota; and repealing all Acts and parts of Acts in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. All of the provisions of Chapter 291, Laws of 1931, are hereby made applicable in so far as the same may be consistent with the provisions of this Act, to the assessment of Car Line Companies, Express Companies, and Air Transportation Companies subject to the provisions as follows:

(a) The State Tax Commissioner shall, after all of the provisions of said Chapter 291, Laws of 1931, have been complied with as to tentative valuation hearing and assessment by and before the State Board of Equalization, figure a tax upon that part of the valuation thus determined, as by law provided in the assessment of other utilities. Said taxes shall be computed by applying to said taxable valuation the average millage rate, obtained by dividing the total taxable valuation of all property within the State for the last preceding year, into the total of all State and local taxes assessed within the State on a millage basis for said last preceding year.

(b) On or before the 1st day of December in each year the Tax Commissioner shall file with the State Treasurer a certified list of all companies assessed under the provisions of this Act, together with the valuations and taxes assessed in each case. Such tax shall fall due upon the 31st day of December next following the date of certification, and shall become delinquent on March 1st.

(c) All of the provisions of the law respecting interest rates and penalties upon and the collection of delinquent personal property assessments generally, shall be equally applicable to the assessments herein provided.

(d) The taxes herein provided for shall be credited to the General Fund of the State for use in defraying the expense of State Government.

§ 2. All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. An emergency is hereby declared to exist and this Act shall become effective immediately upon its passage and approval.

Approved March 6, 1937.

CHAPTER 237

H. B. No. 118—(Graham and Niewoehner)

ASSESSMENT OF CERTAIN OMITTED PROPERTY

An Act to provide for additional and supplemental assessments on omitted property for benefits for improvements established, constructed and maintained pursuant to Section 8320A1 to Section 8320A4 inclusive, of the Supplement to the Compiled Laws of 1913, and repealing all Acts and parts of Acts in conflict herewith.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That in all cases where improvements have heretofore, or which may hereafter be established, constructed or maintained pursuant to the provisions of Section 8320A1 to 8320A4 inclusive, of the Supplement to the Compiled Laws of 1913, relating to Flood Irrigation Projects, such Board of Flood Irrigation shall, even after the benefits therefor have been assessed, have the power, either upon its own motion or upon the request of any interested property owner within said improvement district, and after said improvement has been established and constructed, to examine into and determine whether or not any property located within said improvement district has not been assessed for benefits, and if such Board shall find and determine that such property has not been assessed for benefits and has in fact benefited by the establishment, construction and maintenance of such improvements, such Board shall proceed to assess such property for such benefits accruing to such property provided, however, that after the improvements have been established and constructed, the Board may likewise, upon petition of an owner, re-examine the benefits, and if it appears from such re-examination that more property of such owner has been assessed than has actually been benefited the Board may re-assess such benefits so as to conform to the proven facts. All assessments made under this Section shall otherwise be made in the same manner and shall be subject to review in the same manner as provided in Section 8320A1 to 8320A4 inclusive, of the Supplement to the Compiled Laws of 1913.

§ 2. If additional assessments are made pursuant to this Act, the amount thereof shall be used first, to pay any deficiencies in the cost of said project, if any, and the balance thereof, if any, shall be equitably and ratably credited upon the last payment of the assessments made upon the property originally assessed.

§ 3. All Acts or parts of Acts in conflict herewith are hereby repealed.

Approved March 4, 1937.

CHAPTER 238
H. B. No. 185—(Godwin)

RELATING TO COLLECTION OF DELINQUENT SPECIAL
ASSESSMENTS

An Act to amend and re-enact Section 3733 of the 1925 Supplement to the Compiled Laws of 1913, relating to the sale of real property to enforce collection of delinquent special assessments, relating to the bidding in of same when no bidders at sale, relating to damages to warrant holders when statutory proceedings not followed, providing a validating clause, making provisions of this Bill retroactive, providing a saving clause, and declaring an emergency.

Be It Enacted by the Legislative Assembly, of the State of North Dakota:

§ 1. That Section 3733 of the 1925 Supplement to the Compiled Laws of North Dakota of 1913 be and the same is hereby amended and re-enacted to read as follows:

§ 3733. DELINQUENT SPECIAL ASSESSMENT TAXES, SALE FOR.] Real property shall be sold to enforce collection of special assessments, or installments of special assessments, which have become delinquent, at the same time and in the same manner as for general taxes. The sale shall be made by the same officer and upon like notice and subject to the same provision in relation to redemption and the same record thereof shall be kept by the officer making the sale as in the case of sale of real property for delinquent general taxes. If any real property is subject to sale at the same time for delinquent general taxes and also for delinquent special assessments, or installments thereof, they shall be advertised and sold together in one sum and one certificate shall be issued therefor. In case such real estate is sold for both delinquent general taxes and delinquent special assessments, or installments of special assessments, and there shall be no bidder therefor, the County Auditor shall strike off such parcel of land to the County and make one certificate of sale therefor which shall cover both general taxes and special assessments delinquent. In case there is no delinquent general tax against any parcel of real estate and it is sold for special assessments alone, the certificate of tax sale shall contain a statement to the effect that the sale was for special assessments. In case of sale for special assessments only assessed by Cities, Villages, or any taxing district other than the County, the County Auditor shall declare the property sold to the City, Village or taxing district which assessed such

special assessments in case there are no private bidders, and tax certificate and tax deed shall, in the usual course of procedure, be issued to such City, Village, or taxing district. The rights of owners of tax sale certificates issued before the enactment of this amendment shall not be affected by its enactment except as provided in Chapter 298 of the 1931 Session Laws.

§ 2. REMEDY OF WARRANT HOLDERS WHEN STATUTORY PROCEEDING NOT FOLLOWED.] The failure of any City, Village or other taxing district other than the County, to have had property sold for delinquent special assessments, or installments of special assessments, struck off to it in the absence of private bidders, as was required by Section 3735 of the 1913 Compiled Laws of North Dakota prior to the amendment of such Section by Chapter 199 of the Session Laws of 1925, shall not by the Courts of this State be construed to constitute negligence on the part of such City, Village, or other taxing district. In order to obligate such City, Village, or other taxing district on any issue of special assessment warrants, on the ground of negligence, the negligence of such City, Village or other taxing district must be established and proven as a matter of fact, and in determining such question the County Auditor making the sale shall not be held to be the agent of the City, Village or other taxing district so as to charge such City, Village or other taxing district with responsibility for any failure of such County Auditor to perform his statutory duties in connection with such sale.

§ 3. MEASURE OF DAMAGES WHERE NEGLIGENCE OF DISTRICT SHOWN.] If it is shown that any City, Village or other taxing district has been guilty of negligence which will amount to a breach of its duty to holders of special assessment warrants, then such City, Village or taxing district shall be liable to the holders of such special assessment warrants in damages. Such damages shall be limited to the actual damages sustained by the warrant holder or holders as the direct and proximate result of such negligence. In the event that the damage for negligence is predicated upon any act of the City, Village or other taxing district which resulted in the loss of any special assessment lien upon real property, then the measure of damages shall be limited to the value of such property at the time of the trial, upon which the lien was lost, over and above the amount of the general taxes delinquent against such property at the time that the County acquired title thereto. The face amount of the warrants, involved in any action, shall be considered only as a limitation of the amount which may be recovered on such special assessment warrants in such action.

§ 4. SECTIONS 2 AND 3 OF THIS ACT MADE RETROACTIVE.] Sections 2 and 3 of this Act are declaratory of the Legislative intent of Section 3735 of the 1913 Compiled Laws of North Dakota,

and are hereby declared to be retroactive, and shall apply to all actions brought involving special assessment warrants heretofore issued and sold under Section 3735 of the 1913 Compiled Laws of North Dakota or any other Act as well as to special assessment warrants hereafter issued.

§ 5. VALIDATING SALES OF LANDS FOR SPECIAL ASSESSMENTS HERETOFORE MADE.] All sales of real property for delinquent special assessments or installments thereof, heretofore made by any County Auditor under Section 3735 of the 1913 Compiled Laws of North Dakota are hereby declared to be valid sales notwithstanding the fact that the real property subject to sale for delinquent general taxes and delinquent special assessments, or installments thereof, were not sold separately as required by Section 3735 of the 1913 Compiled Laws and notwithstanding that separate certificates were not issued for the delinquent general taxes and the delinquent special assessments or installments thereof.

§ 6. SAVING CLAUSE.] If any provision or any portion of any provision of this Act shall be held invalid, the remaining portions of this Act shall not be affected.

§ 7. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 17, 1937.

CHAPTER 239

S. B. No. 84—(Brostuen)

LIEN OF ASSESSMENTS IN IRRIGATION DISTRICTS

An Act to amend and re-enact Section 8247a21 of the 1925 Supplement to the Compiled Laws of 1913, relating to lien of assessments in irrigation districts, giving the same equality as liens with general taxes, and making the same subject to all laws relating to general taxes and sale thereof, repealing all Acts or parts of Acts in conflict herewith, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 8247a21 of the 1925 Supplement to the Compiled Laws of 1913 be amended and re-enacted to read as follows:

§ 8247a21. LIEN OF ASSESSMENTS.] All assessments made pursuant to the provisions of this Statute on real property, and assessments on leasehold estates owned by the State or any of its subdivisions, and, to the extent provided by said Act of Congress of August 11, 1916, assessments on entered or unentered public

lands, shall be a general tax against the real property on which assessed in like manner and to the same effect as general State and County taxes, and shall be of the same order and the lien thereof shall share rateably with general tax liens in all tax proceedings and tax sales, and shall be subject to all provisions of law relating to general taxes. Such assessment shall become due and payable and delinquent at the same time as other general State or County taxes, and at the annual tax sale the said assessment shall be included in the total amount of taxes for which the property affected is being offered for sale, and such property, in the absence of other bidder, shall be sold to the County, and tax sale certificate therefor shall issue to the County and remain subject to all statutory provisions applying to tax sale certificates issued to a County, and in case leasehold estates only are affected by said assessments the tax sale certificate issued therefor shall so state. The lien for the bonds of any series shall be a preferred lien to that of any subsequent series, and the lien for the payments due to the United States under any contract between the district and the United States, accompanying which bonds have not been deposited with the United States, shall be a preferred lien to that of any issue of bonds or any series of any issue subsequent to the date of such contract, and all funds arising from assessment and levy, if any, shall be devoted to the obligations of the district payable from said funds and as to all obligations from the bond and United States contract fund shall be so devoted in the order of priority of the creation of the obligation.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 3. EMERGENCY.] An emergency is hereby declared to exist and this Act shall become effective from and after its passage and approval.

Approved February 8, 1937.

CHAPTER 240
H. B. No. 59—(Dittmer and Schauss)

CONTRACT SETTLEMENTS OF DELINQUENT TAXES

An Act permitting the Board of County Commissioners to adjust real estate taxes levied or assessed against property within their County delinquent prior to December 1, 1936. Permitting payments in six installments. Providing manner of payments. Suspending operation of law and collection of delinquent taxes. Permitting suit by civil action and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. The Board of County Commissioners where real estate or personal property taxes are delinquent may permit any person owning such property upon which taxes are delinquent prior to December 1, 1936, to pay the delinquent taxes assessed against his property, exclusive of interest and penalty in six annual installments. With interest at four per cent (4%) per annum, payable on or before October 15 of each year, ten per cent (10%) of the principal to be paid each year for two successive years and twenty per cent (20%) of the principal every year thereafter until the full amount of the principal with interest at four per cent (4%) is fully paid.

§ 2. It shall be the duty of the Board of County Commissioners to require the owner of the property upon which there is delinquent taxes due and payable to enter into a contract with the Board of County Commissioners wherein the owner agrees to pay the full amount of the principal with interest at four per cent (4%) per annum from the date of the agreement.

§ 3. Board of County Commissioners shall require the payment in full of all taxes to become due and payable against said property subsequent to November 1, 1937, before any agreement shall be made.

§ 4. All proceedings as by law required for the collection of the taxes due thereon shall be suspended so long as the owner shall continue the payments as herein provided. Upon the failure to make one or more payments when due, the proper officers of the County may proceed to collect all of the delinquent taxes due and payable thereon with penalty and interest as though no agreement had been made, and the County may also enforce the provisions of the contract by a civil action in the proper Courts of the State.

§ 5. AN EMERGENCY.] Whereas it is necessary to provide a method for distressed property owners to pay their taxes, this Act is hereby declared an emergency and shall be in full force and effect from and after its passage and approval.

Approved March 16, 1937.

CHAPTER 241

S. B. No. 5—(Committee on Tax and Tax Laws)
Special Session

INCOME TAX LAW

An Act providing for and relating to the taxation of individuals, fiduciaries and corporations; prescribing the rates which shall be paid with respect to net income as defined in Article 35 of Chapter 34 of Political Code of the Supplement to the Compiled Laws of 1913 and Acts amendatory thereof; providing when losses may be deducted; providing for exemptions and credit upon tax; providing for date of taking effect and to amend and re-enact Section 2346a23 of the Supplement to the Compiled Laws of 1913; and to amend and re-enact Section 2346a25 of the Supplement to the Compiled Laws of 1913; and Sub-section 4 of Section 4 of Section 2346a18 of the Supplement to the Compiled Laws of 1913 as amended by Chapter 283, Session Laws, 1931; providing for making the tax a lien; providing for Field Auditors; providing for the repeal of Paragraph "B" of Sub-section 4 of Section 6 of Chapter 283 of the 1931 Session Laws; making a Saving Clause and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. INCOME TAX: GRADUATED RATE.] A tax is hereby imposed upon every resident of North Dakota, which tax shall be levied, collected and paid annually with respect to his entire net income as defined in Article 35 of Chapter 34 of Political Code being Section 2346a1 to 2346a50 inclusive of the Supplement to the Compiled Laws of 1913 and Acts amendatory thereof; computed at the following rates:

On all net incomes, above exemptions, and not in excess of \$2,000.00, tax of 1%.

On all net incomes in excess of \$2,000.00, above exemptions, and not in excess of \$4,000.00, a tax of 2%.

On all net incomes in excess of \$4,000.00, above exemptions, and not in excess of \$5,000.00, a tax of 3%.

On all net incomes in excess of \$5,000.00, above exemptions, and not in excess of \$6,000.00, a tax of 5%.

On all net incomes in excess of \$6,000.00, above exemptions, and not in excess of \$8,000.00, a tax of 7½%.

On all net incomes in excess of \$8,000.00, above exemptions, and not in excess of \$10,000.00, a tax of 10%.

On all net incomes in excess of \$10,000.00, above exemptions, and not in excess of \$15,000.00, a tax of 12½%.

On all net incomes in excess of \$15,000.00, above exemptions, 15%.

§ 2. AMENDMENT.] That Sub-section 4, Section 4 of Section 2346a18 of the Supplement to the Compiled Laws of 1913 as

amended by Chapter 283, Session Laws, 1931, be amended and re-enacted to read as follows:

§ 2346a18. LOSSES: WHEN DEDUCTED.] (4) No losses shall be deducted from the fixed income of the taxpayer derived from salaries, wages, or taxable dividends, but losses actually sustained in the carrying on of any trade or business, sustained within the year and not compensated by insurance or otherwise, may be deducted, provided further that no loss may be allowed in the sale of property purchased and held for pleasure or recreation and which was not acquired or used for profit, but this proviso shall not be construed to exclude losses due to theft or the destruction of property by fire, flood, or other casualty, or a loss sustained in any sale of the residence of the taxpayer. In the case of a taxpayer other than a resident of the State, losses shall be allowed only as to transactions in real property or in tangible personal property having an actual situs in this State, and losses in connection with any business, trade, profession or occupation carried on in this State. Provided, however, that the aggregate amount which may be deducted in connection with losses incurred in connection with sale or exchange of capital assets shall not exceed the aggregate gains reported from the sale or exchange of capital assets in any year.

(2) Losses sustained from the operation or conducting of any farming or agricultural pursuit sustained within the year and not compensated for by insurance; providing, however, that the person claiming such deduction must have been the record owner of the land on which the loss accrued for at least one year prior to claiming the deduction. Provided, however, that no deduction for loss sustained from any farming or agricultural pursuit as provided in this Section shall exceed the sum of Five Hundred Dollars.

§ 3. EXEMPTION.] (a) For the purpose of the tax on individuals, there shall be deducted from the net income, the following exemptions:

(1) In the case of a single individual, an exemption of \$500.

(2) In the case of a head of a family or married individual living with husband or wife, a personal exemption of \$1,500.00. A husband and wife living together shall receive but one personal exemption of \$1,500.00 against their aggregate net income; and in case they make separate returns, the personal exemption of \$1,500.00 may be taken by either or divided between them.

(3) Two Hundred Dollars for each individual (other than husband or wife) dependent upon and receiving his chief support from the taxpayer, if such dependent individual is under eighteen years of age or is incapable of self support because mentally or physically defective or incapacitated, provided that exemptions may be claimed for children over the age of eighteen years and under

the age of twenty-one years that are dependent upon the taxpayer for support and are attending educational institutions.

(b) For the purpose of the tax on fiduciaries, there shall be deducted:

(1) If taxable under Article III, Section 14 (a) (Section 2346a13a, ante), a personal exemption of \$500.

(2) If taxable under Article III, Section 14 (b) (Section 2346a13b, ante), same exemption as would be allowed to deceased if living.

(3) If taxable under Article III, Section 14 (c) (Section 2346a13c, ante), the same exemption to which the beneficiary would be entitled.

(c) If the status of the taxpayer insofar as it affects the personal exemption or credits for dependents, changes during the taxable year, the personal exemption and credits shall be apportioned in accordance with the number of months before or after such change.

§ 4. CREDIT ON TAX.] A credit shall be allowed against the amount of tax computed to be due and payable by any taxpayer under this Act, to the extent of the tax which has been assessed against and paid by a corporation under this Act on income which is represented by dividends on stock in said corporation, received by the taxpayer and included in his gross income within the income year; provided that when only part of the income of any corporation shall have been assessed and income tax paid under this Act, only a corresponding amount of tax shall be deducted; and provided further that such corporation has reported the name and address of each person owning stock and the amount of dividends paid each such person during the year.

§ 5. AMENDMENT.] That Section 2346a23 and Section 2346a25 of the Supplement to the Compiled Laws of 1913 is amended and re-enacted to read as follows:

§ 2346a23. TIME AND PLACE OF FILING RETURNS AND PAYMENTS OF TAX DUE.] Returns shall be in such form as the Tax Commissioner may from time to time prescribe, and shall be filed with the Tax Commissioner at his office in Bismarck, North Dakota. Returns shall be made on or before the fifteenth day of the third month following the close of the fiscal year, or if the return is made on the basis of the calendar year, then the return shall be made on or before the fifteenth day of March. Providing, however, that the time for filing of calendar year returns for the year 1936 be extended to April 15, 1937. The Tax Commissioner may grant reasonable extensions of time for filing reports, when in his judgment good cause exists. There shall be annexed to the return an affidavit or affirmation of the taxpayer making the return to the effect that the statements contained therein are true. The

Tax Commissioner shall prepare blank forms for said returns and shall cause them to be distributed throughout the State, but failure to receive or secure a form shall not relieve the taxpayer from making a return. The taxpayer shall compute the amount of tax due under his return and shall attach thereto a check, draft or money order, payable to the State Treasurer, Bismarck, North Dakota, for the amount of tax as so computed. Provided, that if the total tax exceeds Ten (\$10.00) Dollars, that the payments may be made in quarterly installments, and if paid in installments, the first installment shall be paid at the time fixed by law for filing the return; and second installment shall be paid on the fifteenth day of the third month; the third installment on the fifteenth day of the sixth month; and the fourth installment on the fifteenth day of the ninth month after the time fixed by law for filing the return.

§ 2346a25. ANNUAL TAX.] There shall be levied, collected and paid for the year ending December 31, 1936, and annually thereafter, upon the net income of every domestic and every foreign corporation received from sources as are described in Article II, Sections 7 and 8, a tax upon such net income as follows:

For the first \$3,000 of net income at the rate of 3% ;

On all net income above \$3,000 and up to \$8,000 at the rate of 4% ;

On all net income over \$8,000 and up to \$15,000 at the rate of 5% ;

On all net income over \$15,000 at the rate of 6%.

§ 6. LIEN OF TAX—COLLECTION—ACTION AUTHORIZED.] Whenever any taxpayer liable to pay a tax and/or penalty imposed refuses or neglects to pay the same, the amount, including any interest, penalty, or addition to such tax, together with the costs that may accrue in addition thereto, shall be a lien in favor of the State of North Dakota upon all property and rights to property, whether real or personal, belonging to said taxpayer.

The lien aforesaid shall attach at the time the tax becomes due and payable and shall continue until the liability for such amount is satisfied.

In order to preserve the aforesaid lien against subsequent mortgagees, purchasers or judgment creditors, for value and without notice of the lien, on any property situated in a County, the Tax Commissioner shall file with the Register of Deeds of the County in which said property is located, a notice of said lien.

The Register of Deeds of each County shall prepare and keep in his office a book to be known as "Index of Tax Liens," so ruled as to show in appropriate columns the following data, under the names of taxpayers, arranged alphabetically:

1. The name of the taxpayer.
2. The name "State of North Dakota" as claimant.
3. Time notice of lien was received.
4. Date of notice.
5. Amount of lien then due.
6. When satisfied.

The Register of Deeds shall endorse on each notice of lien the day, hour, and minute when received and preserve the same, and shall forthwith index said notice in said index book and shall forthwith record said lien in the manner provided for recording real estate mortgages, and the said lien shall be effective from the time of the recording thereof.

The Tax Commissioner shall pay a recording fee as provided by law for the recording of such lien, or for the satisfaction thereof.

Upon the payment of a tax as to which the Tax Commissioner has filed notice with the Register of Deeds, the Tax Commissioner shall forthwith file with said Register of Deeds, a satisfaction of said tax and the Register of Deeds shall enter said satisfaction on the notice on file in his office and indicate said fact on the index aforesaid.

The Attorney General shall, upon the request of the Tax Commissioner, bring an action at law or in equity, as the facts may justify, without bond to enforce payment of any taxes and/or penalties, and in such action he shall have the assistance of the State's Attorney of the County in which the action is pending.

It is expressly provided that the foregoing remedies of the State shall be cumulative and that no action taken by the Tax Commissioner or Attorney General shall be construed to be an election on the part of the State or any of its officers to pursue any remedy hereunder to the exclusion of any other remedy provided by law.

The technical, legal requirements outlined in this Section relating to tax liens on all real and personal property of the taxpayer to insure payment of the taxes, including penalties, interest, and other costs, are self-explanatory.

§ 7. DATE OF EFFECT.] This Act shall be effective on all income received during the year ending December 31, 1936, as provided in this Act.

§ 8. FIELD AUDITORS.] To provide for the enforcement and administration of this Act, the State Tax Commissioner is hereby authorized to appoint not more than four Field Auditors at a salary not to exceed \$150 per month and actual expenses when away from home. Such Auditors to be versed in the knowledge of income tax and to have had at least three years' experience in the examination and auditing of books of account. All expenses in-

curred in complying with the provisions of this Section shall be deducted from the monies collected under this Act.

§ 9. SAVING CLAUSE.] Should the Courts of this State or of the United States declare any of the provisions of this Chapter unconstitutional, illegal or void, such decision shall not invalidate any other provision herein contained.

§ 10. REPEAL.] That paragraph (b) of Sub-section 4 of Section 6, of Chapter 283 of the 1931 Session Laws and all other Acts or parts of Acts in conflict herewith are hereby repealed.

§ 11. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1937.

CHAPTER 242
H. B. No. 156—(Rait)

TAX LEVY FOR INTEREST, ETC., NORTH DAKOTA REAL
ESTATE BONDS

An Act levying a tax of one-half of one mill upon each dollar of assessed valuation of all taxable property within the State for the years 1937 and 1938 for the purpose of paying the interest and creating a sinking fund for the payment of the principal of the North Dakota Real Estate Bonds now outstanding.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There shall be levied upon each dollar of assessed valuation of all taxable property within the State for the years 1937 and 1938, to be paid during said years, one-half of one mill and all such revenues that may be collected thereby, shall be paid into the State Treasury and kept there in a special fund to be known as the North Dakota Real Estate Bond Fund, which shall be used for the following and no other purposes: To pay the interest on North Dakota Real Estate Bonds outstanding and the balance if any, to make up the deficiency in the sinking fund provided for by law for North Dakota Real Estate Bonds. Provided that whenever there is sufficient money in said fund or otherwise to fully pay said sums as hereinbefore provided then the said levy shall cease and any monies remaining therein shall be turned over to the General Fund.

Approved March 17, 1937.

CHAPTER 243
S. B. No. 252—(Blaisdell)

**DEDUCTION DELINQUENT PERSONAL PROPERTY TAXES
FROM CLAIMS AGAINST THE STATE OR ANY OF
ITS POLITICAL SUB-DIVISIONS**

An Act to amend and re-enact Section 2 of Chapter 274 of the Session Laws of North Dakota for the year 1935 relating to the deduction of delinquent personal property taxes from salaries or other compensation of elective and appointive officers, agents and employees of the State of North Dakota, all Bureaus, Boards, Commissions and Departments, and all persons receiving public funds and extending the application thereof to persons receiving, claiming or demanding money from municipalities and political sub-divisions within the State.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2 of Chapter 274 of the Session Laws of North Dakota for the year 1935 is hereby amended and re-enacted to read as follows:

§ 2. WHO SUBJECT TO THE PROVISIONS OF THIS ACT.] This Act shall apply to all elective and appointive officials and/or their deputies, all Courts, Bureaus, Boards, Commissions, Departments, and Committees, all agents, clerks, inspectors, employees and contractors and in fact each and every person, firm, corporation or co-partnership receiving, claiming or demanding any money from the State of North Dakota, or any of its various Departments, Bureaus, Boards, or Commissions whether especially named herein or not; or from any County, Township, or other political sub-division of the State of North Dakota; or from any City, Village, School District, Park District, or Municipality in the State of North Dakota. It is intended hereby to insure the payment of personal property taxes by all persons, firms, or corporations receiving any public funds from the State of North Dakota, or any of its political sub-divisions, or municipalities within the State, or from any of the Bureaus, Boards, Departments, or Commissions of the State and for which there is now no provision made for deducting such personal property taxes from the amount due to the persons, firms or corporations making claim upon public funds, provided, however, that in any case where the item or items amount to Ten Dollars or less, this Act shall not apply.

Approved March 17, 1937.

CHAPTER 244

H. B. No. 249—(Committee on Tax and Tax Laws)

AUTHORIZING COLLECTION OF RENTS TO APPLY ON
REAL ESTATE TAXES

An Act providing for the collection of Real Property Taxes by the collection of rents from such property, providing for the duties of the District Court and the County Treasurer in connection therewith, providing for the service of the Court Order, the application of such rents by the County Treasurer, providing for contempt for failure to comply with the Order of the Court, providing that the payments of the rent under the Order shall have precedence over prior and subsequent liens and assignments, providing for appeals, providing that the remedy is in addition to other remedies, repealing all Acts or parts of Acts in conflict therewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPLICATION TO DISTRICT COURT.] At any time after any taxes or any installment thereof, heretofore or hereafter levied and assessed upon any real property within this State shall have been delinquent for more than twelve months and remain due and unpaid in any County, and the said property produces rents, the County Treasurer may, and by direction of the Board of County Commissioners shall, petition the District Court in the name of the County for an order of said Court directed to the tenant or subtenant, if any, and to the owner of said property which said order shall direct and obligate the tenant to pay to the County Treasurer any and all rents payable under the terms of the lease of said property. Such order shall be issued by the said Court on proper hearing and upon notice to the tenant and to the owner as provided herein.

Such order shall direct the payment of all rents from said property to the County Treasurer then due or in the future to be due and it shall further direct that the County Treasurer shall apply the said payments of rent to the delinquent and current taxes, including penalty and interest, against said property and the costs and expenses of the said proceedings as determined and taxed by the Court.

§ 2. SERVICE.] The said petition and notice of hearing shall be served upon the tenant and upon the owner of the real property in the manner provided by law for the service of summons in District Court, or, upon order of the Court, the said petition and notice of hearing may be served by registered mail by mailing a copy of said petition and notice of hearing to the tenant and to the record title owner of said property to his last known Post Office address, or to such address as may appear of record in the office of the Register of Deeds or County Treasurer of said County, and in such case

the return registry receipt of the Post Office Department shall be prima facie proof of its mailing and of its receipt by the tenant and the owner to whom it was mailed.

§ 3. RECEIPTS. DEFENSE.] The Treasurer shall give a receipt to the tenant for any and all payments of rent paid pursuant to the order of the Court and the payment thereof and the receipt therefor shall constitute a complete defense to a suit by any person for such rent.

§ 4. DUTY OF TENANT AND OWNER.] It shall be the duty of the tenant to pay all of the rent for such property to the Treasurer pursuant to the order of the Court and in case where the owner reserves title to the property, including crops, he shall pay said taxes out of his portion of the proceeds thereof and a failure to comply with the provisions of such order shall constitute contempt and shall be punishable as such.

§ 5. DUTY OF STATE'S ATTORNEY.] It shall be the duty of the State's Attorney in the County where such proceedings lie to prepare the necessary papers in connection with such proceedings and to appear at any and all hearings in said matter as counsel for the County.

§ 6. PRIOR LIENS AND ASSIGNMENTS.] The payments of the rent provided for in the order of the Court shall have precedence over and be paid prior to any subsequent assignment of such rents or lien upon such rents and no part of such rent shall be exempt from the payments provided for herein.

§ 7. ALLOWANCE TO TAXPAYER.] The Court may, upon proper petition and hearing, and in its sound discretion, allow to such taxpayer a percentage of such rents, property and crops as to the Court may seem just and equitable up to and including fifty per cent thereof and may order the Treasurer to pay such percentage at such times and under such circumstances as to the Court may seem just and equitable.

§ 8. APPEALS.] The owner of said property shall have the right to appeal to the Supreme Court of this State from any order issued by the District Court under the provisions of this Act in the manner provided by law for appeals, provided, however, that pending the final determination of such appeal the Treasurer shall continue to receive and the tenant to pay the rents provided in said Order and the Treasurer shall hold the said payments in trust for the final determination of such appeal.

§ 9. VACATION OF ORDER.] Whenever the delinquent and current taxes, including penalty and interest, and the costs and expenses of the proceeding, have been fully satisfied out of the rents, property and crops as herein provided the Treasurer shall apply to

the Court for an order vacating such order which shall be served upon the tenant and upon the owner in the manner provided herein for the service of the original order.

§ 10. PAYMENTS UNDER PROTEST.] Nothing in this Act shall be construed to prevent any taxpayer from availing himself of the right provided by law as to the payment of taxes under protest.

§ 11. TAX RECEIPTS.] The owner, or any person entitled thereto, may request and receive from the County Treasurer receipted bills for the payment of the taxes upon such real property and a certificate of redemption, if any, from the County Auditor.

§ 12. ADDITIONAL REMEDY.] The remedy provided in this Act is in addition to any other remedy which now is or hereafter may be provided by law for the collection of taxes levied and assessed against real property.

§ 13. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

§ 14. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 17, 1937.

CHAPTER 245

S. B. No. 248—(Gronvold and Nelson of Grand Forks)

REBATE REAL ESTATE TAXES

An Act to encourage and promote the payment of taxes by providing for a rebate on prepayments.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There shall be an allowance of three (3) per cent rebate to all payers of taxes on real property who shall pay the same in one payment and in full on or before the fifteenth (15th) day of February next prior to the date of delinquency. Such rebate shall apply to all general taxes including State, County, City, Township, village and school taxes but shall not apply to special assessments or to hail indemnity taxes.

§ 2. This Act is new legislation. It is supplementary to existing laws and is not intended to change or affect existing legislation relating to penalties imposed for failure to pay taxes before delinquency.

Approved March 10, 1937.

CHAPTER 246
H. B. No. 359—(Jensen)

PENALTIES DELINQUENT REAL ESTATE TAXES

An Act to amend and re-enact Section 3 of Chapter 257 of the 1933 Session Laws, relating to delinquency of real estate taxes, fixing penalties; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That Section 3 of Chapter 257 of the 1933 Session Laws of the State of North Dakota relating to delinquency of real estate taxes, and fixing penalties be and the same is hereby amended and re-enacted to read as follows:

§ 3. REAL ESTATE TAXES, DUE AND DELINQUENT: WHEN, PENALTY AND INTEREST.] All real estate taxes, including hail insurance taxes, both indemnity and yearly installments of special assessment taxes on real estate, shall become due on the 31st day of December of the year for which the taxes are levied, and the first installment on real estate taxes, including hail insurance and yearly installment of special assessment taxes, shall become delinquent on March 1st following and if not paid on or before April 1st following they shall be subject to a penalty of 1%, and on June 1st following an additional penalty of 1%, on August 1st following an additional penalty of 1%, and an additional penalty of 2% on October 15th, and the second installment of real estate taxes shall become delinquent on October 15th, and if not paid on or before that date, shall become subject to a penalty of two per cent (2%).

Approved March 10, 1937.

CHAPTER 247
H. B. No. 141—(Godwin)

REASSESSMENT CERTAIN CLASSES OF PROPERTY

An Act making it the duty of the State Board of Equalization to reassess certain classes of property when any general tax levied against the property shall be adjudged illegal and nonenforceable or shall be set aside by any State Court or Federal Court of competent jurisdiction; and limiting the bringing of actions against the State for recovery of taxes paid.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. If any tax levied under the provisions of law governing the assessment and taxation of the property of any railroad or street railroad company, or of any sleeping car, telegraph, telephone, power or gas company, or of any freight line and car equipment

company or the property of any other public utility used directly or indirectly in the carrying of persons, property, or messages, shall be adjudged illegal and nonenforceable or shall be set aside by any State or Federal Court of competent jurisdiction, it shall be the duty of the State Board of Equalization, whether any part of the taxes assessed and levied have been paid or not, to forthwith reascertain and redetermine the value of the property of the companies.

§ 2. The Tax Commissioner shall give notice by mail to the company owning such property of the action of the State Board of Equalization in redetermining the value of such property, shall describe the property in general terms and shall notify such company to appear before the State Board of Equalization at the office of the Tax Commissioner at a specified time within fifteen (15) days after such notice and show cause, if any, why such property should not be reassessed at the valuation determined by the State Board of Equalization. Any such company shall be entitled at such hearing to present evidence relating to the value of its property. After consideration of the evidence presented at such hearing, if any there be, the State Board of Equalization shall fix the final assessment of such property according to the best judgment of the Board. Such assessment shall be of the same force and effect as the original assessment made in accordance with law. The proceedings for such reassessment shall be conducted in the method originally provided for as near as may be.

§ 3. The valuation of such reassessed property shall be apportioned to the County or Counties in which located according to the law governing the regular assessment of such property. The provisions of law governing the levy and collection of taxes on the property of companies enumerated in Section 1 shall be applicable to property reassessed under the provisions of this Act.

§ 4. The power to reassess the property of any company defined in Section 1 may be exercised as aforesaid and as often as may be necessary until the amount of taxes legally due from any such company for any year under the assessment and taxation laws of this State has been finally and definitely determined. Whenever any tax or part thereof, levied upon the property of any company enumerated in Section 1 has been declared illegal and such tax has been paid and not refunded, the payment so made shall be applied upon the reassessment upon said property, and the reassessment of taxes to that extent shall be deemed to be satisfied.

§ 5. ACTION AGAINST STATE; LIMITATION.] Any company defined in Section 1, claiming to be aggrieved by the levy of a tax upon its property, and alleging facts showing substantial injustice in the determination of the State Board of Equalization, may within six months from the payment of the tax, not thereafter, bring and maintain an action against the State to recover such part of the tax as shall exceed the amount the company should have paid.

§ 6. PRESUMPTION OF REGULARITY.] The proceedings of the State Board of Equalization shall be presumed to be regular and the determination of the State Board of Equalization shall not be impaired, vitiated or set aside upon any grounds not affecting the substantial injustice of the tax. The provisions in this Act prescribing a date or period at or within which an act shall be performed or a determination shall be made by the State Board of Equalization shall be deemed directory only, and no failure to perform any such act or make such determination at or within the time prescribed therefor shall affect the validity of such act or of any determination made by the State Board of Equalization unless it shall appear that substantial injustice has resulted therefrom.

§ 7. ACTIONS: PRELIMINARY DETERMINATION OF AMOUNT DUE.] In any action, suit or proceeding brought by any company, defined in Section One (1), in the State Courts to set aside, restrain or postpone the payment or collection of any tax levied upon the property of such company, no injunction, order or writ to enjoin or restrain the payment or collection of the tax shall issue, or be continued in force, unless said company shall pay to the County Treasurer of each County in which such property is located, for the use of the County, the amount of taxes which the Court shall determine primarily to be justly and equitably due from such company. Such primary determination shall be made by the State Court in which the action, suit or proceeding is pending, upon motion, summarily and without delay. In case the amount of tax justly and equitably due from such company shall be finally determined to be less than the amount so paid, the excess shall be refunded to such company by direction of the Court, and for that purpose the County Auditor of each County, which was a party to the action, upon the filing in his office of a certified copy of such final determination, shall draw a warrant upon the County Treasurer for the amount to be so refunded. The amount so refunded shall be charged against the funds of the State, County, Township, City, Incorporated Village, School District or other taxing district in the hands of the County Treasurer or funds which may thereafter be collected, in such proportion as the amount refunded bears to the amount collected for the benefit of each such political sub-division on the original assessment.

§ 8. EMERGENCY.] Whereas, the State Board of Equalization is now without authority to reassess the property of companies enumerated in Section 1 when the assessment upon such property has been adjudged illegal or the taxes levied thereon have been adjudged illegal and nonenforcible, therefor an emergency is hereby declared and this Act shall be in full force and effect from and after its passage and approval.

Approved March 10, 1937.

CHAPTER 248

H. B. No. 360—(Myers, by request)

GASOLINE TAX REFUNDS

An Act to amend and re-enact Section 2 of Chapter 172 of the Session Laws of North Dakota for 1935 and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2 of Chapter 172 of the Session Laws of North Dakota for the year 1935 be and the same is hereby amended and re-enacted to read as follows:

§ 2. That any person or persons, firm or corporation who shall buy or use any motor vehicle fuel as defined in this Act, for the purpose of operating and propelling stationary gas engines, tractors used for agricultural purposes, motor boats, airplanes or aircraft, or who shall purchase or use any of such fuel for lighting, heating, cleaning or dyeing or other commercial use of the same, except motor vehicles operated upon any of the public highways or streets in this State, on which motor fuel tax imposed by this Act has been paid, shall be reimbursed and repaid the amount of such tax paid by him on presentation to the State Tax Commissioner, on a form prescribed by the State Tax Commissioner, of a sworn statement setting forth the total amount of such fuel purchased and used by such consumer, other than in motor vehicles operated upon any of the public highways or streets in the State of North Dakota, and the purpose for which said motor fuel upon which he claims exemption from said tax was used, and such other information as the State Tax Commissioner shall require, and the State Tax Commissioner, upon the presentation of such sworn statement, together with the invoice or ticket hereinbefore provided and motor vehicle fuel tax paid, shall audit such claims for refunds and prepare, in duplicate, an abstract showing the claim number, the name, address and amount due each claimant, and shall certify to the State Auditor within fifteen days all claims entitled to approval; and the Auditor shall pay the same immediately upon such certification and the Auditor shall issue his check payable to each consumer as shown by such certified abstract from the taxes collected on motor fuels, the said taxes on fuels purchased or used for other than motor vehicles as aforesaid; and shall deliver, for mailing, said checks to the State Tax Commissioner; provided, that no refunds or repayment shall be made unless such claimant thereof shall make application therefor within twelve months from and after the date of purchase of such motor vehicle fuel; the date of purchase being defined to mean the date upon which the motor vehicle fuel was delivered to purchaser. Application for refunds or re-payments shall not be made oftener than at the beginning of the quarter of each calendar year. Provided, further, that no refund of the tax shall be made when such motor vehicle fuel has

been used for the construction, reconstruction or the maintenance of State and County Highways except in such cases where such construction, reconstruction or maintenance of a public road or highway is undertaken by the State, County, Township or other municipality and where the public funds of the State, County, Township or other municipality are used for the purchase of such motor fuel. The State Auditor shall furnish the Tax Commissioner with the information relating to the collection of the motor vehicle fuel tax and the Tax Commissioner shall withhold approval of any refund or re-payment until the State Auditor shall certify to the Tax Commissioner that the tax upon such motor fuel, on which refund or re-payment is claimed, shall have been paid. The Tax Commissioner shall have the power to formulate rules and regulations for the administration of this provision. It shall be the duty of the State's Attorney, Sheriffs and Police Officers of the various Cities to enforce the provisions of this law and a failure on their part to do same shall constitute grounds for removal.

If in any case or instance the Tax Commissioner shall be in doubt concerning the validity or justness of any claim for refund, he is hereby authorized to direct any persons or employees under his supervision to investigate the same. Then the burden of proof is on the claimant to establish the claim of refund, which claim shall be established by sworn affidavits and proof, if so demanded, including the affidavit of the dealer.

§ 2. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after the date of its passage and approval.

Approved March 10, 1937.

CHAPTER 249

S. B. No. 80—(Committee on Taxes and Tax Laws)
Recommended by the North Dakota Tax Survey Commission

SALES TAX ACT

An Act to equalize taxation and replace in part the tax on property; to provide the public revenue to be used for such replacement by imposing a tax on the gross receipts from retail sales as defined herein; to provide for the collection of such tax, the distribution and use of the revenue derived therefrom, and the administration of said law; to provide for certain deductions and exemptions; establishing a lien for the payment of such tax; to fix fines and penalties for the violation of the provisions of this Act; to repeal all laws or parts of laws in conflict herewith and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. DEFINITIONS.] The following words, terms and phrases, when used in this Act, have the meanings ascribed to them in this

Section, except where the context clearly indicated a different meaning:

(a) "Person" includes any individual, firm, co-partnership, joint adventure, association, corporation, the State of North Dakota and any of its sub-divisions, departments or institutions, any County, City, Village, Township, School District, Park District, Municipal Corporation, estate, trust, business trust, receiver, or any other group or combination acting as a unit, and the plural as well as the singular number.

(b) "Sale" means any transfer, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever, for a consideration.

(c) "Retail Sale" or "Sale at Retail" means the sale to a consumer or to any person for any purpose, other than for processing or for resale, of tangible personal property and the sale of steam, gas, electricity, water, and communication service to retail consumers or users, and shall include the ordering, selecting or aiding a customer to select any goods, wares, or merchandise from any price list, or catalogue, which such customer might order, or be ordered for such customer to be shipped directly to such customer. By the term "processing" as used in this Act is meant tangible personal property that is used in manufacturing, producing or processing and which becomes an ingredient or component part of other tangible personal property and which latter tangible personal property becomes subject to the retail sales tax. The sale of an item of tangible personal property for the purpose of incorporating it in or attaching it to other real or personal property otherwise exempt from the sales tax shall for the purposes of this Act be considered as a sale of tangible personal property for a purpose other than for processing.

(d) "Business" includes any activity engaged in by any person or caused to be engaged in by him with the object of gain, benefit, or advantage, either direct or indirect.

(e) "Retailer" includes every person engaged in the business of selling tangible goods, wares, or merchandise at retail, or the furnishing of steam, gas, electricity, water and communication service, and tickets or admissions to places of amusement and athletic events as provided in this Act, and shall include any person as herein defined who by contract or otherwise agrees to furnish for a consideration a totally or partially finished product consisting in whole or in part of tangible personal property subject to the sales tax herein provided, and all items of tangible personal property entering into the performance of such contract as a component part of the product agreed to be furnished under said contract shall be subject to the sales tax herein provided, and the sales tax thereon shall be collected by the contractor from the person for whom the contract has been performed in addition to the contract price agreed upon, and shall be remitted to the State in the manner provided in this Act.

(f) "Gross receipts" means the total amount of the sales of retailers, valued in money, whether received in money or otherwise, provided, however, that discounts for any purposes allowed and taken on sales shall not be included, nor shall the sale price of property returned by customers when the full sale price thereof is refunded either in cash or by credit. Provided, further, that on all sales of retailers, valued in money, when such sales are made under conditional sales contract, or under other forms of sale wherein the payment of the principal sum thereunder be extended over a period longer than sixty (60) days from the date of sale thereof that only such portion of the sale amount thereof shall be accounted, for the purpose of imposition of tax imposed by this bill, as has actually been received in cash by the retailer during each quarterly period as defined herein.

(g) "Relief agency" means the State, any County, City and County, City or District thereof, or any agency engaged in actual relief work.

(h) "Commissioner" means the Tax Commissioner of the State of North Dakota.

(i) "Local Governmental Unit" means Incorporated Cities, Towns and Villages, Counties, School Districts and Townships.

§ 2. TAX IMPOSED.] There is hereby imposed, beginning the first day of May, 1937, and ending June 30th, 1939, a tax of two per cent (2%) upon the gross receipts from all sales of tangible personal property, consisting of goods, wares, or merchandise, except as otherwise provided in this Act, sold at retail in the State of North Dakota to consumers or users; a like rate of tax upon the gross receipts from the sales, furnishing or service of steam, gas, electricity, water and communication service, including the gross receipts from such sales by any municipal corporation furnishing steam, gas, electricity, water and communication service to the public in its proprietary capacity, except as otherwise provided in this Act, when sold at retail in the State of North Dakota to consumers or users; and a like rate of tax upon the gross receipts from all sales of tickets or admissions to places of amusement and athletic events, except as otherwise provided in this Act.

The tax herein levied shall be computed and collected as hereinafter provided.

§ 3. EXEMPTIONS.] There are hereby specifically exempted from the provisions of this Act and from computation of the amount of tax imposed by it, the following:

(a) The gross receipts from sales of tangible personal property which this State is prohibited from taxing under the Constitution or laws of the United States or under the Constitution of this State.

(b) The gross receipts from the sales, furnishing or service of transportation service.

(c) The gross receipts from sales of tangible personal prop-

erty used for the performance of a contract on public works executed prior to May 1st, 1935.

(d) The gross receipts from sales of tickets or admissions to State, County, district and local fairs, and the gross receipts from educational, religious, or charitable activities, where the entire amount of such receipts is expended for educational, religious, or charitable purposes.

(e) The gross receipts from the sale by any school board of this State of books and school supplies to regularly enrolled students at cost.

§ 4. Taxes paid on gross receipts represented by accounts found to be worthless and actually charged off, for income tax purposes may be credited upon subsequent payment of the tax herein provided; provided, that if such accounts are thereafter collected by the retailer, a tax shall be paid upon the amount so collected. The provisions of this Act shall not apply to sales of gasoline, cigarettes, snuff, insurance premiums, or any other product or article upon which the State of North Dakota now or may hereafter impose a special tax, either in the form of a license tax, stamp tax or otherwise.

§ 5. CREDIT TO RELIEF AGENCY AND LOCAL GOVERNMENTAL UNITS.]

(1) A relief agency may apply to the Commissioner for refund of the amount of tax imposed hereunder and paid upon sales to it of any goods, wares, or merchandise used for free distribution to the poor and needy;

(2) Such refunds may be obtained only in the following amounts and the manner and only under the following conditions:

(a) On forms furnished by the Commissioner, and during the time herein provided for the filing of quarterly tax returns by retailers, the relief agency shall report to the Commissioner the total amount or amounts, valued in money, expended directly or indirectly for goods, wares, or merchandise used for free distribution to the poor and needy.

(b) On these forms the relief agency shall separately list the persons making the sales to it or to its order, together with the dates of the sales, and the total amount so expended by the relief agency.

(c) The relief agency must prove to the satisfaction of the Commissioner that the person making the sales has included the amount thereof in the computation of the gross receipts of such person and that such person has paid the tax levied by this division, based upon such computation of gross receipts.

(3) If the Commissioner is satisfied that the foregoing conditions and requirements have been complied with, he shall refund the amount claimed by the relief agency.

§ 6. Retailers shall add the tax imposed under this Act, or the average equivalent thereof, to the sales price or charge and when added such taxes shall constitute a part of such price or charge, shall be a debt from consumer or user to retailer until paid, and shall be recoverable at law in the same manner as other debts.

Agreements between competing retailers, or the adoption of appropriate rules and regulations by organizations or associations of retailers to provide uniform methods for adding such tax or the average equivalent thereof, and which do not involve price fixing agreements otherwise unlawful, and which shall first have the approval of the Commissioner, are expressly authorized and shall be held not to be in violation of any anti-trust laws of this State.

§ 7. UNLAWFUL ACTS.] It shall be unlawful for any retailer to advertise or hold out or state to the public or to any consumer, directly or indirectly, that the tax or any part thereof imposed by this Act will be assumed or absorbed by the retailer or that it will not be considered as an element in the price to the consumer, or if added, that it or any part thereof will be refunded.

§ 8. RECORDS REQUIRED.] It shall be the duty of every retailer required to make a report and pay any tax under this division, to preserve such records of the gross proceeds of sales as the Commissioner may require and it shall be the duty of every retailer to preserve for a period of two years all invoices and other records of goods, wares, or merchandise purchased for resale; and all such books, invoices and other records shall be open to examination at any time by the Commissioner or any one of his duly authorized agents.

§ 9. RETURN OF GROSS RECEIPTS.]

(1) The retailer shall, on or before the 20th day of the month following the close of the first quarterly period as defined in the following Section, and on or before the 20th day of the month following each subsequent quarterly period of three months, make out a return for the preceding quarterly period in such form and manner as may be prescribed by the Commissioner, showing the gross receipts of the retailer, the amount of the tax for the period covered by such return, and such further information as the Commissioner may require to enable him correctly to compute and collect the tax herein levied; provided, however, that the Commissioner may, upon request by any retailer and a proper showing of the necessity therefor, grant unto such retailer an extension of time of not to exceed thirty (30) days for making such return. If such extension is granted to any such retailer, the time in which he is required to make payment as provided for in Section Ten (10) of this Act shall be extended for the same period.

(2) The Commissioner, if he deems it necessary or advisable in order to insure the payment of the tax imposed by this Act, may

require returns and payment of the tax to be made for other than quarterly periods, the provisions of Section Ten (10) or elsewhere to the contrary notwithstanding.

(3) Returns shall be signed by the retailer or his duly authorized agent, and must be verified by oath.

§ 10. PAYMENT OF TAX. BOND. CREATION OF LIEN.]

(1) The tax levied hereunder shall be due and payable in quarterly installments on or before the 20th day of the month next succeeding each quarterly period, the first of such period being the period commencing with May 1, 1937, and ending on the 30th day of June, 1937.

(2) Every retailer, at the time of making the return required hereunder, shall compute and pay to the Commissioner the tax due for the preceding period.

(3) The Commissioner may, when in his judgment it is necessary and advisable to do so in order to secure the collection of the tax levied under this Act, require any person subject to such tax to file with him a bond, issued by a surety company authorized to transact business in this State and approved by the Insurance Commissioner as to solvency and responsibility, in such amount as the Commissioner may fix, to secure the payment of any tax and/or penalties due or which may become due from such person. In lieu of such bond, securities approved by the Commissioner, in such amount as he may prescribe, may be deposited with him, which securities shall be kept in the custody of the Commissioner and may be sold by him at public or private sale, without notice to the depositor thereof, if it becomes necessary so to do in order to recover any tax and/or penalties due. Upon any such sale, the surplus, if any above the amounts due under this division shall be returned to the person who deposited the securities.

Sub-section 4. LIEN OF TAX. COLLECTION. ACTION AUTHORIZED.] Whenever any taxpayer liable to pay a tax and/or penalty imposed refuses or neglects to pay the same, the amount, including any interest, penalty, or addition to such tax, together with the costs that may accrue in addition thereto, shall be a lien in favor of the State of North Dakota upon all property and rights to property, whether real or personal, belonging to said taxpayer.

The lien aforesaid shall attach at the time the tax becomes due and payable and shall continue until the liability for such amount is satisfied.

In order to preserve the aforesaid lien against subsequent mortgages, purchasers or judgment creditors, for value and without notice of the lien, on any property situated in a County, the Tax Commissioner shall file with the Register of Deeds of the County in which said property is located, a notice of said lien.

The Register of Deeds of each County shall prepare and keep

in his office a book to be known as "Index of Tax Liens," so ruled as to show in appropriate columns the following data, under the names of taxpayers, arranged alphabetically:

1. The name of the taxpayer.
2. The name 'State of North Dakota' as claimant.
3. Time notice of lien was received.
4. Date of notice.
5. Amount of lien then due.
6. When satisfied.

The Register of Deeds shall indorse on each notice of lien the day, hour, and minute when received and preserve the same, and shall forthwith index said notice in said index book and shall forthwith record said lien in the manner provided for recording real estate mortgages, and the said lien shall be effective from the time of the indexing thereof.

The Tax Commissioner shall pay a recording fee as provided by law for the recording of such lien, or for the satisfaction thereof.

Upon the payment of a tax as to which the Tax Commissioner has filed notice with the Register of Deeds, the Tax Commissioner shall forthwith file with said Register of Deeds a satisfaction of said tax and the Register of Deeds shall enter said satisfaction on the notice on file in his office and indicate said fact on the index aforesaid.

The Attorney General shall, upon the request of the Tax Commissioner, bring an action at law or in equity, as the facts may justify, without bond to enforce payment of any taxes and/or penalties, and in such action he shall have the assistance of the State's Attorney of the County in which the action is pending.

It is expressly provided that the foregoing remedies of the State shall be cumulative and that no action taken by the Tax Commissioner or Attorney General shall be construed to be an election on the part of the State or any of its officers to pursue any remedy hereunder to the exclusion of any other remedy provided by law.

The technical, legal requirements outlined in this Section relating to tax liens on all real and personal property of the taxpayer to insure payment of the taxes, including penalties, interest and other costs, are self-explanatory.

(5) Remittance on account of tax due under this Act shall not be deemed or considered payment thereof unless or until the Commissioner shall have collected or received the amount due for such tax in cash or equivalent credit.

§ II. PERMITS; APPLICATIONS FOR.]

(1) It shall be unlawful for any person to engage in or transact business as a retailer within this State, unless a permit or permits shall have been issued to him as hereinafter prescribed. Every person desiring to engage in or conduct business as a retailer within

this State shall file with the Commissioner an application for a permit or permits. Every application for such a permit shall be made upon a form prescribed by the Commissioner and shall set forth the name under which the applicant transacts or intends to transact business, the location of his place or places of business, and such other information as the Commissioner may require. The application shall be signed by the owner if a natural person; in the case of an association or partnership, by a member or partner thereof; in the case of a corporation, by an executive officer thereof or some person specifically authorized by the corporation to sign the application, to which shall be attached the written evidence of his authority.

(2) At the time of making such application, the applicant shall pay to the Commissioner a permit fee of fifty cents (50¢) for each permit, and the applicant must have a permit for each place of business.

(3) Upon the payment of the permit fee or fees herein required, the Commissioner shall grant and issue to each applicant a permit for each place of business within the State. A permit is not assignable and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be conspicuously displayed at the place for which issued.

(4) Permits issued under the provisions of this division shall be valid and effective without further payment of fees until revoked by the Commissioner.

(5) Whenever the holder of a permit fails to comply with any of the provisions of this division or any rules or regulation of the Commissioner prescribed and adopted under this division, the Commissioner upon hearing after giving ten days' notice of the time and place of the hearing to show cause why his permit should not be revoked, may revoke the permit. The Commissioner shall also have the power to restore licenses after such revocation.

(6) The Commissioner shall charge a fee of One Dollar for the issuance of a permit to a retailer whose permit has been previously revoked.

(7) It is hereby provided that all permits issued under the provisions of Chapter 276, 1935 Session Laws, and in effect upon the taking effect of this Act are hereby continued and shall remain in full force and effect unless revoked as herein provided.

§ 12. FAILURE TO FILE RETURN; INCORRECT RETURN.] If a return required by this division is not filed, or if a return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return within twenty days after the same is required by notice from the Commissioner, such Commissioner shall determine the amount of tax due from such information as he may be able to obtain and, if necessary, may estimate the tax on the basis of external indices, such as number of employees of the person con-

cerned, rentals paid by him, his stock on hand, and/or other factors. The Commissioner shall give notice of such determination to the person liable for the tax. Such determination shall finally and irrevocably fix the tax unless the person against whom it is assessed shall, within thirty days after the giving of notice of such determination, apply to the Commissioner for a hearing or unless the Commissioner of his own motion shall reduce the same. At such hearing evidence may be offered to support such determination or to prove that it is incorrect. After such hearing the Commissioner shall give notice of his decision to the person liable for the tax.

§ 13. APPEALS.]

(1) An appeal may be taken by the taxpayer to the District Court of the County in which he resides, or in which his principle place of business is located, within sixty days after he shall have received notice from the Commissioner of his determination as provided for in the preceding Section.

(2) The appeal shall be taken by a written notice to the Commissioner and served as an original notice. When said notice is so served it shall, with the return thereon, be filed in the office of the Clerk of said District Court, and docketed as other cases, with the taxpayer as plaintiff and the Commissioner as defendant. The plaintiff shall file with such Clerk a bond for the use of the defendant, with sureties approved by such Clerk, in penalty at least double the amount of tax appealed from, and in no case shall the bond be less than Fifty Dollars (\$50.00), conditioned that the plaintiff shall perform the orders of the Court.

(3) The Court shall hear the appeal in equity and determine anew all questions submitted to it on appeal from the determination of the Commissioner. The Court shall render its decree thereon and a certified copy of said decree shall be filed by the Clerk of said Court with the Commissioner who shall then correct the assessment in accordance with said decree. An appeal may be taken by the taxpayer or the Commissioner to the Supreme Court of this State in the same manner that appeals are taken in suits in equity, irrespective of the amount involved.

§ 14. SERVICE OF NOTICES.]

(1) Any notice, except notice of appeal, authorized or required under the provisions of this Act may be given by mailing the same to the person for whom it is intended by registered mail, addressed to such person at the address given in the last return filed by him pursuant to the provisions of this division, or if no return has been filed, then such address as may be obtainable. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which is determined according to the provisions of this division by the giving of notice shall commence to run from the date of registration and posting of such notice.

(2) The provisions of the North Dakota Code relative to the limitation of time for the enforcement of a civil remedy shall not apply to any proceeding or action taken to levy, appraise, assess, determine or enforce the collection of any tax or penalty provided by this Act.

§ 15. PENALTIES; OFFENSES.]

(1) Any person failing to file a return or corrected return or to pay any tax within the time required by this division, shall be subject to a penalty of five per cent (5%) of the amount of tax due, plus one per cent (1%) of such tax for each month of delay or fraction thereof, excepting the first month after such return was required to be filed or such tax became due; but the Commissioner, if satisfied that the delay was excusable, may remit all or any part of such penalty. Such penalty shall be paid to the Commissioner and disposed of in the same manner as other receipts under this Act. Unpaid penalties may be enforced in the same manner as the tax imposed by this Act.

(2) Any person who shall sell tangible personal property, tickets or admissions to places of amusement and athletic events, or steam, gas, water, electricity and communication service at retail in this State after his license shall have been revoked, or without procuring a license within sixty (60) days after the effective date of this Act, as provided in Section 11 of this Act, or who shall violate the provisions of Section 7 of this Act, and the officers of any corporation who shall so act, shall be guilty of a misdemeanor, punishment for which shall be a fine of not more than \$1000.00 or imprisonment for not more than one year, or both such fine and imprisonment, in the discretion of the Court.

(3) Any person required to make, render, sign, or verify any return or supplementary return, who makes any false or fraudulent return with intent to defeat or evade the assessment required by law to be made, shall be guilty of a misdemeanor and shall, for each such offense, be fined not to exceed Five Hundred Dollars or be imprisoned in the County jail not exceeding one year, or be subject to both a fine and imprisonment, in the discretion of the Court.

(4) The certificate of the Commissioner to the effect that a tax has not been paid, that a return has not been filed, or that information has not been supplied pursuant to the provisions of this Act, shall be prima facie evidence thereof.

(5) Any person failing to comply with any of the provisions of this Act, or failing to remit within the time herein provided to the State the tax due on any sale or purchase of tangible personal property subject to said sales tax, shall be guilty of a misdemeanor and upon conviction shall be punished by imprisonment in the County jail not exceeding six months or by a fine not exceeding Five Hundred Dollars, or by both such fine or imprisonment at the discretion

of the Court. This criminal liability shall be cumulative and in addition to the civil liability for penalties hereinbefore provided.

§ 16. The Tax Commissioner of the State of North Dakota is hereby charged with the administration of this Act and the taxes imposed thereby. Such Commissioner shall have the power and authority to prescribe all rules and regulations not inconsistent with the provisions of this Act, necessary and advisable for its detailed administration and to effectuate its purposes, including the right to provide for the issuance and sale by the State of coupons covering the amount of tax or taxes to be paid under this Act, if such method is deemed advisable by said Commissioner.

§ 17. All fees, taxes, interest and penalties imposed and/or collected under this Act must be paid to the Commissioner in the form of remittances payable to the Treasurer of the State of North Dakota, and said Commissioner shall transmit each payment daily to the State Treasurer to be deposited in the State Treasury to the credit of a fund to be known as the Retail Sales Tax Fund, which fund is hereby created and established.

§ 18. GENERAL POWERS.]

(1) The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making an estimate of the taxable income and/or receipts of any taxpayer, shall have power: to examine or cause to be examined by any agent or representative designated by him, books, papers, records or memoranda; to require by subpoena the attendance and testimony of witnesses; to issue and sign subpoenas; to administer oaths, to examine witnesses and receive evidence; to compel witnesses to produce for examination books, papers, records and documents relating to any matter which he shall have the authority to investigate or determine.

(2) Where the Commissioner finds the taxpayer has made a fraudulent return, the costs of said hearing shall be taxed to the taxpayer. In all other cases the costs shall be paid by the State.

(3) The fees and mileage to be paid witnesses and taxed as costs shall be the same as prescribed by law in proceedings in the District Court of this State in civil cases. All costs shall be taxed in the manner provided by law in proceedings in civil cases. Where the costs are taxed to the taxpayer they shall be added to the taxes assessed against said taxpayer and shall be collected in the same manner. Costs taxed to the State shall be certified by the Commissioner to the State Treasurer, who shall issue warrant for the amount of said costs, to be paid out of the proceeds of the taxes collected under this Act.

(4) In case of disobedience to a subpoena the Commissioner may invoke the aid of any Court of competent jurisdiction in requiring the attendance and testimony of witnesses and production of records, books, papers, and documents, and such Court may issue an

order requiring the person to appear before the Commissioner and give evidence or produce records, books, papers and documents, as the case may be, and any failure to obey such order of Court may be punished by the Court as a contempt thereof.

(5) Testimony on hearings before the Commissioner may be taken by a deposition as in civil cases, and any person may be compelled to appear and depose in the same manner as witnesses may be compelled to appear and testify as hereinbefore provided.

§ 19. (1) The Commissioner, with the approval of the Governor, may appoint such agents, auditors, clerks and employees as he may deem necessary and fix their salaries and compensation and prescribe their duties and powers and said Commissioner shall have the right to remove such agents, auditors, clerks and employees so appointed by him; provided that the number of inspectors appointed shall not exceed ten, each of whom shall have had at least three years experience in the auditing and checking of books of account.

(2) All such agents and employees shall be allowed such reasonable and other necessary traveling expenses as may be incurred in the performance of their duties not to exceed, however, such amounts as are now or may hereafter be fixed by law.

(3) The Commissioner may require such of the officers, agents and employees as it may designate to give bond for the faithful performance of the duties in such sum and with such sureties as it may determine and the State shall pay, out of the proceeds of the taxes collected under the provisions of this Act, the premiums on such bonds.

(4) The Commissioner may utilize the office of Treasurer of the various Counties in order to administer this Act and effectuate its purposes, and may appoint the Treasurers of the various Counties its agents to collect any or all of the taxes imposed by this Act, provided, however, that no additional compensation shall be paid to said Treasurer by reason thereof.

§ 20. INFORMATION DEEMED CONFIDENTIAL.]

(1) It shall be unlawful for the Commissioner, or any person having an administrative duty under this Act, to divulge or to make known in any manner whatever, the business affairs, operations, or information obtained by an investigation of records and equipment of any person or corporation visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; provided, however, that the Commissioner may authorize examination of such returns by other State officers, or, if a reciprocal arrangement exists, by tax officers of another State, or the Federal Government.

(2) Any person violating the provisions of Sub-section 1 of this Section shall be guilty of a misdemeanor and punishable by a fine not to exceed One Thousand Dollars (\$1,000.00).

§ 21. CORRECTION OF ERRORS.] If it shall appear that, as a result of mistake, an amount of tax, penalty, or interest has been paid which was not due under the provisions of this Act, then such amount shall be credited against any tax due, or to become due, under this Act from the person who made the erroneous payment, or such amount shall be refunded to such person by the Commissioner.

§ 22. Wherever by any provision of this Act a refund is authorized, the Commissioner shall certify the amount of the refund, the reason therefor and the name of the payee to the State Auditor, who shall thereupon draw his warrant on the Retail Sales Tax Fund in the amount specified payable to the named payee.

§ 23. If any section, sub-section, clause, sentence, or phrase of this Act is for any reason held to be unconstitutional and invalid, such decision shall not effect the validity of the remaining portions of this Act. The Legislature hereby declares that it would have passed this Act and each section, sub-section, clause, sentence or phrase hereof, irrespective of whether any one or more of the sections, sub-sections, clauses, sentences, or phrases, be declared unconstitutional.

§ 24. All Laws or parts of Laws in conflict with this Act are hereby repealed.

§ 25. ALLOCATION OF REVENUES.] All moneys collected and received under this Act shall be credited by the State Treasurer into a special fund to be known as "The Retail Sales Tax Fund." Out of this fund the State Treasurer shall first pay the expenses of administering this Act, not to exceed, however, an amount not to exceed three per cent (3%) of the gross collections, and the payment of refunds allowed under this Act. The net amount of moneys remaining in said "Retail Sales Tax Fund" shall be allocated and distributed as follows:

(a) The State Board of Equalization is authorized, directed, empowered and required, at any regular or special meeting, from time to time, between the effective date of this Act and June 30th, 1939, to transfer into "The State Public Welfare Fund" the sum of not to exceed \$2,500.00, to be expended by the State Public Welfare Board for any and all of the objects and purposes prescribed, authorized, permitted and required by law, including those authorized and required by Section 6 of Chapter 221 Session Laws of 1935, in co-ordination with and supplementary to any funds made available for expenditure for light purposes and objects in North Dakota from funds appropriated by Congress and allocated by any Federal Board, administration or agency or made available from any other source.

(b) The State Board of Equalization is further authorized, directed, empowered and required, at any regular or special meeting, from time to time, between the effective date of this Act and June 30th, 1939, to transfer from said "Retail Sales Tax Fund" to the "State Equalization Fund" the sum of not to exceed \$3,500,000, to be expended for any and all of the objects and purposes prescribed, authorized, permitted and required by law.

(c) The State Board of Equalization is further authorized, directed, empowered and required, at any regular or special meeting, from time to time, to authorize and direct the State Treasurer to make distribution out of said "Retail Sales Tax Fund", such amounts of money as, in the opinion of said Board, are not required for carrying out the provisions of sub-divisions (a) and (b) of this Section, as follows:

Said State Treasurer shall transfer and pay over such moneys to the County Treasurers of the several Counties of the State on a pro rata basis based upon the total amount of money paid into said "Retail Sales Tax Fund" from such Counties during the two quarterly periods next preceding the date of such distribution and such County Treasurer shall credit such moneys so received into the "County Poor Relief Fund" created by Chapter 98 Laws of 1933 and such moneys shall be used and usable only for the relief and welfare activities of the County as are prescribed, authorized, permitted and required by law and it shall be the mandatory duty of the Board of County Commissioners of each County to so use and expend such moneys and to reduce and replace the appropriations made or to be made in their County for such relief and welfare activities by the amount of such moneys so received.

§ 26. All moneys now in the retail sales tax fund created by Chapter 276, Laws of 1935, or collected under said Chapter, are hereby appropriated and transferred into the retail sales tax fund created by this Act and shall be allocated and used as herein provided.

§ 27. EMERGENCY.] This Act is hereby declared to be an emergency measure, and shall be in full force and effect from and after its passage and approval.

Approved March 12, 1937.

CHAPTER 250

H. B. No. 16—(Peterson of Renville, Morland, Bjornson and Ritter)

TAXATION OIL PROPERTIES

An Act to encourage the investment of capital in the State of North Dakota in connection with the business of securing, saving, storing and refining of petroleum and petroleum products, and to fix and determine a method for the finding and fixing a limitation on valuations thereof for the purpose of taxation.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. All refineries in the State of North Dakota, including tank farms, storage of crude oil, and refined products, together with real estate, buildings and structures, and all equipment used in connection with the business of securing, saving, storing, transporting and refining of petroleum products, shall, for the purposes of taxation, be valued as a single property, and in the following manner.

§ 2. Every person, firm and corporation engaged in the business aforesaid, in the State of North Dakota, shall comply with the provisions of Sections 2092b1 to 2092b8 inclusive, of the Supplement to the Compiled Laws of North Dakota for 1913 and Acts amendatory thereto.

§ 3. It shall be the duty of the Tax Commissioner of the State of North Dakota, from the reports filed as provided for in Section 2092b1 aforesaid and Acts amendatory thereto, to determine the limit of valuation of said properties for the purpose of taxation, by capitalizing the total net earnings of the previous calendar year, at the rate of six per cent.

§ 4. That if the property referred to in Section 1 hereof, and owned by an individual person, firm or corporation, is situated in more than one taxing district, the Tax Commissioner of the State of North Dakota is empowered, and it shall be his duty to allocate the limit of valuation hereinbefore referred to, as among each of the taxing districts in which said property may be situated. And to that purpose the Tax Commissioner shall require, and the person, firm or corporation owning the property shall furnish, such information as the Tax Commissioner may demand, for the purpose of determining the allocation aforesaid.

§ 5. That the Tax Commissioner shall report to the assessor of each taxing district in which any of such property is situated, the amount of limitation of value, as found by him as aforesaid, and by him allocated to such districts, and the assessor in determining the value, and all Boards of Equalization and Review, shall not increase the valuation of said properties beyond the limit, as determined by the Tax Commissioner.

§ 6. Nothing in this Act shall be construed to prevent either the assessor or the Boards of Review having jurisdiction to review and equalize, from valuing said property at a sum less than that determined by the Tax Commissioner as hereinbefore set out, when and if, in the exercise of the duties imposed upon them by law, they or either of them so determine.

Approved February 16, 1937.

CHAPTER 251

H. B. No. 18—(Representatives Peterson of Renville, Morland, Bjornson and Ritter)

TAXATION OF OIL AND GAS DRILLING RIGS AND EQUIPMENT

An Act to provide for the taxation of drilling rigs and all other equipment used in prospecting for oil and gas in the State of North Dakota.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. That all drilling rigs and all other equipment used and usable in connection with the business of prospecting for, mining for, or discovery of oil or gas in the State of North Dakota, and actually used for prospecting, mining and discovery purposes, shall not be assessed for taxation purposes until said property has been in the State of North Dakota for at least the period of one year.

Approved February 12, 1937.

TREES

CHAPTER 252

H. B. No. 292—(Thoresen, by request)

TREE BOUNTY

An Act providing for the allowance of a portion of the cost of planting and growing forest trees as a bounty therefor, and prescribing the duties of the assessor in connection therewith; repealing all Acts in conflict herewith; and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. BOUNTY FOR TREE PLANTING.] Any person who shall hereafter plant, cultivate and keep in growing, thrifty condition one acre and not more than ten acres of prairie land with any kind of

forest trees, and shall plant, or have planted, said trees, shall be entitled to Four Dollars for each acre so planted and cultivated and Two (\$2.00) Dollars bounty per acre for each succeeding year up to four, in which such trees are kept cultivated and growing, to be paid out of the General Fund of the County wherein such trees are so planted, but such bounty shall not be so paid unless such grove be maintained upon a tract of not less than eighty acres and shall have at least four hundred living trees in each acre so maintained and kept in growing condition, and in no case shall any bounty be paid in excess of the amount of real estate taxes levied for such year upon the quarter section of land of which such parcel of land planted to trees is a part.

§ 2. ALONG HIGHWAYS; LIMIT OF BOUNTY.] Every person planting such forest tree or trees suitable for hedge in rows as boundary lines along the public highways or on any other portion of his premises, which rows shall contain not less than two living trees to each rod and who shall in other respects comply with the provisions of this Article shall annually receive a bounty at the rate of Two Dollars for every eighty rods of each row such trees so planted shall be not less than 75 feet nor more than 100 feet from said highway; provided, however, that no bounty shall be paid or deduction allowed under the provisions of this Article for a longer period than five years upon any one tract or row of trees.

§ 3. PROOF OF PLANTING.] Any person wishing to secure the benefits of this Act shall, during the month of June, after planting such grove, row or rows of trees, and annually thereafter, file with the County Auditor of the County in which the same is located, a correct plat of the land, describing the section or fraction thereof on which said grove, row or rows have been planted or cultivated, and shall make due proof under oath of such planting and cultivation as well as of title to the land; setting forth the facts in relation to the growth and cultivation of the grove, row or rows of trees for which such bounty is demanded; provided, this Article shall not apply to any railroad company for planting trees within two hundred feet of its track for the purpose of making a snow fence, nor to any trees planted upon land held and acquired under the timber culture laws of the United States.

§ 4. EXAMINATION AND REPORT BY ASSESSOR.] It is hereby made the duty of the Assessor of every town or County at the time of making his assessment, to ascertain whether or not trees have been planted by any land owners in his town or County and for which compensation is claimed under this Article, and in case trees have been planted and such compensation is claimed, the assessor shall personally examine the grove or line of trees and make report to the extent and conditions thereof according to the prescribed form, the same to be returned to the County Auditor with the other returns and assessment book.

§ 5. REPEAL.] All Acts or parts of Acts in conflict with the provisions of this Act are hereby repealed.

§ 6. EMERGENCY.] This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved March 9, 1937.

VETERANS

CHAPTER 253

H. B. No. 219—(Caddell and Magill)

RECORD OF BURIAL DECEASED WAR VETERANS

An Act requiring the Adjutant General to secure information and keep records of and concerning the burial places of deceased war veterans who died in or are buried in the State of North Dakota and to provide methods and means of performing this duty.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. VETERAN'S BURIAL PLACES COMPILED.]

Sub-division 1. The Adjutant General of this State shall compile and keep a record of the burial places within this State of soldiers, sailors or marines who served in the military or naval forces of the United States in time of war. Such record, so far as practicable, shall indicate the name of each of such persons; the service in which he was engaged; the number of the regiment or company, if a soldier, and of the command, if a sailor or marine; the rank and period of service; the name and location of the cemetery or other place in which his body is interred; the location of the grave in such cemetery or other place; the character of headstone or marker if any, at such grave.

Sub-division 2. The Adjutant General shall cause blank forms to be prepared whereby the information required shall be transmitted to him. Every person or corporation, including a municipal corporation, owning or controlling any cemetery or burial place within this State in which are (in-)interred the bodies of persons who served in the military or naval forces of the United States in time of war, shall file with the Adjutant General a certificate on the forms provided by him, of the facts required for such record, so far as the same are within the knowledge of such person or corporation or its agents. The Adjutant General shall cause blank certificates to be distributed to such persons, officers and corporations as he deems advisable, with a request that such information be transmitted to him,

but the failure to receive such blank and request shall not relieve any person, officer or corporation from his obligation to comply with this Section, within ninety days after it takes effect.

Sub-division 3. It shall be the duty of the Adjutant General to make a careful investigation, inquiry and examination for the purpose of collecting and checking the records required to be compiled and kept by this statute.

§ 2. OFFICERS TO FURNISH LISTS OF SITES OF UNMARKED GRAVES.] It shall be the duty of the Mayor of each city, and incorporated town, the Commissioners or Supervisors of each village and township and the County Judge of each County in this State on request of the Adjutant General to furnish data to the Adjutant General relative to unmarked graves of all soldiers, sailors and marines by giving a list of the sites of such unmarked graves in their respective cities or Counties.

§ 3. IDENTIFICATION OF VETERAN'S GRAVES.] The undertaker or other person in charge of the burial of any, shall ascertain, and set forth in the certificate required of him, whether such deceased person was a veteran of any war in which the United States of America was engaged, and if so what war.

Approved March 6, 1937.

CHAPTER 254

H. B. No. 297—(Committee on Delayed Bills)

VETERANS' SERVICE COMMISSIONER

An Act to amend and re-enact Section 2 of Chapter 281 of the Session Laws of 1927; repealing Chapter 74 of the Session Laws of 1929 and providing an appropriation for the paying of salary, clerkhire, travel and general expenses of the office of Veterans' Service Commissioner.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 2 of Chapter 281 of the Session Laws of 1927 is hereby amended and re-enacted to read as follows:

§ 2. QUALIFICATIONS AND APPOINTMENT.] Such Commissioner shall be appointed for a period of two years by the Governor of the State of North Dakota and such appointment shall be given to one of three persons selected by a committee composed of the Department Commander of the United Spanish War Veterans, Department of North Dakota, the Department Commander of the Veterans of Foreign Wars of the United States, Department of North Dakota, the Department Commander of the American Legion, Department of North Dakota, the Department Commander of Disabled American Veterans of the World War, Department of North

Dakota, and the Adjutant General of the State of North Dakota, or a majority thereof. Any person to be eligible for appointment as such Commissioner shall be an actual and bona fide resident of North Dakota, and shall possess an honorable discharge either from the Navy, Army or Marine Corps of the United States Government.

§ 2. REPEAL.] Chapter 74 of the Session Laws of 1929 and all Acts and parts of Acts in conflict herewith are hereby repealed.

§ 3. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$10,085.00, or so much thereof as may be necessary, to pay salary, clerkhire, travel and general expenses of the office of Veterans' Service Commissioner as prescribed by Chapter 281, Session Laws of North Dakota for 1927, and Acts amendatory thereof:

Salary	\$ 4,800.00
Clerkhire:	
Secretary	2,160.00
Extra Clerk	600.00
Postage	600.00
Office Supplies	300.00
Furniture and Fixtures	150.00
Printing	75.00
Miscellaneous	300.00
Travel Expense	800.00
Rent	300.00
<hr/>	
TOTAL	\$10,085.00

Approved March 5, 1937.

WATER CONSERVATION

CHAPTER 255

H. B. No. 125—(Hagen and Jensen)

IRRIGATION

An Act to provide for the creation, the powers, the duties, the authority and the jurisdiction of the State Water Conservation Commission; prescribing its powers and duties to investigate, plan, regulate, control, and supervise for all purposes of flood control, water conservation, water irrigation, water rights, and pollution of water, all public or private navigable or non-navigable, surface and sub-surface, waters, streams, lakes, ponds, water-courses, surface waters, run-off waters, and water-sheds, located in or within the jurisdiction of the State of North Dakota and to exercise powers of contracting, of sale and of purchase, and of leasing and sub-leasing with respect thereof; providing for the construction, operation and maintenance

of a system of works for the conservation, development, storage, distribution and utilization of water, and for the acquisition and disposition of property necessary therefor; authorizing the issuance and sale of water conservation revenue bonds of the State, payable from the revenues of such works and the funds received from the sale or disposal of water and from the operation, lease, sale or other disposition of the works, property, and facilities to be acquired out of the proceeds of such bonds; providing for the lien upon bond proceeds, for exempting property of commission from taxation; providing for trust indentures; providing for the creation of certain funds in connection with the Act; providing for necessary help and expenses; providing for contracts with the United States; with political sub-divisions of the State, with associations, groups, and persons, providing for powers and duties concerning Inter-state Compacts and Commissions; providing for the purchase and condemnation, and otherwise to acquire lands and water rights and for the sale and lease thereof; making an appropriation; providing for the creation of a revenue bond payment fund; providing duties of State agencies acting Intra-state, concerning water conservation, flood control and pollution of waters and providing duties of State agencies concerning Inter-state compacts with respect to water conservation, flood control and pollution of waters; providing for the collection and payment of moneys into said fund and disbursements therefrom; for methods of paying principal and interest thereon by State Treasurer; providing for levy of tax, if necessary, to pay principal and interest of revenue bonds, and reimbursement of such levy, and to provide that the State Water Conservation Commission may mortgage property; and designating said Water Conservation Commission as a public corporation and agency of the State; and to grant additional powers to the Commission concerning irrigation, the sale and lease of water, and water rights; to borrow moneys; providing for authority of Bank of North Dakota to act as fiscal agent, to purchase and sell revenue bonds and to make loans; repealing inconsistent Acts and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. WATER CONSERVATION, FLOOD CONTROL AND ABATEMENT OF STREAM POLLUTION DECLARED A PUBLIC PURPOSE.] It is hereby declared that the general welfare and the protection of the lives, health, property and the rights of all people of this State require that the conservation and control of water in this State, public or private, navigable or un-navigable, surface or, sub-surface, the control of floods, the regulation and prevention of water pollution involve and necessitate the exercise of the sovereign powers of this State and are affected with and concern a public purpose.

It is hereby further declared that any and all exercises of sovereign powers of this State in investigating, constructing, maintaining, regulating, supervising, controlling any system of works involving the aforesaid subject matter embraces and concerns and is hereby declared to be a single object, and that the State Water Conservation Commission in the exercise of all powers conferred upon it herein, and in the performance of all its official duties, shall be considered and construed to be performing a governmental function pursuant

to a single object and for the benefit, welfare and prosperity of all the people of this State.

§ 2. DEFINITIONS.] As used in this Act, the following words and terms shall have the following meanings:

(a) The word "Commission" shall mean the State Water Conservation Commission hereinafter created.

(b) The word "Works" shall be deemed to include all property, rights, easements, and franchises relating thereto and deemed necessary or convenient for their operation, and all water rights acquired or exercised by the Commission in connection with such works, and shall embrace all means of conserving and distributing water, including without limiting the generality of the foregoing, reservoirs, dams, diversion canals, distributing canals, lateral ditches, pumping units, mains, pipelines and waterworks systems, and shall include all such works for the conservation, development, storage, distribution and utilization of water including, without limiting the generality of the foregoing, works for the purpose of irrigation, watering stock, supplying of water for public, domestic, industrial, recreational, fire protection and other uses and works, for the purpose of draining lands injured or in danger of injury as a result of such water utilization.

(c) The term "Cost of Works," shall embrace the cost of construction, the cost of all lands, property, rights, water rights, easements and franchises acquired, which are deemed necessary for such construction, the cost of all water rights acquired or exercised by the Commission in connection with such works, the cost of all machinery and equipment, financing charges, interest prior to and during construction and for a period not exceeding three (3) years after the completion of construction, cost of engineering and legal expenses, plans, specifications, surveys, estimates of cost, and other expenses necessary or incident to determining the feasibility or practicability of any project, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized, and the construction of the works and the placing of the same in operation.

(d) The word "Owner" shall include all individuals, associations, corporations, districts, municipalities and other political subdivisions of the State having any title or interest in any properties, rights, water rights, easements or franchises to be acquired.

(e) The word "Project" shall mean any one of the works hereinabove defined or any combination of such works which are physically connected or jointly managed and operated as a single unit.

(f) In case any water rights shall be acquired or exercised by the Commission in connection with two or more works and/or projects, the Commission by resolution shall apportion or allocate to each of such works and/or projects such part of such water rights

as it may determine, and upon the adoption of such a resolution, such water rights shall be deemed to be a part of each of such works and/or projects to the extent that such water rights have been so apportioned or allocated thereto respectively.

§ 3. CREATION OF STATE WATER CONSERVATION COMMISSION.] There is hereby created a Commission to be known as the "State Water Conservation Commission." The Commission shall consist of the Governor, and six other members to be appointed by the Governor. Each appointive member shall be a qualified elector of the State and shall be subject to removal by the Governor, for cause. In case of death, the resignation, or removal of such appointive member, the vacancy shall be filled by appointment by the Governor. The Governor shall appoint two members for a term of two years; two members for a term of four years; and two members for a term of six years, ending July 1st in each of the years 1939, 1941 and 1943, inclusive. Thereafter each new member shall be appointed and serve for a term of six years. Before entering upon the discharge of his official duties, each appointive member shall take, subscribe, and file with the Secretary of State his oath prescribed by the Constitution for the fulfillment of his duties as Commissioner.

The Governor shall be the Chairman of the Commission, which shall designate a Vice Chairman and a Secretary who may, but does not necessarily need be a member of the Commission.

§ 4. MEETINGS OF THE COMMISSION.] The Governor, as Chairman, shall preside at all meetings of the Commission and in case of his absence or disability, the Vice Chairman shall preside. The Commission shall maintain its principal office in the City of Bismarck and may maintain such branch offices in the State as it may determine. All meetings of the Commission shall be held at its principal office except that the Commission may hold special meetings at such times, places, and upon such notice as it may by resolution provide.

Notice of any meeting of the Commission may be given by telegram to members of the Commission at least 48 hours before the meeting, or by written notice sent to each member of the Commission at least three days before the meeting, but no notice shall be necessary for any member who has personally signed Admission of Notice and consent to holding the meeting. The majority of the members shall constitute a quorum, and the affirmative or negative vote of four members shall be necessary to bind the Commission, except for adjournments. The Chairman, or in his absence or disability, the Vice Chairman of the Commission may issue a call for any meeting at any time.

§ 5. COMMISSION A BODY CORPORATE AND AGENCY OF STATE.] There is hereby created a Commission to be known as the "State Water Conservation Commission" which shall act as a public corporation with all of the powers and authority possessed by such

corporation in the performance of their duties. The Commission may sue and be sued, plead and be impleaded, and contract and be contracted within its corporate name. The Commission in the exercise of all its powers and in the performance of all of its duties shall be deemed to be an agency of the State. The Commission shall have and adopt a seal bearing its name, which seal shall be affixed to such records and other instruments as it may direct, and all Courts shall take judicial notice thereof. It shall have power and is authorized to adopt and enact all rules, regulations, resolutions and by-laws deemed suitable and necessary in the conduct of its business and the performance of its duties. It shall keep accurate minutes and record of all of its acts which at all reasonable times shall be open for public inspection and which it may cause to be published as it may deem desirable.

§ 6. COMPENSATION AND EXPENSES OF COMMISSION.] Each appointed member of the Commission shall receive, as compensation for his services the sum of Ten Dollars (\$10.00) per day for each day actually engaged in the performance of the duties of his office, including time of travel between his home and the place at which he performs such duties, together with actual traveling and maintenance expenses while away from his home in the performance of the duties of his office.

§ 7. EMPLOYMENT OF NECESSARY HELP.] The Commission is authorized and empowered to hire and employ all necessary aid, help, and assistance, including members of all of the professions, for the efficient performance of their powers and duties, and shall fix their compensation and allowances for their actual expenses, and in so doing the Commission shall be guided by the compensation and allowance for expenses permitted and made by the Federal Government for the performance of similar service by Federal employees and agencies. All claims for compensation and expenses made by the Commissioners, their agents, and employees, must be itemized as required by laws of this State and must be presented to the State Auditor and allowed by the State Auditing Board, for payment. In all matters pertaining to water resources, water supply, and construction of reclamation projects, and in all other matters relating to the duties of the State Engineer as now provided by law, the State Engineer shall be the chief technical adviser of the Commission. The State Engineer shall exercise such powers and perform such duties, in addition to his regular duties as State Engineer, as the Commission shall direct or prescribe, and he shall receive and be paid such additional salary for such additional services as may be fair and reasonable to be fixed by the Commission.

The Commission is authorized and directed to co-operate with the North Dakota State Planning Board and to employ such of the personnel of that Board as may be deemed desirable in the plan-

ning of projects for the efficient utilization of the waters of the State.

§ 8. POWERS AND DUTIES OF THE COMMISSION.] The Commission shall have and there is hereby vested in it full and complete power, authority and general jurisdiction:

(1) To investigate, plan, regulate, undertake, construct, establish, maintain, control and supervise all works, dams and projects, public and private, which in the judgment of the Commission may be necessary or advisable:

(a) To control the low-water flow of the streams of the State.

(b) To impound water for the improvement of municipal and rural water supplies.

(c) To control and regulate flood flow in the streams of the State to minimize the damage of such flood waters.

(d) To conserve and develop the waters within the natural water-shed area of the State.

(e) To improve the channels of the streams for more efficient transportation of the available water in the streams.

(f) To provide sufficient water flow for the abatement of stream pollution.

(g) To develop, by restoration and stabilization, the water areas of the State for recreation and wild life conservation.

(h) To promote the maintenance of existing drainage channels in good agricultural lands and to construct any needed channels.

(i) To provide more satisfactory sub-surface water supplies for the smaller towns of the State.

(j) To improve the condition of water flow where advisable for the production of hydro-electric energy.

(k) To generate and transmit hydro-electric energy to consumers.

(l) To provide for the storage, development, diversion, delivery and distribution of water for the irrigation of agricultural land.

(m) To provide for the drainage of lands injured by or susceptible of injury from the utilization of irrigation water.

(n) To provide water for stock.

(o) To provide water for mining and manufacturing purposes.

(2) To define, declare and establish rules and regulations:

(a) For the sale of waters and water rights to individuals, associations, corporations, and political sub-divisions of the State, and for the delivery of water to users.

(b) For the full and complete supervision, regulation and control of the water supplies within the State.

(c) For the complete supervision and control of acts tending to pollute water courses, for the protection of the health and safety of the people of the State.

(d) For the transmission, sale and distribution of electrical power incidental to the construction, establishment and maintenance of private and public works.

(3) To exercise full power and control of the construction, operation and maintenance of works and collection of rates, charges and revenues realized therefrom.

(4) To sell, lease and otherwise distribute all waters which may be developed, impounded and diverted by the Commission under the provisions of this Act for the purpose of irrigation, development of power, watering of livestock and for any other private or public use.

(5) To exercise all rights, power and authority, express and implied, that may be necessary and to do, perform and carry out all of the expressed purposes of this Act and of all purposes reasonably implied incidental thereto or lawfully connected therewith.

In planning and constructing irrigation projects it shall be the policy of the Commission to give preference to the individual farmer or groups of farmers or irrigation districts who intend to farm the land themselves.

It shall be the duty of the Commission to keep full and complete accounts and records of all matters and things relating to works and projects undertaken, established and maintained by the Commission; to prepare annual balance sheets, income, and profit and loss statements, showing the financial condition of each project, and to file copies thereof with the Secretary of State for public inspection at all reasonable times by any interested parties or citizens of the State.

Upon application by any landowner, or holder of any easement, or holder of any lease of five or more years duration, or of any group or association of such landowners, easement holders, or leaseholders, the Commission shall make such preliminary engineering, soil survey and other investigations as may be necessary to determine the feasibility of any proposed project, provided that such applicant submits, with his application, such fees as the Commission shall establish for projects of different classes.

Following such preliminary survey and upon further application by the applicant or applicants aforesaid, the Commission shall enter into a contract with such applicant or applicants for a complete engineering, soil survey and other investigations of said project, the soil survey to meet such standards as are now or may hereafter be prescribed by the Bureau of Chemistry and Soils of the Federal Government and/or the North Dakota Agricultural College, and the

engineering survey to be of sufficient detail and quality to enable the applicant to comply with the requirements now made, or which may hereafter be made, for obtaining a permit to appropriate water, and which will enable any competent contractor to estimate costs and quantities of material needed within reasonable limits and to install such project without further engineering service.

The contract for such engineering service between the applicant and the Commission shall require the Commission to pay not more than 75 per cent of the cost of such detailed engineering survey and the drawing of the necessary plans and specifications, with not less than 25 per cent to be paid by the applicant.

In any irrigation project undertaken by the Commission serving a single individual, or a group of individuals owning irrigable lands which in the aggregate shall not exceed 120 acres, the works of the Commission may include preparation of the land for irrigation.

§ 9. No dam exceeding ten (10) feet in maximum height, or capable of impounding more than thirty (30) acre-feet of water, shall be constructed in the State, either in a watercourse or elsewhere, without the prior written approval of the Commission. Before granting such approval the Commission shall require the person or organization proposing to construct such dam to file plans and specifications satisfactory to the State Engineer. The State Engineer may inspect such work during construction and require any changes necessary to insure its safety and the safety of life and property.

No sewage disposal plant or works for the water supply of any municipality shall be constructed without the prior approval of the Commission, which shall be granted only upon the approval of the State Health Department; provided, however, that nothing in this Section shall be construed as repealing or affecting any of the laws of this State relating to the functions of the State Health Department.

The provisions of this Section shall not apply to any works constructed by or under the supervision of the United States or any of its officers or employees.

§ 10. ACQUISITION OF NECESSARY PROPERTY AND POWER OF CONDEMNATION.] The Commission shall have full power and authority:

(1) To acquire by purchase or exchange, upon such terms and conditions as it may deem necessary and proper, and/or by condemnation in accordance with and subject to the provisions of all existing laws applicable to the condemnation of property for public use, any lands, rights, water rights of whatever character, easements, franchise and other property deemed necessary or proper for the construction, operation and maintenance of works. Provided, that nothing herein shall be construed to require the Commission,

in condemning any riparian water right, to condemn also the riparian land to which such right may be incident. The title to all property purchased, acquired or condemned shall be taken in the name of the Commission and held in trust for, and for the use and benefit of the people of the State.

(2) To institute, maintain and prosecute to final determination in any of the Courts of this or any other State, or in any of the Federal Courts, any and all actions, suits and special proceedings that may be necessary:

(a) To enable it to acquire, own and hold title to lands for dam sites, reservoir sites, water rights, easements, rights-of-way for diversion and distributing canals, lateral ditches and other means for the distribution of waters in this State, and for any other necessary purposes.

(b) To adjudicate all water rights upon any stream, water course, or source of water supply from which is derived the waters for such reservoir, diversion and distributing canals, lateral ditches and other means of distribution.

(c) To join any and all owners of vested water rights acquired by any person, association or corporation, so that adjudication may be had of all surplus water upon all of the water courses and sources, water supplies or any projects constructed under the supervision and control of the Commission.

(d) To join all persons interested, as parties, in all actions or condemnation proceedings affecting the title of or holding liens upon the property sought to be acquired as disclosed by the public records and the Court in such actions or special proceedings shall implead all parties necessary for a full and final determination of all issues, upon their merits, for the partition and distribution of damages awarded, if any, among such persons in such interests as their rights are made to appear or determined. In the event of controversy between such parties the Court may direct the amount of damages awarded to be paid in or deposited with the Clerk of Court to abide the result of further appropriate proceedings either in law or in equity. The taking possession of property sought to be condemned shall not be delayed by reason of any dispute between rival claimants or the failure to join any of them as parties to such actions or condemnations proceedings.

§ II. CO-OPERATION AND CO-ORDINATION WITH ALL EXISTING AGENCIES.] The State Water Conservation Commission is hereby authorized and empowered to investigate, plan, co-operate and make all contracts or compacts necessary or requisite:

(1) With the United States and any department, agency or officer thereof; (2) With the States of Minnesota, South Dakota and Montana, or any one of them, and with any department, agency or officer of any said State; (3) With the Dominion of Canada or any of its provinces and; (4) With any other agency or depart-

ment or officer of either of them, who may be concerned, or authorized, empowered and covering or involving water conservation, flood control, water pollution, irrigation, soil reclamation, or concerned with any of the powers or duties by this Act imposed upon the Commission for any of the purposes expressed herein.

This power herewith so granted shall extend to all waters, whether considered as intrastate or interstate. The Water Commission is specially authorized and empowered to co-operate with the United States or any of its agencies concerned with investigation, planning, conserving, utilizing, developing, and handling water in any form for purposes of water conservation, flood control, prevention of water pollution or soil reclamation, or with any other resources of the State, and concerned with the administration of the Public Works Program of the State or any part thereof; and it is further authorized to act and to fully contract with the United States, or with any department, agency or officer thereof with full power of purchase, sale, or lease for carrying out, developing, or administering any Federal project within the State of North Dakota, or partly within the State, and also to accept and to use any funds provided by the United States or any agency thereof for any such purposes.

§ 12. DUTIES OF STATE AGENCIES ACTING THROUGH INTERSTATE COMPACTS OR AGREEMENTS.] Every State officer, department, board, and commission heretofore or hereafter authorized by any law of this State to act upon or be concerned with any interstate commission or involving any interstate compact or upon any foreign commission involving any foreign compact, or with any Federal agency or department of the United States, the subject matter of which in any way concerns or involves water conservation, flood control, irrigation, water pollution or contamination, or the exercise of the powers and duties herein granted to the Commission, shall first submit to the Commission its plans, purposes, and contemplated action and receive the approval of the Commission therefor before making any agreement, contract, purchase or sale, or lease, for any of said purposes. The Commission is authorized and empowered to give its aid and assistance to any State agency so acting with respect to any interstate compact including the Tri-State Waters Commission.

§ 13. DUTIES OF STATE AGENCIES CONCERNED WITH INTRASTATE USE OR DISPOSITION OF WATERS.] It shall be the duty of every State officer, department, board, and commission heretofore or hereafter authorized by any law of this State, to take any action, perform any duties, or make any contract which concerns the use or disposition of waters, or water rights, within this State to first submit to the Commission any plans, purposes and contemplated action with respect to the use or disposition of such waters, and thereupon first receive the consent and approval of the Commission

before making any agreement, contract, purchase, sale, or lease to carry into execution any works or projects authorized under this Act.

§ 14. DUTIES OF PRIVATE PERSONS, AGENCIES AND ORGANIZATIONS.] It shall be the duty of any and all persons, including corporations, voluntary organizations, and associations, when concerned with any agreement, contract, sale, or purchase, or the construction of any works or project which involves the use and disposition of any water, or water rights under the jurisdiction of the Commission, to present to the Commission all proposals with respect to the use or disposition of any such waters before making any agreement, contract, purchase, sale, or lease in respect thereof.

§ 15. SPECIAL POWERS OF COMMISSION COVERING PLANS AND APPROPRIATIONS OF WATER AND IRRIGATION.] The Water Conservation Commission is herewith empowered and authorized to make plans, investigations, and surveys concerning the use of any and all waters, either within or without this State, for purposes of establishing, maintaining, operating, controlling, and regulating systems of irrigation works and projects in connection therewith within the State. The Commission shall have all necessary powers of purchasing and selling, leasing and assigning, rights and interests in the use or in the appropriation of waters concerned with such systems of irrigation projects or works in connection therewith and shall possess full authority and jurisdiction to exercise and assert actual possession over the corpus of all of such waters, and to secure control and regulation of the diversion thereof subject to rules and regulations and methods prescribed by the Commission. This power and authority shall include full right to contract and agree with any person, association, or agency concerning water rights possessed by them through which the Commission may be given full authority and jurisdiction over such water and water rights. In connection therewith the Commission may co-ordinate, subordinate, supplement and act jointly or subordinately with the United States and any Federal agencies or department thereof covering or concerning any Federal project affecting water use, works or projects in connection therewith.

§ 16. It is hereby declared that the Commission shall have full control over all public waters of the State now unappropriated, whether above or under the ground, to the extent necessary to fulfill the purposes of this Act.

In acquiring the rights and administering the terms of this Act herein prescribed and established, the Commission shall not be limited to the terms of the statutes of the State of North Dakota relating to water rights heretofore enacted; but, in addition thereto, may initiate a right to the waters of this State by executing a declaration in writing of the intention to store, divert, or control the unappropriated waters of a particular body, stream, or source, designat-

ing and describing in general terms such waters claimed, means of appropriation and location of use, and cause said notice to be filed in the office of the State Engineer, which right shall vest in such Commission on the date of the filing of such declaration. The Commission shall also file in the office of the State Engineer copies of its plans and specifications involved in completing all appropriations of water.

The priority of right shall date and continue from the time of such filing or recording, provided, the means of actual appropriation shall be commenced by actual work of construction within two (2) years from the date of original recording. Change in means or place of diversion or control shall not affect the right of priority, if others are not thereby injured.

It shall be the duty of the Commission, if it shall modify its plans in connection with any proposed project, concerning which the Commission shall have filed a declaration of intention to appropriate waters, to file in the office of the State Engineer a declaration releasing all or part of the waters affected by such declaration.

Upon completing the construction of works and application to beneficial use of the waters described in such declaration, the Commission shall file in the office of the State Engineer a declaration of completion of the appropriation, reciting the matters contained in the original declaration of intention to appropriate.

A certified copy of the record of such declaration of intention to appropriate, or of release of all or part of said waters, or of completion of appropriation, shall be received as competent evidence in all Courts and deemed to be prima facie proof of all matters therein recited.

§ 17. The right of the Commission to the waters within the State of North Dakota so acquired as hereinbefore provided for the purposes defined in this Act shall attach at and from their source and while flowing in the streams, traveling to the means of control as well as when actually confined by such means. The authority and jurisdiction of the Commission shall continue over said waters after they are released for purposes of use and shall continue to such places of use, and the Commission through and by officers and agents acting under its authority may continue to exercise and assert actual possession over the corpus of such waters and prevent the diversion thereof without permission first obtained. The Commission may reclaim and possess all waters furnished or supplied by it seeping or overflowing from the previous place of use.

§ 18. Wherever natural streams are employed as a means of diversion of water from the place of confinement to the place of use, the Commission shall adopt proper methods and means of determining the natural flow of such streams when the amount of such natural flow is insufficient to satisfy or fill the needs of appropriators prior in right.

All appropriators of the natural flow of said streams shall maintain headgates and measuring devices at their respective points of diversion for the purpose of enabling the Commission or its authorized agents to determine the amount of water being diverted at any time, and authority is hereby conferred upon the Commission to adopt and exercise any method or act to prevent the diversion of any waters owned by it without permission first obtained.

Any person owning a water right on said stream may agree with the Commission that it shall have control of the diversion of the waters due under such right, and, in such event, the Commission through its officers and agents may exercise the same authority over the waters due said appropriator and cause them to be delivered to him in the same manner as waters appropriated by the Commission.

§ 19. For that purpose of obtaining financial aid from the United States of America, the Commission may adjust the plans and operation of any project, created under this Act, to conform to the laws and regulations of the Federal Government and the supervision of any board, bureau or commission constituted under such authority, and may exercise such powers whenever conferred.

§ 20. The authority of the Commission conferred by the provisions of this Act shall extend and be applied to any and all rights to the natural flow of the waters of this State which it may acquire by condemnation, purchase, exchange, appropriation or agreement.

For the purpose of regulating the diversion of such waters, the Commission may enter upon the means and place of use of all appropriators for making surveys of respective rights and seasonal needs.

The Commission shall take into consideration the decrees of the Courts of this State having jurisdiction, which purport to adjudicate the waters of any such stream or its tributaries, and a fair, reasonable, equitable reconciliation shall be made between the claimants asserting rights under different decrees and between decreed rights and asserted rights of appropriation not adjudicated by any Court.

The Commission, at its discretion, may hold hearings relating to the rights of respective claimants after first giving such notice as it deems appropriate, and make findings of the date and quantity of appropriation and use of all claimants, which the Commission shall recognize and observe in diverting the waters which it owns. The Commission may police and distribute to the owner of any such recognized appropriation the waters due him upon request of such owner and under terms agreed upon.

The Commission, when engaged in controlling and diverting the natural flow of any stream under the authority granted by this Act, shall be deemed to be exercising a police power of the State of North Dakota, and Water Commissioners appointed by any Court

shall not have any authority or jurisdiction to deprive the Commission of any of the waters owned or administered under agreement with respective owners, provided the owner of any prior or vested right contending that the Commission is not recognizing and respecting such right may resort to a Court of Law or equity for the purpose of determining whether or not the rights of said claimant have been invaded and the Commission shall observe the terms of such final decree.

On the Commission's impounding or acquiring the right of appropriation of the waters of any stream, it may divert or authorize the diversion at any point on said stream, or any portion thereof, when the same may be done without injury to any prior appropriator or riparian owner whose rights shall not have been acquired by the Commission as provided in this Act.

Nothing herein contained shall repeal, amend, or modify any existing Acts or statutes pertaining to the appropriation or use of water except as herein otherwise provided, and nothing herein contained shall be deemed to interfere with any vested rights to the use of water.

§ 21. WATER CONSERVATION REVENUE BONDS.] The Commission is hereby authorized to provide, by resolution, at one time or from time to time, for the issuance of Water Conservation Revenue Bonds not exceeding a total of Three Million Dollars for the purpose of paying the cost as hereinabove defined of any one or more such public works, the principal and interest of which bonds shall be payable from the special fund herein provided for such payment. Such bonds shall mature at such time, or times, either serially or at one time, in not more than thirty (30) years from their date, or dates, as may be fixed by such resolution, but may be made callable before maturity, if so stated in the resolution and on the face of each bond, at 105 per cent of the par value, on any interest paying date, upon thirty days notice, which shall be published once in a newspaper of general circulation in Burleigh County. The Board shall determine the rate of interest such bonds shall bear, not exceeding five per centum (5%) per annum, the time, or times, of payment of such interest, the form of the bonds and the interest coupons to be attached thereto, and the manner of executing the bonds and coupons, and shall fix the denomination, or denominations, of the bonds and the place, or places, of payment of principal and interest thereof, which may be at any bank or trust company within or without the State. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before the delivery of such bonds, such signatures shall nevertheless be valid and sufficient for all purposes, the same as if they had remained in office until such delivery. All such bonds shall be and shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the Negotiable Instruments Law of the State. Such bonds shall

be secured by the revenues of such works and the funds received from the sale or disposal of water and from the operation, lease, sale or other disposition of the works, property and facilities to be acquired out of the proceeds of such bonds and as hereinafter provided.

Provisions may be made for the registration of any of the bonds in the name of the owner as to principal alone or as to both principal and interest. The bonds authorized under the provisions of this Act may be issued and sold from time to time, and in such amounts as may be determined by the Commission and the Commission may sell the bonds in such manner and for such price as it may determine to be for the best interests of the State, but no such sale shall be made for less than par value of each bond. The proceeds of such bonds shall be used solely for the payment of the cost of the works and shall be checked out in such manner and under such restrictions, if any, as the Commission may provide. Prior to the preparation of definitive bonds, the Commission may under like restrictions issue temporary bonds with or without coupons, exchangeable for definitive bonds when such bonds have been executed and are available for delivery. Such bonds may be issued without any other proceedings or the happenings of any other conditions or things than those proceedings, conditions and things which are specified and required by this Act or by the Constitution of the State.

Each resolution providing for the issuance of bonds shall set forth the project or projects for which the bonds are to be issued, and the bonds authorized by each such resolution shall constitute a separate series. The bonds of each series shall be identified by a series of letter or letters, and may be sold and delivered at one time or from time to time.

§ 22. LIEN UPON BOND PROCEEDS.] All moneys received from any bonds issued pursuant to this Act shall be placed in the Construction Fund and applied solely to the payment of the cost of the works and there shall be and hereby is created and granted a lien upon such moneys until so applied, in favor of the holders of the bonds or the Trustee hereinafter provided for in respect of such bonds.

§ 23. TRUST INDENTURE, RESOLUTION AND COVENANTS OF COMMISSION.] In the discretion of the Commission any series of such bonds may be secured by a trust indenture by and between the Commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside of the State. Each trust indenture or an executed counterpart thereof shall be filed in the office of the Secretary of State of North Dakota. The filing of a trust indenture or an executed counterpart thereof in the office of the Register of Deeds of the County in which the property covered by said trust indenture is located shall constitute constructive notice of the contents thereof to all persons from

the time of such filing and no recording of such trust indenture or the contents thereof shall be necessary.

Either the resolution providing for the issuance of bonds or such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper, not in violation of law, including covenants setting forth the duties of the State and the Commission in relation to the acquisition, construction, improvement, maintenance, operation, repair, and insurance of the works, the custody, safeguarding and application of all moneys, and may provide that the works shall be acquired, constructed, or partly acquired and partly constructed and paid for under the supervision and approval of consulting engineers employed or designated by the Commission and satisfactory to the original purchasers of the bonds issued therefor, their successors, assigns, or nominees, who may be given the right to require that security given by contractors and by any depository of the proceeds of the bonds or receipts and revenues of the works, or other moneys pertaining thereto, shall be satisfactory to such purchasers, successors, assigns, or nominees. Such resolution or indenture may set forth the rights and remedies of the bondholders and trustee, restricting the individual rights of action of bondholders as is customary in trust indentures, deeds of trust and mortgages securing bonds and/or debentures of corporations. No enumeration of particular powers hereby granted shall be construed to impair any general grant of power herein contained. All expenses incurred in carrying out such trust indenture may be treated as a part of the cost of maintenance, operation and repairs of the works affected by such indenture.

In connection with the issuance of any such bonds for the purpose of paying in whole, or as supplemented by a grant as aforesaid from the United States of America or any instrumentality or agency thereof, the cost of any works or project, or in order to secure the payment of such bonds, the Commission shall have power :

(a) To pledge all or any part of the income, profit and revenue of such works or project, and all moneys received from the sale or disposal of water, use of water, water storage, or other service, and from the operation, lease, sale or other disposition of all or any part of such works or project, and to covenant to pay such income, profit and revenue into the Revenue Bond Payment Fund.

(b) To covenant against pledging all or any part of the income, profit and revenue of such works or project and all moneys received from the sale or disposal of water, use of water, water storage, or other service, and from the operation, lease, sale or other disposition of all or any part of such works or project.

(c) To covenant against mortgaging all or any part of such works or project, or against permitting or suffering any lien thereon.

(d) To covenant to fix and establish such prices, rates and

charges for water and other services made available in connection with such works or project so as to provide at all times funds which will be sufficient, (1) to pay all costs of operation and maintenance of such works or project together with necessary repairs thereto, and (2) to meet and pay the principal and interest of all such bonds as they severally become due and payable, and (3) to create such reserves for the principal and interest of all such bonds and for the meeting of contingencies in the operation and maintenance of such works or project as the Commission shall determine; and to make such further covenants as to such prices, rates and charges as the Commission shall determine.

(e) To create special funds, in addition to those required by this Act, for the meeting of contingencies in the operation and maintenance of such works or project and to determine the manner in which, and the depository or depositories in which, such funds shall be deposited and the manner in which the same shall be secured, and it shall be lawful for any bank or trust company incorporated under the laws of the State to act as such depository and to furnish such indemnifying bonds or to pledge such securities as may be required by the Commission on all deposits exceeding the sum of Five Thousand Dollars.

(f) To provide for the replacement of lost, destroyed, or mutilated bonds.

(g) To covenant against extending the time for the payment of the principal or interest on any of such bonds, directly or indirectly by any means or in any manner.

(h) To prescribe and covenant as to the events of default and terms and conditions upon which any or all of such bonds shall become or may be declared due before maturity and as to the terms and conditions upon which such declaration and its consequences may be waived.

(i) To covenant as to the rights, liabilities, powers, and duties arising upon the breach by it of any covenant, condition, or obligation.

(j) To vest in a trustee or trustees the right to enforce any covenant made to secure or to pay such bonds, or to foreclose any trust indenture in relation thereto, to provide for the powers and duties of such trustee or trustees, to limit the liabilities thereof, and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any such covenant or exercise the right of foreclosure.

(k) To make covenants and do any and all such acts and things as may be necessary or convenient or desirable in order to secure such bonds, or, in the absolute discretion of the Commission to make such bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated or expressly authorized herein.

(1) It being the intention hereof to give the Commission power to do all things in the issuance of such bonds, and in providing for their security that may not be inconsistent with the Constitution of North Dakota.

§ 24. MORTGAGE OF COMMISSION.] In the discretion of the Commission any trust indenture executed by it as security for a series of such bonds may contain provisions for conveying in trust or mortgaging the works, the project, or any part of such works or project (including all water rights, which are a part thereof), constructed with the proceeds of such bonds or with such proceeds as supplemented by the proceeds of a grant to aid in financing such construction from the United States of America or any instrumentality or agency thereof, and may be in such form, and with such rights, remedies and provisions as is customary in trust indentures, deeds of trust, and mortgages securing bonds and/or debentures of corporations. Any purchaser at any sale of any works or project pursuant to a judgment or decree in an action to foreclose a trust indenture conveying in trust or mortgaging any works or project shall obtain title to such works or project free from any trust or other obligation of the Commission, the State of North Dakota, or the public thereof, as to its operation, maintenance, use or disposition except the obligation to use all water impounded in such works or project for sale, rental distribution, or other beneficial use.

§ 25. FUNDS.] The Commission shall create three funds to be known as "Administration Fund," the "Construction Fund" and as the "Revenue Bond Payment Fund." The moneys in each such fund shall be deposited in such depository or depositories and secured in such manner as may be determined by the Commission. It shall be lawful for any bank or trust company incorporated under the laws of this State to act as such depository and to furnish such indemnifying bonds or to pledge such securities as may be required by the Commission on all deposits exceeding the sum of Five Thousand Dollars.

The Commission shall establish a complete system of accounting to show—the total expenditure of and investment in each project and the total revenue derived therefrom and to prepare periodic reports giving the financial statement of each project and the status of all projects together.

§ 26. CONSTRUCTION FUNDS.] The proceeds of the bonds of each series issued under the provisions of this Act shall be placed to the credit of the Construction Fund, which fund shall at all times be kept segregated and set apart from all other funds. There shall be also credited to the Construction Fund all accrued interest upon the bonds and the interest received upon the deposits of moneys in such fund and moneys received by way of grant from the United States or from any other source for the construction of the works.

The moneys in the Construction Fund shall be paid out or disbursed in such manner as may be determined by the Commission, subject to the provisions of this Act, to pay the costs of the works as hereinabove defined. Any surplus which may remain in the Construction Fund, after providing for the payment of the cost of the works, shall be added to and become a part of the Revenue Bond Payment Fund hereinafter provided for.

§ 27. REVENUE BOND PAYMENT FUND.] To identify and distinguish the fund provided and available for the payment of the bonds issued pursuant to this Act and there is hereby created and established, as a part of the moneys of this State received and kept by the State Treasurer, a fund to be designated the Revenue Bond Payment Fund. All moneys received by the State Treasurer whether from payments made by the Commission or from Legislative appropriation or from the proceeds of taxes or otherwise, which shall be by law or by other authoritative designation made applicable to the payment of said bonds or interest thereon shall be kept by the State Treasurer in such fund distinct from all other moneys and shall be disbursed by him only for the particular purpose or purposes for which such moneys shall be delivered to him and no other appropriation shall ever be made of the moneys in such fund until such bonds shall be fully paid.

§ 28. APPROPRIATION TO PAY PRINCIPAL AND INTEREST OF REVENUE BONDS.] There is hereby appropriated all moneys paid to the State Treasurer by the Commission for conversion into the Revenue Bond Payment Fund and all moneys constituting the Revenue Bond Payment Fund or so much thereof as may be necessary from time to time to pay the interest and the principal payment on such revenue bonds; and such appropriation is out of moneys not otherwise appropriated and is irrespective of the provisions of the bill concerning the budget and whenever any of such revenue bonds, or any coupons thereon, being due, shall be presented for payment, the State Treasurer shall pay the same out of such fund applicable thereto.

§ 29. The State Treasurer shall pay the interest on said bonds upon presentment to him of the coupons for such interest when due, and shall redeem such bonds upon their maturity by paying the principal thereof, all such payments to be made out of the Revenue Bond Payment Fund without Auditor's warrant. All moneys in such fund, or so much thereof as may be necessary, is hereby appropriated for the payment of the interest and the principal of such bonds, and this appropriation shall not be repealed, and no provisions made in this Act for the payment of said bonds and interest shall be discontinued until the debt evidenced by said bonds, both principal and interest, shall have been paid.

§ 30. All the property of the Commission shall be exempt from taxation.

§ 31. APPROPRIATION.] There is hereby created a special fund to be known as "Administration Fund," into which there is hereby appropriated out of any money in the Treasury of the State, not otherwise appropriated, the sum of One Hundred Twelve Thousand Five Hundred Dollars (\$112,500); provided, however, that such appropriation shall be deemed and held valid notwithstanding the provisions of the Budget Act. All general administrative expenses of the Commission, the compensation and expenses of its employees, and the cost of investigations, planning, surveying, as authorized by this Act, shall be paid from the Administration Fund and also the cost of all preliminary work on any project and all expenses directly chargeable to such project, prior to the receipt of the proceeds of bonds, shall be paid from the Administrative Fund. The amount of all such expenses on account of any project and such part of the general administrative expenses of the commission, its employees and of the cost of investigation as shall be properly chargeable, in the opinion of the Commission to such projects, shall be reimbursed to the Administration Fund upon the receipt of the proceeds of Revenue bonds issued and sold pursuant to this Act. No liability or obligation shall be incurred under the provisions of this Act beyond the extent to which money shall have been provided under its authority.

The Commission shall have authority to receive and accept appropriations and contributions from any source of either money or property or other things of value, to be held, used, and applied for the purposes in this Act provided.

§ 32. ACT LIBERALLY CONSTRUED.] This Act, being necessary for the welfare of the State and its citizens, shall be liberally construed to effect the purposes hereof.

§ 33. PROVISIONS OF THIS ACT SEVERABLE.] The Sections and provisions of this Act are severable and are not matters of mutual essential inducement, and it is the intention to confer the whole or any part of the powers herein provided for, and if any Section or provisions or part thereof is for any reason held to be unconstitutional, void or inoperative, it is the intention that the remaining Sections and provisions and parts thereof shall remain in full force and effect.

§ 34. REPEAL.] All Acts, or parts of Acts in conflict herewith, are hereby repealed.

§ 35. EMERGENCY.] Because of the inability of thousands of citizens throughout the State to find employment and to support themselves and their families in the present depression, and because of serious crop failures, and health hazards, resulting from

unprecedented drought conditions, it is necessary to proceed immediately with the construction of the works authorized by this Act in order to create employment, assist the growing crops and prevent irreparable injury to the people of the State. An emergency is hereby declared to exist, and this Act shall be in full force and effect from and after its passage and approval.

Approved March 6, 1937.

CHAPTER 256

H. B. No. 52—(Niewoehner and Graham)

VALIDATING FLOOD IRRIGATION PROJECT PROCEEDINGS

An Act to validate and legalize proceedings heretofore taken to establish and construct flood irrigation projects, issue bonds, warrants and other evidences of indebtedness to finance the cost of such projects, levy assessments and taxes for the payment of such indebtedness, and declaring such obligations and obligations issued or to be issued to fund such indebtedness valid and legal, and declaring an emergency.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. All proceedings had or taken by the Boards of County Commissioners of the Counties of this State to appoint Boards of Flood Irrigation in any of the Counties of this State and all proceedings had or taken by any Boards of Flood Irrigation so appointed to establish and construct flood irrigation projects in any County of this State and all indebtedness incurred by either or both of said Boards to establish, construct and complete any such flood irrigation projects, and all proceedings had or taken prior to the date this Act takes effect, to assess benefits or levy assessments and taxes for the cost thereof, including notices of hearings in connection with the creation of any flood irrigation district or for any assessment of damages and benefits resulting from flood irrigation projects, and all bonds, warrants, orders or other evidences of indebtedness and all obligations incurred to establish and construct any such flood irrigation projects are hereby declared to be valid and legal. All bonds, warrants or other evidences of indebtedness issued to fund said indebtedness or any part thereof, or to finance the cost of any such flood irrigation project, the construction of which was started prior to the date this Act takes effect, are hereby declared to be valid and legal obligations, notwithstanding any defects in giving notice of hearings, or any other irregularities in any proceedings.

§ 2. This Act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

Approved February 15, 1937.

CHAPTER 257
H. B. No. 341—(Niewoehner)

MOUSE RIVER VALLEY AUTHORITY

An Act to establish a Mouse River Valley Authority, and to fix its powers and duties.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby created a Board to be known as the Mouse River Valley Authority which shall consist of the Governor, a member selected by the United States Bureau of Biological Survey, the Commissioner of Agriculture and Labor, and the State Engineer of the State of North Dakota, and one member selected by the Board of County Commissioners of each of the Counties of Renville, Ward, McHenry and Bottineau. The members first selected and each new member shall be selected from the membership of the Board of County Commissioners appointing him, but a member who shall cease to be a County Commissioner shall not thereby forfeit his membership on the Board of the Mouse River Valley Authority, provided, however, that removal from the County from which he was appointed shall be equivalent to resignation. In the interests of continuity of membership, each member shall serve for such period of time, without limit, as may be desired by the Board appointing him, and his membership shall terminate when, and only when, a successor is appointed and qualified.

§ 2. The Board shall meet within thirty days after this Act takes effect upon the call of the State Engineer and shall organize and select a chairman and a secretary from among its members, and it shall thereafter meet at such time and at such place within any of said Counties, as may be designated by resolution passed by the Board at a meeting, or as may be designated by the chairman upon ten days notice to the members thereof.

§ 3. All members of the Mouse River Valley Authority shall serve without additional compensation but shall receive their actual and necessary expenses incurred in the performance of their duties. The expenses of the State Engineer, the Governor, the member selected by the United States Bureau of Biological Survey, and the Commissioner of Agriculture and Labor shall be paid as their expense is ordinarily paid from the appropriation for their offices and the expenses of the members of the several Boards of County Commissions shall be paid by their respective Counties in the same manner as their expenses as members of the Board of County Commissioners are paid. Where a member of the Mouse River Valley Authority continues to serve as such after he has ceased to be a County Commissioner, his expenses shall be paid by the County which he represents on said Authority.

§ 4. It shall be the continuing duty of the Mouse River Valley Authority to give thorough and careful consideration to a comprehensive program for the development of the water, agricultural, game and fish, and recreational resources of the Mouse River Valley, including the daming and conservation of the waters thereof, the prevention of floods in the valley; the use of the waters for irrigation; the restoration of marsh lands, game and fish reserves, and generally to study and make recommendations concerning individual water development projects proposed within the Mouse River Valley with a view to the ultimate effect upon the entire Mouse River Valley as a whole.

§ 5. All proposed water development or conservation projects within the Mouse River Valley shall be submitted to and considered by the Mouse River Valley Authority before the same shall be undertaken and the said Mouse River Valley Authority, after a full hearing and consideration thereof, shall make such recommendations, objections and suggestions as may in the judgment of the Board be necessary to bring the proposal in harmony with the general development of the water resources of the valley as a whole.

§ 6. The Mouse River Valley Authority shall have the power and it shall be its duty to recommend, petition for, supervise and assist in the supervision of the construction of water development or conservation or agricultural projects at any place within the valley, and the petition of the Mouse River Valley Authority to any water conservation district or to the State Water Conservation Commissioner, or to any other officer or Board now existing or hereafter created, having any control over or function to perform relating to the Mouse River or the waters therein, shall be given the same force and effect as the petition of a City, Village or Township.

§ 7. The Mouse River Valley Authority shall have the power and it shall be its duty to adopt rules and regulations relative to the use of waters of the Mouse River for irrigation. Such rules shall regulate the flow of waters of such Mouse River and shall make provisions for the return of excess waters impounded during the irrigation season. The Mouse River Authority shall also have the power to appoint a competent water master.

§ 8. Nothing herein contained shall repeal, amend, or modify any existing Acts or statutes pertaining to the appropriation or use of water, and nothing herein contained shall be deemed to interfere with any vested rights to the use of water.

§ 9. REPEAL.] All Acts, or parts of Acts, in conflict herewith are hereby repealed.

Approved March 10, 1937.

CHAPTER 258

S. B. No. 180—(Coffey, Young, Fredrickson, Cain, Fowler, Nelson (Grand Forks), Brostuen, Stucke, Skarvold, Thatcher, Whelan, Vinje, Lian, Nelson (Barnes), Crandall, Lavik, Johnson, Bilden, Strehlow and Watt)

RED RIVER OF THE NORTH DRAINAGE BASIN COMMISSION

An Act creating a Red River of the North Drainage Basin Commission consisting of three members, one of whom shall be the Governor and two members appointed by the Governor, to act jointly with Commissions appointed for like purposes by the States of Minnesota and South Dakota with power to supervise the utilization and control of the waters of that portion of the drainage basin of the Red River of the North lying within the States of Minnesota, South Dakota and North Dakota.

WHEREAS, the States of Minnesota, South Dakota and North Dakota share the drainage basin of the Red River of the North and have a common interest in the most advantageous utilization of the surface waters of this drainage basin, in the control of the flood waters of this area, and in the prevention of pollution of these public waters, and

WHEREAS, action by individual States is inadequate to effectuate these purposes in a manner most advantageous to the common welfare of the people living in this drainage basin, and

WHEREAS, the only manner in which effective action can be taken with reference to these purposes is to create by compact between the said three States an Interstate Authority vested with sufficient power, and

WHEREAS, such an Authority can best be created by the passing by the Legislatures of each of said States of substantially identical bills providing for the creation of such an Interstate Authority.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. There is hereby created a Red River of the North Drainage Basin Commission, consisting of three members to act jointly with Commissions appointed for like purposes by the States of Minnesota, South Dakota, to be called the Tri-State Waters Commission of said three States. Said Commission for the State of North Dakota shall consist of three members; one of whom shall be the Governor of the State of North Dakota and two members to be named by the Governor; provided, however, that one of such members so named by the Governor shall be an actual resident of the Red River of the North Drainage Basin in North Dakota.

ARTICLE I

Each of the States of Minnesota, South Dakota and North Dakota undertakes to co-operate with the other two States for the most advantageous utilization of the public waters of the drainage

basin of the Red River of the North, for the control of the flood waters of this drainage basin, and for the prevention of the pollution of such waters.

ARTICLE II

To that end the said three States do hereby create a district to be known as the Tri-State Waters Area, which shall comprise that portion of the drainage basin of the Red River of the North, lying within the boundaries of the said States.

ARTICLE III

The said three States do hereby create the Tri-State Waters Commission, which shall be a body corporate and shall have the powers, duties and jurisdiction herein set forth and such other powers, duties and jurisdiction as shall hereafter be conferred upon it by acts of the legislatures of each of said three states concurred in, when of a character to require such concurrence, by Act of Congress.

ARTICLE IV

The Tri-State Waters Commission hereafter in this compact called the Commission, shall consist of nine Commissioners, three from each State, Minnesota, South Dakota and North Dakota. The Commissioners for the State of North Dakota shall not be entitled to compensation except the actual necessary traveling expenses incurred in discharge of their duties in connection with this Act.

ARTICLE V

The Commission shall elect from its number a chairman and vice-chairman and shall appoint and at its pleasure remove an executive secretary and such other officers and assistants as may be required to carry the provisions of this compact into effect, and shall fix and determine their duties, qualifications and compensation.

It shall adopt a seal and suitable by-laws and shall promulgate rules and regulations for its management and control.

It may maintain one or more offices for the transaction of its business and may meet at any time or place within the said States.

A majority of the members from each State shall constitute a quorum for the transaction of business, the exercise of any powers, or the performance of any duties, but no action of the Commission shall be binding unless at least two of the members from each State shall vote in favor thereof.

The Commission shall keep accurate accounts of all receipts and disbursements and shall make an annual report to the Governor of each State setting forth in detail the operations and transactions conducted by it pursuant to this compact, and shall make recommendations for any legislative action deemed by it advisable, including amendments to the statutes of the said signatory States

which may be necessary to carry out the intent and purpose of this compact, and such changes in the area of the district as may seem desirable.

The Commission shall not incur any obligations for salaries, office or other administrative expenses prior to the making of appropriations adequate to meet the same. The State of North Dakota shall not be liable in any manner for any damages, costs or obligations by reason of any action under the operation of this Act or by reason of any action or any regulation by the Tri-State Waters Commission. Each State reserves the right to provide hereafter by law for the examination and audit of the accounts of the Commission by its comptroller or other official.

The Commissioners shall meet and organize within thirty days after the effective date of this compact.

ARTICLE VI

It shall be the duty of the Commission to survey and study the various water problems relating to water supply, flood control, public health, water pollution, navigation, wild life, irrigation, drainage, water power, recreation, lake levels and stream flow within the Tri-State Waters Area, and to formulate a program of regulation of water levels, stream flow and water pollution.

Such programs formulated by the Commission shall conform to the constitutions of each of the several States concerned.

ARTICLE VII

Programs and plans for works of an interstate character in said drainage areas prepared by the State, municipal or industrial agencies shall receive the approval of the Commission before construction is begun.

It shall be the duty of the Commission to maintain and control lake levels and stream flow within the Area, but such action shall be taken only with the approval of the authorized State agencies.

The Commission shall have power to co-operate with any duly authorized Federal, State or municipal agency in studies and surveys, construction, maintenance and operation of water projects within the scope of its jurisdiction.

The Commission is hereby authorized to receive and to accept, and in the name of that State wherein the same is located, any water construction unit or units or control works constructed and completed by any Federal, or other agency.

The Commission shall be authorized to exercise the power of eminent domain, to acquire such real and personal property as may be reasonably necessary to effectuate the purposes of this compact, and to exercise all other powers not inconsistent with the constitutions of the States of Minnesota, South Dakota and North Dakota, or with the constitution of the United States, which may be reason-

ably necessary or appropriate for or incidental to the effectuation of its authorized purposes, and generally to exercise in connection with its property and affairs and in connection with property within its control any and all powers which may be exercised by a private corporation in connection with similar property and affairs.

ARTICLE VIII

All costs incident to the construction, control, maintenance and operation of any project shall be allocated by the Commission to benefitted taxing units, which are authorized and directed to levy taxes at such times as authorized by law and in such amounts as to pay such costs in full within two years after such allocation. Such costs may be estimated and allocated in advance of expenditures subject to proper allowances in subsequent allocations in so far as actual expenditures may vary from estimates.

ARTICLE IX

Should any part of this compact be held to be contrary to the constitution of the State of North Dakota or of the United States such part of said compact shall become inoperative as to the State of North Dakota but all other severable provisions of this compact shall continue in full force and effect.

ARTICLE X

EMERGENCY.] This Act is hereby declared to be an emergency measure and shall take effect from and after its passage and approval.

Approved March 10, 1937.

INITIATED MEASURES

CHAPTER 259 LIQUOR CONTROL ACT

An Act to authorize, regulate, and control the transportation, importation, handling, possession, purchase, sale and dispensing of alcohol, and alcoholic beverages in the state of North Dakota; defining alcoholic beverages, providing the method of taxing and licensing the same, providing the manner of expending and distributing the revenues from such licenses and taxes; providing penalties for violations of the provisions of said Act, providing for a saving clause as to the constitutionality of any part of the Act; and repealing all Acts and parts of Acts in conflict therewith.

Be It Enacted by the People of the State of North Dakota:

§ 1. This Act shall be known as the Liquor Control Act.

§ 2. Alcohol, and alcoholic beverages mean and include any alcoholic, spirituous, vinous, fermented, malted, or other liquor which contains more than four percentum (4%) of alcohol by weight.

§ 3. Alcohol and alcoholic beverages, as defined by Section two herein, may be imported, transported, possessed, purchased, and sold in the State of North Dakota, in the manner and under the conditions set forth in this Act.

§ 4. Any person having a legal and bona fide residence in, and being a citizen of the State of North Dakota, may engage in the wholesale or retail sale of alcohol and alcoholic beverages in the manner and pursuant to the regulations and restrictions contained in this Act. Provided, that no person shall hold a wholesale and a retail license at the same time.

§ 5. Any person engaging in the retail sale of alcohol and alcoholic beverages as herein defined must first procure from the governing body of the City or Village, wherein the said business is to be conducted, a license, the fee therefor to be not less than Two Hundred (\$200.00) Dollars, or more than One Thousand (\$1,000.00) Dollars, to be determined by the governing body of such City or Village; and any person desiring to engage in the retail sale of alcohol and alcoholic beverages at a place other than in the incorporated limits of a City or Village must first procure a license from the County Commissioners at the County in which such business is to be conducted, which license fee shall not be less than Two Hundred (\$200.00) or more than One Thousand (\$1,000.00) Dollars, to be determined by the said Board of County Commissioners; provided that the fee for such license shall be the same to each individual within each of the said political sub-divisions respectively; provided further that such license shall not be transferable, except to the executors or administrators of a deceased license holder.

It is further provided that such retail license shall not permit the sale at any one time to any person of an amount greater than five wine gallons.

§ 6. Before any person residing in the State of North Dakota shall engage in the sale at wholesale of alcohol and alcoholic beverages as defined herein, he shall first procure from the City or Village where said wholesale business is to be conducted a license so to do, which shall be in the sum of not less than Five Hundred (\$500.00), or more than One Thousand (\$1,000.00), to be determined by said governing body of said City or Village, provided that fee therefor shall be the same to all licensees within each City or Village, respectively; provided further, that the wholesale business as used herein shall mean, for the purpose of determining where the same shall be issued, the place where the home office and principal warehouse is kept. Provided that if warehouses or offices are

maintained in more than one city a separate license shall be had for each such warehouse.

§ 7. There shall be levied and collected on all alcohol and alcoholic beverages as defined therein and sold at retail the following excise taxes:

- (1) On all beer, malt and ale containing more than 4% alcohol by weight, the sum of 8¢ per gallon.
- (2) On all light wines up to 14% alcohol by weight, the sum of 10¢ per gallon.
- (3) On all wines from 14% to 21% of alcohol by weight, the sum of 20¢ per gallon.
- (4) On all wines from 21% to 24% of alcohol by weight, the sum of 40¢ per gallon.
- (5) On all wines containing more than 24% of alcohol by weight, the sum of 60¢ per gallon.
- (6) On all natural sparkling wines containing alcohol, the sum of 60¢ per gallon.
- (7) On all artificial sparkling wines containing alcohol, the sum of 30¢ per gallon.
- (8) On all other liquors; liqueurs and cordials, the sum of 60¢ per gallon.

Provided, that in computing the tax on any package of spirits a proportionate tax at a like rate on all fractional parts of a gallon shall be paid, except that all fractional parts of a gallon less than 1-16 shall be taxed at the same rate as shall be taxed for 1-16 of a gallon.

§ 8. Stamps representing the excise tax set forth in Section seven hereof shall be securely affixed to each package or original container, sold by or in the possession of any retail dealer, and it shall be unlawful for any person to possess any original package or other container containing such alcohol or alcoholic beverage within the State of North Dakota upon which there are not affixed thereto such stamp or stamps and any alcohol or alcoholic beverage found in the possession of any person without such stamps attached, except liquor in transit and consigned to a duly licensed wholesaler within the State of North Dakota, as herein defined, shall be subject to seizure and confiscation by any peace officer.

§ 9. The stamps herein provided for shall be prepared and printed by the State Treasurer in such form and denominations as may be necessary for the carrying out of the provisions of this Act, and shall be issued to and sold to all wholesale dealers upon requisition thereof from time to time; and it is hereby made the duty of such wholesaler under this Act to attach to or cause to be attached to each package or container in the proper amounts such stamps as are provided for in this Act before the same are delivered,

shipped to, or consigned to any retail dealer, and to keep a record thereof, designating the County, City and/or Village to which the same are shipped, and report to the State Tax Commissioner the location of the retailer, to whom said sale, delivery, or consignment is made.

All expenses of the State Treasurer in complying with the provisions of this Act shall be deducted from the monies received from the sale of such stamps, and the remainder thereof shall be paid to the various County Treasurers of the State of North Dakota in proportion to the amount delivered to retailers in the various Counties; provided that no distribution shall be made in excess of the amount actually accounted for by the wholesaler, and that any monies on hand, received from wholesalers, shall be held until such time as the wholesaler reports the destination by Counties of the containers to which said stamps are attached.

The distribution of the funds from the sale of said stamps, among the various Counties, shall be under the supervision and control of the State Tax Commissioner, provided, that such money so distributed shall be used exclusively to replace the taxes now levied and extended against real estate.

§ 10. No retailer shall be permitted to sell any alcoholic beverages to a minor, incompetent person, Indian as defined by Federal Law, or a person who is an inebriate, or habitual drunkard.

§ 11. Any Lodge or Club, having a membership of 200 members, or more, and being in existence at the time of the adoption of this Act, may procure a license for the sale at retail of alcohol, and alcoholic beverages as herein defined, provided, however, that under such license, sales may be made only to members thereof.

§ 12. There is hereby conferred upon the governing bodies of Cities and Villages, and of the Board of County Commissioners, within their respective jurisdictions, the authority to revoke licenses for cause, and to regulate the retail sale of alcohol and alcoholic beverages, subject to review by the Courts of this State.

§ 13. This Act shall not be construed to apply to the following articles, when they are unfit for beverage purposes, to-wit:

(a) Denatured alcohol produced and used pursuant to the Acts of Congress, and the regulations thereunder.

(b) Patent, proprietary, medical, pharmaceutical, antiseptic, and toilet preparations.

(c) Flavoring extracts, syrups, and food products.

(d) Scientific, chemical, and industrial products, nor the manufacture or sale of said articles containing alcohol.

It is further provided that this Act shall not apply to wines delivered to priests, rabbis, and ministers for sacramental use;

provided further that this Section shall not apply when a person shall knowingly sell any of the articles enumerated in paragraphs a, b, c, and d, for beverage purposes, or shall sell any of the same under circumstances under which the seller might reasonably deduct the intention of the purchaser to use them for such purposes.

It is further provided that this Act shall not affect the sale of beer containing 3.2% alcohol by weight as now provided by law.

§ 14. Any person violating any of the provisions of this Act shall, upon conviction, as a first offense, be fined not more than Five Hundred (\$500.00) Dollars, or imprisonment in the County jail for not more than 90 days or by both such fine and imprisonment. Any subsequent offense shall be fined not more than One Thousand (\$1,000.00) Dollars, or by imprisonment in the County jail for not more than six months, or by both such fine and imprisonment. And shall the person so convicted be the holder of a license the same shall be revoked by the Governing body issuing the same, and such conviction shall be sufficient evidence and ground for such revocation.

§ 15. The object of this enactment is to provide for the sale and regulation of alcohol and alcoholic beverages in the State of North Dakota, and it is hereby declared that if any provision of this Act in any manner controverts the provisions of the Constitution of this State, that the remaining provisions would have been enacted by the people, even though such provision had been eliminated from the Act. Hence, if any of the provisions are found to be in violation of the Constitution the remaining provisions shall not be affected by such invalidity, but shall remain in full force and effect.

§ 16. All Acts, or parts of Acts, in conflict with the operation of the provisions of this Act are hereby repealed.

Approved November 3, 1936, 147,330 to 128,064.

ABOLISHING ABSENT VOTER'S BALLOT LAW

An Act abolishing the Absent Voters Ballot Law and repealing Article 16 of Chapter 11 of the Political Code of the Compiled Laws of 1913, for the State of North Dakota, and Acts amendatory thereof. Disapproved, June 24, 1936. 108,792 to 61,677.

EXPENDING FEDERAL FUNDS FOR POLITICAL PURPOSES

An Act to provide that it shall be a misdemeanor for any person who has any jurisdiction or authority over the expenditure, or who has been placed in charge of expending, or authorizing the expenditure of any funds contributed or granted, in whole or in part, by the United States or any department or agency or instrumentality thereof for the purpose of alleviating suffering, relieving unemployment, or eradicating misery, distress or pestilence, in the State of North Dakota, or for any person who is employed by any person, firm or corporation, municipality, board of sub-division, whose compensation is paid, in whole or in part, with any such funds, to directly or indirectly promise any employment to any person whomsoever, where the said compensation for such employment may be paid, in whole or in part, out of any such funds, or to directly or indirectly offer or promise to offer, to aid or assist any such person or any officer, county, ward, district, or municipality, in obtaining any such employment, or any such funds for any project eligible therefor, or to directly or indirectly make or offer to make any expenditure, or cause any expenditure to be made or offered, to any person with the intent to induce or influence any such person or any such officer either to vote or to withhold his vote, or to vote for or against any candidate or to persuade or influence others to vote in any Primary or General Election for any public office or any proposition whatsoever, and to prescribe penalties for the violation of this Act.

Disapproved, June 24, 1936. 96,716 to 74,579.

CONSTITUTIONAL AMENDMENTS

ASSESSMENT OF PROPERTY—WHERE AND HOW MADE
 (Submitted by the Legislature)

Chapter 101—Session Laws 1935

A Concurrent Resolution to amend and re-enact Section 179 of Article II of the Constitution of the State of North Dakota as amended by Article 20 of the amendments thereto, relating to revenue and taxation.

Disapproved, June 24, 1936. 147.009 to 36.187.

ELECTION, TERMS, COUNTY OFFICERS
(Submitted by the Legislature)

Chapter 102—Session Laws 1935

A Concurrent Resolution providing for the amendment of Section 173 of Article 10 of the Constitution of North Dakota, as amended by Article 41 of the amendments thereof, and as amended by Chapter 84 of the 1933 Session Laws of the State of North Dakota, relating to County officers.

Disapproved, June 24, 1936. 111,007 to 50,183.

LEGISLATIVE POWER, INITIATIVE AND REFERENDUM
(Submitted by the Legislature)

Chapter 103—Session Laws 1935

A Concurrent Resolution providing for the amendment of Section 25 of Article 2 of the Constitution of the State of North Dakota, relating to the Legislative Power of the State, and the Initiative and Referendum.

Disapproved, June 24, 1936. 127,511 to 41,500.

SALE OF SCHOOL AND PUBLIC LANDS
(Submitted by the Legislature)

Chapter 104—Session Laws 1935

A Concurrent Resolution providing for the amendment of Section 158 of Article 9 of the Constitution of North Dakota as amended by Article 13 of the Amendments thereof, relating to school and public lands.

Disapproved, June 24, 1936. 108,703 to 51,691.

**SALE, RENTAL AND DISPOSAL, SCHOOL AND UNIVERSITY
LANDS**
(Submitted by the Legislature)

Chapter 105—Session Laws 1935

A Concurrent Resolution providing for the amendment of Section 156 of Article 9 of the Constitution of North Dakota, relating to investment of funds arising from the sale, rental and disposal of school and university lands.

Disapproved, June 24, 1936. 108,064 to 47,987.

REFERRED MEASURES

RETAIL SALES TAX

(Referendum of S. B. 313, 1935 Legislative Assembly)

Chapter 276—Session Laws 1935

An Act to equalize taxation and replace in part the tax on property; to provide the public revenue to be used for such replacement by imposing a tax on the gross receipts from retail sales as defined herein; to provide for the collection of such tax, the distribution and use of the revenue derived therefrom, and the administration of said law; to provide for certain deductions and exemptions; to make an appropriation for the administration of this Act; to fix fines and penalties for the violation of the provisions of this Act; to repeal all Laws or parts of Laws in conflict herewith and declaring an emergency.

Approved, July 15, 1935. 75,166 to 65,890.

JURISDICTION POLICE MAGISTRATES AND CITY JUSTICES OF THE PEACE

(Referendum of S. B. 185, 1935 Legislative Assembly)

Chapter 205—Session Laws 1935

An Act defining the jurisdiction of Police Magistrates and City Justices of the Peace in criminal actions in cities of five thousand inhabitants or more in Counties wherein the County Court does not have increased jurisdiction; qualifications and fees of said Police Magistrates and City Justices of the Peace; procedure, jurors and officers in said Police Magistrates Courts and Courts of said City Justices of the Peace; limitations of jurisdiction of Justices of the Peace in said cities; and repealing all Acts and parts of Acts in conflict therewith.

Disapproved, June 24, 1936. 110,331 to 42,304.

WEIGHING, ETC., LIVESTOCK AT PACKING PLANTS, ETC.

(Referendum of H. B. 7, 1935 Legislative Assembly)

Chapter 3—Session Laws 1935

An Act to provide for the weighing, grading, feeding, docking and watering of livestock at packing plants, slaughtering houses and concentration points.

Disapproved, June 24, 1936. 120,229 to 49,069.

MUNICIPAL CONTROL ACT—LIQUOR
(Referendum of S. B. 175, 1935 Legislative Assembly)

Chapter 203—Session Laws 1935

An Act providing for a system of municipal control of the purchase, sale, importation, transportation, handling, possessing, dispensing and use of alcohol and alcoholic beverages by any incorporated city of the State having a population of two hundred or more; the levy and collection of a tax thereon; the duties of the State Treasurer; providing for injunctions against and abatement of liquor nuisances; the continuing in force of the present statutory regulations prohibiting the manufacture, sale and possession of intoxicating liquors; providing penalties for violations of the provisions of this Act.

Disapproved, June 24, 1936. 105,832 to 78,337.

INCOME TAX
(Referendum of S. B. 294, 1935 Legislative Assembly)

Chapter 271—Session Laws 1935

An Act to amend and re-enact Section 2346a11 of the Supplement to the Compiled Laws of 1913, as amended and re-enacted by Section 2 of Chapter 253 of the 1933 Session Laws; Section 2346a20 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by Section 4 of Chapter 253 of the 1933 Session Laws; Section 2346a18 of the Supplement to the Compiled Laws of 1913 as amended and re-enacted by sub-section 4 of Section 4 of Chapter 283 of the 1931 Session Laws, relating to the taxation of income of individuals, fiduciaries and corporations; repealing that portion of Section 2346a46 of the Supplement to the Compiled Laws of 1913 as was amended and re-enacted by paragraph (b) of Sub-section 4 of Section 6 of Chapter 283 of the 1931 Session Laws and repealing sub-section 7 of Section 4 of Chapter 283 of the 1931 Session Laws, and repealing Sub-section 7 of Section 2346a30 of the 1925 Supplement to the Compiled Laws, and all other Acts or parts of Acts in conflict herewith, and declaring an emergency.

Disapproved, June 24, 1936. 127,359 to 45,498.

RESOLUTIONS

House Concurrent Resolution A-1—(Olson of Adams)

RELATING TO PRODUCTION OF ALCOHOL FOR BLENDING PURPOSES

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

That the "North Dakota Commissioners of the Federated Co-operative Agricultural Association" existing under the provisions of Chapter 4 of the 1935 Session Laws be requested to make, with the aid and assistance of the State Food Commissioner and Chemist, an inspection of the plants located at Atchison, Kansas, and other places producing alcohol for blending with gasoline to investigate the feasibility of establishing within this State one or more similar plants, which could use our surplus crops and low grade farm products, and of interesting capitalists in such enterprise.

That the said Commissioners be further requested to make to the next Legislature, or to the Governor for publication if sooner available, a report on any Federal legislation that might be enacted for compulsory blending of a certain per cent of ethyl alcohol in the gasoline consumed in the United States.

Filed March 5, 1937.

House Memorial Resolution H—(Hagen)

MRS. ANDERSON

WHEREAS, Our Creator in His infinite wisdom has seen fit to call His own the wife of our colleague, Representative Anderson,

BE IT RESOLVED, That the House this day express to Representative Anderson and his family in all sincerity its sympathy and condolence,

BE IT FURTHER RESOLVED, That a copy hereof be signed and presented to Representative Anderson, and that this resolution be printed in the Journal.

Filed February 5, 1937.

(Senate Concurrent Resolution O)

APPROVING (PUBLIC NO. 182—74TH CONGRESS) RELATING
TO AGRICULTURE

Expressing assent of the Legislature of the State of North Dakota to the provisions and purpose of the Act approved June 29th, 1935 (Public No. 182, 74th Congress).

WHEREAS, there has been enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, an Act to provide for research into basic laws and principles relating to Agriculture and to provide for the further development of co-operative agricultural extension work and the more complete endowment and support of land-grant colleges, approved June 29, 1935 (Public No. 182—74th Congress), and

WHEREAS, the provisions of the Act and the purpose of the grants of money authorized by the Act are made subject to the Legislative assent of the several States and Territories,

THEREFORE, BE IT RESOLVED by the Senate of the Legislature of the State of North Dakota, House of Representatives concurring, that the assent of the Legislature of the State of North Dakota, required by the said Act, be and the same is hereby given.

THEREFORE, BE IT FURTHER RESOLVED that the Secretary of State is hereby instructed to send two certified copies of this resolution to the Secretary of Agriculture, Washington, D. C.

Filed March 6, 1937.

Senate Resolution M—(Thorson and Fine)

PROTESTING RATIFICATION OF THE ARGENTINE SANITARY
CONVENTION

WHEREAS, it is indicated that there is a determination of certain government officials to secure a ratification of the Argentine Sanitary Convention; and

WHEREAS, any attempt to raise the embargo on animal products from Argentina, or any province thereof, would subject the livestock of the United States to a constant menace of foot and mouth disease; and

WHEREAS, past experience shows that outbreaks caused by such importations have caused millions of dollars' damage and consequent depletion of livestock, and have been a source of great economic loss; and therefore,

BE IT RESOLVED, by the Senate of the Twenty-fifth Legislative

Assembly of the State of North Dakota, the House of Representatives concurring herein; that we respectfully petition the Congress of the United States to protest the ratification of the Argentine Sanitary Convention and urge the members thereof to work for the continuance of the present embargo against every country where the disease is known to exist and that there shall be no experimentation at the expense of the health and safety of our livestock.

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the President of the United States; to both Houses of Congress of the United States; and to each member thereof from this State, to the Secretary of Agriculture, to Senator Hotchkiss and Senator Headlee, Senate Chambers, Denver, Colorado.

Filed February 10, 1937.

Senate Concurrent Resolution B—(Gilbertson and Strehlow)

BANG'S DISEASE

Be It Resolved by the Senate of the State of North Dakota, the House of Representatives Concurring Therein,

WHEREAS, the Federal program designed to combat Bang's Disease in cattle in North Dakota has resulted in greatly reducing the prevalence of said disease, and has proven otherwise extremely beneficial to the cattle breeding and dairy industries in the State,

NOW, THEREFORE, BE IT RESOLVED by the Senate, the House of Representatives concurring, that the Congress of the United States be, and is hereby, earnestly requested to continue the Federal Appropriations for the control of Bang's Disease; and,

BE IT FURTHER RESOLVED that copies of this resolution be transmitted by the Secretary of State to the President of the United States, the Secretary of Agriculture, the Chief of the Bureau of Animal Industry, and to each member of Congress from North Dakota.

Filed January 15, 1937.

Senate Resolution Z—(Strehlow and Whelan)**SHIPMENT OF BILLS AND JOURNALS SENATE**

WHEREAS, all the members of the Senate have two large volumes of bills that were introduced in this Legislative Assembly and two heavy volumes of Journals, besides many official bulletins and legislative correspondence, which will be of value to them as Legislators; and,

WHEREAS, these books, papers and pamphlets can be shipped to each member of this body more cheaply by express (American Express Company) than by any other method;

THEREFORE, BE IT RESOLVED, that the employees, who have been charged with the duties of wrapping and packing such books, pamphlets and correspondence, ship the same to the respective senators by American Express and that such American Express charges be paid in the regular manner as part of the legislative expense of this Session.

Filed March 8, 1937.

House Resolution B-2—(Twitchell)**SHIPMENT OF BILLS AND JOURNALS HOUSE**

WHEREAS, all the members of the House have two large volumes of Bills that were introduced in this Legislative Assembly and two heavy volumes of Journals, besides many official bulletins and legislative correspondence, which will be of value to them as Legislators; and,

WHEREAS, these books, papers and pamphlets can be shipped to each member of this body more cheaply by express (American Express Company) than by any other method;

THEREFORE, BE IT RESOLVED, that the employees, who have been charged with the duties of wrapping and packing such books, pamphlets and correspondence, ship the same to the respective Representatives by American Express and that such American Express charges be paid in the regular manner as part of the legislative expense of this Session.

Filed March 8, 1937.

Senate Concurrent Resolution A-1—(Cain)

BISMARCK TRANSIENT CAMP

Be It Resolved by the Senate of the State of North Dakota, the House of Representatives Concurring:

WHEREAS, the Federal Emergency Relief Administration constructed a camp for transients near the city of Bismarck, which said camp consists of buildings suitable for occupancy and now occupied by a large number of persons; and

WHEREAS, it has been the policy of the Federal Government, from time to time, to transfer to the States the various transient camps;

NOW, THEREFORE, BE IT RESOLVED, that in the event the Federal Government, should cease to occupy and use said transient camp and offer to convey the same to the State of North Dakota that the Governor be and he hereby is, authorized to receive such property for the State;

AND BE IT FURTHER RESOLVED, that if such property is conveyed to the State, it is the sense of this Legislative Assembly that consideration be given to the use of such property as a work farm where persons who are sentenced to a jail in the various Counties as well as first offenders sentenced to the penitentiary may be committed; and that in event the said property is conveyed to the State of North Dakota that the same be placed under the direction and control of the Board of Administration and the Warden of the State Penitentiary and that if it is possible so to do arrangements be made so that the same may be utilized as a work farm as aforesaid.

Filed March 6, 1937.

House Concurrent Resolution A-2—(Schauss)

CONCURRENT RESOLUTION FOR THE PAYMENT OF THE BILL OF JOSEPH COGHLAN AS LEGISLATIVE EXPENSE

Be It Resolved by the House of Representatives of the Legislative Assembly of the State of North Dakota, the Senate Concurring:

That the bill of Joseph Coghlan in the sum of Fifty-eight (\$58.00) Dollars be allowed and paid to him for the work done by him in enrolling and engrossing for the Legislature before such work was taken over by the House and Senate.

Filed March 10, 1937.

House Concurrent Resolution E-1—(Committee on Employment)**COMPILING LEGISLATIVE JOURNALS**

Be It Resolved by the House of Representatives, the Senate Concurring:

That Thomas McDonald, Secretary of the Senate, and Mrs. Minnie D. Craig, Chief Clerk of the House, are hereby authorized, empowered and employed to compare and index the Journal of the Twenty-fifth Legislative Assembly, and to complete the Senate and House Journals and mail out to the members the temporary Journals of the last days of the session, which have not been delivered to members before the close thereof; and the said Thomas McDonald, Secretary of the Senate, and Mrs. Minnie D. Craig, Chief Clerk of the House, are hereby directed and required at their own cost and expense to arrange for and procure sufficient assistance to insure that the said work shall be completed within thirty days after the adjournment of the session.

BE IT FURTHER RESOLVED, That for the services of the said Thomas McDonald, Secretary of the Senate, and Mrs. Minnie D. Craig, Chief Clerk of the House, as above set forth, that they be paid the sum of \$400.00 each, which shall include compensation for an assistant to be selected by each, all to be paid as other legislative expense, and paid when the respective claims are verified by the affidavits of the said Thomas McDonald, and Mrs. Minnie D. Craig showing the completion of such work.

BE IT FURTHER RESOLVED, That the necessary postage for mailing out the copies of temporary Journals as aforesaid be furnished to the said Secretary of the Senate and the said Chief Clerk of the House as part of the legislative expenses of this session.

Filed March 5, 1937.

House Concurrent Resolution D-1—(Committee on Employment)**COMPILATION PAMPHLET SHOWING ACTION ON BILLS**

WHEREAS, A complete record of action upon and disposal of all bills introduced in the House and Senate during this Session, should be made available to House and Senate Members as quickly as possible; such record to show what bills have been indefinitely postponed, withdrawn or passed, with notation of Journal date and page of amendments thereto:

Therefore, Be It Resolved by the House of Representatives, the Senate Concurring:

That such compilation be at once prepared in a pamphlet sim-

ilar in size to the House and Senate Journals; that Helen Ulsrud be employed for the House and Margaret Sheehan be employed for the Senate; they working together to prepare such compilation immediately. A copy of the same to be mailed as speedily as possible by the House and Senate mailing force to each member of the House and Senate, at the home address thereof. That the said Helen Ulsrud and Margaret Sheehan be and they are hereby respectively retained on this work for the House and for the Senate for a period of three days after the adjournment of this Legislative Assembly, at their present pay; such compensation with the printing expense of such pamphlet and of mailing the same to be charged and paid as legislative expense.

Filed March 5, 1937.

House Resolution L—(Godwin)

REQUESTING FEDERAL LEGISLATION PROVIDING FOR COST OF PRODUCTION PLUS A REASONABLE PROFIT

WHEREAS, the farmers of North Dakota, individually and collectively, have taken an active part in demanding that the Congress of the United States guarantee to Agriculture "cost of production plus a reasonable profit", and

WHEREAS, It is our honest conviction that no industry, business or enterprise can long exist unless assured "cost of production plus a reasonable profit," and

WHEREAS, we have, by the passage of House Bill No. 209, assured the business interests of our State "cost of production plus a reasonable profit," and have thereby furnished concrete evidence of our sincerity and abiding faith in the proposal:

Therefore Be It Resolved by the House of Representatives of the State of North Dakota:

That we hereby renew our oft repeated appeal to the Congress of the United States to enact legislation which will guarantee to the farmers of America a price for their products which will assure "cost of production plus a reasonable profit," to the end that agriculture may be placed on parity basis with other industries.

BE IT FURTHER RESOLVED: That a copy of this resolution be mailed to all members in Congress from North Dakota and we ask that they submit the same to both houses of Congress for attention and action.

Filed February 24, 1937.

Senate Concurrent Resolution C—(Brostuen and Thatcher)

CROP INSURANCE

WHEREAS, a committee of wheat farmers and farm leaders attended a wheat insurance conference December 2nd and December 3rd, at Washington, D. C., and adopted and outlined a plan for such insurance which was approved by the farm leaders, and by the President's Committee, and which will be presented to Congress this winter; and

WHEREAS, President Roosevelt has appointed a committee to study rates and premiums for crop insurance; and

WHEREAS, these years do not represent a fair normal production for our State and other northern States, due to extended drouth and the short period which is used, and also to rust conditions and grasshoppers in some sections, these records show our production far below normal, as would be revealed in a longer period of years; and

WHEREAS, the use of these unfavorable years would tend to make our premiums much higher, perhaps prohibitive, and our indemnities proportionately lower, thereby defeating the purpose of the insurance law which was conceived for the purpose of protecting the purchasing power of the farmer; and

WHEREAS, the plan of the Wheat Conference Committee, the President's Committee, and the President himself, is to set up a co-operative organization designed to operate over a long period of years; and to insure the farmers crop from 50% to 75% of his normal production:

NOW, THEREFORE, BE IT RESOLVED by the Senate of the State of North Dakota, the House of Representatives concurring, that we do hereby petition the Honorable Secretary of Agriculture, as Chairman of the President's Committee, to extend the period of time used as a production base to fifteen years, beginning with the year 1920, since these years, or any similar period of years would give the farmer the benefit of his actual production, and would therefore enable a much larger number of farmers to receive the benefits of the program, and thereby assuring us of a much stronger organization, thus allowing more economical operation with regard to per capita cost.

RESOLVED FURTHER, that copies of this resolution be forwarded to the Honorable Henry Wallace, Secretary of Agriculture, Chairman of the President's Crop Insurance Committee and to M. W. Thatcher, Chairman of the Wheat Conference Committee, both of Washington, D. C., and to Mr. Howard I. Henry, North Dakota member of the Wheat Conference Committee, Westhope, North Dakota.

Filed January 19, 1937.

Senate Concurrent Resolution B—(Committee on Employment)

A Concurrent Resolution providing and designating House and Senate Employees and naming and fixing their salaries:

Be It Resolved by the House of Representatives of the State of North Dakota, of the Special Legislative Assembly, the Senate Concurring:

That for and during this Special Legislative Assembly the following named persons be employed and appointed as officers and employees of the Senate and of the House, and shall be paid the compensation set opposite their respective names; as from their last pay check.

Minnie D. Craig, Chief Clerk	\$8.00
J. M. Anderson, First Assistant Chief Clerk.....	6.50
Paul C. Bennett, Second Assistant Chief Clerk.....	6.50
Helen Ulsrud, Desk Reporter	8.00
Thomas McDonald, Secretary of Senate	8.00
W. E. Matthaei, First Assistant Secretary of Senate.....	6.50
Phillip Heiling, Second Assistant Secretary of Senate.....	6.50
Howard A. Goldammer, Bill Clerk	5.00
Margaret Sheehan, Desk Reporter	8.00
Bart Monaghan, Sergeant-at-arms	5.00
Joe Volk, Jr., Sergeant-at-arms.....	5.00
Herman Lybeck, Assistant Sergeant-at-arms.....	4.50
Emil Strand, Assistant Sergeant-at-arms.....	4.50
Mabel Engeseth, H. Stenographer	5.00
Clara Kane, H. Stenographer	5.00
Ruth Smith, H. Stenographer	5.00
Marie Garske, Stenographer	5.00
Margaret McDonald, Stenographer	5.00
Betty Boyle, Stenographer	5.00
Jennie Fisher, Stenographer	5.00
Louise Orish, Stenographer	5.00
Olga Christenson, Stenographer	5.00
LaVerne Odegard, Stenographer	5.00
Myrtle Topp, Stenographer	5.00
Adeline Orvik, Stenographer	5.00
V. L. Gilbreath, Chief Enrolling and Engrossing Clerk.....	5.00
Eva Goetz, Clerk, Enrolling and Engrossing	5.00
Bertha Varney, Enrolling and Engrossing Stenographer.....	5.00
Dorothea Tabbert, Enrolling and Engrossing Stenographer..	5.00
Arnold E. Banse, Assistant Enrolling and Engrossing Clerk.	5.00
Walter Bubel, Bill Clerk	5.00
Asher Anderson, Clerk, Judiciary Committee	4.50
Carl J. Larson, Clerk	4.50
A. G. Sundfor, Postmaster	5.00
Mrs. Helga Kolstad, Postmistress	4.50

Ray Cooper, Assistant Postmaster	4.50
S. B. Salverson, Chief Mailing Clerk	4.50
Theodore Thompson, Assistant Mailing Clerk	4.50
I. A. Smith, Jr., Assistant Mailing Clerk.....	4.50
N. L. Johnson, Clerk	4.50
H. C. Epping, Chief Mailing Clerk	4.50
Gottlieb Diede, Assistant Mailing Clerk	4.50
J. J. Fischer, Clerk	4.50
Earl Anderson, Clerk	4.50
Clara Rishling, Clerk	4.50
Anna Zurcher, Clerk	4.50
J. C. Goll, Messenger	4.50
C. A. Bring, Governor's Messenger	4.50
G. Sundfor, Messenger	4.50
Mrs. Ruby Williams, Telephone Attendant	4.50
Mrs. Sena Ingberg, Assistant Proof Reader	5.00
Rev. Forrest B. Sharkey, Chief Proof Reader	5.00
H. W. Anderberg, Proof Reader	5.00
J. O. Bergheim, Proof Reader	5.00
W. S. Place, Doorkeeper.....	4.50
Anton J. Schmidt, Doorkeeper	4.50
J. J. Forster, Doorkeeper	4.50
Paul Christenson, Doorkeeper	4.50
Joseph Fettig, Doorkeeper	4.50
Bernard Schauss, Doorkeeper, Upper Gallery	4.50
F. L. Bowerman, Attendant and Marshal	4.50
Kenneth Morgan, Page	4.50
James J. Flynn, Page	4.50
Wm. (Bud) Rathbun, Page	4.50
Donnell Haugen, Page	4.50
Glenn Swanson, Page	4.50
Clarence Anderson, Page	4.50
Edwin Osowski, Page	4.50
Alfred Gast, Janitor	4.50
Andre Gratten, Page	4.50
John Byrne, Janitor	4.50
Nels J. Peterson, Janitor	4.50
Andreas Wolf, Janitor	4.50
T. A. Crawford, Janitor	4.50
E. B. Ressler, Janitor	4.50
John Spitzer, Jr., Janitor.....	4.50
Z. Vlasoff, Janitor	4.50
Jacob Hegland, Janitor	4.50
Ruth Hintgen, Clerk	4.50
Margaret Ike, Clerk	4.50
Chaplain	3.00

Filed March 10, 1937.

Senate Resolution S—(Committee on Employment)

ADDITIONAL TIME SENATE EMPLOYEES

Be It Resolved by the Senate of the State of North Dakota:

That Ruth Smith and Jennie Fisher, stenographers, and A. G. Sundfor, Postmaster, be retained for four extra days, for the purpose of taking care of Legislators' correspondence and completing reports and files; and that J. O. Bergheim be retained for three extra days to complete proof reading.

BE IT FURTHER RESOLVED, that each of the above named employees, to-wit: Ruth Smith and Jennie Fisher as Stenographers, and J. O. Bergheim as proof reader, and A. G. Sundfor, as postmaster, be paid the sum of \$5.00 per day; all the above to be paid as other legislative expense and paid when the respective claims are verified by the affidavits of said parties herein named, at the completion of such work.

Filed March 8, 1937.

House Concurrent Resolution P—(Gessner, Schauss and Peterson of Renville)

ENROLLING AND ENGROSSING

A Concurrent Resolution relating to enrolling and engrossing House and Senate Bills and Resolutions.

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

WHEREAS, the Governor, the Secretary of State and the State Auditor after duly advertising for bids as required by law did, on the 18th day of December, 1936, enter into a contract with Joseph Coughlin, of Bismarck, Burleigh County, North Dakota, whereby for the consideration stipulated in such contract the said Joseph Coughlin agreed to engross and enroll all bills passed by each House of the Twenty-fifth Legislative Assembly of the State of North Dakota.

WHEREAS, the Statute authorizing the execution of such contract, and the contract itself, contains the following language: "The services to be performed under the direction and in the time set by and to the satisfaction of the committees of the Senate and House of Representatives, or their agent.

WHEREAS, such services are being performed in an incompetent, inefficient and improper manner and in a manner not satisfactory to the committees of the Senate and House of Representatives.

NOW THEREFORE BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, THE SENATE CONCURRING: That the Governor, Secretary of State and State Auditor acting as a Board as constituted by law are hereby directed to forthwith cancel such contract with the said Joseph Coughlin, and

BE IT FURTHER RESOLVED: That for the remainder of the Twenty-fifth Legislative Session the enrolling and engrossing of the bills and resolutions passed by the Senate and the House of Representatives be taken care of by employees of both houses under the direction of the Chief Clerk of the House of Representatives and the Secretary of the Senate.

Filed February 6, 1937.

House Concurrent Resolution O—(Hagen)

PROTESTING IMPORTATION OF LIVESTOCK FROM FOREIGN COUNTRIES HARBORING FOOT AND MOUTH DISEASE

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

WHEREAS, press reports have indicated that the Commission attending the Pan-American Peace Conference is favorable to the importation of unsterilized meats and meat products from certain South American countries, and

WHEREAS, it has been stated that foot and mouth disease does not exist in certain areas of South America, and

WHEREAS, it is known that foot and mouth disease and other transmissible diseases of livestock which do not exist in the United States are ever prevalent in those South American countries, and

WHEREAS, the prevention and control of livestock diseases in those South American countries is not comparable to the standards of the United States and is in fact practically negligible, and

WHEREAS, the United States has spent millions of dollars in the eradication of foot and mouth disease brought into this country through livestock products of foreign origin, and

WHEREAS, the livestock industry in the United States has likewise suffered losses totalling millions of dollars from outbreaks of foot and mouth disease, and

WHEREAS, an embargo is now in effect on importations of livestock and unsterilized livestock products from those South American countries, and

WHEREAS, the raising of such an embargo would immediately and seriously jeopardize the nation's livestock industry as well as the public health of its citizens.

NOW THEREFORE, BE IT RESOLVED, by the House of Representatives of the State of North Dakota, the Senate concurring, that these bodies vigorously oppose any modifications of existing Federal Laws and Regulations covering the importation of livestock or unsterilized livestock products from any foreign country harboring foot and mouth diseases of livestock which do not now exist in the United States.

BE IT FURTHER RESOLVED, that copies of this Resolution be forwarded by the Governor to the President of the United States, the Secretary of State at Washington, D. C., the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States, and the Secretary of Agriculture of the United States, and the Chairman of the Foreign Relations Committee of Congress.

Filed March 1, 1937.

House Resolution F—(Thoreson, Myers, Schimke and Hagen)

FRAZIER-LEMKE REFINANCE PLAN

WHEREAS, the financial distress, particularly among the agricultural people of this Nation, continues unabated, and

WHEREAS, the farm loan facilities are entirely inadequate and out of harmony with similar facilities available to industry, and

WHEREAS, no one in public service seems to have suggested a plan for the relief of this distress, or adjustment of these differences better than the Frazier-Lemke Refinance Plan as now contained in H. R. 213, introduced in the House of Representatives of the National Congress on January 5, 1937 by the Hon. William Lemke of North Dakota; therefore,

Be It Resolved by the House of Representatives of the State of North Dakota:

FIRST. That we, and through us, the people of North Dakota, do hereby appeal to the President of the United States and to all earnest, fair-minded members of Congress to give their active support to said measure to the end that the same may be enacted into law with the least possible delay.

SECOND. That we hereby extend our thanks, and through us, the thanks of the people of this State, to the North Dakota repre-

sentatives in Congress who have given their support to this and similar Acts, and particularly to Representative Lemke for his untiring efforts in behalf of similar legislation during the past several years.

THIRD. That a copy of this Resolution be mailed to the Hon. Franklin D. Roosevelt, President of the United States, and to each representative in Congress from North Dakota.

Filed February 5, 1937.

Senate Resolution K—(Streibel)

FRAZIER-LEMKE REFINANCE PLAN

WHEREAS, the financial distress, particularly among the agricultural people of this Nation, continues unabated, and

WHEREAS, the farm loan facilities are entirely inadequate and out of harmony with similar facilities available to industry, and

WHEREAS, no one in public service seems to have suggested a plan for the relief of this distress, or adjustment of these differences better than the Frazier-Lemke Refinance Plan as now contained in H. R. 213, introduced in the House of Representatives of the National Congress on January 5, 1937 by the Hon. William Lemke of North Dakota: Therefore,

Be It Resolved by the Senate of the State of North Dakota:

FIRST. That we, and through us, the people of North Dakota, do hereby appeal to the President of the United States and to all earnest, fairminded members of Congress to give their active support to said measure to the end that the same may be enacted into law with the least possible delay.

SECOND. That we hereby extend our thanks, and through us, the thanks of the people of this State, to the North Dakota representatives in Congress who have given their support to this and similar Acts, and particularly to Representative Lemke for his untiring efforts in behalf of similar legislation during the past several years.

THIRD. That a copy of this Resolution be mailed to the Hon. Franklin D. Roosevelt, President of the United States, and to each representative in Congress from North Dakota.

Filed February 4, 1937.

Senate Resolution T—(Watt)

APPRECIATION FOR LONG LEGISLATIVE SERVICE
HON. F. T. GRONVOLD

WHEREAS, Hon. F. T. Gronvold served as a member of the House of Representatives in the session of 1899 and 1901; and

WHEREAS, F. T. Gronvold served as a member of the Senate from the forty-second legislative district in the sessions of 1909, 1911, 1913, 1915, 1917, 1931, 1933, 1935, and 1937; and

WHEREAS, those who served with him as members of the legislature and those who have known him during his long residence and legislative service to the State of North Dakota, recognize his ability as a statesman, his honesty and strength of character; and

WHEREAS, the faithful service he has rendered the State is appreciated by the citizens thereof and by all those who have had occasion to come in contact with him; and

WHEREAS, he holds a high place in the memory of all those who have known him during such legislative service;

THEREFORE, BE IT RESOLVED, by the Senate of the State of North Dakota that it extend to F. T. Gronvold its thanks and appreciation for the services he has rendered to his State.

Filed March 8, 1937.

House Concurrent Resolution I—(Ole Stray)

DANCE—LEGISLATIVE EMPLOYEES

Providing for the housing of a dance on the first floor of the Capitol Building in commemoration of the meeting of the Twenty-fifth Legislative Assembly.

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

WHEREAS, it has been customary in the past for Legislative employees to hold a dance in the Capitol building in commemoration of the meeting of the Legislative Assembly of the State of North Dakota, and

WHEREAS, a committee has been appointed by the Legislative employees for the purpose of arranging for such dance

NOW, THEREFORE, BE IT RESOLVED that the House of Representatives of the State of North Dakota, the Senate concurring, does hereby recommend and approve the holding of such a dance upon

the first floor of the Capitol building at Bismarck at such a time as the committee of employees shall determine.

BE IT FURTHER RESOLVED that the foyer on the first floor of the capitol building be set aside for the purpose of housing such dance, and that B. J. Monaghan, Sergeant at Arms of the House of Representatives, be charged with the duty of policing such dance.

Filed January 26, 1937.

House Concurrent Resolution H—(Committee on Employment)

DESIGNATING HOUSE AND SENATE EMPLOYEES AND NAMING AND FIXING THEIR SALARIES

Be It Resolved by the House of Representatives of the Twenty-fifth Legislative Assembly of the State of North Dakota, the Senate Concurring:

That for and during this Twenty-fifth Legislative Assembly the following named persons be employed and appointed as officers and employees of the Senate and of the House, and shall be paid the compensation set opposite their respective names:

Minnie D. Craig, Chief Clerk.....	\$8.00
J. M. Anderson, First Assistant Chief Clerk.....	6.50
Paul C. Bennett, Second Assistant Chief Clerk.....	6.50
Helen Ulsrud, Desk Reporter.....	8.00
Thomas McDonald, Secretary of Senate.....	8.00
W. E. Matthaei, First Assistant Secretary of Senate.....	6.50
Phillip Heiling, Second Assistant Secretary of Senate.....	6.50
Howard A. Goldammer, Bill Clerk.....	5.00
Margaret Sheehan, Desk Reporter.....	8.00
Bert Monaghan, Sergeant-at-arms.....	5.00
Joe Volk, Jr., Sergeant-at-arms.....	5.00
Emil Strand, Assistant Sergeant-at-arms.....	4.50
Mabel Engeseth, H. Stenographer.....	5.00
Clara Kane, H. Stenographer.....	5.00
Ruth Smith, H. Stenographer.....	5.00
Evelyn Dada, Stenographer.....	5.00
Beatrice Brunell, Stenographer.....	5.00
Sophie Tengesdal, Stenographer.....	5.00
Mabel Kallon, Stenographer.....	5.00
Margaret McDonald, Stenographer.....	5.00
Betty Boyle, Stenographer.....	5.00
Jennie Fisher, Stenographer.....	5.00
Louise Orish, Stenographer.....	5.00
Olga Christenson, Stenographer.....	5.00
LaVerne Odegard, Stenographer.....	5.00

Myrtle Topp, Stenographer	5.00
V. L. Gilbreath, Chief Enrolling and Engrossing Clerk.....	5.00
Miriam Taylor, Clerk, Enrolling and Engrossing.....	5.00
Eva Goetz, Clerk, Enrolling and Engrossing.....	5.00
Arnold E. Banse, Assistant Enrolling and Engrossing Clerk..	5.00
Walter Bubel, Bill Clerk	5.00
Asher Anderson, Clerk, Judiciary Committee	4.50
Carl J. Larson, Clerk, State Affairs Committee.....	4.50
A. G. Sundfor, Postmaster	5.00
Mrs. Helga Kolstad, Postmistress	4.50
Ray Cooper, Assistant Postmaster	4.50
S. B. Salverson, Chief Mailing Clerk	4.50
Theodore Thompson, Assistant Mailing Clerk.....	4.50
I. A. Smith, Jr., Assistant Mailing Clerk.....	4.50
N. L. Johnson, Appropriation Clerk.....	4.50
H. C. Epping, Chief Mailing Clerk	4.50
Gottlieb Diede, Assistant Mailing Clerk.....	4.50
Peter W. Haarsager, Assistant Mailing Clerk.....	4.50
Henry Link, Assistant Mailing Clerk	4.50
Ben Fedji, Voucher Clerk	4.50
John Hove, Bill Room Clerk	4.50
J. J. Fisher, Clerk, State Affairs	4.50
S. T. Kvamen, Clerk, Appropriations	4.50
Emil Broten, Clerk, Taxes and Tax Laws.....	4.50
William Kane, Committee Clerk	4.50
Earl Anderson, Committee Clerk.....	4.50
Clara Rishling, Clerk	4.50
Ann Zurcher, Clerk	4.50
Stephen Theil, Messenger	4.50
Henry Jacobson, Messenger	4.50
J. C. Goll, Messenger	4.50
E. G. Monson, Messenger	4.50
C. A. Bring, Governor's Messenger	4.50
G. Sundfor, Messenger	4.50
Mrs. Ruby Williams, Telephone Attendant	4.50
Mrs. Sena Ingberg, Assistant Proof Reader.....	5.00
Rev. Forreat B. Sharkey, Chief Proof Reader.....	5.00
H. W. Anderberg, Proof Reader	5.00
J. O. Bergheim, Proof Reader	5.00
W. S. Place, Doorkeeper.....	4.50
E. A. Ernest, Doorkeeper	4.50
Anton J. Schmidt, Doorkeeper	4.50
Jacob Meier, Doorkeeper	4.50
Torgy Thompson, Doorkeeper	4.50
J. J. Forster, Doorkeeper	4.50
Paul Christenson, Doorkeeper	4.50
Joseph Fettig, Doorkeeper	4.50
Mrs. M. M. Ruder, Cloakroom Attendant.....	4.50

Oscar O. Odegaard, Cloakroom Attendant.....	4.50
F. L. Bowerman, Attendant and Marshal	4.50
Kenneth Morgan, Page	4.50
James J. Flynn, Page	4.50
Wm. (Bud) Rathbun, Page	4.50
David Foerderer, Page	4.50
Donnell Haugen, Page	4.50
Glenn Swanson, Page	4.50
Clarence Anderson, Page	4.50
Edwin Osowski, Page	4.50
Alfred Gast, Janitor	4.50
John Byrne, Janitor	4.50
Nels J. Peterson, Janitor	4.50
Andreas Wolf, Janitor	4.50
T. A. Crawford, Janitor	4.50
E. B. Ressler, Janitor	4.50
John Spitzer, Jr., Janitor	4.50
Z. Vlasoff, Janitor	4.50
Jacob Lutz, Janitor	4.50
Jacob Hegland, Janitor	4.50
J. M. Joiner, Night Watchman	4.50
I. M. Hanson, Doorkeeper	4.50
Ruth Hintgen, Clerk, Judiciary	4.50
Margaret Ike, Clerk, Education	4.50
Chaplain	3.00

WHEREAS, Henry O. Lundene served as Bill Room Clerk from the Fifth (5th) day of January, 1937 up to the Eighteenth (18th) day of January, 1937, making up a total of fourteen (14) days, both inclusive.

THEREFORE BE IT RESOLVED that the said Henry O. Lundene be paid the sum of Sixty-three Dollars (\$63.00) for services as Bill Room Clerk.

Filed January 26, 1937.

—————

Senate Concurrent Resolution T—(Joint Committee on Employment)

EXTRA TIME LEGISLATIVE EMPLOYEES

Be It Resolved by the Senate of the State of North Dakota, the House of Representatives Concurring:

That S. B. Salvesson and Theo. Thompson, mailing clerks of the Senate, and H. C. Epping and Gudlip Deide, mailing clerk of the House, of the Twenty-fifth Legislative Session, be retained for five days after the close of this session to complete sending Senate and House Journals of the last days of the session; and F. B.

Sharkey, proof reader in the House and H. W. Anderberg, proof reader in the Senate be retained for two days after the close of the session to finish proof reading the Journals of the House and Senate for the last day of this Twenty-fifth Legislative Assembly; and that Clarence Anderson and Edward Osowski, pages of the Senate, and Kenneth Morgan and Wm. Rathburn, pages of the House, be retained for two extra days after the close of the session for the purpose of wrapping and either mailing or expressing to the members of the Senate and House, bill books, journals, reports and files; and that Marie Garske and Mabel Engeseth, stenographers in the House, and Jennie Fisher and Ruth Smith, stenographers in the Senate, be retained for one extra day for the purpose of taking care of legislators' correspondence.

BE IT FURTHER RESOLVED, that each of the above named employees, to-wit: S. B. Salveson and Theo. Thompson and H. C. Epping and Gullip Deide as mailing clerks, be paid for said additional five days the sum of \$4.50 per day; and F. B. Sharkey and H. W. Anderberg, proof readers be paid the sum of \$5.00 per day for two days; that Clarence Anderson, Ed. Osowski, Kenneth Morgan and Wm. Rathburn as pages be paid the sum of \$4.50 per day for said additional two days; that Marie Garske, Mabel Engeseth, Jennie Fisher and Ruth Smith as stenographers be paid the sum of \$5.00 per day for said one extra day; all the above to be paid as other legislative expense and paid when the respective claims are verified by the affidavits of said parties herein named, at the completion of such work.

Filed March 4, 1937.

House Resolution I—(Schauss)

LEGISLATIVE EXPENSE

WHEREAS, The Melville Electric Shop of Bismarck, North Dakota, did furnish:

1 Quick Heat heater.....	\$ 3.95
1 Greist desk lamp.....	2.00
1 Arvin heater for the House of Representatives.....	6.95

Grand Total	\$12.90
-------------------	---------

AND WHEREAS, The materials furnished were used during the Legislative Assembly by the desk force for their comfort and convenience during the said session:

BE IT THEREFORE RESOLVED: That the Melville Electric Shop be paid the total of the bill, Twelve Dollars and Ninety Cents

(\$12.90), after vouchers for the same have been duly executed and filed in the office of the State Auditor and that the same be charged to Legislative Expense.

Filed February 9, 1937.

Senate Resolution R—(Strehlow, Williams and Whelan)

LIQUIDATION CLOSED BANKS

WHEREAS, It seems desirable that the general receivership of all closed banking institutions be terminated without further delay;

WHEREAS, It appears that the Supreme Court of this State has ample authority under existing laws to make the necessary rules, regulations and orders for the orderly closing of such receiverships without additional legislation:

Therefore, Be It Resolved by the Senate of the State of North Dakota:

§ 1. We do hereby suggest that the Supreme Court of this State promulgate all necessary and proper rules, regulations and orders directing that the present general receiverships be closed with the least possible delay.

§ 2. That in making such orders, rules and regulations the Court protect and safeguard the interest of the depositors as well as the stockholders in the several institutions, so far as possible, and in this connection we suggest that the rules, regulations and orders so to be made provide some reasonable, simple and convenient method under which the assets of the individual institutions may be taken over by the depositors if so desired.

§ 3. We further suggest that such rules, regulations and orders be so prepared as to make it possible to prevent anyone from making large profits out of the remaining assets at the expense of the debtors.

Filed March 5, 1937.

House Resolution D—(Godwin, Morton County; Schimke, Wells County, and Hagen, McKenzie County)

**INVESTIGATIONS OF LIVE STOCK CREDIT CORPORATIONS
AND COMPANIES**

WHEREAS, Sundry associations, companies and corporations, commonly known as Live Stock Credit Companies, have been organized and are engaged in and carrying on the business of making loans on live stock in the State of North Dakota, and

WHEREAS, There has been brought to the attention of the House of Representatives of the State of North Dakota sundry complaints of members and others relative to the conduct, methods and practices of said companies in the making and settlement of loans to members and others, and that the same are not in conformity to the law and to rules and regulations regulating and controlling the said companies in the conduct of said business, and

WHEREAS, Among other charges and complaints, it is particularly charged that many of the said companies have heretofore and do now fail, refuse and neglect to retire the stock purchased and held by members and refund the monies paid therefor by said members as provided by law, and do otherwise engage in practices detrimental to the welfare of said companies and their membership:

NOW, THEREFORE, BE IT RESOLVED That the State Securities Commission of the State of North Dakota be and hereby are authorized and directed to make a full, complete and exhaustive investigation of the companies, corporations and associations, commonly known as Live Stock Credit Corporations, and engaged in the making of loans on live stock in the State of North Dakota, and the conduct, methods, practices and operations of such companies; and that the said Securities Commission take or cause to be taken such action or proceedings as by it may be deemed necessary and proper in the premises with a view to remedying and preventing any unlawful, unfair, or improper practices, methods and operations of said companies and removing the causes for such complaints.

Filed February 17, 1937.

Senate Concurrent Resolution A—(Brostuen, Thatcher, Thorson
and Owings)

LIVE STOCK FEED

*Be It Resolved by the Senate of the State of North Dakota, the
House of Representatives Concurring:*

WHEREAS, A very serious emergency exists, due to a total crop failure in more than two-thirds of the Counties of the State in 1936, which left our farmers entirely without feeds, both grains and hay, to care for their livestock needs, and which made it necessary for them to dispose of all surplus livestock except a few milk cows, brood sows, poultry and work horses; and

WHEREAS, all the farmers in the early fall of 1936 were led to believe that emergency feed loans would be made available to them by the Resettlement Administration or by other Federal relief agencies to provide feed for their subsistence and foundation stock; and

WHEREAS, Hundreds of farmers did make application to the Resettlement Administration for such emergency feed loans; and

WHEREAS, Due to the exhaustion of funds made available to the Resettlement Administration by the Congress of the United States for such emergency relief purposes, further grants for feed loans have not been made, which fact has created conditions among our farmers that are intolerable and unbearable in that large numbers of subsistence and foundation livestock are in dire danger of complete destruction by starvation; and

WHEREAS, The farmers' feed supplies on hundreds of farms are now entirely exhausted; and

WHEREAS, Severe cold weather and blizzards which have raged across our prairies the last two weeks have seriously aggravated the situation; and

WHEREAS, Our farmers due to a series of crop failures and depressed prices are entirely without means to care for their livestock needs; and

WHEREAS, Due to the general depression and non-payment of taxes, our State and local governments are unable to cope with the situation; and

WHEREAS, There must be some form of immediate aid given these farmers to assist them to feed the remaining stock they have, and if this is not done they will lose what stock they have left, and they will not be able to carry on when spring comes and remain self-supporting, but instead will be thrown on relief to

a greater extent than the immediate assistance that should be given them at this time;

NOW THEREFORE, Be it resolved by the Senate of the State of North Dakota, the House of Representatives concurring, that we call to the attention of our Representatives in Congress, the Secretary of Agriculture, the Resettlement Administration and the Federal Relief Administration, the serious emergency now existing in our State, and urge upon the President and the Congress to make immediately available funds to meet this emergency condition either by appropriation by Congress or by the issuance of such executive order as may be necessary to obtain for our farmers the feed necessary to save their livestock and carry them through the winter months.

BE IT FURTHER RESOLVED, That the Secretary of State be instructed to forward copies of this Resolution to our Senators and Representatives in Congress, the Secretary of Agriculture, the Resettlement Administration and the Federal Relief Administration, all in Washington, D. C.

Filed January 12, 1937.

Senate Concurrent Resolution J—(Fine, Lowe and Owings)

REPEAL OF LONG AND SHORT HAUL CLAUSE OF SECTION FOUR OF THE INTERSTATE COMMERCE ACT

Be It Resolved by the Senate of the State of North Dakota, the House of Representatives Concurring Therein:

WHEREAS, There has been introduced in the House of Representatives of the Congress of the United States, House Roll No. 1668, known as the "Pettingill Fourth Section Bill" providing for repeal of the long and short haul clause of the Fourth Section of the Interstate Commerce Act, and

WHEREAS, The repeal of the long and short haul clause would permit railroad companies to assess lower rates and charges for long hauls than for shorter hauls over the same route, and

WHEREAS, the charging of a higher rate for a short haul than for a longer haul, the shorter being included within the longer, is now forbidden on North Dakota intrastate traffic in Section 4720, Compiled Laws of North Dakota for the year 1913, and

WHEREAS, The passage of this Bill would result in increased freight rates and charges on articles moving in interstate commerce to and from North Dakota, particularly on grain, lignite, and other commodities, to the detriment of producers, shippers

and consumers of the State of North Dakota; that it would encourage discriminations in rates against small shippers in favor of large shippers that would be against the public interest, and would, we believe, be in the end detrimental to the best interests of the railroads themselves.

NOW THEREFORE, BE IT RESOLVED by the Senate of this Twenty-fifth Legislative Assembly, the House of Representatives concurring therein, that the Congress of the United States is hereby respectfully memorialized and urged to deny the passage of House Roll 1668 when, as, and if presented for its consideration.

BE IT FURTHER RESOLVED, That the Senators and Representatives of the State of North Dakota in the Congress of the United States be requested to put forth every honorable effort to defeat this Bill upon presentation to the Congress of the United States, and that copies of this memorial be forwarded forthwith to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Representatives of the State of North Dakota.

Filed February 23, 1937.

House Resolution K — (Freitag, Beggs, Olson of McLean, Goodlaxon, Niewoehner, Biberdorf, Hofstrand and Tweten)

A RESOLUTION MEMORIALIZING CONGRESS TO ENACT NECESSARY LEGISLATION AND MAKE THE REQUIRED APPROPRIATION TO COMPLETE THE MISSOURI RIVER DIVERSION PROJECT IN NORTH DAKOTA.

WHEREAS, Several extensive surveys have been completed, and large sums of money have been spent in making such surveys, and

WHEREAS, Engineers have made reports favorable to the project, and

WHEREAS, Many millions of dollars have been and are being spent in water conservation and flood control;

Therefore Be It Resolved by the House of Representatives of the State of North Dakota:

§ 1. That we most earnestly, but emphatically, request the Congress of the United States to enact necessary legislation, and appropriate a sufficient sum to enable completion of the Missouri River Diversion Project in this State with the least possible delay.

§ 2. Be it further resolved that we direct attention to the fact that the benefits will not be confined to water conservation alone, but will be a large factor in flood control as well.

§ 3. Be it further resolved: That the Chief Clerk of this Assembly cause a copy of this Resolution to be mailed to our Representatives in both houses of the United States Congress, with the request that the matter be brought up for immediate action.

Filed February 24, 1937.

Senate Resolution B—(Coffey and Cain)

HON. P. J. MURPHY

WHEREAS, It has come to the knowledge of the members of the Senate of the Twenty-fifth Legislative Assembly that P. J. Murphy is confined to his home because of illness; and,

WHEREAS, P. J. Murphy served as a member of the Senate from the Fourth Legislative District for twenty consecutive years, from 1915 to 1936; and,

WHEREAS, According to the available records this was the longest term of consecutive service ever rendered by any member of the Senate up to the present time; and,

WHEREAS, Those who were associated with him in this Assembly, and those who have known him during his long residence in this State, recognize his ability as a statesman, his honesty and strength of character; and,

WHEREAS, The great service he has rendered the State is appreciated by all who have come in contact with him; and,

WHEREAS, He holds a high place in the memory of all who served with him because of his courtesy, and because of the friendly help and advice he was always ready and willing to give to new members of the Senate, and to all who asked for it, whether politically opposed to him or not;

THEREFORE, BE IT RESOLVED, By the Senate of the State of North Dakota, that we extend to him our thanks for his services to the State, and express our sincere wish for his speedy recovery.

Filed January 14, 1937.

Senate Resolution N—(Committee on Banks and Banking)

**REQUESTING AMENDMENT OF FEDERAL LAWS TO PERMIT
THE STATES TO TAX NATIONAL BANKS AT SAME
RATE AS STATE BANKS**

WHEREAS, this State and all other States of the United States have been virtually deprived of the power to tax National banks by reason of interpretations of the Federal statute governing the States in such taxation; and

WHEREAS, the States are required to tax State banks upon the same basis as National banks, because if State banks were taxed upon any higher basis than National banks, State banks would be forced out of business; and

WHEREAS, most of the legislative bodies of the United States have memorialized Congress to so amend the Federal law as to permit the States to tax National banks provided that the tax on National banks should not be at a higher rate than the tax imposed by the State upon State banks;

NOW THEREFORE, BE IT RESOLVED by the Senate of the State of North Dakota, that the Congress of the United States be and hereby is respectfully requested to so amend the Federal law as to permit the States to tax National banks provided that the tax on such banks shall not be at a higher rate than the tax imposed by the State upon State banks; and that copies of this Resolution be forwarded by the Secretary of State to the Speaker of the House of Representatives and to the President of the Senate at Washington, D. C.

Filed February 10, 1937.

Senate Concurrent Resolution U—(Strehlow)

NOXIOUS WEEDS

Providing for a Resolution memorializing the Congress of the United States and the Congressional Delegation from the State of North Dakota, and the Secretary of Agriculture of the United States, to pass a Bill in Congress known as H R 4009, authorizing the appropriation of \$50,000,000 to aid the various States in their fight of noxious weeds.

Be It Resolved by the Senate, the House of Representatives Concurring:

WHEREAS, the noxious weed problem in the State of North Dakota has become such a grave menace to the farmers of the State of North Dakota that it is absolutely imperative that immediate steps be taken to prevent the further spread of noxious

weeds in this State, that amongst said noxious weeds which are rapidly destroying the fertility of North Dakota farms, are Wild Morning Glory, also known as the Creeping Jenny or Field Bind Weed; the Russian Knapp Weed; Leafy Spurge; Canadian Thistle; Perennial Sow Thistle; Quack Grass; Johnson Grass; Burmuda Grass; Nut Grass, and many others, and,

WHEREAS, The State of Idaho has experimented in the destruction of various kinds of noxious weeds with very satisfactory results and the funds of the exterminating of said noxious weeds was furnished by the United States Government, and,

WHEREAS, The State of North Dakota is not financially able to provide such funds to carry on an aggressive and successful campaign for the eradication and extermination of noxious weeds prevalent in North Dakota, and,

WHEREAS, There is now before Congress a Bill known as H R 4009, providing for an appropriation by the Federal Government of the sum of \$50,000,000 to be expended in the various States before June 30, 1938, for the control and eradication of noxious weeds, and,

WHEREAS, Said Bill is of the greatest importance to the farmers of the State of North Dakota in assisting them in controlling and eradicating the various noxious weeds growing in this State.

NOW THEREFORE, BE IT RESOLVED by the Senate of the State of North Dakota, the House of Representatives concurring, that the Twenty-fifth Legislative Assembly of the State of North Dakota, go on record as endorsing H R 4009, now before the House of Representatives of the Congress of the United States.

BE IT FURTHER RESOLVED That copies of this Concurrent Resolution be forwarded to all Congressmen and United States Senators representing the State of North Dakota in the Congress of the United States, urging that they exert every effort to bring about the passage of said H R 4009.

BE IT FURTHER RESOLVED That copies of this Concurrent Resolution be sent to the Secretary of Agriculture of the United States, with the request that the Department use every effort to bring about the passage of aforementioned H R 4009.

BE IT FURTHER RESOLVED That a copy of this Concurrent Resolution be forwarded to the Speaker of the House of Representatives of the Congress of the United States, with the request that the matter be placed before Congress to show the wholehearted support of the farmers of the State of North Dakota behind H R 4009.

Filed March 4, 1937.

Senate Concurrent Resolution Y—(Whelan, Brostuen, Thorson
and Gilbertson)

TOLL CHARGES PANAMA CANAL

*Be It Resolved by the Senate of the State of North Dakota, the
House of Representatives Concurring:*

WHEREAS, due to the wise forethought of President Theodore Roosevelt, the United States Government constructed the Panama Canal at a cost of approximately \$385,000,000, primarily for the purpose of permitting the speedy transfer of naval vessels from the Atlantic to the Pacific ocean and vice versa in case of hostilities;

AND WHEREAS, Due to the low toll charges, commercial vessels of all Nations are using the facilities of the canal at less than cost, with the result that there is an annual deficit in the canal's operations of approximately Thirty Million Dollars; and

WHEREAS, The consumer is still paying for commodities so transported the same prices charged as when the transportation was by rail;

NOW THEREFORE, BE IT RESOLVED, That we urge the Congress of the United States to pass all necessary legislation, and the President of the United States to carry out the provisions thereof, providing for sufficient toll charges for the use of the Panama Canal facilities, so that there will be no deficit;

BE IT FURTHER RESOLVED, That copies of this Resolution be sent to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States, and the Senators and Congressmen from North Dakota.

Filed March 6, 1937.

Joint Memorial Resolution A—(Senator Olson)

HON. HARRY T. PETERSON

WHEREAS, The late Harry T. Peterson of Plaza, North Dakota, was called to his eternal reward on May 3, 1936, and

WHEREAS, He represented the Forty-fourth Legislative District for two years as a member of the Senate, and he also served as a member of the House of Representatives for two terms, and during all his public service and during his life as a private citizen, his was a splendid example of integrity, loyalty, conscientious endeavor, and good citizenship, and

WHEREAS, In his passing North Dakota has lost a true friend, a leader in the preservation of sound, liberal government, honestly administered, a man whose desire and interest was the furtherance of all good and worthy causes for the betterment of the State, his local community, and his fellowmen,

THEREFORE BE IT RESOLVED, by the Senate and the House of Representatives assembled in Joint Session, that we do hereby express our heartfelt appreciation of the loyal service of our distinguished citizen, the late Harry T. Peterson, and that we further express the keen sorrow which we feel because of his passing; and

BE IT FURTHER RESOLVED, That the Resolution be printed in the Journal and that engrossed copies be forwarded by the Secretary of the Senate to his mother, Mrs. Christena Peterson of Anacortes, Washington; to his daughters, Edna, of Seattle, Washington; Adeline of Bremerton, Washington; Margaret of Bismarck; to his sons, James and Edward of Seattle; and Robert of Grand Forks; and to his brothers, Martin of Plaza, North Dakota, and Edward of Plentywood, Montana.

Filed January 25, 1937.

House Resolution M—(Magill)

RELATING TO SPEEDOMETERS ON MOTOR VEHICLES

WHEREAS, The use of motor vehicles under present existing statutes has become a growing menace to the lives and well-being of the people of all Nations, especially in the United States of America; and,

WHEREAS, The great loss of life and limb is directly traceable to the excessive speeds and other reckless practices of the drivers of such motor vehicles of every description, resulting in a greater loss of life and earning power of those killed and injured every year in motor accidents than was sustained by this Country in the Great World War; and,

WHEREAS, This condition can be remedied, to some extent at least:

(a) If individual licenses can be issued by the several States showing the maximum speeds allowed to the different users or drivers of such motor vehicles, which shall depend upon the ability of each driver and the nature of the vehicle licensed.

(b) If an accurate check can be made upon the driving record of each driver, as to observance of safety rules, by requiring records to be filed with the proper authorities.

(c) If each driver becomes his own traffic patrolman, by the record which will infallibly show how fast he was driving when any accident in which he may be involved takes place.

(d) If each motor vehicle is provided with a mechanical conscience, it will eliminate and make unnecessary a great majority of the traffic patrolmen, since the best governor of any motor vehicle is and should be the driver thereof.

Therefore Be It Resolved by the House of Representatives of the State of North Dakota:

That Congress is hereby respectfully memorialized and requested to enact the necessary laws requiring the equipment of all motor vehicles made and offered for sale on and after the first day of January, 1938, with recording speedometers which will accurately and at all times record the speed of every such motor vehicle.

Filed March 6, 1937.

House Memorial Resolution N—(Olson of Sargent)

HON. FRANK RIBA

WHEREAS, It has come to the attention of this House that the Honorable Frank Riba of Geneseo, Sargent County, passed out of this life on February 16th after a protracted illness, and

WHEREAS, The said Honorable Frank Riba was one of the pioneer residents of Sargent County and the respected and honored citizen of said County for fifty-four years, and

WHEREAS, Mr. Riba served as a Representative in the Legislative Assembly of North Dakota from 1917 to 1919;

NOW THEREFORE BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE TWENTY-FIFTH LEGISLATIVE ASSEMBLY, That we hereby express our regrets at the passing of this sterling citizen to the Great Beyond and that we extend our sincere sympathy to his family in this their hour of bereavement.

BE IT FURTHER RESOLVED, That a copy of this Resolution be printed in the Journal and that the Chief Clerk of the House is hereby directed to mail an engrossed copy of this Resolution to Mrs. Mary Riba, wife of the deceased, at Geneseo, Sargent County, North Dakota.

Filed March 4, 1937.

Joint Resolution I—(Senator Drew, by request)

**TRANSFER PROPERTY RURAL REHABILITATION
CORPORATION**

WHEREAS, The North Dakota Rural Rehabilitation Corporation was organized for the purpose of carrying on a rural rehabilitation program in the State of North Dakota with funds resulting from grants made by the United States through the Federal Emergency Relief Administration, and

WHEREAS, The North Dakota Legislative Assembly, by Chapter 224, Laws 1935, recognized the public nature of the activities of the Corporation and authorized State officers and agencies and political sub-divisions to co-operate with and utilize its facilities and exempted from taxation moneys which the Corporation had received from the Federal Government and personal property purchased with such funds, and authorized the State Treasurer in event of the dissolution of the Corporation to accept and receive the funds and properties of the Corporation then on hand for appropriation by the Legislative Assembly for such public purposes as may be designated by the members of the Corporation, if such purposes were designated, otherwise to be placed in the General Fund; and

WHEREAS, By Executive Order No. 7027, issued April 30, 1935, by the President of the United States, under the Emergency Relief Appropriation Act of 1935, the Resettlement Administration of the United States was created and the functions of rural rehabilitation were transferred from the Federal Emergency Relief Administration to the Resettlement Administration; and

WHEREAS, By Executive Order No. 7530, issued December 31, 1936, by the President of the United States, the Resettlement Administration was transferred to the United States Department of Agriculture and is now being administered under the direction of the Secretary of Agriculture; and

WHEREAS, Under the Emergency Relief Appropriation Acts of 1935 and 1936 Federal funds cannot be made available either to the Corporation or the State for carrying on the activities of the Corporation and such funds are available only for direct expenditure by the Resettlement Administration, United States Department of Agriculture; and

WHEREAS, It is desirable that all rural rehabilitation activities in North Dakota be co-ordinated and controlled and managed by the same organization; now, therefore

Be It Resolved by the Legislative Assembly of the State of North Dakota:

That the North Dakota Rural Rehabilitation be, and it is hereby, authorized to bargain, sell, convey, transfer or assign to the United States of America, any or all of its assets and property, whether real, personal or mixed, so that the administration of the assets and expenditure of the funds of the said Corporation may be co-ordinated with expenditures of the Resettlement Administration, United States Department of Agriculture, for relief and rural rehabilitation purposes in the State of North Dakota; provided, however, that the assets and property thus bargained, sold, conveyed, transferred or assigned shall be accepted by the United States of America subject to all liabilities, commitments, obligations, contracts and agreements of the Corporation; and provided further that any funds transferred or any funds realized from any of the assets and property transferred shall be held in the Treasury of the United States as a trust fund, and that all of such assets and property shall be continuously available as a revolving fund for rural rehabilitation purposes in the State of North Dakota; and provided further that, if at any time the Federal Government shall cease to carry on a rural rehabilitation program in the State of North Dakota, the remainder of any assets transferred by the Corporation to the United States of America, together with the proceeds of any assets or property so transferred, shall be returned to the said Corporation, if it be then in existence, or, in the event said Corporation shall have been dissolved in accordance with law, then such assets or property shall be turned over to the State of North Dakota for such disposition as the members of the Corporation may have directed prior to the dissolution of the Corporation. In the event the members of the Corporation shall have failed to designate the purposes for which such property may be used, then the property shall be subject to disposition for such public purposes as the Legislative Assembly may designate.

That pending such transfer the North Dakota Rural Rehabilitation Corporation is authorized to permit and empower the Secretary of Agriculture or the head of any other Federal agency in which may hereafter be vested the function of carrying out rural rehabilitation activities in the State of North Dakota exclusively to manage and direct the administration of its assets and the expenditure of its funds for the purposes set forth above, in such manner as the said Secretary of Agriculture or head of such other Federal agency shall determine, and the members, directors and officers of said North Dakota Rural Rehabilitation Corporation are authorized to take any such action as may be deemed necessary and appropriate to transfer the control of the Corporation itself to the Secretary of Agriculture or the head of such other Federal agency.

That any action heretofore taken by the North Dakota Rural

Rehabilitation Corporation toward said purposes is hereby approved.

Filed February 5, 1937.

House Resolution O—(Burgum)

REQUESTING THE PRESIDENT OF THE UNITED STATES TO
CERTIFY ALL OF NORTH DAKOTA AS DISTRESSED
AREA FOR SEED LOAN PURPOSES

In view of the high cost of seed it will be impossible for many of the farmers of this State to seed the land normally farmed by them at a total seed expense of Four Hundred (\$400.00) Dollars; and

In view of the further fact that many of these farmers will be unable to secure their seed requirements unless they can obtain the necessary credit through the Farm Credit Administration; therefore

Be It Resolved by the House of Representatives of the State of North Dakota:

§ 1. That we hereby do most respectfully request the President of the United States to certify the entire territory comprising the State of North Dakota as a distressed emergency area to the Governor of the Farm Credit Administration under the provisions contained in the proviso in Sub-division (c) of Section 2 of H. R. 1545 enacted by the United States Congress.

§ 2. BE IT FURTHER RESOLVED, That a copy of this Resolution be forthwith forwarded to the Honorable Franklin D. Roosevelt with the request that he give it his immediate and serious attention.

Filed March 6, 1937.

House Concurrent Resolution A—(Page and Caddell)

SEED LOANS

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

WHEREAS, During the past years, the Federal Government has made loans to the farmers of this State to aid them in the purchase of seed with which to plant their crops and has taken security for such loans in the form of notes secured by crop mortgages, and

WHEREAS, By reason of the continued drought conditions existing in this State, it has been absolutely impossible for our farmers to liquidate but a very small portion, if any, of such indebtedness, and

WHEREAS, It will be necessary for our farmers to receive further aid from the Federal Government during the year 1937 to enable them to purchase and obtain the necessary seed to plant their crops,

NOW THEREFORE BE IT RESOLVED By the House of Representatives of the State of North Dakota, the Senate concurring, that we respectfully urge the President of the United States of America to at once make such executive order as may be necessary to enable the farmers of the drought areas of the United States to obtain credit for seed or seed in kind for the planting of their crops during the year 1937 and that such seed as may be held by government agencies be made available for sale and distribution at once.

BE IT FURTHER RESOLVED, That our Senators and Representatives in Congress be urged to co-operate with the President and government agencies in every possible way necessary to bring about the distribution of seed to distressed farmers in the drought areas in ample time for use at the commencement of the planting season.

BE IT FURTHER RESOLVED That copies of this Resolution be forwarded immediately to the President of the United States and to each Senator and Representative of the State of North Dakota in Congress.

Filed January 11, 1937.

Senate Resolution P—(Olson and Thorson)

REQUESTING CONGRESS TO ENACT LEGISLATION PER-
MITTING PAYMENT OF SEED LOANS BUSHEL
FOR BUSHEL

WHEREAS, It seems to have been impossible to secure legislation necessary to stabilize the market price of farm crops in these United States; and

WHEREAS, The difference in the price of grains when bought for seed and feed, and when sold in the market, has been so great that the farmers who have been compelled to borrow money from the various Federal agencies for the purpose of buying such feed or seed are frequently required to sell two or more bushels in order to discharge the cost of each bushel purchased; and

WHEREAS, Under such conditions it will be utterly impossible

for many of our farmers to discharge their obligations to the Federal agencies;

Therefore, Be It Resolved by the Senate of the State of North Dakota:

That through this Resolution we earnestly appeal to the Congress of the United States to enact such legislation as will permit any person now indebted, or who may hereafter become obligated for a federal seed or feed loan, to discharge such debt by payment in kind, bushel for bushel.

BE IT FURTHER RESOLVED, That one copy of this Resolution be sent to the Secretary of Agriculture and one copy to the President of the United States, one copy to each of our Congressmen, one copy to each of our United States Senators, and one copy to M. W. Thatcher, 423 E. Leland St., Chevy Chase, Md., these copies to be forwarded to them by our Secretary of State immediately upon the passage of this Resolution.

Filed February 27, 1937.

House Resolution G—(H. R. Freitag, R. W. Fraser and Calvin Schimke

INVESTIGATION STATE MILL AND ELEVATOR

WHEREAS, Pursuant to House Resolution "E" passed by the House of Representatives on January 28, 1937, requiring the State Industrial Commission to submit certain information relative to the disposition made of the Processing Tax impounded by order of the Federal Court in an amount of \$575,049.82, and other information, and

WHEREAS, A part of the information sought in Resolution "E" at this time has been printed in the Journal, and

WHEREAS, This information so filed discloses that thousands of dollars of this Processing Tax money has been squandered and spent for political purposes and paid out to divers persons without any services being rendered to the State of North Dakota for the same, or to the State Mill and Elevator, and that these monies so paid out are paid out in a wholly illegal manner, for illegal purposes, and

WHEREAS, \$7,349.75 of these monies was paid out on voucher No. 17843, and

WHEREAS, This voucher has been taken from the files in the Mill and Elevator, and

WHEREAS, Other files in the Mill and Elevator have been rifled, and

WHEREAS, The files of F. F. Burchard, Certified Public Accountant, who is now making an audit of the Mill and Elevator, reports that his files containing important information, have been rifled within the last two weeks,

NOW THEREFORE, BE IT RESOLVED, That the House of Representatives requires and demands that the State Industrial Commission proceed under the powers granted them, as provided for in Sub-section H of Section 368 a-5 of the 1925 Supplement to the 1913 Compiled Laws of North Dakota, and conduct a searching investigation into the condition of the State Mill and Elevator, and that they start prosecution of any individual, or individuals, regardless of whom they may be, who has violated any trust, or any of the criminal or civil laws of this State, that action be commenced to recover these monies and that criminal proceedings, if so warranted, be instituted without further delay, and that a copy of this Resolution be served on the members of the Industrial Commission, and that they be further instructed to conduct this investigation as far back as the statute of limitations will imply, and that they make all their findings public, so that the citizens of this State and the tax payers may know just exactly what has been done with their monies and that they further be required to submit an answer to this House not later than three days from this date that these instructions will be followed and carried out.

Filed February 5, 1937.

House Concurrent Resolution V—(Traynor)

TREATY ST. LAWRENCE SEAWAY

Be It Resolved by the House of Representatives, the Senate Concurring:

WHEREAS, The United States and Canada negotiated a treaty in the year 1932, providing for the joint construction of the St. Lawrence Seaway, which treaty has been ever since, and is now, awaiting ratification by the (by the) United States Senate; and

WHEREAS, The early completion of this great international waterway project is necessary, not only to establish equality in transportation costs between seaboard States and mid-western and northwestern States, but, also to restore prosperity to the entire Northwest, including North Dakota; and

WHEREAS, The President of the United States has repeatedly

approved the St. Lawrence Seaway Project and has recommended the ratification of said treaty at a previous session of Congress ;

NOW, THEREFORE, BE IT RESOLVED, By the House of Representatives, the Senate concurring, that the President of the United States is hereby memorialized to re-submit said treaty to the United States Senate for ratification at the present session of Congress, and that the Senate of the United States is hereby urged to ratify said treaty at the earliest possible time, to the end that the necessary enabling legislation, for the completion of this waterway project, may be adopted by this Congress ; and

BE IT FURTHER RESOLVED, That copies of this Resolution be transmitted to the President of the United States, to the President of the Senate, and to each member of Congress and the Senators from North Dakota.

Filed March 5, 1937.

House Concurrent Resolution E—(Stray)

**URGING CONGRESS TO PROVIDE FEDERAL FUNDS FOR THE
PLANTING AND GROWING OF TREES IN NORTH DAKOTA**

A Joint Resolution of the Senate and House of Representatives of the
State of North Dakota.

WHEREAS, It is necessary to plant and grow trees in the State of North Dakota for the purpose of preventing soil erosion in the northwestern States and for the prevention of floods in the Missouri valley and Mississippi valley, and

WHEREAS, There is now sufficient funds provided for by Congress for soil erosion and relief, and

WHEREAS, The planting and growing of said trees will create labor for the unemployed in the State of North Dakota and will alleviate the suffering of the unemployed in North Dakota, and will relieve the relief administration at Washington for the providing of direct grants to the unemployed by furnishing employment, to the unemployed.

BE IT THEREFORE RESOLVED, That in the worst depression in the history of the United States and in the severest crop failure in the history of North Dakota and in an era unsurpassed human suffering and want by a large portion of the people of North Dakota, we the Senate and House of Representatives of the State of North Dakota,

Do petition and memorialize the Congress of the United States that it by constitutional action, as warranted by the present emerg-

ency provide for the planting and growing of trees in the State of North Dakota and that it provides funds for same out of soil erosion funds and the poor relief funds now in existence and already provided for by Congress; and that the Federal Government have full control of the growing and planting of said trees; and that only the unemployed and those on relief be employed upon said project as aforesaid.

BE IT FURTHER RESOLVED, That a copy of this Resolution be wired to the President of the United States, the Vice President of the United States, and the Speaker of the House of Representatives.

Filed March 5, 1937.

Senate Concurrent Resolution A-3—(Coffey and Cain)

TRI-STATE RED RIVER DRAINAGE BASIN COMMITTEE

- A Concurrent Resolution Memorializing the Legislative Assembly of the State of Minnesota, to enact Legislation in accordance with recommendations by Representatives of the States of Minnesota, South Dakota and North Dakota, at the conferences of the Tri-State Committee on the Red River of the the North Drainage Basin held at Fargo, North Dakota on August 14th and December 1st, 1936.

Be It Resolved by the Senate of the State of North Dakota, the House of Representatives Concurring:

WHEREAS, At the conferences held in the city of Fargo, North Dakota, on the 14th day of August, 1936 and the 1st day of December, 1936, by representatives from the States of Minnesota, South Dakota and North Dakota, recommendations were made that a tri-state compact be entered into by the said three States of Minnesota, South Dakota and North Dakota, for the purpose of developing a water plan of the Red River of the North drainage basin, and

WHEREAS, It was the unanimous opinion of the representatives of said three States at the conferences held as aforesaid that such a compact should be entered into, and that it would be for the mutual interest and benefit of the three States that such compact be entered into by the said three States, and that legislation to effectuate the same be enacted by their respective legislative assemblies, now in session, and

WHEREAS, The Congress of the United States has enacted a statute authorizing and empowering the said three States to enter into such compact, and

WHEREAS, The States of South Dakota and North Dakota have enacted the necessary legislation in conformity with the recommendations of the representatives of the said three States at the conferences held as hereinbefore set forth, and

WHEREAS, From recent press reports, it appears that the Legislative Assembly of the State of Minnesota now in session has declined to pass such necessary legislation, and if such reports are true, the recommendations of the joint conferences as aforesaid and the Act of Congress authorizing such tri-state compact, and the legislation enacted by South Dakota and North Dakota will be ineffective, and the entire purpose and plan of said tri-state conferences will be defeated,

NOW THEREFORE, BE IT RESOLVED By the Senate of North Dakota, the House of Representatives concurring, that the honorable Legislature of the State of Minnesota be respectfully urged to reconsider its action herein and to enact such legislation as will make effective the recommendations, plans and purposes as promulgated by the representatives of the three States at the joint conferences had as hereinbefore set forth.

IT IS FURTHER RESOLVED, That a copy of this Resolution be sent to the Governor, the President of the Senate and the Speaker of the House of Representatives, of the Legislative Assembly of the State of Minnesota.

Filed March 8, 1937.

House Concurrent Resolution F—(Bjornson)

TOWNSEND RECOVERY PLAN

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring Therein:

WHEREAS, The problem of the security of employment and the security of the aged have become leading public issues, and

WHEREAS, The people of the State of North Dakota have become conscious of the need of Federal Legislation aiming to make dependent old age more secure, and

WHEREAS, Many thousands of the people of this State have endorsed and recommended a plan known as the "TOWNSEND RECOVERY PLAN," tending toward the accomplishment of these aims and the security of persons of this State in their old age; and

WHEREAS, It is imperative that our younger people may find employment and thus put an end, in a large measure, to our present

unemployment situation, and that the active and wide increase of buying and selling to result from the operation of the Townsend Recovery Plan Bill will help banish poverty and bring back prosperity to our country in general:

NOW THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES of this Twenty-fifth Legislative Assembly, the Senate concurring therein: That the Congress of the United States is hereby respectfully memorialized and urged to pass the said "Townsend Recovery Plan Bill" thereby making it the Federal Law of the Land, if as, and when the same is presented for its passage.

BE IT FURTHER RESOLVED, That the Senators and Representatives of the State of North Dakota in the Congress of the United States be, and hereby are, requested to take such necessary steps as will insure the immediate passage of the aforesaid "Townsend Recovery Plan" bill upon its presentation to the Congress of the United States, and that copies of this memorial be forwarded forthwith to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Representatives of the State of North Dakota.

Filed February 6, 1937.

House Concurrent Resolution Q—(Freitag)

CONCURRENT RESOLUTION MEMORIALIZING THE CONGRESS
OF THE UNITED STATES TO PROVIDE FOR THE CARE OF
NEEDY AGED AND BLIND WARD INDIANS AND THE
DEPENDENT CHILDREN OF WARD INDIAN
FAMILIES

WHEREAS, There are several hundred ward Indians eligible to receive old age and blind assistance, and several hundred ward Indian children eligible to receive aid to dependent children in the State of North Dakota, and

WHEREAS, Because of their status as residents of Indian reservations, they and their property are not subject to taxation by the State or County in which they reside, and

WHEREAS, Because of the heavy burden placed upon these Counties in making payments of old age and blind assistance and dependent children aid to qualified tax paying residents, the Counties are under excessive financial strain, and

WHEREAS, It is an undue hardship upon the said State and Counties to provide care for these ward Indians because of the facts above stated;

NOW, THEREFORE, BE IT RESOLVED, That we, the members of the Twenty-fifth Legislative Assembly of the State of North Dakota respectfully memorialize Congress to provide Federal funds for the care and relief of these above referred to needy aged and blind ward Indians and the dependent children of ward Indian families, and be it further resolved that a copy of this Resolution be forwarded to the United States Senate and the United States House of Representatives and to each of the Senators and Representatives of the State of North Dakota in the Congress of the United States.

Filed March 6, 1937.

SPECIAL SESSION

RESOLUTIONS SPECIAL SESSION

SPECIAL SESSION OF THE TWENTY-FIFTH LEGISLATIVE ASSEMBLY

Joint House and Senate Resolution C—(Whelan and Goodwin)

MEMORIAL RAY E. ANDERSON

WHEREAS, Ray E. Anderson, representative of the Associated Press, rendered a distinct service to the members of the Special and Regular 1937 Sessions of the North Dakota Legislature in fairly, fully and impartially reporting the proceedings of the Senate and the House; and

WHEREAS, His fairness, loyalty to duty, and sterling character endeared him to the members of this Legislative Assembly; and

WHEREAS, The members of the Senate and the House are grieved to learn of his accidental injury and resultant death;

NOW, THEREFORE, BE IT RESOLVED, That we express to Mrs. Anderson, her children, and family our deepest sympathy; and

BE IT FURTHER RESOLVED, That a copy of this Resolution be forwarded to Mrs. Anderson.

THE SPECIAL LEGISLATIVE ASSEMBLY OF THE STATE OF
NORTH DAKOTA

Senate Resolution No. 1—(Stucke and Cain)

HON. A. F. BONZER

WHEREAS, A. F. Bonzer, Jr., a member of the North Dakota Senate during the 1929, 1931, 1933 and 1935 Legislative Sessions; and

WHEREAS, It has been reported to the members of this Legislative Assembly that he has been in ill health for the past few months; and

WHEREAS, The members of the Senate are pleased to learn of his improved condition of health;

NOW, THEREFORE, BE IT RESOLVED, That we, the members of the North Dakota Senate, express to A. F. Bonzer, Jr., our sincere wish and desire for his speedy recovery.

Filed March 10, 1937.

THE SPECIAL SESSION OF THE TWENTY-FIFTH LEGISLATIVE
ASSEMBLY

Special Session House Concurrent Resolution B—(Joint Committee
on Employment)

ADDITIONAL COMPENSATION LEGISLATIVE EMPLOYEES

Be It Resolved by the Senate of North Dakota, the House of Representatives Concurring:

That Thos. McDonald, Secretary of the Senate, and Minnie D. Craig, Chief Clerk of the House, are hereby authorized, empowered and employed to compare and index the Journal of the Special Session of the Twenty-fifth Legislative Assembly, and to complete the Senate and House Journals and mail out to the members the temporary Journals of the last days of the session, which have not been delivered to members before the close thereof; and the said Thos. McDonald, Secretary of the Senate, and Minnie D. Craig, Chief Clerk of the House, are hereby directed and required at their own cost and expense to arrange for and procure sufficient assistance to insure that the said work shall be completed within thirty days after the adjournment of the session.

BE IT FURTHER RESOLVED, That for the services of the said Thos. McDonald, Secretary of the Senate, and Minnie D. Craig, Chief Clerk of the House, as above set forth, that they be paid the sum of \$10.00 each, which shall include compensation for an assistant to be selected by each, all to be paid as other legislative expenses,

and paid when the respective claims are verified by the affidavits of said Thos. McDonald and Minnie D. Craig showing the completion of such work.

BE IT FURTHER RESOLVED, That the necessary postage for mailing out the copies of temporary Journals as aforesaid be furnished to the said Secretary of the Senate and said Chief Clerk of the House as part of the Legislative expenses of this session.

**THE SPECIAL LEGISLATIVE SESSION OF THE STATE OF
NORTH DAKOTA**

House Concurrent Resolution A—(Joint Committee on Employment)

LEGISLATIVE MAILING FORCE SPECIAL SESSION

Concurrent Resolution to retain mailing force of the Legislative Assembly in office for a period of five days and the proof reader of the House for a period of three days beyond the close of the Session.

Be It Resolved by the House of Representatives of the State of North Dakota, the Senate Concurring:

WHEREAS, It will be impossible for the mailing force of the present Legislative Assembly to complete its work in mailing the Journals of the House and the Senate before the close of the Session, and

WHEREAS, It will be necessary to have one of the proof readers remain for a period of three days, and

WHEREAS, Those on the mailing list who are interested in the work of the Assembly and are now receiving copies of the Journal are desirous of obtaining such copies showing the work done in the closing days of the session;

NOW, THEREFORE, BE IT HEREBY RESOLVED, That those employees who are members of the mailing force in the House and the Senate and the proof reader of the House during the present session be retained for a period of five days, with the exception of the proof reader, who shall remain for a period of three days after the close of the present legislative session, during which time they shall continue to perform their duties and complete the work of mailing out copies of the Journal for those days that have not been mailed prior to adjournment, and that for such additional time they shall be entitled to be paid and receive the same compensation as during the regular session.

THE SPECIAL LEGISLATIVE ASSEMBLY OF THE STATE OF
NORTH DAKOTA
House Resolution A—(Twitchell)

MEMORIAL ON THE DEATH OF HON. WILLIAM V. O'CONNOR

WHEREAS, The papers of March 9th, 1937 carried notice of the death at his home in Grand Forks of William V. O'Connor, a former member of this body, on the 8th inst. and

WHEREAS, The Honorable William V. O'Connor served the people of this State efficiently and well as a member of the House of Representatives in the 12th and 13th Sessions thereof; and by marked ability, fairness, impartiality and gentlemanly demeanor, endeared himself to his constituents and colleagues, of which the proponent himself was one: and

WHEREAS, The people of his community and the State have suffered a distinct loss in the death of Mr. O'Connor, for more than sixty years a resident of Grand Forks County, coming there with his parents from Ontario in 1883 and being active in business and public life of his City, County and State, for more than fifty years past:

THEREFORE, Be it resolved that this House of Representatives of the State of North Dakota extend its profound sympathy to the widow of William V. O'Connor, to his brother, J. F. T. O'Connor, also a former member of this body, and to other members of the family of the deceased, in their deep bereavement: That this Resolution be spread upon the official Journal of this body that the memory of William V. O'Connor may be perpetuated on our records, and that the Secretary of State be, and he is hereby directed to forward to Mr. O'Connor's widow at Grand Forks, North Dakota and to Hon. J. F. T. O'Connor, Comptroller of Currency, Washington, D. C., also a former member of this body, properly engrossed copies of this Resolution.

Filed March 10, 1937.

Joint Resolution A of Senate and House of Representatives

CERTAIN RULES AND AGREEMENT SPECIAL LEGISLATIVE
SESSION

Be It Resolved by the Senate, and the House of Representatives:

That the following rule be and that the same is hereby adopted as a rule for the Senate and for the House of Representatives and as a joint rule, for this Special Session, namely:

That no bill or resolution shall be introduced, received or acted upon, except the following:

- (1) A bill providing for an income tax;
- (2) A bill providing for an appropriation for the Valley City Normal School;
- (3) A bill providing for an appropriation for the Mayville Normal School and
- (4) A bill providing for the expenses of this special session of the legislature.
- (5) A bill providing for an appropriation for dealing with Bovine Tuberculosis:
- (6) A bill to provide for Motor Vehicle Drivers' License and to increase the number of Highway Patrol from ten to twenty.

Filed March 10, 1937.

VETOES

S. B. No. 187—(Committee on Agriculture)

ADVISORY COUNCIL FOR COUNTY AGENTS

An Act to provide for an Advisory Council in each County to confer with and direct each County Agent in his work program for the year, providing for selection of such council, methods of operation, and giving such council power to demand removal of such County Agent and providing for hearing on such demand, and repealing all Acts or parts of Acts in conflict herewith.

V E T O

March 19th, 1937

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 187, which I have disapproved, entitled "An Act to provide for an Advisory Council in each County to confer with and direct each County Agent in his work program for the year, providing for selection of such council, methods of operation, and giving such council power to demand removal of such County Agent and providing for hearing on such demand, and repealing all Acts or parts of Acts in conflict herewith."

I disapprove this bill for the reason that it would create six new jobs in each County—a total of 318 new positions. These 318 men would receive \$5.00 per meeting and 5c mileage, and nothing

is to prevent the persons selected from meeting several days at a time, although the law provides that they shall have not to exceed four meetings a year. It will be seen that the expense of such meetings would run into thousands of dollars, and I do not believe the benefits received would be at all commensurate with the expense involved. Besides, the County Commissioners already have this as a part of their duties.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. ADVISORY COUNCIL—HOW ELECTED.] After the passage of this Act, the Cooperative Extension Department of the Agricultural College, together with the Board of County Commissioners for each County maintaining a County Agent in accordance with the provisions of Section 3259a of the Supplement to the Compiled Laws of 1913, shall zone each of such Counties of the State into six (6) zones containing as nearly equal a number of townships as is feasible in each zone. The Board of County Commissioners of each such County shall call once a year, in a convenient community center, a public mass meeting of the electors of each of the six (6) zones, for the purpose of electing one member of the Advisory Council for each zone, said member to be an active farmer residing in said zone. Notice of said public mass meeting shall be published in the local official newspaper for two consecutive issues previous to the date of such public mass meeting. One member of the Board of County Commissioners shall preside at the election of such mass meeting, and the election thus held shall be by ballot. The six (6) members thus elected, together with one member of the Board of County Commissioners, as the seventh member, shall constitute the Advisory Council of that County. The six farmer members of the Advisory Council shall be paid \$5.00 per meeting and (5c) five cents per mile for mileage to and from official meetings of the council, said mileage to be paid out of the County Agent's funds upon the presentation of vouchers duly approved and ordered by the Board of County Commissioners, provided, however, in no case shall per diem and mileage be allowed to any member for more than four meetings in any one calendar year.

§ 2. ADVISORY COUNCIL.—ORGANIZATION.—POWERS.] Within ten days after the selection of said Advisory Council the chairman of the Board of County Commissioners in each County, shall call a meeting of said council at the County Court house for the purpose of organizing the council. The council shall at such meeting select from its own members, a president, a vice-president, and a secretary. After the Advisory Council is thus organized the

council itself shall be empowered to call meetings on its own accord, but not to exceed four meetings per year, as stipulated in Section I of this Act.

§ 3. DUTIES.] At the public mass meetings called for election of members of the Advisory Council each year, in each County employing a County Agent, there shall be held an open Forum for the purpose of discussing plans for a suitable program of cooperative extension work for such County for the current year, the County Agent to take part in such discussion. After the Advisory Council is elected and properly organized the council shall review the proposed plans as adopted at these public mass meetings and out of these suggested plans select and adopt what they consider is suitable for a cooperative extension work program for that County during the current year. The County Agent shall take part in the discussion of these proposed plans but shall have no vote in the final adoption of the plan selected by the Advisory Council. After the Advisory Council has adopted its program for cooperative extension work for the County for the current year, such program shall be approved by the Cooperative Extension Department of the Agricultural College, and when so approved such program shall become the authorized cooperative extension work program for that County for that year; and it shall be obligatory for the County Agent of such County to put into effect as much of this approved program as can be reasonably expected of him to do.

§ 4. REMOVAL OF COUNTY AGENT.] At any time when the Advisory Council feels that the success of the adopted and approved program of cooperative extension work for the County is handicapped by the County Agent of said County, the Advisory Council shall be empowered to demand of the Cooperative Extension Department of the Agricultural College and the Board of County Commissioners, that said County Agent be removed, and that a joint meeting be arranged within 30 days after such demand between the Advisory Council, the Cooperative Extension Department and the Board of County Commissioners as set forth in Section 3259a of the 1925 Supplement to the Compiled Laws for 1913.

§ 5. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

S. B. No. 124—(Cain, Lemke, Young and Topp)

FIRE DEPARTMENT INSTRUCTOR

An Act providing for the employment of a Fire Department Instructor; prescribing the qualifications of such instructor and the duties thereof; providing for salary and expenses of, and fees to be charged by such instructor; requiring reports and providing an appropriation to carry out the provisions of this Act.

V E T O

March 17, 1937

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 124, entitled "An Act providing for the employment of a fire department instructor; prescribing the qualifications of such instructor and the duties thereof; providing for salary and expenses of, and fees to be charged by such instructor; requiring reports and providing an appropriation to carry out the provisions of this Act," which I have disapproved.

My reason for this disapproval is that there is insufficient money on hand in the State Treasury to cover this appropriation, and that the object of this bill may be accomplished through another department of our State government.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. EMPLOYMENT OF ITINERANT FIRE DEPARTMENT TEACHER AND INSTRUCTOR.] For the purpose of improving the efficiency of the several fire departments in the State of North Dakota, the Supervisor of Trade and Industrial Education of the State of North Dakota, with the approval of the State Board of Vocational Education, shall select, appoint and employ an Itinerant Fire Department Teacher-Trainer and Instructor, who shall be known as the Fire Department Instructor. The North Dakota Firemen's Association may recommend one or more persons as candidates for such appointment, and should any of the persons so recommended possess the necessary qualifications as prescribed in Section 2 of this Act, preference shall be given to the applicants so recommended.

§ 2. QUALIFICATIONS.] The person so appointed shall possess such educational and teaching qualifications as may be prescribed by the State Board of Vocational Education, and shall have had at least five (5) years experience as an active fireman.

§ 3. SALARY AND EXPENSES.] The salary of the Fire Department Instructor shall be such as may be determined by the State Board of Vocational Education, but in no event to exceed the sum of Two Hundred Dollars (\$200.00) per month, and his actual and necessary expense incurred in the discharge of his duties, to be audited and paid in the same manner as the salary and expense of Itinerant State Trade and Industrial Instructors are paid.

§ 4. DUTIES.] The Fire Department Instructor shall, at least once every two years, give instruction to every fire department in the State of North Dakota, ascertain the efficiency of the personnel of such department, hold a school of instruction for the members of such fire departments, and impart such information to each department visited as to him shall seem necessary and proper. It shall be the duty of the Chief of the Fire Department of each department visited to cooperate with the Fire Department Instructor, and assist him in the upgrading of the department, and to have present at any school of instruction deemed necessary, by the Fire Department Instructor, as many as possible of the members of his department.

§ 5. FEES TO BE CHARGED.] For the purpose of reimbursing the State Treasury for the appropriation hereinafter made, for the purpose of cooperating with the Federal Board of Vocational Education, in promoting Trade and Industrial Education under the several Acts of Congress, the Fire Department Instructor shall charge a fee of Ten Dollars (\$10.00) per day for the time actually employed in giving such instruction; such fees to be paid into the State Treasury by the municipalities serviced by the Fire Departments instructed; provided, that not more than one day shall be employed by the Fire Department Instructor, in each two year period, with any department in any City or Village having a population of less than 1,000 inhabitants, except upon the request of the Chief of the Department, or of the governing body of the City or Village serviced by such department.

§ 6. SUPERVISION AND REPORTS.] The Fire Department Instructor shall perform his duties under the supervision and direction of the State Supervisor of Trade and Industrial Education of the State of North Dakota, and if at any time his services shall prove unsatisfactory to such Supervisor, he may be dismissed from his duties as such Fire Department Instructor, and the vacancy thus created shall be filled as provided in Section 7 of this Act. He shall make such monthly reports of his activities as are required by the State Supervisor. He shall also report to the State Treasurer at least once each week the names of the fire departments visited, the names of the municipalities in which such departments are situated, the amount of time employed in each City or Village, and the amount of fees charged against each City or Village.

§ 7. VACANCIES. HOW FILLED.] In the event of a vacancy in the position of Fire Department Instructor, either by reason of his dismissal, resignation or for any other cause, such vacancy shall be filled by appointment by the same persons and in the same manner as provided for the original appointment under the provisions of Section 1 of this Act.

§ 8. ACT INOPERATIVE WHEN.] This Act shall be inoperative unless the State Board of Vocational Education make available from Federal funds, an amount equal to the amounts appropriated by Section 9 of this Act for the purpose of paying not less than one-half ($\frac{1}{2}$) of the salary and traveling expenses, of such Fire Department Instructor, as by this Act provided.

§ 9. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury not otherwise appropriated the sum of Four Thousand Dollars (\$4,000.00) or so much thereof as may be necessary, for the purpose of paying the salary and expense of the Fire Department Instructor as by this Act provided, for the biennium beginning July 1, 1937, and ending June 30, 1939.

S. B. No. 42—(Committee on Appropriations)

REGIONAL FIRE SCHOOLS

An Act making an appropriation for the use and benefit of the North Dakota Firemen's Association in promoting regional fire schools, as provided for under Chapter 137, Session Laws of 1935; repealing all Acts or parts of Acts in conflict herewith.

V E T O

March 17, 1937

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 42, which I have disapproved, entitled "An Act making an appropriation for the use and benefit of the North Dakota Firemen's Association in promoting regional fire schools, as provided for under Chapter 137, Session Laws of 1935; repealing all Acts or parts of Acts in conflict herewith."

My reason for disapproving this enactment is that there is sufficient money in the fund for maintaining the Insurance Department of the State of North Dakota to be used in support of this appropriation, to which department the Fire Marshal's office has been transferred.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$4,000.00, or so much thereof as may be necessary for the use and benefit of the North Dakota Firemen's Association, to be disbursed by State Auditors warrants on vouchers approved by the Secretary of the North Dakota Firemen's Association and audited by the State Auditing Board, for the purpose of holding regional fire schools, according to the rules and regulations of such association, and as provided for under Chapter 137, Session Laws of 1935, for the biennium beginning July 1st, 1937, and ending June 30th, 1939.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are hereby repealed.

S. B. No. 70—(Committee on Taxes and Tax Laws)

INCOME TAX ACT

An Act providing for and relating to the taxation of individuals, fiduciaries and corporations; prescribing the rates which shall be paid with respect to net income as defined in Article 35 of Chapter 34 of Political Code of the Supplement to the Compiled Laws of 1913 and Acts amendatory thereof; providing when losses may be deducted; providing for exemptions and credit upon tax; providing for date of effect and to amend and re-enact Section 2346a23 of the Supplement to the Compiled Laws of 1913; and to amend and re-enact Section 2346a25 of the Supplement to the Compiled Laws of 1913; and Subsection 4 of Section 4 of Section 2346a18 of the Supplement to the Compiled Laws of 1913 as amended by Chapter 283, Session Laws, 1931; providing for making the tax a lien; providing for Field Auditors; providing for the repeal of Paragraph "B" of Sub-section 4 of Section 6 of Chapter 283 of the 1931 Session Laws; making a saving clause and declaring an emergency.

V E T O

March 16, 1937

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 70, entitled "An Act providing for and relating to the taxation of individuals, fiduciaries and corporations; prescribing the rates which shall be paid with respect to net income as defined in Article 35 of Chapter 34 of the Political Code of the Supplement to the Compiled Laws of 1913 and Acts amendatory thereof; providing when losses may

be deducted; providing for exemptions and credit upon tax; providing for date of effect and to amend and re-enact Section 2346a23 of the Supplement to the Compiled Laws of 1913; and to amend and re-enact Section 2346a25 of the Supplement to the Compiled Laws of 1913; and Sub-section 4 of Section 4 of Section 2346a18 of the Supplement to the Compiled Laws of 1913 as amended by Chapter 283, Session Laws, 1931; providing for making the tax a lien; providing for Field Auditors; providing for the repeal of Paragraph "B" of Sub-section 4 of Section 6 of Chapter 283 of the 1931 Session Laws; making a saving clause and declaring an emergency," the emergency clause of which did not carry.

I am hereby disapproving this bill for the reason that Senate Bill No. 5, enacted by the Extraordinary Session of the Twenty-fifth Legislative Assembly of the State of North Dakota, carries an emergency clause and has been approved by me.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. INCOME TAX: GRADUATED RATE.] A tax is hereby imposed upon every resident of North Dakota, which tax shall be levied, collected and paid annually with respect to his entire net income as defined in Article 35 of Chapter 34 of Political Code being Sections 2346a1 to 2346a50 inclusive of the Supplement to the Compiled Laws of 1913 and Acts amendatory thereof; computed at the following rates:

On all net incomes, above exemptions, and not in excess of \$2,000.00, a tax of 1%.

On all net incomes in excess of \$2,000.00, above exemptions and not in excess of \$4,000.00, a tax of 2%.

On all net incomes in excess of \$4,000.00, above exemptions and not in excess of \$5,000.00, a tax of 3%.

On all net incomes in excess of \$5,000.00, above exemptions and not in excess of \$6,000.00, a tax of 5%.

On all net incomes in excess of \$6,000.00, above exemptions and not in excess of \$8,000.00, a tax of 7½%.

On all net incomes in excess of \$8,000.00, above exemptions and not in excess of \$10,000.00, a tax of 10%.

On all net incomes in excess of \$10,000.00, above exemptions and not in excess of \$15,000.00, a tax of 12½%.

On all net incomes in excess of \$15,000.00, above exemptions 15%.

§ 2. AMENDMENT.] That Sub-section 4, Section 4 of Section 2346a18 of the Supplement to the Compiled Laws of 1913 as

amended by Chapter 283, Sessions Laws, 1931, be amended and re-enacted to read as follows:

§ 2346a18. LOSSES: WHEN DEDUCTED.] (4) No losses shall be deducted from the fixed income of the taxpayer derived from salaries, wages, or taxable dividends, but losses actually sustained in the carrying on of any trade or business, sustained within the year and not compensated by insurance or otherwise, may be deducted, provided further that no loss may be allowed in the sale of property purchased and held for pleasure or recreation and which was not acquired or used for profit, but this proviso shall not be construed to exclude losses due to theft or the destruction of property by fire, flood, or other casualty, or a loss sustained in any sale of the residence of the taxpayer. In the case of a taxpayer other than a resident of the State, losses shall be allowed only as to transactions in real property or in tangible personal property having an actual situs, in this State, and losses in connection with any business, trade, profession or occupation carried on in this State. Provided, however, that the aggregate amount which may be deducted in connection with losses incurred in connection with sale or exchange of capital assets shall not exceed the aggregate gains reported from the sale or exchange of capital assets in any year.

(2) Losses sustained from the operation or conducting of any farming or agricultural pursuit sustained within the year and not compensated for by insurance; providing, however, that the person claiming such deduction must have been the record owner of the land on which the loss accrued for at least one year prior to claiming the deduction. Provided, however, that no deduction for loss sustained from any farming or agricultural pursuit as provided in this Section shall exceed the total sum of \$500.00.

§ 3. EXEMPTION.] (a) For the purpose of the tax on individuals, there shall be deducted from the tax due, the following exemptions:

(1) In the case of a single individual, an exemption of \$500.

(2) In the case of a head of a family or married individual living with husband or wife, a personal exemption of \$1,500.00. A husband and wife living together shall receive but one personal exemption of \$1,500.00 against their aggregate net income; and in case they make separate returns, the personal exemption of \$1,500.00 may be taken by either or divided between them.

(3) Two Hundred Dollars for each individual (other than husband or wife) dependent upon and receiving his chief support from the taxpayer, if such dependent individual is under eighteen years of age or is incapable of self support because mentally or physically defective or incapacitated, provided that exemptions may be claimed for children over the age of eighteen years and under

the age of twenty-one years that are dependent upon the taxpayer for support and are attending educational institutions.

(b) For the purpose of the tax on fiduciaries, there shall be deducted:

(1) If taxable under Article III, Section 14 (a) (Section 2346a13a, ante), a personal exemption of \$500.

(2) If taxable under Article III, Section 14 (b) (Section 2346a13b, ante), same exemption as would be allowed to deceased if living.

(3) If taxable under Article III, Section 14 (c) (Section 2346a13c, ante), the same exemption to which the beneficiary would be entitled.

(c) If the status of the taxpayer insofar as it affects the personal exemption or credits for dependents, changes during the taxable year, the personal exemption and credits shall be apportioned in accordance with the number of months before or after such change.

§ 4. CREDIT ON TAX.] A credit shall be allowed against the amount of tax computed to be due and payable by any taxpayer under this Act, to the extent of the tax which has been assessed against and paid by a corporation under this Act on income which is represented by dividends on stock in said corporation, received by the taxpayer and included in his gross income within the income year; provided that when only part of the income of any corporation shall have been assessed and income tax paid under this Act, only a corresponding amount of tax shall be deducted; and provided further that such corporation has reported the name and address of each person owning stock and the amount of dividends paid each such person during the year.

§ 5. AMENDMENT.] That Section 2346a23 and Section 2346a25 of the Supplement to the Compiled Laws of 1913 is amended and re-enacted to read as follows:

§ 2346a23. TIME AND PLACE OF FILING RETURNS AND PAYMENTS OF TAX DUE.] Returns shall be in such form as the Tax Commissioner may from time to time prescribe, and shall be filed with the Tax Commissioner at his office in Bismarck, North Dakota. Returns shall be made on or before the fifteenth day of the third month following the close of the fiscal year, or if the return is made on the basis of the calendar year, then the return shall be made on or before the fifteenth day of March. Providing, however, that the time for filing of calendar year returns for the year 1936 be extended to April 15, 1937. The Tax Commissioner may grant reasonable extension of time for filing reports, when in his judgment good cause exists. There shall be annexed to the return an affidavit or affirmation of the taxpayer making the return to the

effect that the statements contained therein are true. The Tax Commissioner shall prepare blank forms for said returns and shall cause them to be distributed throughout the State, but failure to receive or secure a form shall not relieve the taxpayer from making a return. The taxpayer shall compute the amount of tax due under his return and shall attach thereto a check, draft or money order, payable to the State Treasurer, Bismarck, North Dakota, for the amount of tax as so computed. Provided, that if the total tax exceeds Ten (\$10.00) Dollars, that the payments may be made in quarterly installments, and if paid in installments, the first installment shall be paid at the time fixed by law for filing the return; and second installment shall be paid on the fifteenth day of the third month; the third installment on the fifteenth day of the sixth month; and the fourth installment on the fifteenth day of the ninth month after the time fixed by law for filing the return.

§ 2346a25. ANNUAL TAX.] A tax is hereby levied for the year ending December 31, 1936, and annually thereafter upon the net income of every domestic and foreign corporation received from sources described in Article 2, Sections 7 and 8. Said tax, which shall be levied, collected, and paid annually with respect to such net income, shall be computed at the following rates:

On all net incomes not in excess of \$1,000.00 a tax of 3%.

On all net incomes in excess of \$1,000.00 and not in excess of \$3,000.00 a tax of 4%.

On net incomes in excess of \$3,000.00 and not in excess of \$8,000.00 a tax of 5%.

On net incomes in excess of \$8,000.00 and not in excess of \$15,000.00 a tax of 6%.

On net incomes in excess of \$15,000.00 a tax of 7½%.

§ 6. LIEN OF TAX — COLLECTION — ACTION AUTHORIZED.] Whenever any taxpayer liable to pay a tax and/or penalty imposed refuses or neglects to pay the same, the amount, including any interest, penalty, or addition to such tax, together with the costs that may accrue in addition thereto shall be a lien in favor of the State of North Dakota upon all property and rights to property, whether real or personal, belonging to said taxpayer.

The lien aforesaid shall attach at the time the tax becomes due and payable and shall continue until the liability for such amount is satisfied.

In order to preserve the aforesaid lien against subsequent mortgagees, purchasers or judgment creditors, for value and without notice of the lien, on any property situated in a County, the Tax Commissioner shall file with the Register of Deeds of the County in which said property is located, a notice of said lien.

The Register of Deeds of each County shall prepare and keep

in his office a book to be known as "Index of Tax Liens," so ruled as to show in appropriate columns the following data, under the names of taxpayers, arranged alphabetically:

- (1) The name of the taxpayer.
- (2) The name 'State of North Dakota' as claimant.
- (3) Time notice of lien was received.
- (4) Date of notice.
- (5) Amount of lien then due.
- (6) When satisfied.

The Register of Deeds shall indorse on each notice of lien the day, hour, and minute when received and preserve the same, and shall forthwith index said notice in said index book and shall forthwith record said lien in the manner provided for recording real estate mortgages, and the said lien shall be effective from the time of the recording thereof.

The Tax Commissioner shall pay a recording fee as provided by law for the recording of such lien, or for the satisfaction thereof.

Upon the payment of a tax as to which the Tax Commissioner has filed notice with the Register of Deeds, the Tax Commissioner shall forthwith file with said Register of Deeds, a satisfaction of said tax and the Register of Deeds shall enter said satisfaction on the notice on file in his office and indicate said fact on the index aforesaid.

The Attorney General shall, upon the request of the Tax Commissioner, bring an action at law or in equity, as the facts may justify, without bond to enforce payment of any taxes and/or penalties, and in such action he shall have the assistance of the State's Attorney of the County in which the action is pending.

It is expressly provided that the foregoing remedies of the State shall be cumulative and that no action taken by the Tax Commissioner or Attorney General shall be construed to be an election on the part of the State or any of its officers to pursue any remedy hereunder to the exclusion of any other remedy provided by law.

The technical, legal requirements outlined in this Section relating to tax liens on all real and personal property of the taxpayer to insure payment of the taxes, including penalties, interest, and other costs, are self-explanatory.

§ 7. DATE OF EFFECT.] This Act shall be effective on all income received during the year ending December 31, 1936, as provided in this Act.

§ 8. FIELD AUDITORS.] To provide for the enforcement and administration of this Act, the State Tax Commissioner is hereby authorized to appoint not more than four Field Auditors at a salary not to exceed \$150 per month and actual expenses when away from

home. Such Auditors to be versed in the knowledge of income tax and to have had at least three years' experience in the examination and auditing of books of account. All expenses incurred in complying with the provisions of this Section shall be deducted from the monies collected under this Act.

§ 9. SAVING CLAUSE.] Should the Courts of this State or of the United States declare any of the provisions of this Chapter unconstitutional, illegal or void, such decision shall not invalidate any other provision herein contained.

§ 10. REPEAL.] That Paragraph (b) of Sub-section 4 of Section 6, of Chapter 283 of the 1931 Session Laws and all other Acts or parts of Acts in conflict herewith are hereby repealed.

H. B. No. 15—(Peterson of Renville, Morland, Bjornson and Ritter)

LEGALIZING GAS AND OIL AS FUEL FOR PUBLIC BUILDINGS

An Act to encourage the investment of moneys in the State of North Dakota, and to encourage the development of the natural resources of this State, and to provide a market for the gas and oil deposits in the State, including those owned by the State of North Dakota, and the Counties thereof, and to permit the marketing of such natural resources by selling natural gas and oil to the State, County, and School Districts, upon condition that the seller purchase from actual production or produce in this State an amount of gas or oil at least equivalent to the amount it delivers to said State, County and School District buildings, and requiring such sellers to make reports of its sale and purchases and production, under oath, and providing a penalty for violation thereof, and repealing Acts in conflict herewith.

V E T O

March 20th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 15, which I have disapproved, entitled "An Act to encourage the investment of moneys in the State of North Dakota, and to encourage the development of the natural resources of this State, and to provide a market for the gas and oil deposits in the State, including those owned by the State of North Dakota, and the Counties thereof, and to permit the marketing of such natural resources by selling natural gas and oil to the State, County and School Districts, upon condition that the seller purchase from actual production or produce in this State an amount of gas or oil at least equivalent to the amount it delivers to said State, County and School District buildings, and

requiring such sellers to make reports of its sale and purchases and production, under oath, and providing a penalty for violation thereof, and repealing Acts in conflict herewith."

For twenty-five years this State has gone to much expense in developing the lignite coal industry. After years of litigation, fair railroad rates were secured. It is conceded that over eleven hundred coal miners and their families are supported by this industry. Engineers, firemen and railroad employees generally are engaged in the transportation of coal.

I am of the opinion that House Bill No. 15, if allowed to become a law, is detrimental to our lignite industry in the State of North Dakota, and for that reason I am hereby disapproving the same.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Natural gas and oil taken from production or produced in the State of North Dakota, may be used for fuel in State, County, and School District buildings in this State, when such fuel can be obtained at prices, which will result in advantage to the taxpayers thereof.

§ 2. Natural gas and oil may be purchased as aforesaid for fuel in State, County and School District buildings if the seller or carrier shall, during the period gas and oil is furnished, deliver the same for any North Dakota producer into pipe lines for sale and consumption an equivalent amount of natural gas or oil, and such further amounts as may be ordered by the Board of Railroad Commissioners; subject to government regulations and merchandising requirements of sellers in the development of gas and oil fields; as provided hereafter, and shall accept the terms, conditions, and obligations imposed as set forth in this Act; such acceptance shall be filed with the Board of Railroad Commissioners and the State Geologist.

§ 3. All persons selling gas or oil under the provisions of Section 2 hereof, shall make monthly reports under oath, to the Board of Railroad Commissioners, and shall file duplicate copies with the State Geologist, showing the amount of gas or oil sold under the provisions hereof, and the amount purchased or produced in this State, and such reports shall be accessible to all persons having jurisdiction of the matter of the payment therefor; as soon as said bills are rendered.

§ 4. It shall be unlawful to sell natural gas or oil to State, County or School Districts in this State, without complying with the provisions of this Act.

§ 5. The Board of Railroad Commissioners may, from time to time, request the aid and assistance of a qualified representative of the Bureau of Mines of the United States to supervise the abandonment of wells, or the extinguishment of fires, and it may, from time to time request the field superintendent of any company or any operator, operating in the same field to aid in the supervision of the abandonment of wells or the extinguishment of fires and in taking effective measures properly to accomplish said purposes, but no such persons shall receive from the State of North Dakota any compensation for or on account of such services. This Act shall be administered by said Board of Railroad Commissioners by and through its Engineer or Engineers, and its Inspector or Inspectors, without any cost and expense to the State of North Dakota in addition to the regular biennial appropriation made for said Board and its ex-officio Commissions.

§ 6. That the Board of Railroad Commissioners of the State of North Dakota are hereby authorized and directed, after hearing held upon due notice to all interested parties, promulgate such further rules and orders as it may deem proper, just and equitable, so long as the same are not inconsistent with or contrary to the laws of the United States or the rules and regulations promulgated by the Bureau of Mines or by the Secretary of the Interior of the United States, pursuant to Act of Congress, approved February 25, 1920 (Public 146).

§ 7. COMPLAINTS, ORDERS, DECISIONS, APPEALS.] In all respects in which the Board of Railroad Commissioners has power and authority under this Act, application and complaints may be made and filed with it and notices issued thereon, hearing held, opinions and decisions made and filed, petitions for oral argument and/or rehearing filed and acted upon and appeals from such orders and decisions may be taken by any party to the District Court of the County where such hearing was held unless otherwise provided for in this Article, in the same manner and under the same terms and upon the same conditions provided for by Sections 4609c1 to 4609s56 inclusive, Supplement to the 1913 Compiled Laws of North Dakota.

§ 8. This Act is supplementary to powers of the Railroad Commission, and not restrictive to any powers and duties such Board now has under existing laws of this State.

§ 9. Any persons violating the provisions of this Act shall not be permitted to recover the purchase price for any gas or oil sold in violation of the provisions hereof, and such violation shall be deemed sufficient cause for the cancellation of such contracts.

§ 10. REPEAL.] All Acts and parts of Acts in conflict herewith, to the extent of such conflict, are hereby repealed.

S. B. No. 91—(Aasen)

LOTTERY DEFINED

An Act to amend and re-enact Section 9660 of the Compiled Laws of 1913 defining a lottery.

V E T O

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you Senate Bill No. 91, which I have disapproved, entitled "An Act to amend and re-enact Section 9660 of the Compiled Laws of 1913 defining lottery."

I disapprove this bill because the present laws of the State of North Dakota dealing with lotteries are entirely adequate.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 9660 of the Compiled Laws of 1913 is hereby amended and re-enacted to read as follows:

§ 9660. LOTTERY DEFINED.] A lottery is any scheme for the disposal or distribution of property by chance among persons who have paid or promised or agreed to pay any valuable consideration for the chance of obtaining such property or portion of it, or for any share of or interest in such property upon any agreement, understanding, or expectation that it is to be distributed or disposed of by lot or chance, whether called a lottery, a raffle, or a gift enterprise, or by any or whatever name the same may be known; and any scheme or arrangement whereby a chance of so obtaining such property, or any portion thereof or interest therein, is given with, or upon the consideration of, the purchase, or agreement to purchase, of any article or thing whatsoever, or any ticket or admission to any theatre, dance, entertainment or place of entertainment, shall be deemed a lottery.

S. B. No. 56—(Committee on Appropriations)

MAYVILLE NORMAL

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous expenses of the State Normal School, Mayville, North Dakota.

V E T O

February 25th, 1937.

Members of the Senate,
Twenty-fifth Legislative Assembly.

GENTLEMEN :

I am herewith returning without my approval Senate Bill 56, an Act Making an Appropriation for the General Maintenance, Improvements and Repairs, Equipment and Miscellaneous Expenses of the State Normal School at Mayville, North Dakota.

May I not state that I sincerely regret the action of your body in failing to provide the necessary revenue to maintain the governmental functions of our State? All of us are very familiar with the fact asserted by State Treasurer John Gray that North Dakota has only a very small sum of cash on hand. In addition to the tax on real property, the two per cent sales tax and some smaller miscellaneous sources of revenue, it is well known that the taxpayers were looking to the enactment of an income tax measure.

To raise funds to meet the amount of money appropriated, it was essential to enact the emergency clause upon Senate Bill 70, providing for an income tax. This, your Honorable Body has refused to do. The vote on the emergency clause was ayes, 28; nays, 19; absent and not voting, 2. As it takes two-thirds of the members present and voting to enact an emergency clause, none was attached, with the result that a comparatively small group of citizens can refer the measure and prevent its going into effect upon July 1st.

Two years ago the income tax law then passed was referred, and I have already been informed that similar procedure is contemplated for this income tax law, which will not go into effect until July 1st. By the enactment of the emergency clause, the income tax law would have been in full force and effect, even if it was referred, until the people of North Dakota voted upon it, with the result that money would have been available with which to meet the expenses of maintaining our government.

You have appropriated many more millions of dollars than can possibly be paid by the sales tax. To the sales tax you enacted an emergency measure. The sales tax is essentially a tax upon the poor. It taxes the necessities of life; the bread, the milk, the butter, the eggs, the clothing needed by poor people. The sales tax is an emergency tax, and has always been considered as such in North Dakota.

The income tax is not an emergency tax. It is one of the fairest taxes in existence, because it taxes the taxpayer upon the amount of money that he makes. What tax could be fairer? As long as I am governor, gentlemen, it will never be said that I signed one measure taxing the poor and another measure allowing the rich to evade their just share of taxation.

In vetoing this bill I wish to make it plain that I have no personal enmity toward the State Normal School at Mayville, North Dakota, because I am also vetoing Senate Bill 55, providing appropriation for the State Normal School at Valley City, North Dakota; and I might as well state now that other vetoes of appropriations are going to follow.

Now, as well as at any other time, let the issue be clear to the people of this State that it is the policy of this administration to provide for the poor, the needy, the crippled, the aged, the blind and the destitute; that the feeble-minded and the insane will be taken care of; that we will take care of the rural schools; but that the institutions of higher learning, wherever they may be situated, will receive no funds with my concurrence until a just tax such as the income tax places a fair share of taxation upon the rich and wealthy, and to that extent lessens the burden upon the poor and the needy.

For the reasons above stated, I therefore disapprove of Senate Bill 56; and also wish to call your attention to the fact that there is apparently a clerical error of Three Thousand Dollars in subtraction on page two of the measure, which should be corrected in case you override my veto.

Respectfully,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$128,837.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Mayville, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 10,331.00
2. Faculty	92,000.00
3. Other Employees	16,482.00
4. Salary Adjustments, 1935-37.....	5,166.00
5. Salary Adjustments, 1937-39.....	3,719.00
(To be applied on salaries under \$2,000.00)	

OPERATING EXPENSE:

1. Fuel (including freight).....	14,500.00
2. Light, Power, Water, Gas.....	7,000.00
3. Telephone, Telegraph, Postage.....	2,000.00
4. Freight and Express.....	800.00
5. Insurance, Bonds, etc.....	2,439.00
6. Printing—Including Bulletins.....	1,000.00
7. Travel.....	300.00
8. Office Supplies—Including Stationery....	600.00
9. Educational Supplies.....	2,000.00
10. Power House Supplies.....	1,000.00
11. Janitors' Supplies.....	1,200.00
12. Students' Welfare, Hospitalization and Medical Service.....	1,000.00
13. Library Supplies.....	300.00
14. Extension.....	2,000.00
15. Car, Truck, Bus Maintenance.....	1,500.00
16. City Practice Teaching.....	1,000.00
17. Rural Practice Teaching.....	1,000.00
18. Grounds.....	200.00
19. Miscellaneous.....	200.00

TOTAL MAINTENANCE.....	\$167,737.00
Less estimated income, all sources...	47,500.00

NET MAINTENANCE.....	\$123,237.00
----------------------	--------------

IMPROVEMENTS AND REPAIRS:

1. Plumbing, Heating, Ventilating.....	800.00
2. General Repairs.....	1,000.00
3. Painting—General.....	300.00
4. Blower and Insulation for Boilers.....	350.00
5. Rewiring and New Plumbing—West Hall	1,000.00

EQUIPMENT:

1. Replacement Equipment.....	1,000.00
2. Typewriters.....	500.00
3. Library Books and Periodicals.....	2,000.00
4. Filing Equipment.....	100.00
5. Physical Education.....	100.00
6. New Equipment—Class Rooms and Offices	100.00
7. Replacement—Furniture and Rugs.....	250.00
8. Science Equipment.....	300.00
9. Replacement—Car and Truck.....	600.00

MISCELLANEOUS ITEMS:

1. Items Not Budgeted.....	200.00
----------------------------	--------

TOTAL.....	\$128,837.00
------------	--------------

H. B. No. 299—(Schauss, Odegard, Olson of Adams)

ESTABLISHMENT OF POLITICAL PARTIES

An Act to amend and re-enact Section 860 of the Compiled Laws of North Dakota for the year 1913; and repealing all Acts or parts of Acts in conflict herewith.

V E T O

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 299, which I have disapproved, entitled "An Act to amend and re-enact Section 860 of the Compiled Laws of North Dakota for the year 1913; and repealing all Acts or parts of Acts in conflict herewith."

My reason for disapproving this bill is on the ground that the present election laws make adequate provision for any election, without the confusion which this measure might entail.

Yours very truly,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Section 860 of the Compiled Laws of North Dakota for the year 1913 is hereby amended and re-enacted to read as follows:

§ 860. Any citizen otherwise eligible by law, affiliated with or representing the principles enumerated in the platform of the following parties, are eligible to nomination under this article: The Republican party, the Democratic party, or any party designation that cast five per cent of the votes cast for Governor at the last general election. Provided further that whenever a petition signed by fifteen thousand (15,000) or more voters of the State is filed with the Secretary of State on or before May 20th of any primary election year asking that ballots be provided for a further party and naming such party and stating the platform principles thereof, ballots therefor shall be provided and citizens with such party may vote such ticket at the following primary election and candidates thereof shall be entitled to the same rights and privileges as those of other parties.

§ 2. REPEAL.] All Acts or parts of Acts in conflict herewith are repealed.

S. B. No. 22—(Blaisdell)

INTEREST RATES PUBLIC DEPOSITS

An Act amending and re-enacting Section 2 of Chapter 222 of the Session Laws of 1931.

V E T O

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith returning Senate Bill No. 22, with my disapproval, entitled "An Act amending and re-enacting Section 2 of Chapter 222 of the Session Laws of 1931."

I am disapproving this bill for the reason that this regulation would do material harm to the smaller banks of the State, particularly to those in the Western part of North Dakota.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] That Section 2 of Chapter 222 of the Session Laws of 1931, is hereby amended and re-enacted to read as follows:

§ 2. § 714a13. INTEREST RATES.] The rate of interest on all public funds deposited as herein provided shall not exceed two per cent on daily balances subject to check or draft credited monthly, and shall not exceed four per cent on time deposits, nor be less than the prevailing rates of the Bank of North Dakota, except as prohibited by regulations of the Federal Deposit Insurance Corporation or the Federal Reserve Board. It is the intention of this Act that depositors of public funds in this State shall receive not less than the rate of interest obtainable from the Bank of North Dakota.

H. B. No. 77—(Committee on Appropriations)

PUBLIC DOCUMENTS

An Act making an appropriation to the Secretary of State for the payment of the cost of printing the 1933-1934 Public Documents, and declaring an emergency.

V E T O

March 4th, 1937.

Members of the House of Representatives,
Twenty-fifth Legislative Assembly.

HONORABLE MEMBERS:

I herewith return H. B. 77, Making an Appropriation to the Secretary of State for the Payment of the cost of printing the 1933-1934 Public Documents, and Declaring an Emergency, without my approval, for the following reasons:

The bill was allowed by the Printing Commission on April 17th, 1936, and not paid for lack of funds, and the order for printing, ostensibly given in the year 1933 by former State Printer, George E. Munger, was not approved for payment until October 24th, 1936.

Neither the Twenty-third nor the Twenty-fourth Legislative Assemblies appropriated any money with which to pay the same. At the present time, according to State Treasurer John Gray, the State is without any ready cash. Only this morning the State Auditor, Berta E. Baker, borrowed money with the advice and consent of the State Auditing Board, so there would be sufficient money on hand to pay the members of the Legislature their per diem and traveling expenses in order that they may return home.

Because of the financial condition of the Treasury I am hereby returning this bill unsigned.

Respectfully,

WILLIAM LANGER,

Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATIONS.] There is hereby appropriated to the Secretary of State out of any moneys in the State Treasury, not otherwise appropriated, the sum of Nine Hundred Twenty-eight Dollars and Fifty-three Cents (\$928.53) for the purpose of paying to the Knight Printing Company of Fargo, North Dakota, the cost of printing the 1933-1934 Public Documents, for the printing of which no appropriation was made by the Twenty-third and Twenty-fourth Legislative Assemblies and which Documents the Secretary of State was directed by law to publish.

§ 2. EMERGENCY.] An emergency is hereby declared to exist, and this Act shall take effect from and after its passage and approval.

H. B. No. 179—(Traynor and Stray)

RELIEF—FRAUDULENT REPRESENTATION

An Act making it unlawful to obtain or attempt to obtain relief by false and fraudulent representation.

V E T O

March 16th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. GRONNA:

I am herewith transmitting to you House Bill No. 179, entitled "An Act making it unlawful to obtain or attempt to obtain relief by false and fraudulent representation," which I have disapproved.

This measure is unnecessary, as the current statutes provide ample and sufficient protection against any situation which might arise under the provisions of this bill.

The bill might be used to intimidate needy people, and prevent them from securing necessary relief, and thus do more harm than good.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Every person who knowingly obtains, or attempts to obtain, or aids or abets any person to obtain, or attempt to obtain money, food, clothing, medical or any other service from any County Welfare Board or any other relief agency sponsored by any governmental agency or any private or public charitable or benevolent agency, by a wilfully false statement or representation or by impersonation or other fraudulent device or by concealment of information as to property, money or credit which he may have, shall, upon conviction therefor, be fined not more than \$500.00 or be imprisoned for not more than one year in the State Penitentiary or County jail, or by both such fine and imprisonment, in the discretion of the Court. In imposing the penalty the Court shall take into consideration the value of the property or services received or attempted to receive.

§ 2. In the event that money, food, clothing, medical or other service is secured by such false statements, representations, impersonations or other fraudulent device or by concealment of information the County Welfare Board or other agency may by Court action recover back twice the value of the money, property or services actually received.

H. B. No. 180—(Traynor and Stray)

RIGHT OF RECOVERY OF RELIEF GRANTS

An Act to amend and re-enact Section 10 of Chapter 97 of the Session Laws of 1933 providing duty of relative to aid and right of recovery by County or County Welfare Board.

V E T O

March 17th, 1937.

Hon. James D. Gronna,
Secretary of State,
Bismarck, North Dakota.

DEAR MR. SECRETARY:

I am herewith transmitting to you House Bill No. 180, which I have disapproved, entitled "An Act to amend and re-enact Section 10 of Chapter 97 of the Session Laws of 1933 providing duty of relative to aid and right of recovery by County or County Welfare Board."

In view of the existing statutes covering nonsupport and embracing this entire measure the law is unnecessary, and I hereby disapprove the same.

Yours very truly,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. AMENDMENT.] Paragraph 10 of Chapter 97 of the Session Laws of North Dakota for the year 1933 is hereby amended and re-enacted to read as follows:

§ 10. DUTY OF RELATIVE TO AID. RIGHT OF RECOVERY BY COUNTY OR COUNTY WELFARE BOARD.] It is the duty of the father, the mother and the children of any poor person (or person in need of relief) who is unable to maintain himself by work, to maintain such person to the extent of their ability. The County (or County Welfare Board, may recover for necessaries furnished to an indigent person from his father, mother or adult children.

S. B. No. 55—(Committee on Appropriations)

VALLEY CITY NORMAL

An Act making an appropriation for the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Valley City, North Dakota.

V E T O

February 25th, 1937.

Members of the Senate,
Twenty-fifth Legislative Assembly.

GENTLEMEN:

I am herewith returning without my approval Senate Bill 55, an Act Making an appropriation for the General Maintenance, Improvements and Repairs, Equipment and Miscellaneous Items of the State Normal School at Valley City, North Dakota.

For the reasons stated in my veto of Senate Bill 56 I am disapproving also of this measure.

Respectfully,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated, the sum of \$265,250.00, or so much thereof as may be necessary to pay the general maintenance, improvements and repairs, equipment and miscellaneous items of the State Normal School at Valley City, North Dakota, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

SALARIES AND WAGES:

1. Administration	\$ 16,805.00
2. Faculty	165,000.00
3. Other Employees	27,000.00
4. Salary Adjustments, 1935-37.....	10,590.00
5. Salary Adjustments, 1937-39, (To be applied on salaries under \$2,000.00).....	6,670.00

OPERATING EXPENSE:

1. Fuel (including freight).....	33,200.00
2. Light, Power, Water, Gas.....	2,400.00
3. Telephone, Telegraph, Postage.....	3,000.00
4. Freight and Express	750.00
5. Insurance, Bonds, etc.....	4,110.00
6. Printing	1,500.00
7. Travel	400.00
8. Office Supplies	1,000.00

9.	Educational Supplies	6,000.00
10.	Power House Supplies	2,500.00
11.	Janitor's Supplies	3,000.00
12.	Students' Welfare	1,250.00
13.	Rural Training	5,500.00
14.	Trucks	600.00
15.	Miscellaneous Operating Expense.....	1,500.00
	TOTAL MAINTENANCE	\$292,775.00
	Less estimated income, all sources.....	80,000.00
	NET MAINTENANCE	\$212,775.00
IMPROVEMENTS AND REPAIRS:		
1.	General	5,000.00
2.	Heating Plant	1,500.00
3.	Grounds, Walks, Drives.....	1,000.00
4.	Rewiring and Lighting—Special.....	2,000.00
5.	Auditorium Storm Doors—Special.....	500.00
6.	Special Building Repairs—Special.....	7,500.00
7.	Plumbing—Special	2,000.00
8.	Window Stripping—Special.....	1,200.00
EQUIPMENT:		
1.	Library	3,500.00
2.	Furniture—Dormitory	500.00
3.	Furniture, Apparatus and Machinery.....	1,500.00
4.	Typewriter Contract Renewals	500.00
5.	Library Stacks	500.00
6.	Filing Equipment	500.00
7.	Boiler Replacement and Ash Conevyor.....	21,000.00
MISCELLANEOUS ITEMS:		
1.	Special Assessments	3,575.00
2.	Miscellaneous Items (not budgeted).....	200.00
	TOTAL	\$265,250.00

S. B. No. 38—(Committee on Appropriations)

VETERANS' SERVICE COMMISSIONER

An Act making an appropriation for the purpose of paying salary, clerk hire, travel and general expenses of the office of Veterans' Service Commissioner as prescribed by Chapter 281, Laws of 1927 and Chapter 74, Laws of 1929.

V E T O

February 9th, 1937.

To the Members of the Senate,
Twenty-fifth Legislative Assembly :

GENTLEMEN :

I herewith return Senate Bill 38 without my approval.

This bill is an appropriation in the sum of \$10,085.00 to pay salary, clerk hire, travel and general expense of the office of the Veterans' Service Commissioner, as prescribed by Chapter 281 of the Session Laws of North Dakota for the year 1927 and Chapter 74, Laws of 1929.

Said Chapter 281 of the Session Laws of 1927 provides that the Veterans' Service Commissioner shall be appointed by the Governor from a list of five men, furnished by the State Executive Committee of the American Legion, and to all practical purposes makes this an American Legion bill to the exclusion of the United Spanish American War Veterans, the Veterans of Foreign Wars of the United States, the National Guard of the State of North Dakota and the Disabled Veterans of the World War.

In spite of the barrage of letters and telegrams seemingly inspired by interested persons, together with two letters threatening political reprisals unless I sign this measure, I cannot conscientiously do so.

The American Legion has permitted a few men to speak for it, who have betrayed the fine, high ideals of that organization. The records show that these few individuals wrongfully assisted in the misappropriation of \$1,180.43 about the 20th day of September, 1935, from the funds of the National Guard, and used that money to finance a trip of the American Legion band to St. Louis, Missouri.

Not satisfied with wrongfully misappropriating this money, they got \$250.00 on the 21st day of September, 1935, from the State Mill and Elevator, to send the American Legion band to St. Louis, Missouri.

Not satisfied with misappropriating this money, they secured on the 18th day of September, 1936, for the purpose of sending the Grand Forks American Legion drum corps to Cincinnati, Ohio, the sum of \$750.00 more from the Mill and Elevator at Grand Forks.

These actions are all the more reprehensible because only four years ago I as Governor told these same men that the taking of

money from the National Guard Fund and from the Mill and Elevator was illegal, and personally assisted in raising \$1,500.00 in subscriptions from private individuals to pay the expenses of the American Legion band.

Because of the actions of these few men the Industrial Commission some two weeks ago instructed its legal department to institute suit against the former Acting Governor and others in charge of the National Guard and Mill and Elevator Funds, to recover this \$2,180.43, and to include the State Bonding Fund in these suits.

If the Legislature will amend and re-enact this measure, including Chapter 281, Laws of 1927, and Chapter 74, Laws of 1929, and provide that the Veterans' Service Commissioner shall be appointed by the Governor of the State of North Dakota from one of three veterans selected by the Department Commander of the United Spanish War Veterans, Department of North Dakota; Department Commander of the Veterans of Foreign Wars of the United States, Department of North Dakota; the Department Commander of the American Legion, Department of North Dakota; the Department Commander of Disabled Veterans of the World War, Department of North Dakota and the Adjutant General of the State of North Dakota, or a majority thereof, I shall be glad to approve the measure.

Respectfully,

WILLIAM LANGER,
Governor.

WL:JEB.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ I. APPROPRIATION.] There is hereby appropriated out of any moneys in the State Treasury, not otherwise appropriated the sum of \$10,085.00, or so much thereof as may be necessary, to pay salary, clerkhire, travel and general expenses of the office of Veterans' Service Commissioner as prescribed by Chapter 281, Session Laws of North Dakota for 1927, and Chapter 74, Session Laws of North Dakota for 1929, for the biennium beginning July 1st, 1937, and ending June 30th, 1939, to-wit:

Salary	\$ 4,800.00
Clerkhire:	
Secretary	2,160.00
Extra Clerk	600.00
Postage	600.00
Office Supplies	300.00
Furniture and Fixtures	150.00
Printing	75.00
Miscellaneous	300.00
Travel Expense	800.00
Rent	300.00
TOTAL	\$ 10,085.00

Index to Senate Bills

No.	Chapter	Page
1	147	286
5	14	50
6	42	87
8	29	74
10	90	144
11	91	145
12	74	132
14	35	79
15	31	75
16	33	77
17	32	76
18	20	66
20	75	133
29	44	88
30	43	88
31	46	90
32	48	92
33	21	67
34	89	144
35	15	50
37	83	139
39	24	70
40	85	140
41	60	114
48	218	395
50	217	394
52	50	95
53	57	108
54	59	112
57	55	104
58	53	100
59	124	237
62	232	414
64	70	129
65	114	204
66	193	342
68	209	364
69	170	314
72	159	296
73	51	96

No.	Chapter	Page
74	62	115
75	63	118
76	34	78
77	92	146
78	27	72
80	249	464
81	47	91
83	161	299
84	239	447
85	103	171
86	10	46
87	166	309
89	171	315
93	127	241
96	69	127
98	210	372
99	68	126
101	175	323
104	45	89
105	113	204
106	160	298
110	106	189
111	104	172
112	198	348
113	105	179
114	102	157
118	28	73
119	145	279
126	130	246
128	80	136
129	194	345
130	196	347
131	195	346
132	212	390
140	235	441
141	211	380
142	100	155
151	154	292
153	7	23
157	207	362
160	162	304
173	96	151
175	229	410
176	230	411
177	228	410
178	61	114
179	2	3

No.	Chapter	Page
180	258	506
192	79	136
194	169	312
208	197	348
212	134	254
222	9	29
226	190	339
239	182	330
243	22	68
245	202	354
246	183	331
247	72	130
248	245	459
252	243	456
253	117	229
255	186	334
256	137	259

Index to House Bills

No.	Chapter	Page
1	84	139
3	82	138
4	37	80
10	25	70
11	36	80
12	78	135
13	119	232
14	135	255
16	250	478
17	156	294
18	251	479
19	221	397
24	66	123
25	67	125
26	38	81
27	39	83
28	40	85
29	225	400
30	65	122
31	146	285
32	176	324
33	4	12
36	234	441
37	220	396
39	8	26
40	58	110
41	41	86
42	76	134
43	52	99
44	64	119
45	49	93
46	19	53
47	87	142
52	256	503
53	157	295
54	158	296
55	140	270
57	178	326
59	240	449
60	13	49

No.	Chapter	Page
73	187	336
75	150	289
76	77	134
78	110	195
80	131	247
81	179	328
83	121	234
84	122	235
88	111	201
96	26	71
98	73	131
100	81	137
104	226	401
105	219	396
106	142	272
107	233	439
108	143	277
112	165	307
118	237	444
119	30	74
121	208	363
123	205	359
124	203	355
125	255	483
126	88	143
128	181	329
129	180	328
130	120	233
133	231	412
136	118	230
137	199	352
139	200	353
140	206	362
141	247	460
142	224	399
145	191	340
150	168	311
156	242	455
160	222	397
162	3	9
163	144	278
168	227	402
170	223	399
173	148	287
177	1	1
178	18	52
183	99	155

No.	Chapter	Page
185	238	445
188	93	147
189	95	151
196	149	288
198	86	141
199	214	391
201	5	14
203	177	325
204	123	236
207	141	271
209	126	239
212	204	358
214	172	315
217	116	215
219	253	481
221	173	316
223	17	51
229	184	333
230	201	353
233	97	152
234	153	291
235	23	69
239	155	293
240	133	253
246	11	46
247	98	153
248	167	309
249	244	457
250	12	48
252	125	238
253	132	249
260	152	291
264	163	305
269	151	290
280	94	148
291	136	256
292	252	479
297	254	482
304	236	443
311	164	306
312	138	260
318	112	202
320	192	341
322	185	334
324	128	245
326	188	337
332	174	319

No.	Chapter	Page
333	189	338
334	101	156
336	129	246
341	257	504
346	115	205
353	6	20
357	213	391
359	246	460
360	248	463
365	215	393
366	216	394

Index to Special Session Bills

No.	Chapter	Page
H. 2	139	261
S. 1	56	106
S. 2	54	102
S. 3	71	130
S. 4	16	51
S. 5	241	450

INDEX

For respective number of Senate and House Bills see index on pages preceding, also Table of Contents.

	Page	
ACTIONS—See Procedure.		
ACKNOWLEDGEMENT		
Certificate, form	341	
ADJUTANT GENERAL—See National Guard and Appropriations.		
Record of burial, deceased war veterans	481	
ADVERTISING		
Liquors authorized	291	
AGRICULTURAL COLLEGE—See Appropriations.		
Conservation act, state agency	3	
AGRICULTURE—See Appropriations, Corporations, and Resolutions.		
Brand book	1	
Conservation and adjustment act	3	
Creameries and cream stations, regulation of products....	9	
Cream grading and testing	12	
Extermination of bots	46	
Labeling commercial feed stuffs	46	
Livestock dealers, regulation	14	
feed appropriation	20	
regulation sale of medicines	23	
Roving grain buyers, regulations	26	
Soil conservation districts law	29	
AGRICULTURE AND LABOR—See Agriculture, Appropriations, and Commissioner of Agriculture and Labor.		
Appropriation, deficit	49	
bee inspection	50	
AMENDMENTS AND REPEALS—		
Compiled Laws of 1913		
Section	1937	Page
52	Rep. S. B. 255	334
201	H. B. 80	247

Section	1937	Page
213	Rep. H. B. 80	247
214)		
215)	H. B. 80	247
217	Rep. H. B. 80	247
635	H. B. 250	48
1151	H. B. 105	396
1160	H. B. 37	396
1164	S. B. 48	395
1245	H. B. 29	400
1265	H. B. 104	401
1370	S. B. 176	411
1373	S. B. 175	410
1376	S. B. 177	410
1643)		
1644)	Rep. H. B. 322	334
1649	S. B. 140	441
2551 to 2553 incl.)		
2562) H. B. 106	272
2564)		
2567)		
3264	H. B. 130	233
3274	H. B. 204	236
3585	S. B. 69	314
3644	S. B. 89	315
3846	H. B. 128	329
3852	H. B. 129	328
4547	H. B. 13	232
4969	H. B. 163	278
5512 to 5515 incl.	H. B. 136	230
5574	H. B. 320	341
6077	H. B. 75	289
6161 to 6179 incl.	Rep. H. B. 365	393
6180 to 6182 incl.	Rep. H. B. 366	394
6835	Rep. S. B. 142	155
7792	S. B. 106	298
7812	H. B. 137	352
9020	H. B. 139	353
10133)		
10134)	Rep. H. B. 260	291
1925 Supplement to Compiled Laws of 1913		
69	S. B. 226	339
189c14	H. B. 196	288
852	S. B. 126	246
1190	H. B. 133	412
1438a1 to 1438a3 incl.	Rep. H. B. 168	402

Section	1937	Page
2346a18 Sec. 4. Subsec 4)		
2346a23)	Sp. S. B. 5	450
2346a25)		
2546a1 to 2546a10 incl.	Rep. S. B. 68	364
2572a	H. B. 107	439
2579	H. B. 108	277
2844	H. B. 162	9
2889b4 to 2889b6 incl.	H. B. 253	249
3084a77	H. B. 239	293
3733	H. B. 185	445
4400	H. B. 324	245
4609c14 Subd a	S. B. 157	362
4950a13	H. B. 31	285
7297	H. B. 207	271
8247a21	S. B. 84	447
10185b	Rep. S. B. 50	394

1927 Session Laws

Chapter	1937	Page
116 Sec. 6	H. B. 84	235
141 Sec. 2	H. B. 246	46
157 Sec. 4)		
157 Sec. 28)	S. B. 256	259
162 Sec. 41	H. B. 55	270
165	H. B. 207	271
237	H. B. 105	396
239	S. B. 176	411
243	H. B. 133	412
281 Sec. 2	H. B. 297	482

1929 Session Laws

74	Rep. H. B. 297	482
94	Rep. H. B. 229	333
119	H. B. 162	9
141	H. B. 55	270
166 Sec. 5	H. B. 150	311
195 Sec. 5	H. B. 88	201

1931 Session Laws

96 Sec. 51 Subd. U	H. B. 280	148
96 Sec. 22	H. B. 189	151
96 Sec. 30	S. B. 173	151
147 Sec. 1	H. B. 80	247
147 Sec. 2	Rep. H. B. 80	247
147 Sec. 3)		
147 Sec. 4)	H. B. 80	247
159 Sec. 1	H. B. 240	253
160	Rep. S. B. 119	279

Chapter	1937	Page
242	H. B. 160	397
283	Sp. S. B. 5	450
283 Sec. 6 Subsec. 4 Para. B.	Rep. Sp. S. B. 5	450

1933 Session Laws

81	S. B. 142	155
92 Sec. 4)		
92 Sec. 6)	H. B. 83	234
104 Sec. 4	S. B. 93	241
130	H. B. 240	253
154	S. B. 106	298
229	H. B. 168	402
229)		
231)	Rep. H. B. 168	402
232)		
254	Rep. S. B. 132	390
257 Sec. 3	H. B. 359	460

1935 Session Laws

2	Rep. H. B. 201	14
94	S. B. 85	171
98	H. B. 247	153
106 Sec. 1)		
106 Sec. 2)	H. B. 318	202
106 Sec. 6 Subsec. E)		
108 Sec. 8	S. B. 105	204
108 Sec. 6	S. B. 65	204
109 Sec. 5)		
109 Sec. 6)	S. B. 253	229
142	H. B. 240	253
152 Sec. 7	H. B. 173	287
153 Sec. 12	H. B. 196	288
158	H. B. 75	289
172 Sec. 2	H. B. 360	463
195 Sec. 1)		
195 Sec. 2)	H. B. 32	324
201	H. B. 203	325
208	S. B. 101	323
244	S. B. 208	348
260	H. B. 168	402
260	Rep. H. B. 168	402
267	Rep. H. B. 229	333
274 Sec. 2	S. B. 252	456

Initiated Measures of 1933

Sec. 6—Beer Distribution, etc.	H. B. 247	153
Mileage and travel state officials and employees	H. B. 73	336

	Page
ANIMALS—See Resolutions.	
Bovine tuberculosis, appropriation	51
Extermination of bots,—horses and mules.....	46
Glanders and dourine indemnity	74
Labeling, commercial feeds	46
APPEALS—	
Dependent children, aid	364
Highway patrol and drivers' licenses	261
Livestock dealers	14
Moratorium from foreclosures and evictions	299
Needy blind, aid	372
Old age assistance act	380
Pharmacy, regulation of	342
Public contractors	195
Real estate taxes, collection of rent to apply.....	457
Roving grain buyers	26
Sales tax act	464
Soil conservation districts law	29
State equalization fund	402
Unemployment compensation law	414
APPROPRIATIONS—See Vetoes.	
When available	48
Agriculture and Labor Dept.—deficit	49
Bee inspection	50
Bonds, state officials	50
Bovine tuberculosis	51
Boys' and girls' club work	51
Bridge, Great Northern Railway—Yellowstone River, McKenzie County	52
Budget	53
Adjutant General	64
Administration, Board of	63
Agriculture and Labor	59
Agriculture and Labor—Dairy Division	60
Agriculture and Labor—Federated Co-op. Agri. Ass'n	59
Attorney General	58
Auditor	56
Budget Board	65
Criminals, reward apprehension	66
Engineer	64
Examiner	62
Fire Marshal	58
Fugitives, arrest, etc.	66

	Page
Governor	54
Lieutenant Governor	54
Industrial Commission	65
Insurance Dept.	57
Judges District Courts	55
Land Commissioner	61
Legislative Assembly, Twenty-fifth	65
Library Commission	63
Pardons, Board	65
Printer	64
Public Instruction, Dept. of	58
Public Instruction, state aid and examinations	59
Railroad Commissioners, Board of	60
Railroad Commissioners, Elevator Division.....	61
Secretary of State	55
Secretary of State, Public Printing.....partial veto	56
Securities Commission	63
Supreme Court	55
Supreme Court, reporter and law librarian.....	55
Tax Commissioner	62
Treasurer	57
Coal Mine Inspection	66
Contingency fund	67
High school correspondence courses—deficit...partial veto	68
Federal writers' project	69
Feeble Minded of state at large.....	70
Fire departments, insurance tax	70
deficit	71
Game and Fish Department	72
partial veto	72
Geological Survey	73
Glanders and dourine	74
Hail Insurance fund, reimbursement.....	74
Health Department	75
partial veto	75
Child Hygiene	76
partial veto	76
Laboratories	77
Highway Department	78
Historical Society	79
State Park Board	80
Insane patients, state at large	80
Institutions	
Agricultural College	81
partial veto	81
Experiment Station	83
partial veto	83
Extension Division	85
Blind, School for	86
Capitol building and grounds	87
Children's Welfare Bureau	
Children's Home and Aid Society.....	88

	Page
Florence Crittenton Home	88
Good Samaritan Society	89
House of Mercy	90
Lutheran Welfare Society	91
St. John's Orphanage	92
Deaf, School for	partial veto 93
Forestry, School of	95
Grafton State School	partial veto 96
Insane, Hospital for	99
Normal Schools, Dickinson	partial veto 100
Mayville	partial veto 102
Minot	partial veto 104
Valley City	partial veto 106
Normal and Industrial School, Ellendale ..	partial veto 108
Penitentiary	partial veto 110
Science, School of	partial veto 112
Soldiers' Home	114
Improvements and repairs	114
Training School	partial veto 115
deficit	partial veto 118
Tuberculosis Sanatorium	partial veto 119
special	122
University	partial veto 123
School of Medicine	125
School of Mines	126
International Peace Garden	partial veto 127
Legislative Assembly	
1935 Printing — deficit	129
1937 Expenses, special session	130
1937 Per diem and mileage, employees — deficit.....	130
Legislative Chambers, repairs	131
Livestock Sanitary Board	partial veto 132
Minimum Wage Department	133
Motor Vehicle Registrar	134
deficit	134
National Guard	135
Pension, Mrs. Thelma Crites	136
Planning Board	136
Portraits and paintings	partial veto 137
Procurement Officer	138
Refunds, miscellaneous	139
Relief funds	139
Seed Department	140
Social security, aged, blind, dependent children.....	141
State Examiner — deficit	142
Transfer — inactive funds Highway Department.....	143
Veterinary Medical Examiners	144

	Page
Vocational education and rehabilitation	144
Wolf, coyote and magpie bounty	145
Workmen's Compensation Bureau	146
 APPROPRIATIONS—Incidental to other acts.	
Brand book	1
Gas and electric, testing of meters.....	354
Irrigation	483
Livestock feed	20
Relief act	391
Soil conservation districts	29
Transient camp, Bottineau County, transferred to State Historical Society	340
Unemployment compensation law	414
Veterans' Service Commissioner	482
 ASSESSMENTS—See Taxation.	
 ASSESSORS—See Taxation.	
Tree bounty	479
 ATTORNEY GENERAL—See Appropriations, and Procedure.	
Benevolent Associations, regulation of	279
Fire and tornado insurance, premiums	288
Foreign corporation act	215
Housing authorities law	157
Motion picture theaters	307
 AUTOMOBILES—See Motor Vehicles.	
 BALLOTS—See Schools.	
 BANKS AND BANKING—See Resolutions.	
Liquidation insolvent banks	148
Paying and receiving stations, authorized.....	147
Reserve fund requirements	151
Security for public deposits.....	171
Shareholders liability	151
 BEE INSPECTION—See Appropriations.	
 BEER	
Four per cent	152
Tax	153

	Page
BLIND—See Public Welfare and Appropriations.	
BOARD OF ADMINISTRATION—See Appropriations, North Dakota, and State Institutions.	
Soil conservation and adjustment act.....	29
BONDS—See Taxation.	
Contractors on public improvements	155
Coupon, authorized	156
Funding and refunding, municipalities	324
Housing authorities law	157
Irrigation	483
National housing act bonds, authorized as security.....	171
Premiums, state officials	50
Public deposits	155
Refinancing act of 1937	179
Regulation, sale and purchase, by state.....	338
Revenue bond law of 1937	172
Validating act, 1937	189
BOTS—See Animals.	
BOUNTIES—	
Trees	479
Wolf, coyote and magpie	145
BOVINE TUBERCULOSIS—See Appropriations.	
BOYS AND GIRLS CLUBS—See Appropriations.	
BRAND BOOK—See Agriculture.	
BRIDGES—See Appropriations.	
BUDGET—See Appropriations.	
BUTTER—See Agriculture.	
CAPITOL BUILDING—See Appropriations, and North Da- kota.	
CARRIERS	
Liquor, license and control	292

	Page
CATTLE—See Livestock, Animals, and Resolutions.	
CENSUS—See Schools.	
CERTIFICATES OF INDEBTEDNESS—	
Authorized by municipalities	324
by State of North Dakota	331
State Equalization fund	402
CHILDREN—See Appropriations and Public Welfare.	
CITIES—See Municipal Corporations.	
Certain elections validated	315
Duties board of equalization	315
Employees, civil service	316
hours of employment	325
Housing authorities law	157
Police pension act	319
Qualifications of aldermen	314
Tax limitations	323
Validating act 1937	189
CIVIL SERVICE—	
City employees	316
CLERKS—See Schools.	
COAL—	
Mine inspection, appropriation	66
regulations	293
COMMISSIONER OF AGRICULTURE AND LABOR—	
See Agriculture and Labor.	
Agricultural conservation and adjustment act.....	3
Brand book	1
Livestock feed	20
Mouse River Valley authority	504
New York World's Fair, 1939, display	337
Soil conservation districts law	29
COMMISSIONER OF INSANITY—See Insanity.	
COMMISSIONER OF INSURANCE—See Insurance.	
Benevolent associations	279
Fire marshal department	247
Fire and tornado insurance, premiums	288
License resident agents	287

	Page
CONCURRENT RESOLUTIONS—See Constitutional Amendments and Resolutions.	
CONSERVATION—See Water Conservation.	
Agricultural adjustment act	3
Soil districts law	29
CONSTITUTIONAL AMENDMENTS—	
Disapproved:	
assessment of property, where and how made.....	514
county officers, election, terms	515
legislative power, initiative and referendum	515
school and public lands, sale	515
university lands, sale, rental and disposition.....	515
Proposed:	
County government, manager plan	191
County officers, election, terms	192
School and public lands, sale	193
CONTRACTS AND CONTRACTORS—	
Bonds on public improvements	155
Public buildings, repairs and improvements	201
Registration, public works	195
CO-OPERATIVE ASSOCIATIONS—See Corporations.	
CORPORATIONS—See Banks and Banking, Insurance, Municipal Corporations, North Dakota, Resolutions, and Taxation.	
Co-operative grazing associations	202
Credit unions—annual meetings, etc.	204
supervision of	204
Electric co-operative	205
Foreign	215
Mutual aid amendment	229
Quorum, proxy	232
Transfer of real estate by	230
COSMETICS AND COSMETOLOGISTS—See Hairdressers.	
COUNTIES—See Constitutional Amendments, Insurance, Municipal Corporations, North Dakota, Schools, and Taxation.	
Commissioners, term of office	233

	Page
Consolidation	234
Housing authorities law	157
Insanity commissioner	272
maintenance and treatment, charges	277
Leases for gas and oil, purposes	294
Loans for seed, feed, and tractor fuel	235
Manager plan of government	191
Officers, election, term	192
Payment of estimates, public buildings	201
Property, authorization for sale	236
Settlement for claims, state institutions	439
Tree bounty	479
Validating act, 1937	189
Warrants for emergency poor relief	391
COUNTY AUDITOR—See Const'l Amendments, Counties, Municipal Corporations, North Dakota, Taxation.	
Consolidation of counties	234
County property, authorizing sale	236
COUNTY COMMISSIONERS—See Counties.	
Delinquent taxes, contract settlement	449
Lease of county property for gas and oil mining	294
Livestock feed	20
Sale of county property	236
Seed, feed, tractor fuel loans	235
Term of office	233
COUNTY JUDGE—See Counties, Procedure.	
Highway patrol and drivers' licenses	261
Insanity	272
maintenance and treatment, charges for	277
COUNTY OFFICERS—See Constitutional Amendments.	
COUNTY SUPERINTENDENT—See Counties, Schools, Taxation.	
Teachers' examinations, date	411
COUNTY TREASURER—See Counties, Municipal Corpora- tions, Schools, Taxation.	
County property leased for mining and drilling purposes..	294
COUNTY WELFARE BOARD—See Public Welfare.	

	Page
COURTS—See Appeals, Procedure.	
Evidence, business records	345
official reports	346
Foreclosure costs	298
deficiency judgments in	296
Judgments, affidavit of identification required before filing	348
Judicial notice, procedure	347
Juvenile	
restrictions, marriage of minors	296
Moratorium from foreclosures and evictions	299
Public Works Procedure act	348
Surety for costs, district court	352
justice court	353
COYOTES—See Appropriations.	
CREAMERIES AND CREAM STATIONS—	
License and regulation of products	9
Grading and testing	12
CREDIT UNIONS—See Corporations.	
DANCES—	
Prohibited where liquor is sold	237
DEALERS—	
Fair trade act	239
Licensed liquor dealers, reports	291
Refunds, implement and automobile	238
Regulation of used motor vehicle	312
DEFICIENCY JUDGMENTS—	
Prohibited	296
DENTISTRY—	
Regulations and license to practice	241
DIVORCE—	
Procedure in actions	245
DRAINAGE—	
Red River Basin Commission	506
DRIVERS' LICENSES—See Highways.	

	Page
EDUCATION—See Schools.	
ELECTIONS—See Schools and School Districts.	
Precinct committeemen	246
Primary, date of	246
Villages, polling hours	328
incorporation, polling hours	329
ELECTRIC PLANTS—See Municipal Corporations.	
Meter deposits, interest	353
Testing of meters	354
EMERGENCY FUND—	
State Contingency fund	67
EMERGENCY MEASURES—Other than appropriations.	
Affidavit of identification required before filing of judgments	348
Appropriations, when available	48
Arrowood Lake Park	330
Assessment of car lines, express, and air transportation companies	443
delinquent special, collection	445
lien, irrigation districts	447
Beer, four per cent	152
tax, amendment	153
Bonds, contractors, public improvement	155
Brand book	I
Certificate of acknowledgement, form	341
Certificate of indebtedness by State of North Dakota, authorized	331
City aldermen, qualifications	314
elections, certain validated	315
County commissioners authorized to lease county property for mining, etc., purposes	294
settlements for claims of state institutions.....	439
Corporations transfer of real estate	230
*Creameries, cream stations, etc., regulation and license....	9
Credit unions, supervision	204
*Dances prohibited where liquors are sold.....	237
Dependent children, aid	364
Electric co-operative corporation act	205
power companies meter deposits	353
Firemen, volunteer, municipal employees	326
Flood irrigating project proceedings, validating	503

	Page
Foreclosure costs	298
Gasoline tax, refunds	463
Gas and electric companies, testing of meters	354
and oil leases, cancellation	254
Hettinger Experiment Station, abolished	334
Highway patrol and drivers' licenses	261
Housing authorities law	157
Imitation ice cream defined	253
Income tax	450
Insane persons, charges for maintenance and treatment...	277
Insanity, commissioner of	272
Insolvent banks	148
Insurance companies, accident and sickness, required to carry reserve	278
county mutual, power to borrow monies	285
license resident agents	287
Irrigation	483
Lignite, native, defined	290
*Liquor, license, control, common carriers	292
Livestock dealers, regulation	14
feed	20
*Mates and seamen law, repeal	393
Mileage state officials and employees	336
Moratorium from foreclosures and evictions	299
Mortgage, personal property, restrictions	304
release Jamestown Training School	305
satisfaction, National Guard Armories.....	306
Motor vehicle and gasoline taxes applied to highway pur- poses	309
used, dealers, regulation	312
Municipalities, funding and refunding indebtedness.....	324
*Mutual aid corporations, amendment	229
National housing act mortgages and bonds legalized as se- curity for public deposits	171
Needy blind, aid	372
North Dakota unemployment compensation law	414
Old age assistance act	380
pension law, repealed	390
Public utilities, hearings	355
rate adjustment	359
reports	362
Reassessment certain classes of property	460
Red River of the North drainage basin commission.....	506
Relief act	391
Revenue bond law of 1937.....	172
refinancing act of 1937	179

	Page
Sale of county property authorized	236
purchase, and exchange of state bonds and indebted-	
ness, regulation	338
Sales tax act	464
motor vehicles	309
School census	399
districts, common, duties of clerks	395
district special, officers, election and qualifications....	400
of Mines, testing minerals	441
Seed, feed, and tractor fuel loans by counties.....	235
Session law	339
*Ship's managers law, repeal	394
Soil conservation districts law	29
State equalization fund	402
fire and tornado insurance premiums	288
* highways, restrictions	270
Surety for costs, district court actions	352
justice court actions	353
Tariff rates	362
Taxes, delinquent, contract settlement	449
real estate, authorize collection of rent to apply.....	457
Tax reports furnished Railroad Commissioners.....	363
Teachers' examinations, date	411
Transfer Transient Camp, Bottineau County to State His-	
torical Society	340
Tree bounty	479
Village elections, polling hours	328
 EMPLOYMENT—	
Hours, municipal employees	325
 EQUALIZATION FUND—See Schools.	
 EVIDENCE—See Procedure, Courts.	
 EXECUTION—See Procedure.	
 EXPERIMENT STATION—	
Hettinger, abolished	334
 FAIR TRADE—	
Act	239
 FARM PRODUCTS—See Agriculture, Resolutions.	

	Page
FEDERAL—	
Bonds, public deposits	155
Writers' project, appropriation	69
FEEBLEMINDED—See Appropriations, State Institutions.	
FEED—	
Commercial, regulations and labeling	46
Livestock, appropriation for	20
FEEDER ROADS—See Highways.	
FIRE DEPARTMENTS—	
Insurance tax, appropriation	70
deficit	71
Volunteer firemen, declared municipal employees.....	326
FIRE MARSHAL—	
Department organization amendment	247
FLOOD IRRIGATION—See Water Conservation.	
FOODS—	
Food and drugs act	249
Imitation ice cream	253
FOOD COMMISSIONER—See State Food Commissioner.	
FORECLOSURE—See Procedure.	
Costs	298
Deficiency judgments prohibited	296
Moratorium from	299
FRAZIER-LEMKE BILLS AND MORATORIUM ACT—	
See Resolutions.	
GAME AND FISH—See Appropriations.	
GAS AND OIL—See Taxation.	
Leases, cancellation	254
county property	294
Taxation oil properties	478
drilling rigs and equipment	479
Wells, rules and regulations	255
GEOLOGIST—See Appropriations.	

	Page
GOVERNOR—	
Certificates of indebtedness by State of North Dakota	331
Consolidation of counties	234
Hettinger Experiment Station, abolished	334
Irrigation	483
Mouse River Valley authority	504
New York World's Fair, 1939, display	337
Red River of the North drainage basin commission	506
State soil conservation	29
Transient Camp, Bottineau County, State Historical Society, transfer	340
Veterans' Service commissioner	482
GRAIN—	
Roving buyers, regulation	26
GRAZING—	
Associations, amendment	202
HAIRDRESSERS AND COSMETOLOGISTS—	
Cosmetic act	256
Regulations	259
HAIL INSURANCE—See Appropriations.	
Reimbursement of funds	74
HEALTH—See Appropriations.	
HIGHWAYS—See Appropriations.	
Feeder roads	260
Highway patrol and drivers' licenses	261
Motor vehicle, license and gas tax allocation	309
dealers, regulation	312
fuel tax, distribution	311
sales tax	309
Rental Great Northern Railway bridge, Yellowstone River	52
Restrictions, state highways	270
HISTORICAL SOCIETY—See Appropriations.	
Arrowood Lake Park	330
Federal writers' project	69
Transient Camp, transferred to	340
HOLIDAYS—	
Legal	271

	Page
HOUSING—	
Authorities law	157
ICE CREAM—	
Imitation, defined	253
IMPLEMENT AND AUTOMOBILE DEALERS—See Dealers.	
INCOME TAX—See Taxation.	
INDUSTRIAL COMMISSION—	
Bonds, authorize exchange	156
Certificates of indebtedness, state	331
Regulation, sale, purchase and exchange of State bonds..	338
INITIATED MEASURES—	
Approved:	
liquor control act	509
Disapproved:	
abolishing absent voter's law	513
expending federal funds for political purposes.....	514
INSANE—See Appropriations, State Institutions.	
INSANITY—See Appropriations.	
Commissioner	272
Maintenance and treatment, charges	277
INSURANCE—	
Accident and sickness companies reserve.....	278
Benevolent associations, regulations	279
County mutuels, power to borrow money	285
Fire Marshal Department, transferred	247
Hail insurance, reimbursement of funds	74
License, resident agents	287
Premiums, state fire and tornado	288
Reinsurance, farmers mutual fire and lightning	286
Unemployment compensation law	414
INSURANCE COMMISSIONER—See Insurance.	
INTEREST—	
Rate on judgments	289
electric meter deposits	353

	Page
INTERNATIONAL PEACE GARDENS—See Appropriations.	
INTOXICATING LIQUOR—See Liquors, Initiated Measures.	
IRRIGATION—See Taxation, Water Conservation.	
JOINT RESOLUTIONS—See Resolutions.	
JUDGMENTS—See Interest, Procedure.	
Affidavit of identification before filing	348
Deficiency, prohibited	296
Rate of interest	289
LEGISLATIVE ASSEMBLY—See Appropriations, Resolutions.	
Official seal	334
Introduction and printing of bills	334
LICENSE—	
Beer	152
Cream buyers	12
Creameries and cream stations, products.....	9
Foreign corporation act	215
Highway patrol and drivers'	261
Liquor, common carriers	292
Livestock dealers	14
Public contractors	195
Resident insurance agents	241
Roving grain buyers	26
To practice dentistry	287
LIGNITE—	
defined	290
LIQUORS—	
Advertising authorized	291
Control act	509
Dances prohibited where sold	237
License, control, common carriers	292
Licensed dealers, reports	291

	Page
LIVESTOCK—See Appropriations.	
Brand book	I
Dealers, regulation	14
Feed, appropriation	20
Glanders and dourine indemnity fund	74
Medicines, regulation, registration and labeling.....	23
MAGPIES—See Appropriations.	
MEMORIALS—See Resolutions.	
MILITARY TRAINING—	
Prohibited	44I
MINING—	
Appropriation, School of Mines	126
Coal mine inspection	66
Lease, county property	294
Lignite coal, defined	290
Regulations, coal	293
School of Mines, testing minerals	44I
MINORS—	
Delinquency of	295
Marriage	296
MISSOURI RIVER—See Resolutions.	
MORATORIUM—See Mortgages.	
MORTGAGES—	
Deficiency judgments, restricted	296
Foreclosure costs	298
Moratorium from foreclosure and eviction.....	299
Personal property, restrictions	304
Release, Jamestown Training School	305
Satisfaction, National Guard Armories	306
MOTION PICTURES—	
Theaters, regulation	307
MOTOR VEHICLES—See Appropriations.	
Allocation, license and gasoline tax	309
Drivers license & highway patrol	261
Fuel tax, distribution	311

	Page
Regulation, used motor vehicle dealers	312
Restrictions state highways	270
Sales tax	309
 MOUSE RIVER VALLEY AUTHORITY—See Water Con- servation.	
 MUNICIPAL CORPORATIONS—	
City aldermen, qualifications	314
board of equalization, duties	315
certain elections, validated	315
employees, civil service	316
police pension act	319
tax limitations	323
Employees, hours of employment.....	325
Funding and refunding indebtedness	324
Payment of estimates, public buildings	201
Revenue bond law of 1937	172
refinancing act of 1937	179
Validating act, 1937	189
Villages, defined	328
elections, polling hours	328
incorporation, polling hours	329
Volunteer firemen	326
 MUTUAL AID CORPORATION—	
Amendments	229
 NATIONAL GUARD—See Appropriations.	
Mortgage satisfaction, armories	306
Release of mortgage, Jamestown	305
 NORTH DAKOTA—See Appropriations, State Institutions.	
Arrowood Lake Park	330
Certificates of indebtedness, authorized	331
Children's home aid society, appropriation	88
Custodian capitol building and grounds	333
Federal writers' project	69
Hettinger Experiment Station, abolished	334
Legislative seals	334
Mileage state officials and employees	336
New York Worlds Fair, 1939, display	337
Regulation sale, purchase and exchange of State bonds and indebtedness	338
Session laws	339

	Page
Soldiers home, appropriation	114
improvements and repairs	114
Taxation levy for interest, real estate bonds	455
Transient Camp, Bottineau County, transferred to State Historical Society	340
Unemployment compensation law	414
 NORMAL SCHOOLS—See Appropriations, State Institutions.	
NOTARY PUBLIC—	
Certificate of acknowledgement form	341
 NOTICE—	
Benevolent association, regulation of	279
Certificates of indebtedness, authorized	331
Cities, board of equalization, duties	315
Commissioner of insanity	272
County mutual insurance companies, power to borrow money	285
Credit unions, supervision of	204
County property, authorizing sale of	236
Dependent children, aid	364
Electric co-operative	205
Foreign corporation	215
Gas and oil leases, cancellation	254
Housing authorities law	157
Insolvent banks	148
Irrigation	483
Livestock dealers	14
Moratorium from foreclosures and evictions	299
Needy blind, aid	372
Official reports as evidence	346
Old age assistance act	380
Paying and receiving stations, authorized	147
Public contractors	195
Real estate taxes, collection of rent to apply	457
Reassessment certain classes of property	460
Reserve funds, bank associations	151
Revenue bond law of 1937	172
Sales tax act	464
Soil conservation districts law	29
State equalization fund	402
Unemployment compensation law	414
 OFFICERS—See Schools, Township, Cities, Counties, Municipal Corporations, North Dakota, State Departments, Villages.	

	Page
OIL—See Gas and Oil.	
OLD AGE ASSISTANCE--See Public Welfare.	
OMITTED PROPERTY—See Taxation.	
PATROL HIGHWAYS—See Highways.	
PAYING AND RECEIVING STATIONS—See Banks and Banking.	
PENALTIES—	
Appropriations, when available	48
Banking associations, reserve funds	151
Benevolent associations	279
City employees, civil service	316
Cosmetic act	256
Cream grading and testing.....	12
Dances prohibited where liquors are sold	237
Dependent children, aid	364
Foreclosure costs	298
Foreign corporation act	215
Gas and oil wells	255
Hairdressers and cosmetologists	259
Highway patrol and drivers licenses.....	261
Imitation ice cream	253
Licensed resident agents	287
Liquor control and license by common carriers.....	292
Livestock dealers, regulation	14
medicines, sale	23
Minors, delinquency	295
marriage	296
Motion picture theaters	307
Municipal employees, hours of employment.....	325
Needy blind, aid	372
Old age assistance act	380
Pharmacies, regulation	342
Public contractors	195
Roving grain buyers	26
Sales tax	464
motor vehicles	309
School of Mines, testing minerals	441
State bonds and indebtedness, sale, purchase, etc.....	338
equalization fund	402
Unemployment compensation law	414
Used motor vehicle dealers	312

	Page
PENITENTIARY—See Appropriations.	
PENSION—See Public Welfare.	
Mrs. Thelma Crites	136
Police Pension Act	319
PHARMACY—	
Food and drugs act	249
Regulation of	342
PLANNING BOARD—See Appropriations.	
PORTRAITS AND PAINTINGS—See Appropriations.	
PRECINCT COMMITTEEMEN—See Elections.	
PRIMARY ELECTION—See Elections.	
PROCEDURE—	
Divorce actions	245
Evidence, business records	345
official reports	346
Judicial notice, procedure	347
Judgments, affidavit of identification required before filing	348
Payment of estimates, public buildings	201
Public works procedure act	348
Surety for costs, district court	352
justice court	353
PUBLIC DEPOSITS—	
Bonds	155
National housing act bonds and mortgages authorized as security	171
PUBLIC CONTRACTORS—See Contractors.	
PUBLIC UTILITIES—See Taxation.	
Electric power company, meter deposits	353
Gas and electric companies, testing of meters	354
Hearings	355
Rates	358
adjustments	359
Reports	362
Tariff rates	362
Tax reports furnished Railroad Commissioners	363

	Page
PUBLIC WELFARE—	
Aged, blind, dependent children	141
Dependent children, aid	364
Livestock feed	20
Needy blind, aid	372
Old age assistance act	380
pension law 1933, repealed	390
Poor relief, warrants for emergency	391
Relief act	391
funds	139
PUBLIC WORKS PROCEDURE ACT—See Procedure.	
RAILROAD COMMISSION—	
Lignite, native, defined	290
Livestock dealers, regulations	14
Public utilities hearings and investigations.....	355
rates to be fixed by	358
rate adjustments	359
reports	362
tariff reports	362
tax reports furnished to	363
Roving grain buyers	26
To test gas and electric meters	354
REAL ESTATE—See Taxation.	
Transfer by corporation.....	230
RED RIVER—	
Drainage basin commission	506
REFERRED MEASURES—	
Approved:	
Retail sales tax	516
Disapproved:	
Income tax	517
Jurisdiction police magistrates and city justices of the peace	516
Municipal control act — liquor	517
Weighing, etc., livestock at packing plants, etc.	516
REFUNDS AND REBATES—See Dealers, Taxation.	
REGISTER OF DEEDS—	
Benevolent associations, regulation of	279

	Page
Farmers mutual fire and lightning reinsurance companies organization	286
Foreign corporation act	215
Gas and oil leases, cancellation	254
RELIEF—See Public Welfare.	
REPEAL—	
Advertising liquors	291
Custodian capitol building	333
Mates and seamen law	393
Ship's managers law	394
Smoking law	394
REPORTS AND BUSINESS RECORDS AS EVIDENCE—	
See Courts, Procedure.	
RESOLUTIONS—	
Alcohol for blending purposes	518
Mrs. Anderson	518
Approving (Public No. 182—74th Congress) relating to agriculture	519
Argentine sanitary convention	519
Bang's disease	520
Bills and journals, shipment of, Senate.....	521
Bills and journals, shipment of, House.....	521
Bismarck transient camp	522
Coghlan, Joseph, expense enrolling and engrossing bills...	522
Compiling legislative journals	523
Compilation of pamphlet showing action on bills.....	523
Cost of production plus a reasonable profit.....	524
Crop insurance	525
Employees, designation and fixing salaries	526
Employees, Senate, additional time	528
Enrolling and engrossing of bills	528
Foot and mouth disease	529
Frazier-Lemke refinance plan	530
Frazier-Lemke refinance plan	531
Gronvold, Hon. F. T., appreciation for long legislative ser- vice	532
Legislative employees, dance	532
designation and salaries	533
extra time	535
Legislative expense	536
Liquidation of closed banks	537
Live stock credit corporation, investigation	538
feed	539

	Page
Long and short haul clause	540
Missouri River diversion	541
Murphy, Hon. P. J.	542
National banks, tax	543
Noxious weeds	543
Panama canal toll charges	545
Peterson, Hon. Harry T.	545
Recording speedometers on motor vehicles.....	546
Riba, Hon. Frank	547
Rural rehabilitation corporation property transfer	548
Seed loans	550
Seed loans, payment of bushel for bushel	551
State Mill and Elevator, investigation	552
Treaty St. Lawrence seaway	553
Trees, planting and growing	554
Tri-state Red River drainage basin committee	555
Townsend recovery plan	556
Ward Indians	557

Special Session

Anderson, Ray E.	558
Bonzer, Hon. A. F.	559
Legislative employees	559
Legislative mailing force	560
O'Connor, Hon. William V.	561
Rules and agreement	561

REVENUE BOND—

Law of 1937	172
Refinancing act of 1937	179

RURAL REHABILITATION CORPORATION—See Resolutions.

SALES TAX—

Act	464
Certain motor vehicles	309

SCHOOL AND STATE LANDS—

Sale of	193
---------------	-----

SCHOOLS AND SCHOOL DISTRICTS—See Appropriations, State Institutions.

Common school districts, duties of clerks	395
officers, election and qualifications	396
organization of	396

	Page
Correspondence courses, appropriation	68
Federal funds distributed	397
High schools, defined	397
School census	399
districts voting precincts, established	399
special, district officers, election and qualifications....	400
official ballot	401
State equalization fund	402
Teachers certificates, fees	410
requirements	410
Teachers examinations, date	411
Transportation consolidated schools	412
 SECRETARY OF STATE—	
Consolidation of counties	234
Coupon bonds, authorized	156
Electric cooperative corporation act	205
Foreign corporation act	215
Legislative seals	334
Motion picture theaters	307
Public contractors	195
 SEED, FEED AND FUEL—See Appropriations, Resolutions.	
Loans by counties for seed, feed, and tractor fuel.....	235
 SESSION LAWS—See North Dakota.	
 SHERIFF—	
To prohibit dancing where liquors are sold.....	237
 SMOKING—See Repeals.	
 SOCIAL SECURITY—See Public Welfare.	
Unemployment compensation law	414
 STATE AUDITOR—	
Appropriations, when available	48
Certificate of indebtedness by State of North Dakota.....	331
Coupon bonds, authorized	156
Reports, Soldiers Home	114
Tax on motor fuels, distribution	311
 STATE BANKING BOARD—See Banks and Banking.	
Banking associations, reserve funds	151
Credit unions, supervision	204
Paying and receiving stations, authorized	147

	Page
STATE BEER COMMISSIONER—See Beer.	
STATE DEPARTMENTS, BOARDS AND COMMISSIONS — See Appropriations.	
Appropriation, bonds, premiums	50
Contingency fund	67
Park board	80
Mileage officers and employees	336
STATE ENGINEER—	
Irrigation	483
Mouse River Valley authority	504
STATE EQUALIZATION—	
Fund	402
STATE EXAMINER—See Appropriations.	
Credit unions, annual meetings	204
supervision of	204
Insolvent banks	148
STATE FOOD COMMISSIONER AND CHEMIST—	
Cosmetic act	256
Food and drugs act	249
Imitation ice cream, defined	253
Registration livestock medicines	23
and labeling commercial feeds	46
STATE GEOLOGIST—	
Gas and oil wells, rules and regulations	255
STATE INSTITUTIONS—See Appropriations.	
County settlement for claims of state institutions.....	439
Military training state schools	441
School of Mines, testing minerals	441
STATES ATTORNEY—	
Cosmetic act	256
Gasoline tax, refunds	463
Marriage of minors	296
Real estate taxes, collection of rent to apply	457
To prohibit dancing where liquors are sold.....	237

	Page
STATE TAX COMMISSIONER—	
Car line, express and air transportation companies, assessment	443
Income tax law	450
Reassessment certain classes of property	460
Taxation oil properties	478
STATE TREASURER—	
Appropriations, when available	48
Beer tax, amendment	153
Certificate of indebtedness by State of North Dakota	331
Coupon bonds, authorized	156
Foreign corporation act	215
Licensed liquor dealers, reports	291
Liquor control and license by common carrier	292
Livestock medicines, sale	23
National Guard armories, satisfaction of mortgage	306
Public contractors	195
Sales tax on motor vehicles	309
State equalization fund	402
Tax on motor fuels, distribution	311
STATE WELFARE BOARD—See Public Welfare.	
SUPERINTENDENT OF PUBLIC INSTRUCTION—	
High schools defined by	397
State equalization fund	402
Teachers certificates, fees	410
SURETY FOR COSTS—See Courts, Procedure.	
TARIFF RATES—See Public Utilities.	
TAXATION—	
Assessment of car lines, express, and air transportation companies	443
certain omitted property	444
collection, delinquent special	445
liens, in irrigation districts	447
Beer	153
Delinquent taxes, contract settlement	449
Income tax law	450
Motor vehicles, gasoline, allocation	309
sales	309
fuel, distribution	311

	Page
Municipal corporations:	
city, duties board of equalization	315
tax limitations	323
North Dakota real estate bonds, levy for interest.....	455
Personal property taxes, delinquent, deduction from claims against State or any subdivision	456
Real estate taxes, collection of rent to apply	457
rebate for prepayment	459
delinquent, penalties	460
Reassessment certain classes of property	460
Refunds, gasoline tax	463
Reports of public utilities, used	362
furnished Railroad Commission	363
Sales tax act	464
Taxation oil properties	478
oil and gas drilling rigs and equipment	479
TEACHERS—See Schools.	
THEATERS—See Motion Pictures.	
TOWNS AND TOWNSHIPS—See Villages.	
Extermination of bots, duty of board	46
TRANSIENT CAMP—See North Dakota.	
TREES—See Resolutions.	
Bounty	479
UNEMPLOYMENT—See Social Security.	
VALIDATIONS—	
Certain city elections	315
Flood project proceedings	503
Validating act 1937	189
VETERANS—	
Deceased war, record of burial	481
Service commissioner	482
VETERINARY MEDICAL EXAMINER—See Appropria- tions.	

	Page
VETOES—	
County agents, advisory council	562
Fire department instructor	565
regional schools	567
Income tax act	568
Legalizing gas and oil as fuel for public buildings.....	574
Lottery defined	577
Mayville Normal appropriation	578
Political parties established	581
Public deposits, interest rate	582
documents, appropriation	583
Relief, fraudulent representation	584
grants, right of recovery by county	585
Valley City Normal, appropriation.....	586
Veterans' Service Commissioner, appropriation	588
VILLAGES—See Municipal Corporations.	
VOCATIONAL EDUCATION & REHABILITATION— See Appropriations.	
WATER CONSERVATION—See Resolutions.	
Irrigation act	483
flood project proceedings validation.....	503
Mouse River Valley authority	504
Red River of the North drainage basin commission.....	506
WEEDS—See Resolutions.	
WELFARE—See Appropriations, Public Welfare.	
WOLVES—See Appropriations.	
WORDS AND PHRASES—	
Annual payroll—average annual payroll—benefits—bureau contributions—employing unit—employer—employee— employment—employment office—fund—partial un- employment—state — total unemployment — wages— services—individual's week of unemployment—unem- ployment compensation administration fund—wages— week—weekly benefit amount—benefit year—base pe- riod—calendar quarter—unemployment compensation fund—full time weekly wage—part-time worker.....	414
Assessment benevolent society	279

	Page
Association—district—subdivision—person—grazing area —cooperative grazing district	202
Authority—Housing Authority—city—county—the city— the county governing body—mayor—clerk—area of operation—Federal Government—slum—housing pro- ject—persons of low income—bonds—real property— obligee of the authority—obligee	157
Bot treatment	46
Business	345
Commission—works—cost of works—owner—project— State Water Conservation Commission—administra- tion fund—construction fund—revenue bond payment fund	483
Corporation—board—member—Federal agency—person— acquire—obligations—rural area	205
Corporation—domestic corporation—foreign corporation— address—process—articles of incorporation	215
Cosmetic—person—adulteration—misbranding	256
Creamery—cheese factory—ice cream factory—a cream station—a dairy—a renovating or process butter fac- tory	9
Dealer—Livestock Dealers fund	14
Dealer—vendor	312
District—soil conservation district—supervisor—committee —State Soil Conservation Committee—petition—state —agency of this state—United States—agencies of the United States—government—governmental—land oc- cupier—occupier of land—due notice	29
Food—drug—adulteration—misbranded	249
Governing body—municipality—floating indebtedness— bonded indebtedness	324
Imitation ice cream	253
Insane—idiot	272
Lignite	290
Livestock medicines	23
Motion picture theater—theater—motion picture film—film —person—distributor	307
Motor vehicles	309
Motor vehicle—farm tractor—owner—operator—non-resi- dent—public highways	261
Municipality—governing body—law—bonds—Recovery Act—Federal Agency—public works project—contract —agreement	348
Municipality—governing body—law—enterprise—Federal Agency—refunding bonds—refinancing—revenues— holder of bonds—bondholders	179

	Page
Person—cream buying station—creamery—Babcock Test— sweet cream grade—grade one—grade two—unlaw- ful cream	12
Person—other States of the United States—communities..	3
Person—sale—retail sale—business retailer—gross receipts —relief agency — commissioner — local governmental unit—retail sales tax fund	464
Producer—commodity	239
Public body—bonds	189
Public Utility Valuation Fund	355
Registrar—person—public contractor—non-resident con- tractor—class “A”—class “B”—class “C”—class “D”	195
Roving grain buyer—Roving Grain Buyer’s fund	26
State agency—county agency—applicant—recipient—assis- tance — Ophthalmologist — supplementary services — blind aid fund	372
State agency—county agency—applicant—recipient—assis- tance — supplementary services — old age assistance fund	380
State Board—County Board—assistance—applicant—de- pendent child—child placement—aid to dependent chil- dren fund	364
State Equalization fund—maximum financial effort—non- resident high school student	402
State Public Welfare fund.....	391
Tri-State Water area	506
Undertaking—municipality—governing body	172
Unprofessional conduct—advertising	241
Village	328
Volunteer fireman	326
Widow—child—children	319
 WORKMEN’S COMPENSATION—See Appropriations.	
Unemployment compensation law	414
Volunteer firemen, declared municipal employees	326
 WORLD’S FAIR—	
New York 1939 display	337

NOTE: Senate Bill 59 found on page 237 entitled “Dancing pro-
hibited where liquors are sold,” and House Bill 162 found on page 9
entitled “Regulation and license creameries, cream stations, etc.,”
have been referred by petitions and will not be in effect unless
approved by popular vote at the next general election.