

BANKING

CHAPTER 46

BANKING DIVISION

NOTE: The territorial laws of Wisconsin imposed, for that time, strict limitations upon persons engaging in the banking business or issuing circulating notes. These laws were kept in force in Minnesota under the provisions of section 12 of the Organic Act, and enacted by the Minnesota territorial legislature by L. 1849, c. 54. This with other Wisconsin laws was repealed by L. 1851, c. 137, and until 1858 Minnesota had no law controlling banking, with the result that many wildcat banks were in operation.

Article 9, Section 13, of the Constitution of the state of Minnesota, adopted Oct. 13, 1857, authorized the legislature, subject to five stated restrictions, to enact a general banking law, a two-third vote being required. There has been no amendment of this section.

Minnesota's first act authorizing and regulating the business of banking was L. 1858, c. 32. The state auditor was the supervising officer. The law provided for a legislative auditing committee. L. 1878, c. 83, s. 4, imposed certain duties upon the public examiner, and L. 1887, c. 183, made the public examiner ex officio superintendent of banks, and transferred to his office the duties formerly performed by the state auditor.

Upon the enactment by Congress of Act 1865, Chapter 78, placing a tax upon the circulation of state banks, the issuance of circulating notes was discontinued, and the provisions of the constitution and implementing statutes relating to banks of issue and circulation became inoperative.

L. 1895, c. 145, enacted a complete revision of our banking laws and, as modified by amendments, is our law today. It deleted all reference to banks of issue and to the issuance of circulating notes. It was drawn in strict conformance with the decisions of the supreme court and followed or adopted all applicable provisions of the federal banking code.

L. 1909, c. 201, created a department of banking, the superintendent of banks taking over the duties previously imposed on the public examiner. A department of commerce was created by L. 1925, c. 426, and within that department a banking division in charge of a commissioner of banks who took over all duties relating to the control and supervision of banks and trust companies.

L. 1923, c. 170, prohibited branch banks; L. 1923 c. 274, authorized banks to operate a savings department and under certain conditions to act as trustee; L. 1925, c. 156, authorized consolidation of banks and trust companies; L. 1927 c. 325, limited the amount of deposit which may be accepted; and L. 1945, c. 128, revised the laws relating to liquidation, reorganization and consolidation. There are other amendments of less importance.

46.06 REFUSAL TO OBEY DIRECTIONS OF EXAMINER; PENALTY.

The offense under this section is triable in the county where the offensive act was committed; and in the case of a false report, in the county from which the report was mailed. State v Johnson, 179 M 217, 228 NW 926.