

on duty and not engaged in police work and the retirement is necessary because the member is unable to perform police duties, a pension of 20 units per month, and for each additional year of service over ten years, a pension of two units per month, *but not to exceed a total of 40 units. If a member is entitled to more than 40 units through years of service, he shall receive those additional units over 40 when he becomes 50 years of age, but the total of these pension payments shall not exceed 50 units per month.*

Sec. 7. Laws 1955, Chapter 151, Section 13 is amended to read:

Sec. 13. The association shall pay a pension to the widow or any child under 18 years of age of any pensioned and retired member, or to the widow or any child under 18 years of age of any member who dies while in the service of the city police department, or to the widow or any child under 18 years of age of any member who, after being a member of the city police department for not less than 20 years, severs his connection with the department, and dies before attaining the age of 50 years. The association shall pay to any such widow a pension of 20 units per month. The association shall pay to any such child under 18 years of age a pension of five units per month until the child attains the age of 18 years, *provided, however, that if such child is married at the time of the death of the member or marries or becomes legally adopted after the death of the member, such child shall not be entitled to such benefits.* If the widow and children reside together, the pension payable to the children shall be paid to the widow and shall be used for the support of such children. If a widow remarries, her pension immediately ceases and the association shall not make any further pension payments to her.

Sec. 8. Laws 1955, Chapter 151, Section 14 is hereby repealed.

Sec. 9. This act shall become effective only after its approval by a majority of the governing body of the city of Saint Paul, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved April 18, 1963.

CHAPTER 272—H. F. No. 747

An act relating to insurance companies; amending Minnesota Statutes 1961, Section 60.29, Subdivisions 2 and 4; and Section 66.11.

Changes or additions indicated by italics, deletions by ~~strikeout~~.

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

Section 1. Minnesota Statutes 1961, Section 60.29, Subdivision 2, is amended to read:

Subd. 2. **Insurance companies; paid-up capital stock requirements.** The paid-up capital stock of every corporation authorized to transact the kinds of business enumerated in subdivision 1, clauses (1) to (15), shall not be less than specified below:

- Clause (1), \$100,000;
- Clause (2), \$100,000;
- Clause (3), \$100,000;
- Clause (4), ~~\$100,000;~~ *\$200,000;*
- Clause (5), ~~\$100,000;~~ *\$150,000;*
- Clause (6), \$250,000, and a surplus constantly maintained of at least \$50,000;
- Clause (7), \$200,000;
- Clause (8), \$100,000;
- Clause (9), \$100,000;
- Clause (10), \$100,000;
- Clause (11), \$100,000;
- Clause (12), ~~\$100,000;~~ *\$250,000;*
- Clause (13), \$100,000;
- Clause (14), \$100,000;
- Clause (15), \$ 10,000.

Sec. 2. Minnesota Statutes 1961, Section 60.29, Subdivision 4, is amended to read:

Subd. 4. **Authorization to transact certain business.** Any insurance corporation having a paid-up capital stock of not less than ~~\$200,000~~ *\$250,000*, and a surplus of not less than ~~\$50,000~~ *\$150,000* constantly maintained, may, when authorized by its articles of incorporation, transact any or all of the kinds of business specified in clauses (1) to (15) of subdivision 1, excepting those specified in clauses (1), (2), (4), (6) and (15).

Any insurance corporation having paid-up capital stock of not less than ~~\$200,000~~ *\$300,000* may transact the kinds of business specified in clauses (1), (2), and (12).

Any insurance corporation having a paid-up capital stock of not less than ~~\$200,000~~ *\$350,000* and authorized to transact the kinds of business specified in clause (4) may also transact the kinds of business specified in clause (5), and in addition thereto personal

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injury liability insurance; provided, however, that no company authorized to transact the kinds of insurance specified in clauses (4) and (5) shall be authorized to transact personal injury liability insurance unless such company was engaged in transacting personal injury liability insurance in this state prior to January 1, 1949.

Any insurance corporation having a paid-up capital stock of not less than ~~\$250,000~~ *\$300,000*, and a surplus of not less than ~~\$50,000~~ *\$150,000* constantly maintained, when authorized to transact the kinds of business specified in clause (6) may also transact the kinds of business specified in clauses (3), (5), (7), (8), (9), (10), (11), (12), (13) and (14).

Any insurance corporation having a surplus as regards policyholders of not less than \$500,000 constantly maintained may, when authorized by its articles of incorporation, transact any or all of the kinds of business specified in clauses (1), (2), (3), (5), (6), (7), (8), (9), (10), (11), (12), (13), and (14).

Sec. 3. Minnesota Statutes 1961, Section 66.11, is amended to read:

66.11 Mutual companies doing business other than life, fire, accident. No mutual insurance company hereafter organized shall be licensed to transact any of the kinds of business specified in section 60.29, subdivision 1, clauses (3), (5), (6), (8), (9), (10), (12), (13), and (14), except upon compliance with the following conditions:

(1) It shall have not less than 300 bona fide applications for policies of insurance of each kind sought to be written, signed by at least 300 members, covering at least 300 separate risks, each risk, within the maximum net single risk described herein and one year's premiums thereon paid in cash, and admitted assets of not less than ~~\$10,000~~ *\$100,000*, which admitted assets shall not be less than five times the maximum net single risk, as herein defined, and shall have on deposit with the commissioner, as security for all of its policyholders, stock or bonds of this state or of the United States or bonds of any of the municipalities of this state, or personal obligations secured by first mortgage on real estate within this state worth, exclusive of buildings, the amount of the lien, and bearing interest of not less than three per cent per annum, to an amount the actual market value of which, exclusive of interest, shall never be less than ~~\$10,000~~ *\$100,000*. No such company shall be authorized to insure against loss or damage by the bodily injury or death by accident of any person employed by the insured, for which the insured is liable under the workmen's compensation law, unless and until such company shall comply with the provisions of sections 66.27 to 66.41;

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(2) It shall not expose itself to any loss on any one risk or hazard, except as hereinafter provided, in an amount exceeding ten percent of its net assets, actual and contingent; such contingent assets being the aggregate amount of the contingent liability of its members for the payment of loss and expenses not provided for by its cash funds. Such contingent liability, for the purposes of sections 66.09 to 66.16, to be an amount not to exceed one annual premium as stated in the policy. No portion of any such risk or hazard which shall have been reinsured, as authorized by the laws of this state, shall be included in determining the limitation of risk prescribed by this section. For the purpose of transacting employers' liability and workmen's compensation insurance, each employee shall be considered a separate risk for determining the maximum single risk;

(3) It shall maintain unearned premiums and other reserves, separately for each kind of business, upon the same basis as that required of domestic stock insurance companies transacting the same kind of business;

(4) Except as herein expressly provided, it shall comply with all the provisions of the laws of this state relating to the organization and internal management of mutual fire insurance companies in so far as the same may be applicable and not inconsistent therewith;

(5) All policies issued by such companies shall provide for a premium or premium deposit payable in cash and, except as herein provided, for a contingent liability of the members at least equal to the premium or premium deposit as adjusted by audit, if any. If at any time the admitted assets are less than the reserves and other liabilities, the company shall immediately collect upon policies with a contingent liability a sufficient proportionate part thereof to restore such assets and the commissioner may, when such deficiency does not exceed ten percent of its admitted assets, by written order direct that proceedings to restore such assets be deferred during the period of time fixed in such order. The contingent liabilities, if any, of the policyholders shall be plainly and legibly stated in every policy in terms of either dollars or premiums.

Sec. 4. Effective date; application. *This act shall be effective 90 days after final enactment and thereafter all insurance corporations shall meet the revised requirements, provided, however, that any corporation authorized to transact a particular kind or kinds of insurance as specified in this section on the effective date of this act may continue to do so without complying with the revised requirements, except that any corporation authorized to transact a particular kind or kinds of insurance authorized by this section at the effective date of this act which subsequently seeks authority to transact an*

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additional kind or kinds of insurance as specified in this section shall comply with the revised requirements.

Approved April 18, 1963.

CHAPTER 273—H. F. No. 811

[Not Coded]

An act authorizing the issuance of bonds and refunding of capital loans by independent school district No. 279.

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

Section 1. Independent School District No. 279; building bonds. Notwithstanding the limitations of Minnesota Statutes 1961, Section 475.53, and without being required to comply with Extra Session Laws 1959, Chapter 27, Section 8, Subdivision 6, Independent School District No. 279 is hereby authorized to issue and sell its bonds in an aggregate amount not to exceed \$4,000,000 over and above indebtedness heretofore incurred by it and any loans made to it under said chapter 27, for the purpose of acquisition and betterment of schoolhouses. Approval of the voters shall be required to authorize such bonds in the manner provided by law. Such bonds may be sold and issued in such amounts and at such times as may be determined by the school board; provided, that if prior to issuing any of such bonds the district obtains any capital loan or loans under said chapter 27, the amount of bonds authorized hereby shall be deemed to be reduced by the amount of such loan or loans.

Sec. 2. The board also may issue and sell its bonds to pay the balance due upon any outstanding capital loan, or to refund any portion thereof, without the question of authorizing the incurring of such debt being submitted to the voters, provided the authorizing resolution is adopted by the favorable vote of all of the members of the school board.

Sec. 3. The district may levy the taxes required by law for the payment of such bonds or loans and interest thereon without limitation as to rate or amount, and the levy of such taxes shall not cause the amount of other taxes, levied or to be levied by the district, which are subject to any such limitation, to be reduced in any amount whatsoever.

Sec. 4. This law shall become effective only after its approval by a majority of the members of the school board of said district,

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.