

Sec. 2. Certain towns and school districts may carry insurance.—Laws 1929, Chapter 81, Section 1, is hereby amended so as to read as follows:

“Sec. 1. That all towns school districts having an assessed valuation of over \$2,000,000.00 and cities, villages and boroughs in this state are hereby authorized to *carry insurance against liability of employees of any departments thereof by reason of claims for bodily injuries, death or property damage made upon any such employee by reason of his operation of a motor vehicle while in the performance of his duties, and to defend in the name and on behalf of such employee any suit brought against him to enforce a claim, whether groundless or not, arising out of the operation of a motor vehicle by him while in the performance of his duties.*

Sec. 3. May pay premiums.—Laws 1929, Chapter 81, Section 12, is hereby amended so as to read as follows:

“Sec. 2. Such governing body may in its discretion pay the premiums on insurance policies insuring individuals or groups of the employees referred to in section 1 hereof against liability for injury to person or property, within the limitations of section 1 hereof, and such payment of insurance premiums shall in no way impose upon any municipality any liability whatever.”

Approved April 29, 1935.

CHAPTER 339—H. F. No. 864

An act to amend Mason's Minnesota Statutes of 1927, Section 7728; as amended by Laws 1931, Chapter 375, relating to the organization and capital of trust companies, and providing for the regulation thereof.

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

Section 1. Capital of Trust Companies.—Mason's Minnesota Statutes of 1927, Section 7728, as amended by Laws 1931, Chapter 375, is hereby amended so as to read as follows:

“7728. The capital of every trust company hereafter organized having its principal place of business in any city of less than 25,000 inhabitants shall not be less than \$50,000.00; the capital of every trust company hereafter organized having its principal place of business in a city of more than 25,000 inhabitants and less than 100,000 inhabitants shall not be less

than \$75,000.00; the capital of every trust company hereafter organized having its principal place of business in a city of more than 100,000 and less than 200,000 inhabitants shall be not less than \$100,000.00; and the capital of every trust company hereafter organized having its principal place of business in a city of more than 200,000 inhabitants shall be not less than \$200,000.00; but the capital stock of any trust company shall not be in excess of \$2,000,000.00. No trust company hereafter organized shall transact any business until all of its authorized capital stock has been paid in, in cash, or, if such authorized capital be more than \$200,000.00, until at least \$200,000.00 thereof has been paid in, in cash, and at least 50 per cent of the capital of all trust companies of less than \$200,000.00 and 25 per cent of the capital of all trust companies of \$200,000.00 or more hereafter organized has been invested in one or more of the first, second, third and fourth classes of authorized securities and railroad bonds as described by that statute, and also in the farm loan bonds issued by the federal land banks duly assigned and transferred to and deposited with the state treasurer, or, if its capital stock be more than \$200,000.00, until at least one-fourth thereof has been so invested, assigned, transferred and deposited. The state treasurer shall submit the securities deposited to the commissioner of banks, who shall carefully examine the securities offered for deposit and ascertain that they comply with all the provisions of law applicable thereto. Upon receipt of an order of the commissioner of banks, the state treasurer shall issue his receipt therefor. Such deposit shall be maintained unimpaired as a guaranty fund for depositors and creditors and for the faithful discharge of its duties, with the right to collect the income thereof and to substitute other like authorized securities of equal amount and value upon approval and order of the commissioner of banks.

If the securities comply with the law, the commissioner of banks shall issue his certificate of authorization for the trust company to commence business.

The capital stock of any trust company may be reduced with the approval of the commissioner of banks, but not below the respective minimum amounts aforesaid, and no assets shall be returned to the stockholders unless its deposits of authorized securities after such return equal one-fourth of such reduced capital in no event less than \$25,000.00; nor shall the liability of any stockholder upon any existing contract be affected thereby.

When two or more trust companies have been or shall hereafter be consolidated under and pursuant to the provisions of Laws 1925, Chapter 156, the capital of the consolidated trust company shall be considered as substituted for the capital of the several trust companies entering into such consolidation and the aggregate of the securities of said trust companies on deposit with the state treasurer, pursuant to the provisions of this section, shall be increased or diminished accordingly; *provided, however, that any company may hereafter be organized, with its principal place of business at any place within the State of Minnesota, with a capital of not less than Ten Thousand Dollars (\$10,000.00), to be paid in cash, of which fifty per cent (50%) shall be invested in authorized securities and deposited with the State Treasurer as provided in this section. The powers and business of such company so organized shall be to act as assignee under any assignment for the benefit of creditors, or be appointed and act as a trustee or receiver, as a guardian, as executor of any will, or administrator of any estate, and such company so organized may accept and perform any other lawful trust over which any court, either state or federal, has jurisdiction. Such company before entering upon the duties of its trust shall give a corporate surety bond in such sum as such court directs with sufficient surety, conditioned for the faithful performance of its duties. The business of any company so organized shall be limited to the above matters; provided, that such company so organized with a capital stock of \$10,000 shall not use the word 'trust' in the title or name of such company."*

Approved April 29, 1935.

CHAPTER 340—H. F. No. 882

An act to amend Mason's Minnesota Statutes of 1927, Section 53-23½c, Subdivisions (a) and (b), relating to the organization, powers, and duties of the department of conservation.

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

Section 1. Powers and duties of department of conservation.—Mason's Minnesota Statutes of 1927, Sections 53-23½c, Subdivisions (a) and (b), are hereby amended so as to read as follows:

"53-23½c. (a) The department of conservation shall be organized with a division of forestry, a division of drainage