

special reserve fund, which funds shall be held and used as hereinafter provided, and not otherwise. And any company doing business under this chapter, whose guaranty surplus fund and special reserve fund shall have together accumulated to an amount equal to its capital stock, may, from time to time, declare dividends out of its surplus profits in such amounts as its board of directors may prescribe, subject only to the limitation that the payment of such dividends shall not deplete its capital, nor reduce the aggregate amount of the guaranty surplus and special reserve funds to an amount less than the amount of its capital stock; and subject to the further limitation that no dividends exceeding 10% upon the capital stock shall be declared in any year if the payment thereof would reduce the aggregate amount of all surplus funds, including guaranty surplus and special reserve funds, below an amount equal to twice the capital. And any company doing business under this chapter, which shall declare or pay any dividend contrary to the provisions herein contained, shall forfeit its charter and be liable to be proceeded against by the attorney general for its dissolution.

Approved April 18, 1911.

CHAPTER 264—S. F. No. 89.

An Act to amend section 1286, Revised Laws 1905, as amended by chapter 188, General Laws of Minnesota for the year 1907, as amended by chapter 13, General Laws of Minnesota for the year 1909, relating to the change of boundary lines of school districts and the formation of new school districts.

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

Change of school district boundary lines in villages or cities of not more than 7,000 inhabitants.—Section 1. That section 1286 Revised Laws of 1905 as amended by chapter 188 of the General Laws of Minnesota for the year 1907, as amended by chapter 13, General Laws of Minnesota, for the year 1909, relating to the change of boundary lines of school districts and the formation of new school districts, be amended so as to read as follows:

Section 1286. By like proceedings, and upon petition of the majority of the freeholders of each district affected, qualified to vote at school meetings, the boundaries of any existing district may be changed, or two or more districts consolidated, or one or more districts annexed to an existing district. No change in the boundaries of a district by organization of a new district or

otherwise shall be made, so as to leave the old district without at least one school house used for school purposes, nor shall any change of districts in any way affect the liabilities of the territory so changed upon any bond or other obligation; but any such real estate shall be taxed for such outstanding liability and interest, as if no change had been made. In case of the consolidation or annexation of districts, whether under the foregoing or any other provisions of the law, action shall be brought by or against the new or remaining district upon any cause existing in favor of or against any discontinued district, but a judgment in such action against such existing district shall be satisfied only from taxes upon the real property included in the discontinued district, when the liability was incurred.

Provided, that when any incorporated borough, village or city of not more than seven thousand inhabitants is already or partly included within the boundaries of any such common school district, or whenever any such common school district shall include within or partly within its boundaries any incorporated borough, village or city of not more than seven thousand inhabitants, the boundaries of such school districts may be enlarged so as to include all lands within the corporate limits of said borough, city or village, or so as to include lands within and outside of such incorporated borough, village or city, but lying contiguous to said district in the following manner, to-wit:

Whenever a majority of the legal voters residing within such school district shall petition the board of county commissioners of the county wherein such district is situated for an enlargement of such district, and shall file a petition with the auditor of said county, it shall be the duty of the board of county commissioners, at its next regular meeting, or special meeting, to set a time and place for hearing upon such petition, and it shall cause a copy of the notice of such hearing to be posted in some public place in each district to be affected by such proposed change, and a copy thereof to be served upon the clerk of each of said districts, at least ten (10) days before the time appointed for such hearing. The posting of such copy of notice shall be proven by the affidavit of the person posting the same; said affidavit shall state the time and place of posting and serving of the copy of notice as herein specified, and upon filing proof of the posting and serving of such notice in the office of the county auditor, the board of county commissioners shall at the time and place fixed proceed with the consideration of such matter and shall hear all evidence offered by any person interested, tending to show what territory should be included within such district, and having heard the evidence, they shall, if they find it conducive to the good of the inhabitants of the territory affected, proceed to enlarge the said school district as asked for in the

petition, and to fix the boundaries thereof and of all the remaining school districts thereby affected, attaching to or detaching contiguous territory to or from any of such districts, in such manner as in their judgment the best interests of the persons and districts thereby affected may require; *provided*, that no action or order changing any boundaries of any school district shall be valid unless and until the foregoing requirements as to posting and serving of notices have been observed; and *provided further*, that whenever the territory affected by any of the foregoing proceedings lies in two or more counties, like proceedings shall be had in each county affected, and no order in such proceedings shall be valid unless concurred in by the county boards of all such counties affected.

At the time of making such division, enlargement or change of boundaries, the county commissioners shall apportion to the district so enlarged that portion of the debts of said other districts as may seem to them right and proper, and said apportionment when so made shall be binding upon all the districts affected, and the county commissioners may also apportion to said districts so enlarged, such portion of the property of such other districts as shall seem to them just and proper. Said last mentioned apportionment shall be subject to review by the district court;

And *provided further*, that any person or officer of any school district aggrieved by any order of the county board made pursuant to the provisions of this section, may appeal to the district court from such order, such appeal to be governed by the provisions of section 1285 Revised Laws 1905.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved April 18, 1911.

CHAPTER 265—H. F. No. 1140.

An Act to appropriate money for expenses of the state government and for other purposes.

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

Appropriations for state government.—Section 1. The sums hereinafter named, or so much thereof as may be necessary, are hereby appropriated from any moneys in the state treasury not otherwise appropriated, for the purpose specified in the following sections of this act, to be available, where not otherwise stated, for each of the fiscal years ending July 31, 1912, and July 31, 1913.