

power to *acquire by purchase, gift, devise, condemnation or otherwise*, hold and manage cemetery grounds, to enclose, lay out and ornament such grounds and sell and convey lots therein. It may by ordinance regulate cemeteries and the disposal of dead bodies.

Approved March 30, 1955.

CHAPTER 271—H. F. No. 846

[Coded]

An act relating to insurance.

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

Section 1. [66.61] **Domestic mutual insurance companies, separation of assessable and non-assessable businesses.** Any domestic mutual insurance corporation which transacts its business partly on an assessable basis and partly on a non-assessable basis, may separate one plan from the other by either of the following methods:

(1) by transferring its non-assessable policies, and all assets and liabilities attributable thereto to another existing domestic mutual insurance corporation or to a new domestic mutual insurance corporation formed for that specific purpose, provided that in either case, the corporation assuming the risks shall have all its policies on a non-assessable basis; or

(2) by transferring its assessable policies, and all assets and liabilities attributable thereto, to another existing domestic mutual insurance corporation or to a new domestic mutual insurance corporation formed for that specific purpose, provided that in either case, the corporation assuming the risks shall have all its policies on the assessable basis.

Sec. 2. [66.62] **Joint agreement for separation of businesses.** The separation can be effected only as a result of a joint agreement entered into, approved and filed as follows:

(1) The board of directors of the ceding and assuming corporations shall, by majority vote, enter into a joint agreement, prescribing the terms and conditions of the separation and the mode of carrying the same into effect, with such other details and provisions as they deem necessary. The agreement shall provide for an adjustment of final figures as may be necessary after a verifying examination of the corporation by the commissioner of insurance as hereinafter provided.

(2) The agreement shall be submitted to the members of the ceding corporation, at a special meeting duly called for the purpose of considering and acting upon the agreement. Notice for such special meeting shall be deemed sufficient if mailed to the policyholders' last known address as shown on the policy records of the corporation. If the holders of two-thirds of the voting power of the members present or represented at the meeting shall vote for the adoption of the agreement, then that fact shall be certified on the agreement by the secretary of the corporation and the agreement so adopted and certified shall be signed and acknowledged by the president and secretary of both the ceding and assuming corporations.

(3) The agreement so adopted, certified and acknowledged shall be delivered to the commissioner of insurance. It shall be the duty of the commissioner to determine, after a verifying examination, if the provisions thereof are fair and equitable to all concerned and to verify the reasonableness and accuracy of the apportionment of assets, liabilities, and surplus provided for in the agreement. If the commissioner is satisfied that the agreement is fair and reasonable and that its provisions relating to transfers of assets and assumption of liabilities are equitable to claimants and policyholders, he shall place his certificate of approval on the agreement and shall file it in his office. A copy of the agreement, certified by the commissioner of insurance shall be filed for record in the office of the secretary of state and in the office of the register of deeds of the counties in this state in which any of the corporate parties to the agreement have their home offices and of any counties in which any of the corporate parties have land, title to which will be transferred under the terms of the agreement.

Sec. 3. [66.63] New domestic mutual insurance company. (1) If the joint agreement provides for a new domestic mutual insurance corporation to be formed to assume the business ceded, the articles of incorporation for such new corporation shall be prepared and delivered to the commissioner of insurance for his approval, together with the agreement as provided in section 2.

(2) Such articles shall be prepared, executed, approved, filed and recorded in the form and manner prescribed in, or applicable to, the particular law or laws under which the new insurance corporation is to be formed.

(3) The department of commerce shall grant and the commissioner of insurance shall issue to such new corporation a certificate of authority immediately upon its assumption of

the business ceded and upon its making the deposit of securities, with the commissioner of insurance, as required by law.

Sec. 4. [66.64] **Separation agreement, when effective.** The separation shall be effective on the agreed date stated in the joint agreement, upon filing of the same as herein provided.

Approved March 30, 1955.

CHAPTER 272—H. F. No. 1090

An act relating to the abolition of the office of constable in towns providing police protection; amending Minnesota Statutes 1953, Section 366.022.

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

Section 1. Minnesota Statutes 1953, Section 366.022, is amended by adding a new subdivision to read:

Subd. 3. Constables, election to abolish office. The board of supervisors of any such town having been duly authorized to provide for police protection and for apparatus therefor under this section or under any other statute and having provided such police protection and apparatus is hereby authorized and empowered to submit to the legal voters of the town for their approval or rejection at any annual town meeting or at any special town meeting called for that purpose, the questions as to whether or not such town shall eliminate and abolish the office of constable in such town.

If a majority of the legal voters voting at such election vote in favor of eliminating and abolishing the office of constable in such town, such office shall, at the end of the existing term or terms thereof, thereafter cease to exist, and all duties imposed by law upon such office shall be thereafter imposed upon and assumed by the duly appointed police officers of such town. All fees for services of a constable authorized to be paid by law shall thereafter be paid to such town and become a part of its general fund; and the board of supervisors of such town shall have authority to appoint one or more of its police officers to assume specific duties imposed by law upon the office of constable and as part of the compensation for said officers to permit them to retain such part or all of said fees as may be determined in the discretion of said board of supervisors.

The provisions of this section shall not apply to any town-