

of the commissioner of banks its order, in writing, directing him to issue the certificate of authorization as provided by law. If the *commission* shall decide that the application should not be granted, it shall deny the application and make its order, in writing, to that effect, and file the same in the office of the commissioner of banks, and forthwith give notice thereof by registered mail to one of the incorporators named in the application for the proposed bank, addressed to the incorporator at the address stated in the application, and thereupon the commissioner of banks shall refuse to issue the certificate of authorization, which is prescribed by law, to the proposed bank.

Approved March 12, 1951.

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CHAPTER 68—H. F. 422

*An act relating to the powers and duties of the Conservator of Rural Credit, amending Minnesota Statutes 1949, Section 41.04, Subdivision 1; 41.07; 41.10; 41.12, Subdivision 2; 41.15; and repealing Minnesota Statutes 1949, Sections 41.041; 41.101; 41.12, Subdivision 4; 41.13; 41.20; 41.26 and 41.35.*

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

Section 1. Minnesota Statutes 1949, Section 41.04, Subdivision 1, is amended to read:

**41.04. Conservator; powers, duties.** Subdivision 1. **Powers.** The conservator shall have power:

(1) To adopt such rules and regulations as may be necessary for the proper conduct of the business of the department;

(2) To issue certificates of indebtedness and tax levy certificates subject to the limitations of this chapter;

(3) *In the name of the state to acquire, own, hold, lease, sell, and convey such property, real, personal, or mixed; as may be necessary, convenient, and proper for the transaction*

of the business of the department; but such property shall be taken by him only in payment of pre-existing debts owing the state;

(4) To sell, grant, and convey *the fee simple title or any easement over land* acquired by the state upon such terms as he shall deem advisable;

(5) To insure buildings and structures upon any such mortgaged property acquired by the state against loss by fire, tornado, windstorm or hail, in any insurance company or association, however organized, authorized to do business in this state, and to pay the premiums, assessments, and dues thereby accruing; and to make such repairs and improvements upon the property as are essential to the operation and preservation thereof;

(6) To do all things that may be necessary to *liquidate the affairs and assets of the Department of Rural Credit.*

(7) In all matters arising under Laws 1933, Chapter 429, the state may sue and be sued as a natural person.

Section 2. Minnesota Statutes 1949, Section 41.07, is amended to read:

**41.07. Funds, disbursement.** All moneys of the department shall be paid into the state treasury *and credited to a rural credit fund* and disbursed by direction of the conservator in the same manner as other state funds are disbursed.

Section 3. Minnesota Statutes 1949, Section 41.10, is amended to read:

**41.10. Composition with mortgagors; procedure.** When the conservator is of the opinion that real estate held as security by the state is worth less than the amount due on the indebtedness secured by the same, and the conservator is able to liquidate the indebtedness by a satisfactory cash settlement, and when the conservator is of the opinion that the real estate so sold by the state is worth less than the amount then due thereon and is of the opinion that the amount offered in payment by the contract vendee is commensurate with the then value of the real estate, he may enter into an amended contract for the sale of such land to such purchaser, upon

the payment by the purchaser of not less than 25 per cent of such compromised purchase price, the balance thereof to be amortized over a period of not to exceed *five* years.

Section 4. Minnesota Statutes 1949, Section 41.12, Subdivision 2, is amended to read:

Subdivision 2. **Sales.** The property, real, personal, and mixed, acquired by the department, shall be sold by the conservator at its fair value at time of sale, in such manner and on such terms as may be provided by the regulations adopted by him.

Section 5. Minnesota Statutes 1949, Section 41.15, is amended to read:

41.15. **Administrative expenses.** The conservator may authorize the state board of investment to invest, for short periods, any temporary cash surplus in the rural credit fund, the investment to be restricted to United States Government or State of Minnesota obligations. If at any time a surplus shall accrue in the rural credit fund the conservator may invest the surplus in *obligations of the United States Government or the State of Minnesota*. Any securities purchased by the board of investment with any money in the rural credit fund, as herein provided, shall be sold at the request of the conservator. *All interest thereby earned shall be credited to the rural credit fund.*

Section 6. Minnesota Statutes 1949, Sections 41.041; 41.101; 41.12, Subdivision 4; 41.13; 41.20; 41.26; 41.35; are repealed

Approved March 12, 1951.

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CHAPTER 69—H. F. No. 559

[Not Coded]

*An act to grant to the executive council power to extend certain timber permits upon the recommendation of the conservation commissioner.*