

## **CHAPTER 15-06**

### **SALE OF ORIGINAL GRANT LANDS**

**15-06-01. Original grant lands defined.** The term "original grant lands" means all of the public lands which heretofore have been or hereafter may be granted to the state by the United States for the support and maintenance of the common schools or for the support and maintenance of the university, the school of mines, the North Dakota youth correctional center, North Dakota state university, the school for the deaf, any normal school, or any other educational, penal, or charitable institution, and any lands which have been obtained by the state through a trade of any such lands for other lands. Original grant lands which have been sold on contract retain their character as such grant lands until the contract has been paid up and a patent issued therefor.

**15-06-02. County board of appraisers - How composed.** The county superintendent of schools, the chairman of the board of county commissioners, and the county auditor of each county constitutes the county board of appraisers of the original grant lands of the state in their respective counties. The county director of tax equalization shall serve as an assistant in making the appraisals.

**15-06-03. Appraisalment of lands by county board of appraisers - Regulations governing.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-04. Certification and verification of appraisal - Penalty for false statement.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-05. When lands remaining unsold reappraised.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-06. Selecting and certifying lands for sale - Time of sale.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-07. Notice of sale - Contents - Publication.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-08. Manner of sale - Purchase price.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-09. Postponement of sale - Order for - Publication of notice.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-10. Terms of sale - Sale to highest bidder - Penalty for failure to make first payment.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-11. Withdrawal of lands from sale - Notice to county auditor - Public notice.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-12. County auditor to act as clerk at sale - Report of sale.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-13. Execution of contract with purchaser - Notice - Failure to execute.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-14. Subdivision of land into small tracts or lots.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-15. Sale of lots and parcels - New appraisal - Terms of sale.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-16. Recording of corrected map when tract divided into parcels or lots.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-17. Prepayments on contracts permitted - Payment for townsite lands.** Repealed by S.L. 1947, ch. 160, § 12.

**15-06-18. Resale to original contractholder or heirs or assigns - Condition and terms.** When land has been sold on contract as provided in this chapter and the purchaser, or the purchaser's heirs or assigns, have been unable to pay for the land purchased within twenty years after the date of purchase and such contract is in default and subject to cancellation, and when such inability to pay under the contract has been caused in whole or in part by reason of successive crop failures, the board of university and school lands, if requested so to do by such purchaser, or the purchaser's heirs or assigns, after it has declared such contract terminated, may resell the land described therein to such purchaser, or to the purchaser's 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 may the resale price be more than the original sale price. Upon such resale, a contract of resale must be issued to the purchaser upon the same terms as were contained in the original contract except 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 to be paid at the time of execution of the contract, and that such contract shall bear interest at the rate of three percent per annum payable annually.

**15-06-19. Reconveyance to the United States of lands improperly conveyed.** When lands have been certified or conveyed erroneously or improperly to the state of North Dakota for school or other purposes by the United States, the governor of the state may reconvey or relinquish the title which the state may have to the lands by the execution, under the governor's hand and with the seal of the state, of such conveyances as may be necessary.

**15-06-19.1. Exchange of lands with the United States.** Original grant school or institutional lands and any other lands controlled by the board of university and school lands may be exchanged for lands of like character and value belonging to the United States government when it appears that such exchange will be advantageous to the state of North Dakota and will effect an increase in the value of such lands by consolidation or by making lands more accessible. Such exchange is subject to the approval of the proper department of the federal government, and such lands must be appraised as provided by law in the case of sale of real property owned by the state. The state also may execute and deliver proper conveyances of such land in the manner and form provided by law without the necessity of complying with any statute requiring the giving of notice of exchange or competitive bidding, and may accept in return therefor a proper instrument of conveyance to the state of North Dakota of the land for which such lands are exchanged, and the lands so acquired are subject to the trust to which the lands exchanged therefor were subject.

**15-06-20. Coal lands not to be sold but may be leased.** Repealed by S.L. 1995, ch. 162, § 8.

**15-06-21. Description of school lands withdrawn from sale except for park purposes.** Repealed by S.L. 1963, ch. 136, § 1.

**15-06-22. Offer to purchase original grant land - Appraisal - Continuing appropriation.** When an offer to purchase any particular tract of original grant land has been made to the board of university and school lands, the commissioner shall request the county board of appraisers to appraise such tract. Upon receipt of such request by the county auditor, the auditor shall immediately notify the members of the county board of appraisers, who shall, within ten days, proceed to view and appraise such tract. There is appropriated annually the amounts necessary to pay all expenses under this section. Each payment must be made from the trust fund for which the land is held.

**15-06-23. Certification and verification of appraisal.** The county board of appraisers shall certify to the correctness of the appraisal and file the same with the county auditor who shall

immediately transmit the same to the commissioner of university and school lands. The appraisal must be verified by each of the appraisers and must disclose any real or contingent interest that any of the appraisers has in the tract appraised.

**15-06-24. When reappraisal unnecessary in land remaining unsold.** If any tract so appraised is not sold immediately, it may again be offered and sold without reappraisal if sold within two years of such appraisal.

**15-06-25. Notice of sale - Contents - Publication.** The board of university and school lands shall cause a notice of sale of such tract to be published once each week for a period of three weeks prior to the day of sale in the official county newspaper where said land is situated and in such other newspapers as the board deems appropriate. Such notice must describe the land to be sold, and must state the amount bid therefor, and the terms and conditions of sale.

**15-06-26. Manner of sale - Purchase price.** At the time appointed for the sale, the commissioner of university and school lands, the commissioner's deputy, or any other person appointed by the commissioner shall proceed to sell or offer for sale the land so advertised to be sold at public auction to the highest bidder. The sale must be held at the county seat, in the county in which the land is situated. A tract may not be sold for less than the fair market value thereof or for less than ten dollars per acre [.40 hectare].

**15-06-27. Terms of sale - Sale to highest bidder - Penalty for failure to make first payment.** The board of university and school lands may sell original grant land either for cash or under contract. The highest bidder for any tract of land offered for sale under this chapter must be declared the purchaser thereof. A purchaser under contract shall pay twenty percent of the purchase price at the time the contract is executed; thereafter annual payments must be made of not less than six percent of the original purchase price. An amount equal to not less than three percent per annum of the unpaid principal must be credited to interest and the balance must be applied as payment on principal as credit on the purchase price. If the purchaser fails to pay the amount required to be paid at the time of sale, the commissioner or other person conducting the sale may reoffer the tract for sale immediately, but no bid may be received from the person failing to pay as aforesaid. Any person refusing or neglecting to make such initial payment after purchase shall forfeit an amount equal to ten percent of the purchase price or final bid to be recovered for the benefit of the fund to which the land belongs by civil suit in the name of the state.

**15-06-28. Execution of contract - Failure.** Immediately upon the sale by the board of university and school lands, the purchaser shall execute a purchase agreement for a cash sale or a contract in the form prescribed by the board. The failure of a purchaser to execute a purchase agreement or a contract constitutes a forfeiture of the payment made at or before the sale. When a purchase agreement or contract is executed properly by the commissioner, a copy must be delivered to the purchaser.

**15-06-29. Subdivision of land into small tracts or lots.** Whenever the interests of the state will be promoted by dividing any portion of the land under its control into small parcels or city lots, the board of university and school lands may order the commissioner to cause the same to be done and to have the land appraised in the manner prescribed in this chapter.

**15-06-30. Sale of lots and parcels - New appraisal - Terms of sale.** All parcels or lots appraised in accordance with sections 15-06-22 and 15-06-23 are subject to sale in the same manner, upon the same terms and conditions, and at the prices not less than that at which they are appraised severally until a new appraisal is made, and the contract of purchase shall have the same effect. The board of university and school lands may order a new appraisal of such lands to be made at any time in the manner provided in this chapter and with like effect. No lots or parcels so appraised may be sold for less than the minimum price of the land established in this chapter.

**15-06-31. Recording of correct map when tract divided into parcels or lots.** When the commissioner of university and school lands divides any tract of land into small parcels or

lots as provided in this chapter, the commissioner shall cause a correct map of the land to be entered of record in the county where the land is situated.

**15-06-32. Prepayments on contracts permitted.** The purchaser may pay all or any installments of principal not yet due to any interest-paying date. If the purchaser so desires, the purchaser may pay the entire balance due on the contract, plus accrued interest to date of payment, at any time, and the purchaser will then be entitled to proper conveyance. Payment for school or institutional lands purchased under the provisions of chapter 15-09 may be made at any time.

**15-06-32.1. Contracts - Renegotiation.** The board of university and school lands may renegotiate the terms of any contract made under this chapter when requested by a purchaser who has paid at least thirty percent of the purchase price and is unable to make the payments as required by the contract. The renegotiation may include restructuring and reamortization so long as the resulting contract is consistent with the fiduciary responsibilities of the board.

**15-06-33. Sale of stumpage near Garrison dam authorized.** Repealed by S.L. 1987, ch. 193, § 5.

**15-06-34. Applications to purchase.** Repealed by S.L. 1987, ch. 193, § 5.

**15-06-35. Procedure.** Repealed by S.L. 1987, ch. 193, § 5.

**15-06-36. Sale at public auction.** Repealed by S.L. 1987, ch. 193, § 5.

**15-06-37. Conveyance.** Repealed by S.L. 1987, ch. 193, § 5.

**15-06-38. Forest management authorized - Discontinuance.** The board of university and school lands may, in its discretion, designate any original grant lands more readily suitable for forestry than for agricultural purposes and suitable for forest management, and may direct the state forester to assume full control over the same and to apply accepted good forestry practices in the care, reforestation, fire control, and management thereof. The board may, at the end of any five-year period of such control discontinue such control and assume sole control of any lands so placed in the control of the state forester, provided that the return of such control to the board of university and school lands does not interrupt a program of forest management already in progress for which additional time is needed.

**15-06-39. State forester to control lands designated for forest management.** The state forester shall assume control over all lands so designated and proceed to develop and improve the same by applying thereto accepted good forestry practices in the management and improvement thereof for the purpose of protecting and improving the forest potential of such lands and producing income through sustained yield management by the sale of forest products produced thereon, such sales to be made under the direction and at the discretion of the state forester. The state forester further may issue permits for the cutting and removal of hay on and from the land under the state forester's control at a price to be determined by the board of university and school lands, subject to the rules and regulations adopted by the state forester and board of university and school lands.

**15-06-40. Application of income.** The state forester shall apply the income so derived first to the payment of the cost of all care and development of such land, and, second, the net annual income must be paid to the board of university and school lands for the credit of the permanent school funds, the same to be properly apportioned among the several funds therein.

**15-06-41. Reports by state forester to board of university and school lands.** The state forester shall report annually to the board of university and school lands the nature of the improvements, the conditions of the forest, the number of trees cut and the disposition thereof, the proceeds derived from the sale of forest products and the disposition thereof, the amount of forest products undisposed of, and all expenses paid or incurred. The state forester shall also report such other matters pertaining to said lands as the board of university and school lands

may require. Such report must be made with respect to each separate school section so controlled by the state forester.