

or district agricultural society which may have held its second annual fair shall be entitled to share, pro-rata; in such distribution. The state auditor shall certify to the secretary of the state agricultural society on or before January 5th of each year, a list of all county and district agricultural societies that have complied with this act, and which are entitled to share in such appropriation. All payments hereunder shall be made on or before December 20th of the year in which the fair is held; provided, however, that in determining the amount to be paid to any society or association under this section, the state auditor shall exclude all payments made by such society or association as premiums or purses for or in horse races, ball games and amusement features of any nature.

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

Approved March 29, 1919.

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CHAPTER 139—H. F. No. 255.

*An act to amend Subdivision 8 of Section 696, General Statutes, 1913, as amended by Chapter 347, Laws 1917, relating to appropriations by the county board to agricultural societies and farm improvement associations.*

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

Section 1. \$1,000 appropriation by county boards to county agricultural societies authorized.—That subdivision 8, section 696, General Statutes, 1913, as amended by chapter 347, Laws 1917, be and the same hereby is amended to read as follows:

8. To appropriate to any county agricultural society of its county, which is a member of the state agricultural society, or to any farm improvement association organized by the citizens of two or more counties jointly for the purpose of advancing the agricultural interest of each of such counties, a sum of money not exceeding *one thousand dollars* each, annually, provided, that in any county in which two county agricultural societies are members of the state agricultural society any appropriation so made shall be divided equally between them.

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

Approved March 29, 1919.

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CHAPTER 140—H. F. No. 266.

*An act authorizing the abatement of penalties, interest and costs which have accrued, or may hereafter accrue, on taxes levied on lands owned by persons who have served in the army, navy or marine corps of the United States during the present war.*

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

Section 1. Abatement of penalties, interest and costs authorized for service in army, etc.—During the period of two years

from and after the date of the passage of this act, service in the army, navy or marine corps of the United States during the present war, may be by the Minnesota tax commission treated and considered, within the meaning of section 1978, General Statutes of Minnesota, 1913, as a just and equitable ground for the abatement of penalties, interest and costs which have accrued, or may hereafter accrue, on taxes levied for the years 1916, 1917 and 1918, on lands owned by persons who have been in such military service.

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

Approved March 29, 1919.

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#### CHAPTER 141—H. F. No. 362.

*An act relating to reinsurance by insurers authorized to issue policies in this state.*

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

Section 1. Conditions for reinsurance.—Every insurer authorized to issue policies in this state may reinsure in any other insurer any part or all of any risk or risks, other than life, assumed by it; but such reinsurance, unless effected (a) with an insurer authorized to issue policies in this state or (b) with an insurer similarly authorized in another state, territory or district of the United States and showing the same standards of solvency and meeting the same statutory and departmental regulations which would be required of or prescribed for such insurer were it at the time of such reinsurance authorized in this state to issue policies covering risks of the same kind or kinds as those reinsured, shall not reduce the reserve or other liability to be charged to the ceding insurer; provided that nothing in this section shall be construed to permit to a ceding insurer any reduction of reserve or liability through reinsurance effected with an unauthorized insurer. In case such reinsurance is effected with an insurer so authorized or so recognized for reinsurance in this state, the ceding insurer shall thereafter be charged on the gross premium basis with an unearned premium liability representing the proportion of such obligation retained by it, and the insurer to which the business is ceded shall be charged with an unearned premium liability representing the proportion of such obligation ceded to it calculated in the same way. The two parties to the transaction shall together carry the same reserve as the ceding insurer would have carried had it retained the risk.

Any contract of reinsurance whereby an insurer cedes more than seventy-five per cent of the total of its outstanding insurance liabilities shall, if such insurer is incorporated by or, if an insurer of a foreign country, has its principal office in this state, be subject to