

that any association now or hereafter incorporated may enlarge its territory by making application to the superintendent of banks, specifying the added counties in which it desires to do business, and on receiving the approval of the superintendent of banks shall be duly authorized to do business in those counties, *which shall not exceed sixteen (16) in number.*

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved March 16, 1921.

CHAPTER 97—S. F. No. 556.

An act legalizing taxes for general school purposes heretofore voted by special school districts containing not less than 9,000 inhabitants and not more than 12,000 inhabitants.

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

Section 1. **School taxes legalized in special school districts.** All taxes for General School purposes heretofore voted by special school districts, having a population of not less than 9,000 inhabitants and not more than 12,000 inhabitants, exceeding 20 mills and not exceeding 35 mills on the dollar of the assessed valuation of all taxable property in said school districts, and which have been placed upon the general tax books by the County Auditor of the County in which such special school district is located, are hereby legalized and validated, and are hereby constituted valid liens against the property against which they have been levied.

Sec. 2. This act shall take effect and be in force from and after its passage.

Approved March 16, 1921.

CHAPTER 98—H. F. No. 23.

An act defining gambling contracts as applied to sales of wheat, grain and other farm products, declaring the same to be illegal, prohibiting chambers of commerce, boards of trade and other similar organizations from making and enforcing rules designed to enforce the carrying out of such gambling contracts, and prescribing penalties for the violation thereof.

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

Section 1. **Gambling contract defined—Prohibited.**—Every contract of sale for future delivery of wheat, grain or other farm products wherein the actual delivery of the commodity sold is not, in good faith, contemplated or intended by the contracting parties, is hereby declared to be a gambling contract; is hereby made illegal,

and the parties thereto made liable to the penalties hereinafter provided.

And every such contract is hereby declared to be prima facie a gambling contract when to the knowledge of the buyer the seller does not have in his possession, actually or potentially, the commodity sold.

Sec. 2. Violation—Penalties.—Any person whether acting individually or as a member of a firm, or as an officer or employee of any corporation, who shall be found guilty of being a party, directly or indirectly, to any gambling contract, as defined in Section 1 hereof, shall be deemed guilty of a gross misdemeanor and shall upon conviction thereof be punished by a fine of not less than five hundred dollars (\$500.00) nor more than one thousand dollars (\$1,000.00) and be imprisoned in the county jail until such fine is paid, not exceeding one year; and any such person who shall be found guilty of a second or further offense under this statute, in addition to the penalty above prescribed, shall upon conviction be imprisoned in the county jail for a period of not less than thirty days nor more than ninety days, and if a corporation, shall be liable to forfeiture of its charter.

Sec. 3. Not to be construed to prohibit "hedging."—This act shall not be construed so as to prohibit any producer of, or dealer in grain or any grain product, or other farm product from buying or selling any such grain or product in good faith for future delivery on any grain exchange, according to the customary method of making such contracts on such grain exchange; and if either party to a contract of sale for future delivery enters into such contract in good faith as a protection against loss, on any product herein mentioned, such contract shall be lawful, and may be carried out by delivery of the product sold at the time specified in such contract, or may be settled by novation or by payment of the difference between the contract price and the market price of the product at or before the time of delivery specified in such contract.

Sec. 4. Contracts not to be enforced.—It shall be unlawful for any chamber of commerce, board of trade or other association of persons conducting, maintaining or carrying on an exchange or place of business where wheat, other grains or farm products are bought or sold, to make, promulgate or enforce any rule or regulation which in any way penalizes or imposes a disability on any member, of such chamber of commerce, board of trade or other exchange, or person authorized or permitted to trade thereat, by reason of the failure or refusal of such member or person to carry out or observe the terms and provisions of any such gambling contract. Any chamber of commerce, board of trade or other association conducting or maintaining such an exchange, and every officer, agent or employee of any such chamber of commerce, board of trade or other association, who shall violate or knowingly aid or assist in the violation of

the provisions of this section shall be guilty of a gross misdemeanor.

Sec. 5. **Effective Aug. 1, 1921.**—This act shall take effect and be in force from and after August 1st, 1921.

Approved March 18, 1921.

CHAPTER 99—H. F. No. 25.

An act declaring chamber of commerce, board of trade or exchanges where the members thereof deal or trade in grain, livestock or other farm products to be public markets, to regulate the membership thereof and the rights of members therein and prescribing penalties for the violation of any of the provisions thereof.

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

Section 1. Chamber of commerce, etc., declared public markets.—Every Chamber of Commerce, Board of Trade or Exchange, maintaining or operating a regular place of business or trading room for members only, in which the members buy, sell or exchange grain, livestock or other farm products for themselves or for others, is hereby declared to be a Public Market subject to the provisions of this Act.

Sec. 2. Memberships.—Every such market, whether heretofore or hereafter organized, shall be open to membership, with equal rights and privileges with all other members, to any person, firm, company, corporation or association desiring to deal in or trade in the commodity or commodities usually dealt in on such market, who shall make application for membership, and whose methods of business operation or plan of organization shall not conflict with or contravene any reasonable rule, regulation or by-law of such market. All members shall be required to comply with all reasonable rules, regulations and by-laws of such organization, which may include the payment of a membership fee and reasonable assessments equally applicable to all members. The words "company," "corporation" or "association" herein designated shall include co-operative corporations or associations organized or authorized to do business under the laws of the state of Minnesota. Any rule, regulation or by-law of such market which shall be designated or construed as controlling, limiting or modifying the articles of incorporation, constitution or by-laws of any association, company or corporation in the distribution of its profits to its stockholders and members shall be deemed to be unreasonable.

Sec. 3. Violations—Penalties.—Every such Chamber of Commerce, Board of Trade or Exchange which shall adopt any rule, regulation, by-law or order of whatever kind or form, or which makes any order in violation of the provisions of this act, or which shall refuse or unreasonably delay the admission of any such applicant to full and equal membership in any such organization, or