

improvement, and maintenance of trunk highways within the limits of such municipalities and such municipalities are hereby authorized to undertake and perform such work and to enter into agreements with the state for the performance and responsibility of such work upon such terms as may be agreed upon; and the commissioner of highways is authorized to make settlement with and pay to such municipalities for benefits which have accrued to any trunk highway by reason of the construction, improvement, and maintenance heretofore done, made or furnished by such municipalities within their limits.

Subd. 4. Whenever the governing body of any city, village, or borough enters into an agreement with the commissioner of highways pursuant to subdivisions 1 or 2 for the construction or maintenance of a roadway or structure of greater width or capacity than would be necessary to accommodate the normal trunk highway traffic and a portion of the cost is to be assessed against benefited property, the letting of a public contract by the commissioner of highways for the work shall be deemed to comply with statutory or charter provisions requiring the city, village, or borough (1) to advertise for bids before awarding a contract for a public improvement, (2) to let the contract to the lowest responsible bidder, and (3) to require a performance bond to be filed by the contractor before undertaking the work. The contract so let by the commissioner of highways and the performance bond required of the contractor by the commissioner shall be considered to be the contract and bond of the city, village, or borough for purposes of complying with the requirements of any applicable law or charter provision, and the bond shall inure to the benefit of the city, village, or borough and operate for their protection to the same extent as though they were parties thereto.

Sec. 2. Repeal. Minnesota Statutes 1945, Section 434.065, is repealed.

Approved April 6, 1949.

CHAPTER 314—H. F. No. 1167

[Coded as Sections 429.30, 429.31]

An act relating to state aid and county aid roads and the authority of counties, cities, villages and boroughs in regard thereto; repealing Laws 1949, Chapter 7.

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

[429.30] Section 1. **Agreement between county board and municipality.** The council or other governing body of any city, village, or borough in which a state aid or county aid road has been duly established, may enter into an agreement with the county board of the county in which the road is located for the construction, reconstruction, improvement, or maintenance of the road, and may appropriate to the county from any funds available such sums of money as may be agreed upon. No such agreement relating to a state aid road shall be effective, however, without the approval of the commissioner of highways.

[429.31] Sec. 2. **State or county aid roads; apportionment of costs; assessment against benefited property.** Whenever the council or other governing body of a city, village or borough enters into an agreement with a county pursuant to section 1 for the construction, reconstruction, improvement, or maintenance of a state aid or county aid road and a portion of the cost agreed to be paid by the municipality is to be assessed against benefited property, the letting of a public contract by the county for the work shall be deemed to be in compliance with statutory or charter provisions requiring the city, village, or borough (1) to advertise for bids before awarding a contract for a public improvement, (2) to let the contract to the lowest responsible bidder, and (3) to require a performance bond to be filed by the contractor before undertaking the work. The contract so let by the county and the performance bond required of the contractor by the county shall be considered to be the contract and bond of the city, village, or borough for purposes of complying with the requirements of any applicable law or charter provision, and the bond shall inure to the benefit of the city, village, or borough and operate for their protection to the same extent as though they were parties thereto. Nothing herein contained is a limitation of the power of any county to appoint the commissioner of highways its agent to accept federal funds and award contracts for the construction, improvement, or maintenance of such state aid or county aid roads pursuant to Minnesota Statutes 1945, section 161.03, subdivisions 25 to 29, and any such contract let by the commissioner of highways as the agent of a county shall be construed hereunder as having been let by the county.

Sec. 3. Repeal. Laws 1949, Chapter 7, is repealed, and provides that any proceedings heretofore commenced thereunder may be completed under that act.

Approved April 6, 1949.

CHAPTER 315—H. F. No. 1213

An act relating to the levying of a tax on fire insurance premiums for the purpose of maintaining the office of the State Fire Marshal, and amending Minnesota Statutes 1945, Section 73.20.

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

Section 1. Minnesota Statutes 1945, Section 73.20, is amended to read as follows :

73.20. Fire insurance companies to pay cost of maintenance. For the purpose of maintaining the office of the state fire marshal and paying all the expenses incident thereto, every insurance company, *including reciprocals, inter-insurance exchanges or Lloyds*, doing business in the state, excepting farmers' mutual fire insurance companies and township mutual fire insurance companies, shall hereafter pay to the state treasurer on or before *April 30th* annually, a tax upon its fire premiums or assessments or both, as follows :

A sum equal to one-half of one per cent of the gross premiums and assessments, less return premiums, on all direct business received by it in this state, or by its agents for it, in cash or otherwise, during the preceding calendar year, including premiums on policies covering fire risks only on automobiles, whether written under floater form or otherwise. In the case of a mutual company or *reciprocal exchange* the dividends or *savings* paid or credited to members in this state shall be construed to be return premiums. The money so received into the state treasury shall be set aside as a special fund and it is hereby appropriated for the maintenance of the office of the state fire marshal and the expenses incident thereto. The state shall not be liable in any manner for the salary of the state fire marshal, his chief assistant, deputies, clerks, and other employees, or for the maintenance of the office of fire marshal or