

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.

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

approval in writing by the commissioner of insurance of this state.

Nothing in this section shall be deemed to permit the ceding insurer to receive through the cession of the whole of any risk or risks any advantage in respect to its unearned premium reserve that would reduce the same below the actual amount thereof.

For the purposes of this section, the word "insurer" shall be deemed to include the word "reinsurer," and the words "issue policies of insurance" shall be deemed to include the words "make contracts of reinsurance."

Approved March 29, 1919.

CHAPTER 142—H. F. No. 722.

An act to legalize mechanics' lien foreclosure sale heretofore made.

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

Section 1. **Certain mechanic lien foreclosure legalized.**—Every mechanics' lien foreclosure sale heretofore made under the terms and provisions of a final judgment of a district court in this state, wherein the order of the district court confirming the report of the sheriff was made within ten days after the date of sale, which sale was otherwise regular, except that the sheriff's certificate of sale was not recorded in the register's office of the county in which the premises are situated until after the period of one year from the date of the order confirming such sale, is hereby legalized, with the same effect as if such certificate had been executed and acknowledged subsequent to the confirmation of the sale by the court, and recorded as provided by law; provided, that nothing herein contained shall be construed to apply to actions now pending which involve the validity of any such sale.

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

Approved March 29, 1919.

CHAPTER 143—S. F. No. 236.

An act creating a board for seed potato inspection and certification, providing penalties for the violation of such provisions.

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

Section 1. **Inspection of seed potatoes authorized.**—The inspection and certification of potatoes for seed purposes by or under the direction of the board hereinafter created and under the conditions and limitations herein specified, is hereby authorized.

Sec. 2. **Inspection board and membership.**—There is hereby created a board for seed potato inspection and certification. It shall consist of five members, two of whom, the dean of the College of