

ment, and which shall hold regular meetings on the first and third Wednesdays of each month. The governor shall be ex-officio president of said board, which shall have a permanent secretary, who shall keep record of its proceedings. Both the secretary of the board and the auditor shall keep a record showing the *trust fund to which each bond belongs*. The number and amount of each bond, when issued, the rate of interest, when and where payable, by whom executed, when purchased, when withdrawn and for what purpose. *No loan shall be made and no bonds shall be purchased, sold, exchanged or transferred from one trust fund to another except upon a majority vote of all members of said board of investment.* In investing the permanent school fund preference shall be given to applications for loans from school districts and priority shall be accorded such loans of \$25,000 and less. The board of investment shall have the power to fix and to change the rate of interest on loans to municipalities within the state, provided such rate is never less than *three* per cent, and whenever such rate is changed after any municipality has voted its bonds to the state such municipality is hereby authorized to pay the new rate so fixed and to issue its bonds bearing such rate upon approval and acceptance thereof by resolution of its governing body."

Approved April 29, 1935.

CHAPTER 338—H. F. No. 838

An act authorizing towns school districts, having an assessed valuation of over \$2,000,000.00 and all cities, villages and boroughs to insure employees against liability arising out of the operation of motor vehicles in certain cases, and amending Laws 1929, Chapter 81, including the title thereof.

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

Section 1. Title amended.—The title of Laws 1929, Chapter 81, is hereby amended so as to read as follows:

"An act authorizing towns school districts having assessed valuation of over \$2,000,000.00 and all cities, villages and boroughs to carry insurance against liability of employees of any department thereof arising out of the operation of motor vehicles by them while in the performance of their duties."

Sec. 2. Certain towns and school districts may carry insurance.—Laws 1929, Chapter 81, Section 1, is hereby amended so as to read as follows:

“Sec. 1. That all towns school districts having an assessed valuation of over \$2,000,000.00 and cities, villages and boroughs in this state are hereby authorized to *carry insurance against liability of employees of any departments thereof by reason of claims for bodily injuries, death or property damage made upon any such employee by reason of his operation of a motor vehicle while in the performance of his duties, and to defend in the name and on behalf of such employee any suit brought against him to enforce a claim, whether groundless or not, arising out of the operation of a motor vehicle by him while in the performance of his duties.*

Sec. 3. May pay premiums.—Laws 1929, Chapter 81, Section 12, is hereby amended so as to read as follows:

“Sec. 2. Such governing body may in its discretion pay the premiums on insurance policies insuring individuals or groups of the employees referred to in section 1 hereof against liability for injury to person or property, within the limitations of section 1 hereof, and such payment of insurance premiums shall in no way impose upon any municipality any liability whatever.”

Approved April 29, 1935.

CHAPTER 339—H. F. No. 864

An act to amend Mason's Minnesota Statutes of 1927, Section 7728; as amended by Laws 1931, Chapter 375, relating to the organization and capital of trust companies, and providing for the regulation thereof.

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

Section 1. Capital of Trust Companies.—Mason's Minnesota Statutes of 1927, Section 7728, as amended by Laws 1931, Chapter 375, is hereby amended so as to read as follows:

“7728. The capital of every trust company hereafter organized having its principal place of business in any city of less than 25,000 inhabitants shall not be less than \$50,000.00; the capital of every trust company hereafter organized having its principal place of business in a city of more than 25,000 inhabitants and less than 100,000 inhabitants shall not be less