

Sec. 3. Pursuant to such regulations as the Commissioner of Banks of the State of Minnesota deems to be necessary and proper, any Building and Loan Associations or Savings and Loan Associations organized and existing under and by virtue of the laws of the State of Minnesota is hereby authorized and empowered to do all things necessary to obtain, continue, pay for and terminate insurance of its shares with the Federal Savings and Loan Insurance Corporation.

Approved March 15, 1935.

CHAPTER 50—H. F. No. 117

An act relating to the granting of relief to the farmers of Minnesota by furnishing of seed grain in certain cases during the emergency declared to exist: Providing for the purchase and distribution of the same and providing for reimbursement in kind to the several counties of the State or to the State, for the seed grain so furnished: Providing for the procedure for such relief and for the administration thereof: And granting a first lien upon crops grown from such seed so furnished and levying a tax and appropriating the proceeds thereof for such purpose.

Whereas, during the past year many farmers of this state have had total crop failures due to drouth and other causes beyond their control, and are now unable, because of the severe financial and economic depression existing, to purchase seed grain with which to plant their fields for the crop season of 1935, and farmers so situated are needy and destitute and will face financial ruin in many instances and will be unable to meet their obligations and to purchase the necessities of life, and

Whereas, it is desirable and expedient that as many as possible of our people be kept self-sustaining so as not to further enlarge the already unprecedented number of people on so-called relief rolls, and

Whereas, the Legislature of Minnesota believes and declares that such deplorable condition creates an emergency that justifies the State in providing adequate means of carrying on the chief industry of the State, agriculture; now, therefore,

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

Section 1. Counties may purchase seed grain.—That the several county boards of the State of Minnesota, are hereby

authorized to purchase from time to time, as may be needed and up to July 1, 1935, seed grains of such kind, quality and amount as may be necessary to comply with the provisions hereinafter contained and the term "seed grains" shall be construed to include grains and seeds as hereinafter defined.

Sec. 2. Appropriations for seed grain loans.—There is hereby appropriated out of the Minnesota State Seed Loan Fund in this act created, the sum of \$2,000,000.00 or so much thereof as may be necessary to carry out the provisions of this act. To provide the funds hereby appropriated the State Executive Council is directed and empowered to issue and sell certificates of indebtedness of the State with such maturities and to bear such rate of interest as may be most advantageous. There is hereby created a fund to be known as the Minnesota State Seed Loan Fund and the proceeds of said certificates shall be paid into such fund, and the moneys herein appropriated shall be paid out of such Minnesota State Seed Loan Fund. The funds hereby appropriated shall be disbursed to the treasurer of each county in such amount and at such times as such county may be entitled thereto.

Sec. 2. (a) Tax levy to retire certificates.—Upon the sale of any certificates of indebtedness provided for herein the state auditor shall cause to be levied upon all taxable property in the state in the manner in which other state taxes are levied, in addition to all other taxes levied, an annual tax sufficient to pay the principal and interest of such certificates as they mature.

Sec. 3. Who may apply.—Applications.—Any destitute or needy owner, tenant or occupant of any farm who is dependent upon farming for the sustenance of himself and dependents and desires to place the fields of such farm in crop for the crop season of 1935, may make application on or before May 1st, 1935, to the Township Board of his Town for the advancement of seed grain with which to plant such fields as he may deem advisable and necessary and in accordance with any national plan of crop control. Such application shall contain the name of the applicant, the legal description of the land, whether the applicant is a tenant or owner, the number of acres to be planted, the kind of crops desired to be grown thereon, the kind of seed required, with the number of acres estimated to be planted to each such kind of crops and such facts as will enable the Township Board to determine whether such applicant, because of lack of seed grain, due to drouth or other causes beyond his control, or due to financial or economic distress, is destitute or needy and unable to provide seed grain

for such purpose. No applicant may receive under this Act seed grain of an aggregate value to exceed \$300.00. Such application must in each case be approved by a majority of the members of the Town Board of the Town in which such farm is situate. Any applicant whose application has been rejected by the Township Board has the right to appeal to the County Board, whose decision shall in each case be final. If the County Board finds that such application is reasonable and that the facts therein stated are true and that such applicant is destitute or needy they shall furnish the seed grain so applied for with funds provided in the manner stated in Section 6, or may by motion request from the State Auditor necessary funds with which to purchase the seed grain so applied for, as provided in Section 6.

Sec. 4. County Board to furnish seed.—The County Board shall seasonably furnish to each applicant whose application has been approved, the seed grain applied for and shall take from such applicant an instrument in writing acknowledging the receipt thereof and granting to said County a first lien upon any crop grown from such seed. Such lien shall be prior to all other liens and all such instruments shall be forthwith filed in the office of the Register of Deeds at the expense of the County.

Sec. 5. Advances to be repaid.—Each advancement of seed grain so made shall be repaid by the applicant on or before February 15, 1936, and the County is authorized to accept in payment, in lieu of the cash value, grain in kind, pound and a half for pound and bushel and a half for bushel, advanced to such applicant, or said County may accept in lieu of cash or grain payment labor or services to be performed by the recipient of such relief proportionately to the relief extended or given which shall be full and complete discharge of such applicant's obligation. All such grain so received in kind shall be sold by the County Board at the then highest prevailing price and the proceeds thereof applied as payment in full of the obligation of such applicant. In case the returns from the sale of the grain of any applicant exceeds the value of the seed grain advanced the surplus shall be refunded to the applicant.

Sec. 6. Counties may borrow money.—Each County is hereby authorized to borrow upon its warrants or to sell its bonds for the purpose of providing the funds necessary to pay for such seed grain as may be required within the County, which bonds may be issued upon majority vote of the County Board, with such maturities and rate of interest as such Board may determine and which bonds shall be general obligations.

of such County. Such bonds shall be legal investments for State funds within the limitations provided in Article 8, Section 6, of the Constitution. In case any county, because of tax delinquencies, impaired credit or other causes is unable to borrow money or to sell its bonds for such purpose, it shall so certify to the State Auditor, whereupon the funds to purchase the seed grain required for such County shall be furnished to such County by the State Treasurer upon warrant of the Auditor and in which case all liens or instruments of obligation and other documents securing the return of the advancements herein provided for shall run to the State of Minnesota instead of to the particular county.

Sec. 7. Losses to be charged upon the fund appropriated.—Any loss sustained by any county by reason of the failure of any applicant to repay his loan or by reason of the value of the grain paid in kind, or by the performance of labor or services as provided in Section 5 hereof in discharging such loan being less than the value of the seed grain advanced to him shall be a charge upon the fund appropriated in Section 2 of this act, and, upon the total amount of such loss being ascertained by the County Board of any such county, the Auditor thereof shall certify the amount of such loss to the State Treasurer, who shall, upon such Auditor's certificate, pay to such county the amount of such loss.

Sec. 8. State Auditor to administer act.—The State Auditor is hereby directed and empowered to administer this Act and to prepare all forms of applications and other instruments to be used in the making of said loans, the furnishing of seed grain, and the taking of security therefor. He is authorized to employ a Secretary to take charge of such administration under his direction and to employ such clerical help as may be necessary.

Sec. 9. What are seed grains.—"Seed grain" as used in this Act shall include grains such as barley, spring rye, wheat, buckwheat, flax, corn, oats, truck crop seeds, and seed potatoes.

Sec. 10. To be liberally construed.—This act shall be liberally construed and the amount hereby appropriated is made available for the use of needy, destitute or impoverished farmers so as to assist in securing necessary seed for the cropping of farm lands.

Sec. 11. Provisions severable.—If any part of the provisions of this act shall be adjudged invalid or unconstitutional by any court of competent jurisdiction, such judgment shall not impair or invalidate any other part or provision of the remainder of the act.

Approved March 16, 1935.