

Sec. 3. This act shall take effect and be in force from and after its passage.

Approved April 16, 1923.

CHAPTER 283—S. F. No. 679.

An act to amend Section 5807, General Statutes 1913, relating to usurious contracts.

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

Section 1. **Usurious contracts invalid—Exceptions.**—That section 5807, General Statutes 1913, be and the same hereby is amended so as to read as follows:

"5807. All bonds, bills, notes, mortgages, and all other contracts and securities whatsoever, and all deposits of goods, or any other thing, whereupon or whereby there shall be reserved, secured, or taken any greater sum or value for the loan or forbearance of any money, goods, or things in action than hereinbefore prescribed, shall be void, except as to bona fide purchasers of negotiable paper, in good faith, for a valuable consideration and before maturity, as hereinafter provided. But no merely clerical error in the computation of interest, made without intent to avoid the provisions of this chapter, shall constitute usury. Interest at the rate of one-twelfth of *eight* per cent. for every thirty days shall not be construed to exceed *eight* per cent. per annum; nor shall the payment of interest in advance of one year, or any less time, at a rate not exceeding *eight* per cent. per annum, constitute usury; and nothing herein shall prevent the purchase of negotiable mercantile paper, usurious or otherwise, for a valuable consideration, by an innocent purchaser, at any price before the maturity of the same, when there has been no intent to evade the provisions of this chapter, or where such purchase has not been a part of the original usurious transaction; but where the original holder of a usurious note sells the same to an innocent purchaser the maker thereof, or his representatives may recover back from the original holder the amount of principal and interest paid by him on said note."

Sec. 2. **Effective January 1, 1924.**—This act shall take effect and be in force from and after January 1, 1924.

Approved April 16, 1923.

CHAPTER 284—S. F. No. 909.

An act requiring the commissioner of agriculture to provide for the formulating and installing of accounting systems for co-operative associations in this state; to assist such co-operative asso-

ciations to employ efficient methods of accounting and to cause examinations to be made of the books, accounts and corporate records of such co-operative associations and repealing Chapter 47, Session Laws of 1921.

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

Section 1. Accounting systems, methods of accounting, formulating and installing.—It shall be the duty of the Commissioner of Agriculture to make inquiry into the requirements of the different types of co-operative associations in this state and to formulate appropriate systems of accounting for their use, such systems of accounting to be established as nearly as practicable upon uniform classification of accounts. Bulletins shall be prepared under the direction of the Commissioner of Agriculture illustrating the forms to be used in such accounting system and to be accompanied with a detailed explanation of their use. Such bulletins shall be furnished without charge to any person or co-operative association in this state upon application being made therefor.

It shall also be the duty of the Commissioner of Agriculture to employ and assign competent accountants to install accounting systems appropriate to the requirements of any such co-operative associations whenever written application is made for such service by such associations. Such applications shall be made in the manner hereinafter described and services shall be extended under such applications subject to the terms and provisions hereinafter set forth.

Sec. 2. Examinations of accounts and records—Duties of examiners.—It shall be the duty of the Commissioner of Agriculture to cause the books, accounts and corporate records of any co-operative associations in this state to be examined by a competent accountant whenever written application is made by the properly elected officers of such association for such service. Such application shall be made in the manner hereinafter described and services shall be extended under such application subject to the terms and provisions hereinafter set forth.

It shall be the duty of the accountant making such examinations to examine the books, accounts and corporate records of such co-operative associations in detail and to point out any irregularities or inaccuracies that might exist. He shall prepare statements of the financial condition and business affairs of the association and a statement covering the operations of such association for the period designated, which exhibits shall be supported by schedules of detail necessary to the information of the officers and stockholders. He shall report upon any other matters pertaining to the business and affairs of the association as may be requested or required by the officers thereof and to suggest improvements that might be desirable or advantageous

in the accounting methods or business practises of such association. Reports of such examinations shall be prepared under the direction of the Commissioner of Agriculture three copies of which shall be furnished to the properly elected officers of such association and one copy to be filed in the office of the Commissioner of Agriculture. Such reports filed in the office of the Commissioner of Agriculture shall be accessible only to officers, stockholders and members of the association so examined or to authorities of the state having jurisdiction over or administration of the activities in which such association is engaged. Other persons shall be permitted to have access to such reports only upon presentation of a written order signed by the president and secretary of such association.

Sec. 3. Applications, how made, approval of.—Any co-operative association in this state may secure the services permitted under this act by making application to the Commissioner of Agriculture, St. Paul, Minn., which application shall state the character of services required by such association and such application shall be signed by the president and secretary of such association. The application shall be accompanied with a copy of a resolution adopted by the vote of a majority of the directors of such association and such other information as may be required by the Commissioner of Agriculture. In case of the neglect, failure or refusal of the directors of any such co-operative association in this state to secure an examination of its books, accounts and corporate records, the stockholders or members may make application to the Commissioner of Agriculture for such an examination. Such application shall be accompanied with a petition signed by at least ten per cent of the total number of the stockholders or members of such association. Such application and petition shall be prepared in duplicate, one copy of each to be filed with the Secretary of the association represented by such stockholders or members and the originals to be sent to the Commissioner of Agriculture. In case of such application by the stockholders or members of an association, the Commissioner of Agriculture shall require a sufficient guarantee from the signers of the petition to cover the estimated cost of such an examination before giving his approval to such application. Such costs shall be determined in the manner set forth in Section 4, of this act.

Sec. 4. Fees and expenses.—Any co-operative association which makes application to the Commissioner of Agriculture for any of the services permitted under this act shall pay all the costs of such services, including the compensation of the accountants employed, transportation, meals and lodging and all other expenses in connection with or incidental to the services performed, payment of such costs to be made by such associa-

tion upon presentation of a bill therefor by the Commissioner of Agriculture, who shall deposit same with the State Treasurer to the credit of the "Co-operative Accounting Fund" and which shall be subject to the order of the Commissioner of Agriculture on the warrant of the State Auditor for the purpose of this act.

Sec. 5. Laws repealed.—Chapter 47, Laws of 1921, and all acts and parts of acts not consistent with this act are hereby repealed.

Approved April 16, 1923.

CHAPTER 285—S. F. No. 929.

An act authorizing cities of this State now or hereafter having a population of 50,000 inhabitants or more, and owning and operating a water department, to extend the waterworks so owned or operated so as to draw water from any river in this State, notwithstanding any limitation contained in the charter of any such city.

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

Section 1. Cities of first class to extend waterworks.—Any city in this State now or hereafter having a population of 50,000 inhabitants or more, and owning or operating a water department for the purpose of supplying water to its inhabitants, may extend the waterworks so owned and operated so as to draw water from any river in this State, notwithstanding any provisions or limitations contained in the charter of any such city.

Sec. 2. Application.—This act shall apply to cities governed by a charter adopted pursuant to Section 36, Article IV of the Constitution of this State.

Sec. 3. This act shall take effect and be in force from and after its passage.

Approved April 16, 1923.

CHAPTER 286—S. F. No. 960.

An act providing for the appointment and relating to the salaries of deputy sheriffs in certain counties.

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

Section 1. Deputy Sheriffs in certain counties.—In each county in this state now or hereafter having not less than fifty nor more than seventy full or fractional congressional townships, and having at any time an assessed valuation, exclusive of money and credits, of not more than three million dollars, the sheriff may appoint a deputy at a monthly compensation of not to exceed \$60.00.

Approved April 16, 1923.