

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

Section 1. Payments for labor and material in construction of sewer legalized.—The payment of any monies heretofore made out of the public treasury of any incorporated village in this state for the purpose of reimbursing any person, or persons, in whole or in part for the expenses of labor and material in the construction and installation of extensions of or connections with sewer or water mains within said village is hereby legalized and validated notwithstanding the provisions of any village ordinance that such expense shall be paid wholly by the persons making such extensions or connections. No action shall be commenced hereafter for the recovery by any village of any such payments heretofore made.

Section 2. Not to affect pending actions.—The provisions of this act shall not affect any action or proceeding now pending in any of the courts of this state.

Section 3. This act shall take effect and be in force from and after its passage.

Approved April 24, 1937.

CHAPTER 406—H. F. No. 1121

An act authorizing assessment benefit associations organized pursuant to the provisions of Laws 1933, Chapter 241, and holding a certificate of authority from the commissioner of insurance to do business as assessment benefit associations in the state of Minnesota to effect reinsurance and providing rules and regulations therefor.

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

Section 1. Assessment benefit associations may reinsure.—Five or more duly licensed assessment benefit associations organized and doing business in Minnesota under Laws 1933, Chapter 241, and in a manner approved by the commissioner of insurance of the state of Minnesota, may organize a mutual association for the purpose of reinsuring the risks or any part or portion of the risks of any assessment benefit association in such amount upon such terms and conditions and for such consideration as shall be authorized by the by-laws of such reinsurance association. Reinsurance contracts under this act shall cover risks lawfully existing and assumed by assessment benefit associations at the time when such contracts of

reinsurance are made with assessment benefit associations, whose method of doing business shall have been approved by the commissioner of insurance of the state of Minnesota.

Section 2. Conditions of contract.—Any such association organized and authorized to reinsure risks of assessment benefit associations doing business pursuant to said Laws 1933, Chapter 241, may enter into contracts of reinsurance on complying with the following minimum conditions:

(a) The reinsurance association and the insured assessment benefit association shall each be upon the date of the contract of reinsurance duly licensed to transact business in the state, and the insured assessment benefit association shall be one which transacts its business in this state in a manner approved by the commissioner of insurance.

(b) Each contract of reinsurance shall be submitted to and be approved by the commissioner of insurance of Minnesota before it shall become effective.

(c) Each contract of reinsurance shall have been approved by a majority vote of all directors of each of the parties thereto at meetings of the directors of each association held in accordance with the by-laws of each.

(d) Such business of reinsurance shall be conducted without profit to its members.

Section 3. Incorporation—articles of incorporation.—The incorporation of any such reinsurance association shall be effected by filing with the commissioner of insurance the original, and recording a duplicate thereof in the office of the register of deeds of the county in which the principal office of such association is located. Articles of association duly executed by the assessment benefit associations forming such reinsurance association, and shall be duly acknowledged by at least three of the member assessment benefit associations so executing said articles. Before such reinsurance association shall be authorized to do business in this state it shall be made to appear of record that each assessment benefit association forming such reinsurance association shall have been fully authorized by resolution adopted at a regular annual meeting or at a special meeting called for that purpose to join in forming such reinsurance association and that the articles of association have been approved by the commissioner of insurance.

Said articles of association shall state in the English language:

(a) Its purposes.

(b) Its location and postoffice address of its principal place of business.

(c) Names, postoffice addresses and terms of office of the first board of directors.

(d) Name and post office address of each assessment benefit association constituting the incorporators thereof.

(e) Any other provisions consistent with the provisions of this act and the provisions of Laws 1933, Chapter 241, regulating the business of such reinsurance association.

Section 4. Members may withdraw.—Any member assessment benefit association of such reinsurance association may withdraw from membership upon giving ninety days' notice of its intention so to do, when such withdrawal has been authorized by a majority vote of its members present and voting at a regular meeting or at a special meeting called for that purpose. Such withdrawal shall not in any manner affect its liabilities for any dues or losses which have accrued or shall have been incurred prior to the effective date of such withdrawal.

Section 5. Officers and directors.—The directors of such reinsurance association shall be chosen from the officers of its member assessment benefit associations but no member assessment benefit association shall have more than one of its officers serving as an officer of such reinsurance association. At the first meeting of such reinsurance association it shall adopt by-laws which shall be filed with the commissioner of insurance and which shall be effective from and after the date of their approval by him. The corporate existence of such reinsurance association may be made perpetual by so providing in the articles of association.

Section 6. Membership dues and assessments.—Member assessment benefit associations of such reinsurance association and assessment benefit associations contracting with such reinsurance association shall each year pay to the treasurer thereof such membership dues, assessments and fees as may be fixed or authorized by its by-laws and its contracts of reinsurance for the purpose of accumulating the necessary funds required to perform its functions and discharge its contract obligations so as to afford mutual financial strength among the licensed assessment benefit associations authorized to do business in this state and to secure protection to the individual certificate holders of such assessment benefit associations.

Section 7. Association to file annual statement.—Every reinsurance association organized under this act shall file with the commissioner of insurance an annual statement and such other reports

as he may reasonably require. So far as applicable, the provisions of Laws 1933, Chapter 241, shall govern the supervision and administration of such reinsurance association.

Section 8. Fees.—There shall be paid by such reinsurance association to the commissioner of insurance and by him accounted for to the state of Minnesota the following fees:

For filing certificate of association\$2.00

Filing annual statement 1.00

Certificate of authority annually 1.00

It shall pay to the register of deeds his proper fees for recording the duplicate of such articles of association.

Section 9. Powers of association.—Every such association shall have power:

(a) To sue and be sued.

(b) To adopt, use and, at will, alter a corporate seal.

(c) To acquire, hold, lease, encumber, convey or otherwise dispose of real and personal property within the state and to take real and personal property by will or gift subject to any limitation prescribed by law or the articles of incorporation.

(d) To enter into contracts of reinsurance with assessment benefit associations and to do any act expedient for the attainment of the purposes stated in its articles of association as approved by the commissioner of insurance to effect the objects of this act and said Laws 1933, Chapter 241. No shares of stock shall be authorized. Each member association shall receive a certificate of membership as evidence of its membership in such reinsurance association.

Section 10. To be under supervision of superintendent of insurance.—The certificate of association, by-laws, forms of contracts and policies of reinsurance adopted or issued by every such reinsurance association, and the general conduct of its affairs shall be subject to the general supervision and jurisdiction of the commissioner of insurance and such commissioner whenever requested by five or more members of such reinsurance association shall make an examination of the affairs thereof at its expense. Whenever after such examination, the Commissioner is satisfied that any such association has violated the law, has exceeded its powers, is not carrying out its contracts in good faith, is transacting business fraudulently, or is in such condition as to render further proceedings hazardous to the public or to its members, he may, after a hearing duly had, suspend the license of such association and present the facts relating thereto to the attorney general, who shall, if the circumstances warrant, commence action to enjoin such asso-

ciation from carrying on any further business and for the appointment of a receiver, who shall under the direction of the court proceed to close the affairs of such association and distribute its funds to those entitled thereto.

Section 11. Limit of expenses.—No more than thirty cents out of every dollar received shall be used for expenses of such reinsurance association and the remainder shall be credited to a benefit fund which benefit fund shall be subject to the rules and regulations provided for by Laws 1933, Chapter 241.

Section 12. Directors.—The number of directors shall not be less than five nor more than fifteen.

Section 13. This act shall be in force and effect from and after its passage.

Approved April 24, 1937.

CHAPTER 407—S. F. No. 1055

An act amending Mason's Minnesota Statutes of 1927, Sections 8564 and 8580, to prohibit child marriage.

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

Section 1. Child marriage prohibited.—That Mason's Minnesota Statutes of 1927, Section 8564, be amended so as to read as follows:

"No marriage shall be contracted while either of the parties has a husband or wife living; nor within six months after either has been divorced from a former spouse; nor between parties who are nearer of kin than second cousins, whether of the half or whole blood, computed by the rules of the civil law; nor between persons either one of whom is epileptic, imbecile, feeble-minded or insane; *nor between persons one or both of whom are under 15 years of age.*"

Section 2. Marriages void.—That Mason's Minnesota Statutes of 1927, Section 8580, be amended so as to read as follows:

"All marriages which are prohibited by law on account of consanguinity, *or on account of either or both parties being under the age of 15 years*, or on account of either party having a former husband or wife then living, if solemnized within this state, shall be absolutely void, without any decree of divorce or other legal pro-