

stock is retired or paid by the issuing bank, it must first obtain the approval of the commissioner of banks.

Subd. 4. At the end of each dividend period, after deducting all necessary expenses, losses, amounts receivable more than one year overdue and not well secured, interest, and taxes due or levied, all of the remaining net profits for the period shall be set aside as a surplus fund, if the surplus fund of such bank is not then equal to one-fifth of the capital stock. If the surplus fund is more than one-fifth of the capital stock, ten percent of the remaining net profits for the period shall be set aside as a surplus fund until it equals fifty percent of the total capital stock. After these provisions are complied with, the bank may, without prior approval of the Commissioner, pay dividends as provided under the terms of issue of such preferred stock. Dividends on preferred stock may be paid out of the undivided profit account without regard to earnings in the last concluded year, if the surplus equals fifty percent of the total capital stock and the undivided profit account would not be thereby reduced to less than 25 percent of the total capital stock.

Subd. 5. Any preferred stock issued by a state bank shall be part of its capital stock structure, and the terms "capital stock" or "capital" in any laws of this state pertaining to state banks shall be deemed to also include and apply to preferred stock, except that only stock issued with or having succeeded to voting rights shall qualify a director under the provisions of Section 48.06.

Subd. 6. The commissioner is authorized to issue such regulations and orders as may be necessary to administer and carry out the provisions and purposes of this section.

Approved April 24, 1957.

CHAPTER 635—S. F. No. 559

An act appropriating money from the state income tax school fund for aid to certain public school districts which contain tax exempt land; amending Minnesota Statutes 1953, Section 128.234, Subdivision 3.

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

Section 1. Minnesota Statutes 1953, Section 128.234, Subdivision 3, is amended to read:

Subd. 3. No school district with an assessed valuation

of \$1,300 or more per pupil unit in average daily attendance shall receive any aid under the provisions of sections 127.053 and 127.054, but this subdivision does not apply in the case of any consolidated school district formed in accordance with the provisions of Minnesota Statutes, section 123.23, in which not less than 85 percent of the lands therein are tax exempt, and this subdivision does not apply in the case of any school district with more than 30 townships in which not less than 50 percent of the lands therein are tax exempt.

Approved April 24, 1957.

CHAPTER 636—S. F. No. 5765

An act relating to chauffeur's licenses; amending Minnesota Statutes 1953, Section 168.44.

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

Section 1. Minnesota Statutes 1953, Section 168.44, is amended to read:

168.44 **Licenses, revocation; limited licenses.** For sufficient cause upon complaint and after hearing, or upon report of conviction by any court in this state of violation of any provision of the Highway Traffic Regulation Act, or a municipal traffic ordinance, or upon report of conviction of any offense in any other state or in any Province of the Dominion of Canada, which, if committed in this state, would be cause for revocation, the secretary of state may revoke the license of any chauffeur who, in the judgment of the secretary of state, should not be permitted to continue as a licensed chauffeur. If a licensed chauffeur is convicted in this state of a major offense, revocation by the secretary of state of his chauffeur's license shall be mandatory. For the purposes of this section, the term "major offense" shall be used to refer to any of the following offenses:

- (a) Manslaughter resulting from the operation of a motor vehicle;
- (b) Driving a motor vehicle, the operation of which requires a chauffeur's license, while under the influence of intoxicating liquor or narcotic drug;
- (c) Any crime punishable as a felony under the motor vehicle laws of this state or any other felony in the commission of which a motor vehicle is used;