

[85.173] Section 1. **Pine Tree State Park.** Subdivision 1. **Acquisition.** The commissioner of conservation is authorized to acquire by gift the following described lands, lying and being in the County of Beltrami and State of Minnesota, to-wit:

Government Lot Three (3), and the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ SW $\frac{1}{4}$), of Section Eleven (11), Township One Hundred Forty-nine (149) North of Range Thirty-one (31) West of the Fifth P. M., containing 21.55 acres, more or less, subject to mineral reservation;

these lands when acquired shall be a state park known as Pine Tree State Park, and shall be forever maintained and conducted by the state as a state park under the supervision and control of the commissioner of conservation, as provided for other state parks, and shall be for the perpetual use of the people of the state.

Sec. 2. Subd. 2. **Deed to state authorized.** The village of Blackduck, owning said lands, is hereby authorized to deed the same as a gift to the state, without consideration, except the agreement on the part of the state to forever maintain and conduct the same as a state park for the perpetual use of the people of the state.

Approved February 24, 1947.

CHAPTER 20—S. F. No. 154

An act relating to industrial loan and thrift companies; amending Minnesota Statutes 1945, Sections 53.02, 53.03, 53.05, 53.06, 53.08, 53.09.

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

Section 1. Minnesota Statutes 1945, Section 53.02, is amended to read as follows:

53.02. **Capital and surplus.** No corporation shall be organized under this chapter or qualified to do business thereunder with a capital *represented by shares of common stock* of less than \$25,000 in cities with less than 50,000 people; \$50,000 in cities with more than 50,000 people and less than 100,000 people; and \$75,000 in cities with 100,000 people, or more, according to the last official census; each share of

that common stock to have a par value of not less than \$25.00 per share. No corporation shall begin doing business under this chapter unless the required capital is fully paid, and unless a surplus of no less than 10 per cent of that required capital shall have also been fully paid and set up. After the required capital of a corporation organized or doing business under this chapter shall have been fully paid and a surplus of not less than ten per cent thereof also fully paid and set up, additional capital stock in that corporation may be sold at not less than par, provided, however, that there is always maintained a surplus of at least ten per cent of the capital of the corporation represented by shares of common stock.

Sec. 2. Minnesota Statutes 1945, Section 53.03, is amended to read as follows:

53.03. Certificate. Subdivision 1. Application; fee; notice; publication. Any such corporation hereafter organized as an industrial loan and thrift company, shall, after compliance with the requirements set forth in sections 53.01 and 53.02, cause an application, in writing, to be made to the department of commerce for a certificate of authorization. The application, in duplicate, shall be in the form prescribed by the department of commerce and filed in its office. The application shall be made in the name of the corporation, executed and acknowledged by two of its officers designated by the board of directors of the corporation for that purpose, requesting a certificate authorizing the corporation to transact business as an industrial loan and thrift company, at the place and in the name stated in the application. At the time of filing the application the applicant shall pay a filing fee of \$25.00, to be paid into the state treasury and credited to the state security commission fund, and submit a copy of the by-laws of the corporation, its articles of incorporation and all amendments thereto. Thereupon the department of commerce shall fix a time, within 30 days after the filing of the application, for a hearing at its office, at which hearing it shall either grant or refuse to grant such application. A notice of the hearing shall be published once in the form prescribed by the department of commerce, at the expense of the applicant, not less than ten, nor more than 20, days prior to the date of such hearing, in a newspaper published in the municipality in which the proposed industrial loan and thrift company is to be located, or, if there be no such newspaper, in a newspaper published at the county seat of the county in which the company is proposed to be located.

Subd. 2. Department of commerce; duties. The depart-

ment of commerce shall thereupon make, or cause to be made, an examination to ascertain whether the assets of such corporation, over and above all its liabilities, have an actual value of not less than the par value of all of its capital *represented by shares of common stock*, which shall not be less than the amount prescribed by section 53.02, and if *upon the hearing provided for in subdivision 1 of this section those facts appear and it further appears that the by-laws and articles of incorporation and amendments thereto are in accordance with law; that the shareholders of the corporation are of good moral character and financial integrity; that there is a reasonable public demand for that company in the location specified in the application, and that the probable volume of business in that location is sufficient to insure and maintain the solvency of such company and the solvency of any then existing industrial loan and thrift companies or banks in that locality, without endangering the safety of any such company or bank in the locality as a place for investing or depositing public and private money, and if the department of commerce is satisfied that the proposed company will be properly and safely managed, the application shall be granted; otherwise it shall be denied.*

Subd. 3. Grant or denial; certificate. If the application be granted the department of commerce shall, not later than 30 days after such hearing, issue a certificate authorizing the corporation to transact business as an industrial loan and thrift company as provided in this chapter. If the application be denied the department of commerce shall, not later than 30 days after such hearing, notify the corporation of the *denial*.

Subd. 4. Filing certificate. The certificate of authorization granted shall be filed in the places specified for filing the certificate of incorporation in section 53.01. *The corporation shall thereupon become an industrial loan and thrift company.*

Subd. 5. Place of business. Not more than one place of business shall be maintained under *any* certificate of *authorization* issued *subsequent to the enactment of Laws 1943, Chapter 67*, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of *authorization* to the same *corporation* upon compliance with all the provisions of this chapter governing an original issuance of a certificate of *authorization*. *Each additional certificate of authorization issued pursuant to the provisions of this subdivision shall be filed with the*

secretary of state and the register of deeds of the county in which the corporation is authorized to do business thereunder.

Sec. 3. Minnesota Statutes 1945, Section 53.05, is amended to read as follows:

53.05. **Limitation of powers.** No industrial loan and thrift company shall have power to do any of the following:

(1) To carry commercial or demand banking accounts; to use the word "bank" or "banking" in its corporate name; to receive savings accounts or deposits or operate as a savings bank;

(2) To have outstanding at any one time certificates of indebtedness, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the *paid-in* capital and surplus of the company;

(3) To lend money in excess of five per cent of its paid-in capital and surplus to any person primarily liable; provided, that if marketable collateral be taken as security for a loan, then an industrial loan and thrift company may loan not to exceed ten per cent of its *paid-in* capital and surplus to any one person primarily liable; *provided, however, if a loan has been made to any one person primarily liable and payments have been made on the certificate of indebtedness securing it, the amount of such payments may be added to the limitation stated in this clause for the purpose of determining whether additional loans may be made to that person;*

(4) To accept trusts or act as guardian, administrator, or judicial trustee in any form; or

(5) To deposit any of its funds in any banking corporation, unless *that* corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance.

Sec. 4. Minnesota Statutes 1945, Section 53.06, is amended to read as follows:

53.06. **Directors, residence.** At least three-fourths of the directors of any industrial loan and thrift company shall be residents of the county in which the industrial loan and thrift company maintains its principal place of business and each director shall own and hold not less than 20 shares of

common stock of the industrial loan and thrift company, unencumbered.

Sec. 5. Minnesota Statutes 1945, Section 53.08, is amended to read as follows:

53.08. Dividends. When an industrial loan and thrift company is organized under this chapter or operating thereunder, the board of directors may declare a dividend of so much of the net profits of the corporation, after providing for all expenses, reserves, interest, and taxes accrued or due from the corporation, as they shall judge expedient, but before any dividend is declared, not less than one-tenth of the net profits of the industrial loan *and* thrift company of the preceding half year, or for such period as is covered by the dividend, shall be carried to a surplus fund until the surplus shall amount to 20 per cent of its capital *represented by shares of common* stock.

Sec. 6. Minnesota Statutes 1945, Section 53.09, is amended to read as follows:

53.09. Examinations. Subdivision 1. Frequency and expense of examination. The commissioner of banks shall make examinations, at least once each year, of each *authorized place of business of every* industrial loan and thrift company organized or operating under this chapter, at which time he shall satisfy himself that the corporation is in a solvent condition and is complying with the requirements of this chapter and operating according to sound business principles. In order to enforce his actions in this connection, the commissioner of banks is hereby vested with the same authority as in his examination and regulation of state banks. *The actual cost of every examination shall be paid to the commissioner by the corporation so examined, but the minimum fee for each examination shall be \$100.00 for each authorized place of business under examination. The commissioner may maintain an action for the recovery of such costs or minimum fee in any court of competent jurisdiction.*

Subd. 2. Report to commissioner. Each industrial loan and thrift company shall annually on or before the first day of February file a report with the commissioner of banks stating in detail, under appropriate heads, its assets and liabilities at the close of business on the last day of the preceding calendar year. Such report shall be made under oath in the form prescribed by the commissioner and published once, at the expense of such industrial loan and thrift company, in a newspaper of the county of its location, and proof thereof filed immediately with the commissioner of banks.

Subd. 3. Penalties. The penalties for violation of this chapter, or for any wrongdoing in connection therewith, shall be the same as those applied to state banks under the laws of this state.

Approved February 24, 1947.

CHAPTER 21—S. F. No. 162

An act relating to forms and blanks; and amending Minnesota Statutes 1945, Section 120.12.

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

Section 1. Minnesota Statutes 1945, Section 120.12, is amended to read as follows:

120.12. *Forms and blanks.* The state board of education shall prepare or designate standard forms for school registers, *state board examination questions and answers*, uniform forms for all reports required by this chapter, uniform record books for district treasurers and clerks, and any other blanks necessary for school business. These forms may be purchased through the department of education and the request therefor shall conform to the rules and regulations of the department of education. The purchase of these forms by the department of education shall be made through the department of administration, division of printing, and is subject to the rules and regulations provided by statute for the purchase of such forms and examinations for the state. The purchase of these uniform forms and examinations may be made by the school districts directly from vendors.

Approved February 24, 1947.

CHAPTER 22—H. F. No. 200

[Coded as Section 360.0161, Subdivision 1, 2, 3]

An act relating to aeronautics and to federal aid for airports.

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