

**GENERAL STATUTES**  
*of*  
**MINNESOTA**  
**1923**

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brand of matches of any type or manufacture be opened at any one time in any retail store where matches are sold or otherwise disposed of; nor shall loose boxes, or paper wrapped packages, of matches be kept on shelves or stored in such retail stores at a height exceeding five feet from the floor; all matches, when stored in warehouses, excepting manufacturer's warehouse at place of manufacture, when such warehouse contains automatic sprinkler equipment, must be kept only in properly secured cases, and not piled to a height exceeding ten feet from the floor; nor be stored within a horizontal distance of ten feet from any boiler, furnace, stove or other like heating apparatus, nor within a horizontal distance of twenty-five feet from any explosive material kept or stored on the same floor; all matches shall be packed in boxes or suitable packages, containing not more than seven hundred matches in any one box or package; provided, however, that when more than three hundred matches are packed in any one box or package, the said matches shall be arranged in two nearly equal portions, the heads of the matches in the two portions shall be placed in opposite directions; and all boxes containing three hundred and fifty or more matches, shall have placed over the matches a center holding or protecting strip, made of chip board, not less than one and one-quarter inches wide, said strip shall be flanged down to hold the matches in position when the box is nested into the shuck or withdrawn from it. ('13 c. 99 § 2) [5163]

**6021. Containers or cases—Number of boxes or packages—How marked—**All match boxes or packages shall be packed in strong shipping containers or cases; maximum number of match boxes or packages contained in any one shipping container or case, shall not exceed the following number:

Number of Boxes	Numerical Number of Matches Per Box
½ gross	700
1 gross	500
2 gross	400
3 gross	300
5 gross	200
12 gross	100
20 gross.	Over 50 and under... 100
25 gross.	Under ..... 50

No shipping container or case constructed of fibre-board, corrugated fibre-board, or wood, nailed or wire-bound, containing matches, shall have a weight, including its contents, exceeding seventy-five (75) pounds; and no lock-cornered wood case containing matches shall have a weight, including its contents, exceeding eighty-five (85) pounds; nor shall any other article or commodity be packed with matches in any such container or case; and all such shipping containers or cases containing strike-anywhere matches, shall have plainly marked on the outside thereof the words "STRIKE-ANYWHERE MATCHES" and all shipping containers or cases containing "Strike on Box" matches shall have plainly marked on the outside thereof the words "STRIKE ON BOX MATCHES." ('13 c. 99 § 3) [5164]

**6022. Penalty for violation—**Any person, association, or corporation, violating any of the provisions of the act, shall be fined for the first offense, not less than five dollars (\$5.00), nor more than twenty-five dollars (\$25.00); and for each subsequent violation, not less than twenty-five dollars (\$25.00). ('13 c. 99 § 4) [5165]

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CHAPTER 37-38

AGRICULTURE AND RURAL CREDITS

DEPARTMENT OF AGRICULTURE

**6023. Creation—**There is hereby created a Department of Agriculture for the State of Minnesota. Said department shall be in charge of a commissioner to be known as the "Commissioner of Agriculture," who shall be appointed by the governor for the term of four (4) years; shall receive a salary of forty-five hundred (\$4,500) dollars per annum, and before entering upon the duties of his office shall take and subscribe the oath required of state officials and give his bond to the State of Minnesota, to be approved by and filed with the Secretary of State for the sum of five thousand (\$5,000) dollars, conditioned for the faithful performance of his duties. He shall be provided with a suitable office and equipment at the seat of the government, and shall have authority to appoint a deputy at a salary not to exceed four thousand (\$4,000) dollars per annum, and such other assistants, clerks and employes as occasion may require, and fix their compensation. ('19 c. 444 § 1, amended '21 c. 78 § 1; '23 c. 261 § 1)

**6024. Powers and duties—**The Commissioner of Agriculture shall:

(a) Encourage and promote the development of agricultural industries, investigate marketing condi-

tions affecting the marketing of farm products, and assist farmers, producers and consumers in the organization and management of co-operative enterprises and the co-operative marketing of farm products; advise and assist in the location and establishment of local markets whenever the Commissioner of Agriculture determines that the public necessity or the welfare of the community requires such markets, provided he shall be satisfied that such markets will be successfully operated by a co-operative company or municipality, and it shall be the duty of the Minnesota State Department of Agriculture and the Minnesota University Department of Agriculture to co-operate in all ways that may be beneficial to the agricultural interests of the state. It is the intent of this act that police and organizational powers in reference to agriculture shall be exercised by the State Department of Agriculture and that the University Department of Agriculture shall retain its present powers and duties relating to obtaining and disseminating agricultural information and conducting agricultural research, and shall retain custody of scientific collections.

(b) Collect, compile and supply statistics and information in regard to the agricultural products of the state and agricultural industries, and to attain this result he shall cause to be made a complete farm cen-

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sus at least once in two years, and may do so annually if deemed advisable, and is authorized to have made and supplied to the COUNTY auditors of the several counties, suitable blanks to be used by the assessor in each precinct upon which to make the returns required by the commissioner, and in cases where a county assessor is employed, said blanks may be supplied to such assessor and the said county and local assessors are hereby required as a part of their duties to fill out such blanks according to instructions, and when returned to the county assessor or the county auditor shall be forwarded to the Commissioner of Agriculture to be used by him to compile for distribution in suitable form to persons engaged in agriculture.

(c) Co-operate with the United States Department of Agriculture and with other federal authorities, with financial agencies created to assist in the development of agricultural resources of the state, and so far as practicable, may utilize the facilities provided by the existing state departments and the various state and local agricultural organizations. ('19 c. 444 § 2, amended '21 c. 78 § 2; '23 c. 261 § 2)

**6025. Commissioner of Agriculture to enforce acts**—The Commissioner of Agriculture is authorized, if upon investigation he is satisfied that the laws of the state, relative to any laws now or hereafter to be placed within his jurisdiction, have been violated, to cause to be instituted in his own name as commissioner or in the name of the state, actions in the proper court, to secure punishment of the guilty party; and if the party complained against is a corporation, to secure the cancellation of their authority and the annulment of their corporate existence, if a domestic corporation; or, if a foreign corporation, the forfeiture of their license to do business in this state. ('19 c. 444 § 3, amended '21 c. 78 § 3; '23 c. 261 § 3)

**6026. Attorney general to advise commissioner**—The attorney general is hereby required to assign a deputy to act as advisor for the Commissioner of Agriculture, and to institute and maintain the actions herein provided for, when sufficient evidence is available to warrant the institution of such proceedings. ('19 c. 444 § 4, amended '21 c. 78 § 4; '23 c. 261 § 4)

**6027. Commissioner to publish information**—The Commissioner of Agriculture is also authorized to publish, from time to time, such marketing or other information as may be deemed necessary to the welfare of agriculture, and to that end he shall have authority to investigate marketing or other conditions relating to agriculture in this and in other states, and to make said investigations public in such manner as shall in his judgment be most effective. ('19 c. 444 § 6, amended '21 c. 78 § 5; '23 c. 261 § 5)

**6028. Biennial report**—The commissioner shall biennially, on or before the second Tuesday in December in each even numbered year, submit to the governor and the legislature a report of his department with such recommendations and suggestions as the interests of agriculture and foods and marketing conditions require. ('19 c. 444 § 8, amended '21 c. 78 § 7; '23 c. 261 § 6)

**6029. Inconsistent acts repealed**—All acts and parts of acts inconsistent with this act are hereby repealed. ('19 c. 444 § 9, amended '21 c. 78 § 8; '23 c. 261 § 7)

RURAL CREDITS

**6030. Rural Credits Bureau established—Definitions**—The following words and phrases in this act shall unless the same be inconsistent with the context be construed as follows:

The terms "Farm Land," "Farm" and "Farms" shall be held to mean:

Farms used principally for raising agricultural products.

Farms used principally for dairying or live stock purposes.

The word "Bureau" wherever found shall mean "Minnesota Rural Credit Bureau."

Whenever used in this act the masculine gender shall be held to include the feminine gender. ('23 c. 225 § 1)

**6031. Purposes — Membership — Terms — Appointments—Bonds—Salaries of Officials**—For the purpose of fostering and encouraging agriculture, dairying and livestock raising in the State of Minnesota, and the development and improvement of farm lands, there is hereby created and established in this state a system of rural credits to be controlled and managed by the Minnesota Rural Credit Bureau, which shall have charge of the administration of this act and all acts amendatory thereto. Said Bureau shall consist of three members who shall be specially qualified and competent to properly administer this act and who shall be residents of this state. The attorney general shall appoint one member of said Bureau who shall be an assistant attorney general. The Governor, by and with the advice and consent of the Senate, shall appoint two members thereof, one as chairman and the other as secretary. The member appointed as chairman shall at the time of appointment be an actual farmer familiar with farm land values in this state. The member appointed as secretary shall be specially qualified in and familiar with real estate, loans and investments in this state. The two members appointed by the Governor shall not both belong to the same political party. Such appointments shall be made immediately or as soon as practicable after the passage of this act. The terms of office of the members of the Bureau first appointed shall begin upon qualification of the persons appointed and continue in case of the secretary for two years, the assistant attorney general for four years, and the chairman for six years, from the first day of July next after such appointment is made. After the first appointment, members of the Bureau shall be appointed respectively for terms of six years commencing on the first day of July in each case. Each appointee shall hold office until his successor has qualified. In case of a vacancy it shall be filled for the unexpired term in which such vacancy occurs, as herein provided for original appointments.

Any member of said Bureau may be removed for inefficiency, neglect of duty, or malfeasance in office, by the authority appointing such member, but before removal such member shall be furnished with a copy of the charges against him and have opportunity to be heard in his defense. Each member of the Bureau appointed, shall, before entering upon the discharge of his duties, take, subscribe and file with the Secretary of State the oath of office prescribed by the constitution of this state for state officers, and shall furnish a bond in a sum not less than Ten Thousand Dollars to be fixed and approved by the Governor for the faithful performance of the duties of his office. All such bonds shall be filed with the Secretary of State. The Governor may from time to time require any member of said Bureau to furnish additional bond in such amount as he may direct and such bond shall always be sufficient to indemnify the state against loss. A majority of such Bureau shall constitute a quorum.

The chairman and secretary of such Bureau shall each receive a salary of \$4,500 per year payable monthly, together with all actual necessary traveling and other expenses paid or incurred in connection with the discharge of their official duties. ('23 c. 225 § 2)

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**6032. Bureau to provide offices and employes**—Such Bureau shall have the power to provide for its office, necessary furniture, fixtures, stationery and supplies and to employ such assistants, clerks, laborers, attorneys and other employees as are actually necessary for the conduct of the business of said Bureau and to fix all fees, costs and charges incident to the administration of this act; and to define the duties of the officers, agents and employees of said Bureau and all such officers, agents and employees shall be under the direction and authority of said Bureau in all matters not inconsistent with the provisions of this act, and shall give such bonds for the faithful performance of their duties as the Bureau may require. ('23 c. 225 § 3)

**6033. Duties and powers of bureau**—It shall be the duty of said Bureau, within thirty days after their appointment, to establish and thereafter maintain in this state a system of rural credits. Such Bureau shall have its office at the seat of Government of this state, and shall have the power to adopt rules and regulations, proper and necessary for the conduct of its business, and to receive applications for farm loans, approve the same and borrow money on the good faith and credit of the State of Minnesota, to be used in lending money on real estate as herein provided; and in the name of the State to acquire, own, hold, lease or dispose of such property, real, personal or mixed, as may be necessary or convenient for the transaction of its business, provided that such properties shall be taken for a pre-existent debt; to issue bonds payable by the State of Minnesota, bearing interest at not to exceed five per cent per annum in such amounts as may be necessary or convenient for the transaction of its business and sell the same at not less than their par value. Provided, that the aggregate of bonds issued and outstanding at any time shall not exceed \$40,000,000.00. The aggregate amount of bonds outstanding at any one time shall never exceed the total amount of cash on hand, exclusive of the reserve fund, and of mortgages then held by the Bureau, computed at the face value thereof, together with the real property taken by the state under foreclosure or in settlement of a loan valued at the amount of the loan or loans made thereon. In addition to the power to issue bonds, the Bureau may issue its certificate of indebtedness and tax levy certificates subject to the limitations of Section 12 of this act. Before issuing any certificates or bonds, it shall be the duty of the Bureau to furnish the Governor a financial statement showing the condition of the business of the Bureau and such other and further information as may be required by him, which statement shall be filed in the office of the Governor and a copy thereof shall be transmitted to the Secretary of State to be filed and kept by him as permanent record of his office. Whenever any certificates or bonds are issued by the Bureau it shall be the duty of the Bureau to promptly submit to the Governor a full statement thereof, which statement shall be filed in his office and a copy thereof shall be transmitted to the Secretary of State to be filed in his office as a permanent record; and it shall be the duty of said Bureau to make the Governor on the first day of August of each year a full report of its business for the preceding fiscal year with such general information and recommendations as may to the Bureau seem proper and on or before the 10th day of each month to make a statement of its business for the preceding calendar month upon such forms as may be required by the Public Examiner; and it shall be the duty of the Public Examiner to audit such statements and make a written report thereon which shall be filed in his office as a permanent record, a copy of which shall be forthwith

submitted to the Governor and to the Secretary of said Bureau. The Bureau shall have all such powers as shall be necessary to carry out the purpose of this act; and in all matters arising thereunder the state may sue and be sued as a natural person. ('23 c. 225 § 4)

**6034. Seal**—The Bureau shall provide itself with and keep a seal. The design of this seal shall be as follows: a circle within which shall appear the word "seal." Between the lower and upper halves of the circle properly divided shall appear the words "Minnesota Rural Credit Bureau, State of Minnesota." ('23 c. 225 § 5)

**6035. Duties of secretary**—The Secretary of said Bureau shall keep the seal of the Bureau and shall affix such seal with his attestation to all instruments or papers whenever the Bureau shall so direct. He shall keep a record of the proceedings of such Bureau and such books and records as are necessary for the conduct of the business of the Bureau and shall keep in his care and custody all promissory notes, mortgages, or other securities or evidences of indebtedness or muniments of title and all papers, records and instruments of any kind acquired or received by said Bureau and shall do and perform such other acts as may be required of him by the Bureau. ('23 c. 225 § 6)

**6036. State treasurer to be custodian of funds**—All moneys of the Bureau, whether resulting from the sale of bonds, certificates or otherwise, shall be paid into the state treasury and be disbursed by direction of the Bureau in the same manner as other state funds are disbursed. The auditor and treasurer shall keep separate account of said moneys as herein provided. Proceeds from the sale of all bonds and certificates, premiums received thereon, payments of principal and interest on loans and all other receipts from any source shall be paid into a Rural Credits Fund, except as herein otherwise provided. The Bureau shall determine the proportion of interest collected upon loans which shall be used for operating expenses, which shall be, as near as practicable, the difference between the interest paid by the state for money borrowed on its bonds and the interest paid by the borrower. The interest set apart for such purpose shall be credited to a Reserve Fund, as shall also the repayment of any sums originally disbursed therefrom as a part of the Bureau's administrative expenses. All administrative expenses shall be paid out of the Reserve Fund and all other disbursements shall be made out of the Rural Credits Fund. ('23 c. 225 § 7)

**6037. Mortgage loans — Appraisal** — Before any mortgage loan is made under the provisions of this act an appraisal of and a written report upon the land offered as security for such loan shall be made by the Bureau or by the Bureau caused to be made by one or more competent appraisers familiar with land values in the locality where the land appraised is situated. No such loan shall be made unless such appraisal and written report is filed with the Secretary of said Bureau and considered and approved by the affirmative vote of at least two members of the Bureau and a record of the names of the members of the Bureau voting for approval of such loan shall be made and preserved. ('23 c. 225 § 8)

**6038. Security for loans — Terms of loans — Purposes of loans—Limitation of loans—Rate of interest**—Said Bureau shall make loans only upon the following terms and conditions:

a. Said loan shall be secured by a duly recorded first mortgage on improved or partially improved farm land located within this state and owned, occupied and used in good faith by the mortgagor for the purposes specified in this act.

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6036 Et. seq.  
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b. Every such mortgage shall contain an agreement providing for the repayment of the loan on an amortization plan by means of semi-annual installments so computed as to pay the interest on the loan according to the terms of the mortgage, and also such amounts to be applied on the principal as will terminate the debt within an agreed period of not more than forty years; provided that after five years from date of such mortgage, additional payments for part or all of the principal may be made on the semi-annual payment date in sums equal to one or more of the semi-annual instalments stipulated in such mortgage, under such rules and regulations as the Bureau may prescribe. Provided further that where mortgaged land is sold more than one year after the date of the mortgage and not over five years from its date, payment of the unpaid principal may be made, on the payment in addition to such principal, of a sum equal to one half of one per cent of such principal.

c. The Bureau may lend money on farm lands subject to liens or assessments for drainage, payable in installments, not due at the time of making such loan, and the mortgage taken to secure the loan shall, notwithstanding said liens or assessments, be deemed a first mortgage within the meaning of this act, provided, however, that the amount of said liens or assessments shall be considered by the Bureau in determining the amount to be loaned on such farm lands; and provided further that for the purposes of this act the existence of outstanding mineral reservations shall not be deemed to constitute a defect of title.

d. Such loans may be made for the following purposes and no other:

1. To provide for the purchase of equipment or live stock necessary for the use of the borrower in the proper and reasonable operation of the mortgaged farm land owned, occupied and used by the borrower in good faith for the purposes specified in this act; the term "equipment" to be defined by the Bureau.

2. To provide for buildings and other improvements of farm lands actually owned, occupied and used by the borrower in good faith for the purposes specified by this act; the term "improvement" to be defined by the Bureau.

3. To liquidate indebtedness of the person owning and in good faith occupying, and using for the purposes specified by this act, the land mortgaged existing at the time of the organization of said Bureau; or indebtedness subsequently incurred for purposes mentioned in this section.

4. For part payment of the purchase price of improved farm land in good faith, occupied and used by the borrower for the purposes specified by this act under the terms of a land purchase contract or bond for a deed provided the vender in such contract or bond conveys such land by good and sufficient deed to the borrower and takes a second mortgage thereon for the remainder of the unpaid purchase money.

e. No such loan shall exceed sixty per cent of the value of the land as ascertained and fixed by the Bureau, plus thirty-three and one-third per cent of the appraised value of the improvements thereon; provided, that for the purpose of this act the value of such improvements shall in no case exceed fifty per cent of the value of the land, and provided further, that in no case shall any farm improvements be considered worth more than eight thousand dollars.

A re-appraisal may be permitted at any time in the discretion of the Bureau and such loan may be granted as such re-appraisal may warrant under the provisions of this act. Whenever the amount of the loan applied for exceeds the amount limited by the terms of this act, such loan may be granted to the

amount permitted under the terms thereof without requiring a new application or appraisal.

f. No loan shall be made to any person who is not at the time in good faith occupying and engaged in the cultivation and development of the farm land mortgaged. In case of the sale of the mortgaged land the Bureau may permit said mortgage of the vendor to be assumed by the purchaser or by the heirs of the deceased mortgagor. In case the mortgagor shall vacate or cease to occupy and use in good faith for the purposes specified in this act such mortgaged land without written permission of the Bureau, and the security thereby is impaired, the Bureau may at its option declare the whole amount of the loan thereon to be due and payable. Provided there is a default in payment according to the terms of the loan or failure of payment of taxes on the land mortgaged.

g. The amount of loans to any one borrower shall never exceed a maximum sum of Fifteen Thousand dollars, nor shall any loan be for a less sum than Five Hundred Dollars.

h. Every applicant for a loan under this act shall make application on a form to be prescribed for that purpose by the Bureau. Such application and all such information so required shall be sworn to by the applicant. The applicant shall at the time of making application pay the Bureau a fee in such sum as may be fixed by the Bureau not exceeding fifteen dollars to be applied in payment of the expense of investigating and making the loan, examination of titles or otherwise as the Bureau may direct. Form blanks for such applications shall be furnished to the county auditor of each county in the state for the use of applicants.

i. Every borrower shall pay the simple interest on defaulted payments at the rate of seven per cent per annum and by express covenant in his mortgage deed shall pay when due all taxes, liens, judgments, assessments and insurance, which may be lawfully assessed against the mortgaged land; and by such covenant shall agree to and shall keep insured against fire and the elements in any local or other insurance company authorized to do business in this state by the Insurance Department to the satisfaction of the Bureau all buildings, the value of which was a factor in determining the amount of the loan. Insurance shall be made payable to the mortgagee, as its interest may appear at the time of loss; and at the option of the Mortgagor and subject to the general regulations of the Bureau, sums so received may be used to pay for reconstruction of the buildings destroyed. Taxes, judgments, assessments and other liens, affecting the security of the mortgage, and not paid when due, may be paid by the mortgagee, at the option of the Bureau, and, when any buildings shall not be insured or kept insured as aforesaid, the Bureau, at its option, may obtain such insurance and pay the cost thereof, and any payments by the Bureau for any of the purposes aforesaid shall thereupon become a part of the debt secured by the mortgage, and shall bear simple interest at the rate of seven per cent per annum.

j. Every borrower who shall be granted a loan under the provisions of this act shall enter into an agreement with the state that if the whole or any portion of his loan shall be expended for purposes other than those specified in this act or in his original application or if the borrower shall be in default in respect to any condition or covenant of the mortgage the whole of said loan shall at the option of the Bureau become due and payable forthwith.

k. That no loan or mortgage securing same shall be impaired or invalidated by reason of any act of any agent of said Bureau in excess of his powers herein

granted or any limitation thereon or in excess of the powers granted by said Bureau. ('23 c. 225 § 9)

**6039. Satisfaction of mortgages**—When the mortgagor or his successor in interest has fully paid any mortgage, it shall be the duty of the Bureau to furnish him with a proper release or satisfaction of said mortgage executed in the name of the state by the Chairman and attested by the Secretary of the Board with an impression of the Seal of the Bureau thereon, and the mortgage papers belonging to such loan including abstract of title, and insurance policies assigned, shall be returned to such person. Upon payment of any sum by a borrower under the provisions of this act the bureau shall furnish the payor with a receipt showing the nature of such payment and the date to which interest is paid and the balance of the principal remaining unpaid. ('23 c. 225 § 10)

**6040. Mortgages to run to the State of Minnesota**—All mortgages and the accompanying promissory note or notes taken by said Bureau for moneys loaned shall run to the State of Minnesota as mortgagee or payee as the case may be, and all titles to property taken by said Bureau shall run to the State of Minnesota as grantee and any real estate acquired by the Bureau may be sold under such rules and regulations and upon such terms as may be determined by the Bureau provided no such land shall be sold for an amount less than the indebtedness accrued thereon at the time of the acquisition of the title by said bureau together with interest thereon at the rate of not less than five per cent per annum until sold, less the net income derived therefrom after such acquisition of title, unless otherwise provided by law. ('23 c. 225 § 11)

**6041. Bonds, certificates of indebtedness, etc., to be issued**—Bonds, certificates of indebtedness and tax levy certificates provided for in this act shall be issued in such denominations, mature at such times and be sold and redeemed in such manner as the Bureau shall determine, and the Bureau shall have full authority to prescribe such other rules and regulations as may be necessary or advisable in connection with the issuance of said bonds or certificates, including rules for the registration of bonds issued. In determining the maturity dates of bonds, the Bureau shall take into account the amortization provisions of this act. Certificates of indebtedness shall be issued only when there is insufficient money in the Rural Credits Fund available for the payment of interest upon outstanding bonds or certificates when due, and the issuance of certificate of indebtedness shall be limited to an amount sufficient to cover such deficiencies. Certificates of indebtedness shall mature not later than two years from date of issue and no more than five hundred thousand dollars of such certificates of indebtedness shall be outstanding at any one time but the Bureau may refund any outstanding certificates of indebtedness at maturity subject to the limitations hereof. All bonds and certificates shall be sold upon competitive bids after proper notice unless they are sold to the state's trust funds. Bonds and certificates issued by the Bureau shall designate on their face the purpose for which they are issued and shall be signed by the chairman of the Bureau in behalf of the Bureau and attested by the Secretary of State, and be in such form as shall be approved by the Attorney General and shall bind the State to pay the same according to the terms thereof. Facsimile signatures of the chairman and Secretary of State shall be sufficient upon interest coupons. Before issuance all bonds and certificates to be issued by the Bureau shall be presented to the State Auditor who shall make a record of the same, showing the number, amount, date of issue, date of maturity of each bond or certificate and the Auditor or his

deputy shall certify thereon that such record has been made. If at any time there is insufficient money in the Rural credits fund to pay any bonds or certificates of indebtedness at maturity, or interest upon bonds or certificates, and which cannot otherwise be paid under the limitations of this act, the Bureau shall issue its tax levy certificates in an amount sufficient to cover said deficiency. Such tax levy certificates shall mature at the earliest practicable date and be sold in the same manner as bonds and other certificates issued by the Bureau. Upon the issuance of such tax levy certificates the Bureau shall certify the amount thereof and the maturity dates to the State Auditor who shall thereupon make a tax levy against all the taxable property of the state, in the same manner as other taxes are levied in an amount sufficient to pay said certificates at maturity, together with interest thereon. The moneys derived from said tax levy shall be credited to the Rural Credits Fund. Payment of interest falling due upon said certificates prior to the collection of said tax levy shall be made from the same fund. The Bureau may direct the State Auditor to cancel any tax levy prior to the date of certifying same to the several county auditors. After the issue of tax levy certificates, and the levy and collection of the tax to pay said tax levy certificates, the Bureau shall provide that from the proceeds of the next issue of bonds under this act, the Bureau shall repay to the state the amount of money received by it from the taxes levied by the state to pay all tax levy certificates, with interest at four per cent from the date of receipt of such money by the Bureau from the state. Such repayment shall be credited to the Revenue Fund. ('23 c. 225 § 12)

**6042. Attorney General to be legal advisor**—The Attorney General shall be the general legal advisor of the Bureau and its officers. The assistant attorney general appointed under the provisions of this act, shall be the attorney of the Bureau and examiner of titles and shall receive a salary of \$4,500 per year payable monthly, together with all his necessary traveling or other expenses paid or incurred by him in connection with the discharge of his official duties. Subject to the general supervision of the attorney general, such assistant attorney general shall examine, or supervise the examination of, titles to lands offered as security for loans under the provisions of this act. ('23 c. 225 § 13)

**6043. Expense of loans—Abstracts**—The mortgagor shall pay for the recording of his mortgage and other papers connected with the loan which may be recorded. He shall furnish to the Bureau proper evidence of title under the Torrens system or an abstract of title to the Bureau at his own expense, under such rules as the Bureau may prescribe. ('23 c. 225 § 14)

**6044. Limitation of expense**—In making loans the Bureau shall charge not less than one-fourth of one per cent nor more than three-fourths of one per cent interest above the interest rate paid by the state for money borrowed, treating premiums received on sale of bonds as a reduction of the interest rate. Fractions of less than one-fourth of one per cent resulting from the sale of bonds when in excess of the three-fourths of one per cent limitation, shall not be considered.

Interest rates under this section shall be determined upon a semi-annual basis. ('23 c. 225 § 15)

**6045. Administrative expenses**—The state auditor shall transfer to the Reserve fund out of the appropriation available under this act from time to time, at the request of the bureau, such sum as may be necessary for the administrative expenses of the Bureau. Interest shall be paid on that part of the appropriation actually used at the average interest rate received

by the state on its money on deposit in depositories, said interest to be paid from the Reserve Fund at the end of each fiscal year. Whenever at the end of any fiscal year the Reserve Fund, including the money herein appropriated, whether actually transferred to the credit of the Bureau or still available for transfer, shall amount to more than Two Hundred Thousand Dollars, the Bureau shall direct that one-half of such excess shall be repaid to the revenue fund of the state and that any amount in excess of five per cent of the mortgages then held by the Bureau shall be transferred to the Rural Credits Fund. This process shall be repeated at the end of each fiscal year with respect to the net additions to the fund during the year until the amount used by the Bureau from the appropriation herein made has been fully repaid. Thereafter the Bureau may transfer from the Reserve Fund to the Rural Credits Fund any surplus not required for administrative expenses. Temporary loans also may be made from the Reserve Fund to meet maturing obligations to be paid out of the Rural Credits Fund, such loans to be returned as soon as practicable. ('23 c. 225 § 16)

**6046. Bureau and public examiner to prescribe records**—It shall be the duty of the Bureau assisted by the Public Examiner, to prescribe and prepare and install in the offices of said Bureau such a system of books, records, accounts, receipts, vouchers and documents as may be required to separate and verify each transaction; also such forms for reports, and statements as may be required for the administration of this act, or for the information of the public. ('23 c. 225 § 17)

**6047. Mortgages, loans and land to be held as security for bonds**—Mortgages, promissory notes and other evidences of indebtedness and titles to real estate or other property acquired by said Bureau shall be held in trust for the payment of money borrowed by the State of Minnesota for the purposes of establishing and maintaining said system of rural credits and shall never be diverted to any other purpose, provided, however, that the said Bureau may invest and re-invest the proceeds of the same in first mortgage loans as provided by this act when not required for the current payment of bonds or certificates and interest thereon. ('23 c. 225 § 18)

**6048. All property shall be exempt from taxes**—All mortgages, real estate and other property owned and held by said Bureau in its business of loaning and all certificates or bonds issued by said Bureau in the transaction of the business shall be free from all general taxes, state, county, and municipal, and shall not be subject to State Income Tax. Such mortgage shall be exempt from any registration tax. ('23 c. 225 § 19)

**6049. Foreclosure of mortgages**—Any foreclosure of any of the mortgages provided for by this act shall be made in the usual manner, either by action or by advertisement, as the Bureau may direct. It shall be the duty of the Bureau upon default of the Mortgages, to foreclose any mortgage taken under the provisions of this Act promptly and in any event within six months after any such default, unless for special reasons, the Bureau shall determine that an extension of not more than one year will result in the borrower removing such default and placing such loan in good standing. In case of foreclosure it shall be the duty of the Attorney General to render all services needed in connection with such foreclosure proceedings, and the costs and expenses, now or that may hereinafter be provided by law, in the foreclosure of real estate mortgages may be taxed in the foreclosure of any mortgage in like manner and to the same effect as if the state of Minnesota were a natural person. Pro-

vided no attorney's fee shall be collected upon any such foreclosure nor provided for in any mortgage given under this act. ('23 c. 225 § 20)

**6050. Interest on deposits**—Interest shall be allowed upon any moneys in the funds of the Bureau at the rate received by the state from its depositories. The Bureau shall have authority to determine the amount of moneys in its funds which shall be kept in active depositories and the amount in inactive depositories. As soon as practicable after the state has collected interest for any stated period, the state treasurer shall credit to each fund of the Bureau the amount of interest due and make a statement thereof to the Bureau. ('23 c. 225 § 21)

**6051. Clerical assistance in auditor's and treasurer's offices**—If it shall become necessary to employ additional clerical assistance in the offices of the State Auditor or State Treasurer by reason of the additional duties imposed upon said offices by this act, the actual expense thereof shall be charged to and be borne by the Bureau in such amounts as from time to time may be ascertained and certified in writing by such officers and approved by the Bureau. ('23 c. 225 § 22)

**6052. Surety bonds**—Whenever a bond or undertaking is required by this act or by the Bureau to be given, it shall be held to mean a surety bond furnished by a surety company authorized and qualified to do business in this state. Such bonds shall run to the State of Minnesota, shall be as nearly as applicable in the form prescribed by the laws of this State and the form thereof shall be approved by the Attorney General. ('23 c. 225 § 23)

**6053. Cost to be borne by bureau**—The cost of surety bonds provided by this act, furnished by the officers or employees of said Bureau, shall be a part of the general expense of administration and paid by the Bureau. ('23 c. 225 § 24)

**6054. Appropriation**—There is hereby appropriated out of the moneys in the general revenue fund of the state, not otherwise appropriated, the sum of Two Hundred Thousand Dollars for the establishment and maintenance of the system of rural credits and the Bureau provided for by this act. ('23 c. 225 § 25)

**6055. Sums re-appropriated**—Any sums received and paid into the state treasury under any of the provisions of this act are hereby appropriated and made available for disbursement in the manner provided herein. ('23 c. 225 § 26)

#### DATE EFFECTIVE

**6056.** This act shall take effect and be in force from and after its passage. ('23 c. 225 § 27)

**6057. Powers of Minnesota rural credit bureau in certain cases**—Whenever application for a farm loan is made by a farm owner to the Minnesota Rural Credit Bureau and the applicant shall be found to be entitled to receive a loan under the provisions of chapter 225, Laws 1923, known as the Minnesota Rural Credit Act, and shall further show to the satisfaction of the bureau that he is an honorably discharged veteran of the War with Germany; that he was a citizen of the state of Minnesota at the time of his enlistment or induction or at the time of the taking effect of this act, that he served on active duty as a part of the military or naval forces of the United States at some period between April 6, 1917 and November 11, 1918, that he has been recognized by the United States Veterans' Bureau as suffering from disabilities incurred in such service and that he is pursuing or has completed a course of vocational training in agriculture under direction of said Veterans' Bureau, the bureau hereby is authorized and empowered to loan to such applicant an amount not exceeding 66 2/3% of the total ap-

6048  
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praised value of the improvements on such farm without regard to the appraised value of the farm; provided, that no such loan shall be made in excess of \$3,000, and provided further that except as hereinbefore specified, all such loans shall be subject to the provisions of the Minnesota Rural Credit Act. ('23 c. 253 § 1)

#### STATE COLONIZATION COMMISSION

##### 6058. Meetings — Officers — Employees — Report

**—Duties—**There is hereby created a commission to be known as the State Colonization Commission, hereafter referred to as the "commission," whose duty it shall be to administer the provisions of this act. Said commission shall consist of the Governor, who shall be the chairman thereof, the State Auditor and the Commissioner of Agriculture, all of whom shall be members of said commission during their terms of office and any two shall constitute a quorum. Said commission shall have its office in the Department of Agriculture office. It shall hold regular monthly meetings on such days as may be determined by the commission and may hold special meetings upon the call of the chairman; it shall keep a complete record of all its meetings, its accounts and the business it transacts and may prepare all necessary blanks and forms to be used in its proceedings and in the conduct of its business. The Commissioner of Agriculture shall act as secretary of the commission. He shall attend to and perform any and all detailed work relative to the commission and be the keeper of the seal.

The commission shall have power to employ such attorneys, appraisers, experts, assistants, clerks and other employees as it may deem necessary to conduct the business of said commission, whose salaries shall be fixed by said commission. Provided no expenditures shall be incurred in excess of the moneys provided by the provisions of this act.

The commission shall biannually make a full report of its operations to the President of the Senate and the Speaker of the House, who shall cause the same to be printed for the information of the members. This report shall constitute an accurate review of the work of the commission for the two years preceding the date of said report and shall contain a schedule of all applications for the flotation of bonds issued under the provisions of this act, a schedule of all approved bond issues, a schedule of all rejected bond issues and a statement of the receipts and disbursements of the commission and such other material information as relates to the work of the office.

It shall be the duty of the commission to further proper efforts in land settlement work within the state by preparing from time to time bulletins setting forth the principal features of this act, and through the medium of the press, disseminate information in regard to its endeavors and purpose. ('21 c. 330 § 1)

**6059. Powers—**That the commission shall have power subject to the limitations and requirements of this act:

1st—To receive applications from organized corporations, associations or companies engaged in colonization and land settlement work having a paid up capital stock of not less than \$25,000.00, for the authorization of said corporations, associations or companies to operate under the provisions of this act.

2nd—To approve or reject such applications; provided that upon approval the commission shall issue its certificate authorizing such corporation, association or company, to operate under the provisions of this act, which certificate shall be revocable for cause.

3rd—To approve or reject any applications made by qualified colonization and land settlement corporations,

associations, or companies for the flotation of bonds bearing the approval of the commission; and if approved to endorse upon the face of each of the bonds issued thereunder the words, "This bond is of an issue approved by the State Colonization Commission and is secured by a certain trust deed (briefly describing the same)."

4th—To charge applicants under this act reasonable fees to cover the actual appraisal and determination of title costs; provided that the commission can make such regulations requiring the giving by such applicants of proper bonds to indemnify the commission against any loss by the incurring of such expenses on behalf of such applicants.

5th—To do all things necessary for the proper and efficient conduct of its business and in furtherance of the purposes of this act. ('21 c. 330 § 2)

**6060. Applications to issue bonds—**Whenever an application, for the flotation of bonds bearing the approval of the State Colonization Commission, is made by a qualified colonization and land settlement corporation, association or company to the commission, such application shall be referred to one or more of the appraisers appointed by the commission and such appraiser or appraisers shall investigate and make a written report upon the land offered as security for such bond issue. No such application shall be favorably acted upon by the commission unless said written report is favorable. The land settlement appraisers appointed by the commission shall make such examinations and appraisals and conduct such investigations as the commission shall direct. ('21 c. 330 § 3)

**6061. Restrictions—**That the commission shall not approve the flotation of any bonds under any colonization or land settlement project except when such project is made upon the following terms and conditions:

1st—Said bonds shall be secured by duly recorded trust deeds executed by the colonization corporation, association or company on agricultural lands within the state.

2nd—The premises conveyed by such trust deeds must be held by the colonization company grantor in fee simple absolute and free from all encumbrances, subject to land contracts executed and delivered by the grantor to actual settlers on such premises; provided that the term "encumbrance" shall not include ditch, drainage, road and like assessments levied by the state or any subdivision thereof for a public purpose, provided further that the term fee simple absolute shall not necessarily include mineral rights.

3rd—If a trust company organized under the laws of this state is not designated as trustee in such deed of trust the commission shall inquire into and determine the financial responsibility of the person, firm or corporation proposed as such trustee and such trustee must be approved by the commission before any bonds bearing the approval of the commission may be issued thereon. Such trust deeds must designate the trustee as holding such premises as security for the holders of any bonds issued thereupon and bearing the approval of the commission. Such trust deeds must contain authorization to the trustee to release any and all lands covered thereby from the lien, operation and effect of such deed of trust; provided that it shall become the duty of the trustee to release any and all lands upon which the settler has completed his payments and is entitled to a deed therefor from the grantor.

4th—The commission shall determine the interest rate to be paid upon bonds of any such issue. No bonds issued by such colonization company shall receive the approval of the commission when its bonded



indebtedness is in excess of twenty times the amount of its capital and surplus.

The interest rate, to be paid upon land contracts and mortgages owned by such companies pledged as security for an issue of bonds bearing the approval of the commission under the terms of this act, shall not exceed by more than one per centum per annum the rate of interest to be paid upon the bonds of that issue.

5th—No rate of interest exceeding seven per cent per annum upon the unpaid principal of the purchase money due on his contract or upon the principal sum due on his mortgage shall be paid by any settler upon lands covered by any trust deed executed under the provisions of this act, providing however that the commission may fix a lesser interest rate on such contracts and mortgages.

6th—All land contracts issued to settlers upon premises covered by said deeds of trust shall be assigned by the grantor to the trustee and shall be held by the trustee as a part of the security underlying the bonds issued. The payment of such land contracts shall be guaranteed by the grantor in such deeds of trust.

7th—No bonds shall be issued bearing the approval of the commission upon any trust deed in amount in excess of sixty per cent of the unpaid balance of the purchase money due the grantor from the settlers upon their land contracts; provided that not more than twenty per cent of the land contracts issued upon lands covered by any trust deed shall have more than eighty per cent of the purchase money unpaid thereon; not more than twenty per cent of such land contracts shall have more than seventy per cent and less than eighty per cent of the purchase money unpaid thereon; and not less than forty per cent of such land contracts shall have less than fifty per cent of the purchase money unpaid thereon; provided further that first mortgages executed by settlers on lands covered by such trust deeds can be considered the same as land contracts for the purposes of this act; provided further that the commission may accept land contracts issued by the grantor to soldiers, sailors or marines honorably discharged from the service of the United States and actual settlers upon the lands covered thereby, as proper security underlying such bond issues although not more than ten per cent of the purchase price of such lands has been paid at that time. However, not more than fifty per cent of the security underlying any certain bond issue can be made up of land contracts executed to soldiers, sailors or marines honorably discharged from the service of the United States and upon which not more than twenty per cent of the purchase price has been paid.

8th—A sum equal to one-eighth of one per cent of the face value of all bonds issued by qualified colonization or land settlement corporations, associations or companies and bearing the approval of the commission under the terms of this act must be paid by such colonization company at the time of the issuance of such bonds and annually thereafter. The sum so paid to the commission shall be deposited with the State Treasurer and shall constitute a revenue fund to cover costs of operation and as such be subject to the disposal of the commission. This amount must be paid by such colonization companies independent of the actual appraisal and determination of title costs for which a separate charge is made. ('21 c. 330 § 4)

6062. Commission to approve bonds—That whenever the commission has approved any issue of bonds in accordance with the provisions of this act it shall request the grantor in the trust deed securing same to furnish it with printed bonds properly executed by such colonization company. Upon receipt of such

bonds properly executed the commission shall endorse its approval thereon.

It shall be the duty of the trustee to see that the bonds outstanding by virtue of any trust deed shall be secured by payments due on land contracts or mortgages on lands covered thereby, as provided by the act, at least equal to twice the amount of such bonds. The commission may at any time call upon any colonization company for additional security to protect the bonds issued by it under the provisions of this act.

Every colonization company issuing bonds bearing the approval of the commission shall be primarily liable therefor and in no wise can the commission be considered as incurring any liability thereon. ('21 c. 330 § 5)

6063. Denomination of bonds—All bonds issued under the terms of this act shall be issued in denominations of \$25.00, \$50.00, \$100.00, \$500.00, or \$1,000.00; they shall run for a specified minimum and maximum period subject to payment and retirement, at the option of the colonization company at any time after five years from the date of their issue. They shall have interest coupons attached payable semi-annually and shall be issued in series of not less than \$25,000.00, the amount and terms to be fixed by the commission. They shall bear a rate of interest of one per cent less than the securities underlying the bonds issued.

The commission shall prescribe rules and regulations concerning the circumstances and manner in which these bonds shall be paid and retired under the provisions of this act.

The colonization company, grantor in any trust deed, may with the approval of the commission and in such amounts as the commission may determine, substitute, as security underlying any bond issue, cash or any obligations of the United States Government. ('21 c. 330 § 6)

6064. Unconstitutionality of part not to affect balance of act—Should the courts of this state declare any section or provision of this act unconstitutional or unauthorized, or in conflict with any other section or provision of this act, then such decision shall affect only the section or provision declared to be unconstitutional or unauthorized and shall not affect any other section or part of this act. ('21 c. 330 § 7)

#### CO-OPERATIVE CREDITS

6065. Co-operative credit associations authorized—A co-operative association, society or corporation may be organized under the provisions of this act for the purpose of promoting and facilitating the production and marketing of the various kinds of staple agricultural products including livestock, by advancing and lending money to parties engaged in the production and marketing of such products upon the obligations of the borrowers when such obligations are secured by satisfactory collateral, by warehouse receipts covering such products or by chattel mortgages constituting a first lien upon livestock or other staple agricultural products. ('23 c. 141 § 1)

6066. Definitions — The term "association," "society," or "corporation," as used in this act, shall be construed to mean and include any corporation organized hereunder and in its articles may use the term "association," "society," or "corporation."

The term "staple agricultural products" shall be construed to mean and include all kinds of grain, hay and similar articles that are capable of being kept, preserved, used or marketed during an extended period without material damage and shall not be construed to include a large variety of vegetables or similar agricultural products that rapidly deteriorate or become

unmarketable. The term "livestock" as used herein for all purposes of this act shall be construed to include the purchasing, breeding and development of the various kinds of livestock including the feeding and marketing of same. ('23 c. 141 § 2)

**6067. Articles of incorporation**—The persons forming a corporation under this act shall sign and acknowledge written articles of incorporation therein specifying:

- (a)—The name of the association or corporation, the nature of its business, and the principal place of transacting the same, which shall be within the State of Minnesota. Such name shall distinguish it from all other corporations, domestic or foreign, doing business in this state and may therein be designated as an association, society or corporation and such name or title shall be preserved to it during its corporate existence.
- (b)—The period of its duration which shall not exceed thirty years without renewal.
- (c)—The name and place of residence of the incorporators, which in the case of a corporation containing not more than \$10,000 capital, shall be not less than ten in number and in all corporations containing more than \$10,000 capital shall be not less than twenty incorporators.
- (d)—The amount of the capital stock of such corporation, which shall not be less than \$10,000 nor more than \$50,000, and shall designate the number of shares into which it shall be divided and the amount of the par value of such shares.
- (e)—The names and addresses of the officers and board of directors in whom shall be vested the management of the corporation until the next annual election.
- (f)—The date and place of the annual meeting of the stockholders for the election of the board of directors herein provided for and the transaction of other business authorized by this act.
- (g)—The highest amount of indebtedness or liability to which the association shall at any time be subject, which may be fixed in a stated amount or by a percentage of the paid in capital stock.
- (h)—And may contain also any other lawful provisions defining and regulating the powers or the business of the corporation, the duties and authorities of its officers, directors and stockholders. ('23 c. 141 § 3)

**6068. To be approved by superintendent of banks**—Before the corporation shall be considered organized and authorized to do business, the proposed articles of incorporation shall be submitted to the Superintendent of Banks of the State of Minnesota to determine if such proposed articles conform to the requirements and purposes of this act and upon being approved, such articles shall be published in a legal newspaper in the county where the principal place of business of said corporation shall be located for two successive weeks, once each week in either a weekly or daily newspaper published in such county. The articles of incorporation and approval thereof and proof of the publication shall be filed with the Secretary of State and a certified copy thereof filed and recorded in the office of the Register of Deeds in the county in which the principal place of business of the corporation is located. ('23 c. 141 § 4)

**6069. Capital stock may be issued and sold**—After the approval, publication, filing and recording of the articles of incorporation, as provided in Section 4 of this act, the corporation shall be authorized to organize and proceed to sell its shares of capital stock and issue certificates therefor without any further regulation or

control under any law of this state and without obtaining a certificate of authority therefor, provided by Chapter 429 of the Laws of 1917; provided no stock shall be sold or certificates issued therefor except upon payment into the treasury of the company the par value of such stock. The corporation may commence business when not less than \$10,000 of the capital stock has been subscribed and paid in and outstanding stock shall at no time be diminished below that amount. Any corporation organized under this act may limit the amount of stock or the number of shares which may be issued to or owned by any individual, association or corporation, which in no case shall exceed in amount \$1,000.00 of the par value of such stock and no stockholder shall be entitled to more than one vote at any meeting of the stockholders. Any stock issued by the corporation shall be transferred only on the books of the company and with the approval and consent of the board of directors. The corporation shall have the first right to purchase any stock offered for sale by any of its stockholders. ('23 c. 141 § 5)

**6070. May make loans**—Any corporation organized under the provisions of this act shall have authority to make loans to parties engaged in agricultural production within this state, whether stockholders of this association or otherwise, and for such amount and on such time, not exceeding a period of three years, as may be fixed by its by-laws or board of directors, and upon receiving the obligation of the borrower, secured by acceptable collateral or security, as specified in Section 1 of this act, and such corporation shall have authority to borrow money upon its own obligation with and without the obligations of its customers as collateral and may rediscount the securities taken from its customers and enter into the necessary contracts for the sale, negotiation and transfer with and without the guarantee of such corporation of the obligations and securities taken by it from its customers and such contracts may be made with any bank, trust company, land bank or other association or organization engaged in the business of making loans or authorized to make loans to such corporation or purchase or rediscount securities held by it, provided the total liability of such corporation shall at no time exceed three times the amount of its paid up capital stock; provided further that the sale of any of the securities held by it to any other party, corporation, association or financial organization and the guarantee of the payment of such securities shall not be considered a liability on the part of such corporation within the meaning of this section and such corporation shall have authority to rediscount and transfer the securities taken by it from its patrons but at no time shall such rediscount exceed ten times the amount of the paid up capital stock of said corporation. ('23 c. 141 § 6)

**6071. Stock to be forfeited in certain cases**—Any stockholder who knowingly and intentionally violates the provisions of this act may be required by the board of directors to forfeit his stock; in which case the board of directors shall refund to such stockholder the par value of his stock. The stock so forfeited shall be retired and cancelled by the board of directors and such stockholder shall have no further rights or benefits in such corporation.

At any regularly called general or special meeting of the stockholders a written vote received by mail from an absent stockholder certified to and signed by him may be read in such meeting and shall be accepted as the vote of the stockholder so signing provided that such stockholder has had due and previous notice as to the issues involved and that a notice containing the exact text of the motion or resolution or amendment has been mailed to him at his last known post office

address and a copy of the same is forwarded with and attached to the vote so mailed by such absent stockholder. The board of directors may cause a referendum vote to be taken by mail upon any action or recommendation of the board or for the purpose of electing members upon the board of directors under the regulations above provided. ('23 c. 141 § 7)

**6072. Meetings of stockholders**—A meeting of the stockholders shall be held annually at the principal place of business of the corporation at such time as shall be designated in the articles of incorporation. At such annual meeting reports covering the transactions of the corporation for the previous fiscal year shall be submitted to the stockholders by the officers and the members of the board of directors shall be elected for the ensuing year at such meeting. The secretary shall give notice of such meeting by mailing notice to each and every stockholder at his or her last known post office address not less than fifteen days nor more than thirty days previous to the date of such meeting.

Special meetings of the stockholders may be called by a majority vote of the directors or upon written petition of at least ten per cent of the stockholders, in which case it shall be the duty of the president to cause notice of said meeting to be given as herein provided. Such notice shall state the time and place and purpose of such meeting. Notice of regular or special meetings having been mailed to the stockholders, the secretary shall execute and file in his office an affidavit stating the date and manner in which such notice was given, containing a copy of such notice, and failure of any stockholder to receive such notice shall not invalidate any action taken by the stockholder at such regular or special meeting. ('23 c. 141 § 8)

**6073. Quorum**—The number of stockholders required to be present in person or represented by mailing vote at any regular or special stockholders' meeting to constitute a quorum for the transaction of business shall be a majority of such stockholders when the total number does not exceed twenty-five and one-third of the stockholders where the total number exceeds twenty-five but does not exceed seventy-five and in all cases where the total number of stockholders exceeds seventy-five, forty shall constitute a quorum. The fact of the attendance of a sufficient number of stockholders to constitute a quorum shall be established by a registration of the stockholders of the company who are present and the entry on the register by the secretary of those who are represented by mail, which registration shall be certified by the president and secretary. ('23 c. 141 § 9)

**6074. Board of directors—Officers**—Every corporation shall be managed by a board of not less than five nor more than seven directors, the number of which shall be fixed in the articles of incorporation and who shall be members of the association and be elected by the stockholders by ballot at the annual meeting, provided the stockholders by resolution may provide for the election of a certain number of the board of directors each year and may fix the length of the term of the directors for a period not exceeding three years. The officers of the association shall be a president, one or more vice presidents, a secretary and a treasurer, who shall be elected annually by the board of directors. Each officer shall be a director of the company. The office of secretary and treasurer may be combined and when so combined the person shall be styled secretary-treasurer. A majority of the members of the board of directors shall constitute a quorum. The stockholders at any regular or special meeting called for that purpose shall have power to remove any officer or director for cause and to fill the vacancy. ('23 c. 141 § 10)

**6075. Reserve fund to be established**—The board of directors shall set aside all of the net earnings of the first and second year of the corporation for the purpose of creating a reserve fund until such earnings shall equal fifty per cent of the paid-up capital stock, and such net earnings, so far as may be necessary, may be so set aside each year thereafter by vote of the stockholders until such reserve shall equal the paid-up capital stock of said corporation which reserve fund may be used in the business of such corporation the same as paid-up capital. The term "net earnings," as used in this act, shall mean the earnings of the business after the operating charges and dividends on the capital stock have been paid and deducted from the gross earnings. The only dividends to be paid on the stock shall not exceed eight per cent per annum. After creating the reserve as herein provided, any additional net profits shall be disbursed by uniform dividends based upon business transacted with the corporation by way of loans made and may be distributed in the form of credits upon the interest due upon any existing obligation due the corporation from any of its patrons and upon the wages and salaries received by its employees. Non-stockholders shall receive dividends to the extent of one-half that paid to stockholders. The distribution of net earnings shall be made annually after the first year if sufficient funds remain to warrant such distribution after otherwise complying with the requirements of this section. If the board of directors of any corporation organized under this act shall authorize the payment of dividends on the paid-up capital stock of such corporation in excess of eight per cent, such act shall operate as the vacation of the office of such director or officer voting for or sanctioning such payment, and all members voting for such payment shall be personally liable to the corporation for the return to it of the money thus unlawfully distributed. ('23 c. 141 § 11)

**6076. Annual statement to be filed**—Every corporation organized under this act shall file annually with the Banking Department of the State of Minnesota a complete detailed report of its business for the last fiscal year, in such form as the Superintendent of Banks shall require, which report shall be made on or before the 15th day of March of each year after said corporation commenced business and such additional reports shall from time to time be made by such corporation as the Superintendent of Banks may, by notice or order, require, and it is hereby made the duty of the Superintendent of Banks annually and at such other times as he may deem proper, to examine or cause to be examined the financial condition of said corporation and shall preserve in his office the record of such examination, which record shall be open to inspection by any stockholders of said corporation and a copy thereof shall be filed with the secretary of said corporation. For each examination the Superintendent of Banks shall collect from said corporation the sum of \$15.00. ('23 c. 141 § 12)

**6077. Amendments to articles**—The articles of incorporation of any corporation organized under this act may be amended so as to change its incorporated name or title or so as to increase or diminish its capital stock or to change the number and par value of the shares of its capital stock or in respect to any other matter which the original articles of incorporation might lawfully have contained in the following manner: The board of directors, by a majority vote of its members, may pass a resolution setting forth the full text of the proposed amendment and the full text of the section or sections that may be repealed or changed by such amendment and fix a date for a meeting of the stockholders to vote upon the adoption of such

amendment which shall comply with the requirements of this act relative to calling special elections. Upon such action by the board of directors, notice shall be mailed by the secretary to each stockholder containing a copy of the resolution so adopted, the full text of the proposed amendment and of the section or sections amended or repealed. Such notice shall also designate the time and place of the meeting at which such proposed amendment shall be considered and voted upon if a quorum of the stockholders is registered as being present or represented by mail at such meeting a majority of the members so present or represented by mail vote may adopt or reject such proposed amendment. In case such amendment is adopted, it shall be presented to the Superintendent of Banks for approval and published, filed and recorded in the same manner as provided for approval, publication and filing of the original articles of incorporation. ('23 c. 141 § 13)

**6078. By-laws to be adopted**—The stockholders of any corporation organized under this act shall have authority to formulate and adopt a set of by-laws governing the duties of the board of directors and officers and the manner and procedure in making loans and rediscounting paper and such other transactions as may be conducted by the corporation in transacting its business not inconsistent with the provisions of this act, which by-laws, before they shall take effect, shall be presented to and approved by the Superintendent of Banks, who shall have authority to modify and change the same to conform to the requirements of this act and the proper business methods in the transactions by the board of directors and officers of said corporation. It shall further be the duty of the Superintendent of Banks, upon the passage and approval of this act, to cause to be drawn and prepared for use a set of articles of incorporation in blank form which shall be supplied to any parties desiring to form a corporation under the provisions of this act and he shall supply such advice and assistance as he may deem necessary in assisting in the formation of any corporation under the provisions of this act. ('23 c. 141 § 14)

THE CO-OPERATIVE MARKETING ACT

**6079. Declaration of policy**—In order to promote, foster and encourage the intelligent and orderly marketing of agricultural products through co-operation and to eliminate speculation and waste; and to make the distribution of agricultural products as direct as can be efficiently done between producer and consumer; and to stabilize the marketing problems of agricultural products this act is passed. It is here recognized that agriculture is characterized by individual production in contrast to the group or factory system that characterized other forms of industrial production; and that the ordinary form of corporate organization permits industrial groups to combine for the purpose of group production and the ensuing group marketing and that the public has an interest in permitting farmers to bring their industry to the high degree of efficiency and merchandising skill evidenced in the manufacturing industries; and that the public interest urgently needs to prevent the migration from the farm to the city in order to keep up farm production and to preserve the agricultural supply of the nation; and that the public interest demands that the farmer be encouraged to attain superior and more direct system of marketing in the substitution of merchandising for the blind, unscientific and speculative selling of crops. ('23 c. 264 § 1)

**6080. Definitions**—As used in this act:

- (a) The term "agricultural products" shall include horticultural, viticultural, forestry, dairy, livestock, poultry, bee and any farm products.
- (b) The term "member" shall include actual members of associations without capital stock, and holders of common stock in associations organized with capital stock if any.
- (c) The term "association" means any corporation or association organized under this act.
- (d) The term "person" shall include individuals, firms, partnerships, corporations and associations.
- (e) The term "Directors" shall mean the Board of Directors.
- (f) Associations organized hereunder shall be deemed non-profit inasmuch as they are not organized to make profits for themselves, as such, or for their members as such, but only for their members as producers. This act shall be referred to as "The Co-operative Marketing Act." ('23 c. 264 § 2)

**6081. Who may organize**—Five (5) or more persons engaged in the production of agricultural products may form a non-profit, co-operative association, with or without capital stock, under the provisions of this act. ('23 c. 264 § 3)

**6082. Purposes**—An association may be organized to engage in any activity in connection with the marketing or selling of the agricultural products of its members, or with the harvesting, preserving, drying, processing, canning, packing, grading, storing, handling, shipping or utilization thereof, or the manufacturing or marketing of the by-products thereof, or in connection with the manufacturing, selling or supplying to its members of machinery, equipment or supplies; or in the financing of the above enumerated activities; or in any one or more of the activities specified therein. ('23 c. 264 § 4)

**6083. Powers**—Each association incorporated under this act shall have the following powers:

- (a) To engage in any activity in connection with the marketing, selling, harvesting, preserving, drying, processing, canning, packing, grading, storing, handling or utilization of any agricultural products produced or delivered to it by its members, and with the manufacturing or marketing of the by-products thereof, and in any activities in connection with the purchase, hiring or use by its members of supplies, machinery or equipment, and in the financing of any such activities, and in any one or more of the activities specified in this section. Any association may limit itself to handle the agricultural products of its members only. If it permits the handling of products of non-members, such products must be limited to a total not greater than the amount delivered by or handled for members.
- (b) To borrow money and to make advance payments and advances to members.
- (c) To act as the agent or representative of any member or members in any of the above mentioned activities.
- (d) To purchase or otherwise acquire, and to hold, own and exercise all rights or ownership in, and to sell, transfer or pledge, or guarantee the payment of dividends or interest on, or the retirement or redemption of, shares of capital stock or bonds of any corporation or association engaged in any related activity or in the warehousing or handling or marketing of any of the products handled by the association.

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- (e) To establish reserves and to invest the funds thereof in bonds or such other property as may be provided in the by-laws.
- (f) To buy, hold and exercise all privileges of ownership, over such real or personal property as may be necessary or convenient for the conduct and operation of any of the business of the association or incidental thereto.
- (g) To do each and everything necessary, suitable or proper for the accomplishment of any one of the purposes, or the attainment of any one or more of the objects herein enumerated, or conducive to or expedient for the interest or benefit of the association or its members, and to contract accordingly; and in addition to exercise and possess all powers, rights and privileges necessary or incidental to the purpose or purposes for which the association is organized or to the activities in which it is engaged; and in addition any other rights, powers and privileges granted by the laws of this state to ordinary corporations, except such as are inconsistent with the express provisions of this act; and to do any such thing anywhere. ('23 c. 264 § 5)

**6084. Members—**

- (a) Under the terms and conditions prescribed in its by-laws, any associations may admit as members, or issue common stock only to other co-operative marketing associations and to persons engaged in the production of the agricultural products to be handled by or through the association, including the lessees and tenants of land used for the production of such products and any lessors and landlords who receive as rent part of the crop raised on the leased premises.
- (b) If a member of a non-stock association be other than a natural person, such member may be represented by any individual, associate, officer or member thereof, duly authorized in writing.
- (c) One association organized hereunder may become a member or stockholder of any other association or associations organized hereunder. ('23 c. 264 § 6)

**6085. Articles of incorporation—**Each association formed under this act must prepare and file Articles of Incorporation, setting forth:

- (a) The name of the association.
- (b) The purposes for which it is formed.
- (c) The place where its principal business will be transacted.
- (d) The term for which it is to exist, not exceeding fifty (50) years.
- (e) The number of directors thereof, which must not be less than five (5) and may be any number in excess thereof, and the term of office of such directors, and the names and places of residences of the first board of directors.
- (f) If organized without capital stock, whether the property rights and interest of each member shall be equal or unequal, and if unequal, the articles shall set forth the general rule or rules applicable to all members by which the property rights and interests, respectively, of each member may and shall be determined and fixed, and the association shall have the power to admit new members who shall be entitled to share in the property and property rights with the old members, in accordance with such general rule or rules.

This provision "f" of the Articles of Incorporation shall not be altered, amended or repealed except by the written consent or the vote of three-fourths of the members.

- (g) If organized with capital stock, the amount of such stock and the number of shares into which it is divided and the par value thereof. The capital stock may be divided into preferred and common stock. If so divided, the articles of incorporation must contain a statement of the number of shares of stock to which preference is granted and the number of shares of stock to which no preference is granted and the nature and definite extent of the preference and privileges granted to each.

The articles must be subscribed by the several incorporators and acknowledged by one of them before an officer authorized by the law of this state to take and certify acknowledgment of deeds and conveyances; and shall be filed in the office of the Secretary of the State of Minnesota and when so filed such incorporation shall be complete and a certified copy of said Articles shall be filed with the Public Examiner, the said Articles of Incorporation, or certified copies thereof, shall be received in all the courts of this state, and other places, as prima facie evidence of the facts, contained therein, and of the due incorporation of such association. ('23 c. 264 § 7)

**6086. Amendments to Articles of Incorporation—**

The Articles of Incorporation may be altered or amended at any regular meeting of members or at any special meeting called for that purpose. An amendment must first be approved by two-thirds of the directors and then adopted by a vote representing a majority of all the members of the association. Amendments to the Articles of Incorporation when so adopted shall be filed in accordance with the foregoing provisions of original filing. ('23 c. 264 § 8).

**6087. By-laws—**The directors of each association incorporated under this act must, within thirty (30) days after its incorporation, adopt for its government and management, a code of by-laws, not inconsistent with the powers granted by this act. Such by-laws so adopted shall lapse and become void and of no effect unless within one year from the date of such adoption, the same shall be approved by a majority vote of all the members or by the written assent of such majority, and shall lapse and become void and of no effect at any time within such year, that such association by a majority vote of all its members, or by the written assent of such majority, adopt a code of by-laws. Thereafter, any proposed amendment to such by-laws shall only become effective when approved by a majority vote of the members, or by the written assent of such majority. Each association under its by-laws may also provide for any or all of the following matters:

- (a) The time, place and manner of calling and conducting its meetings.
- (b) The number of stockholders or members constituting a quorum.
- (c) The right of members or stockholders to vote by proxy or by mail or by both, and the conditions, manner, form and effect of such votes.
- (d) The number of directors constituting a quorum.
- (e) The qualifications, compensation and duties and term of office of directors and officers, the time of their election and mode and manner of giving notice thereof.

- (f) Penalties for violations of the by-laws.
- (g) The amount of entrance, organization and membership fees, if any; the manner and method of collection of the same and the purposes for which they may be used.
- (h) The amount which each member or stockholder shall be required to pay annually or from time to time, if at all, to carry on the business of the association; the charge, if any, to be paid by each member or stockholder for services rendered by the association to him and the time of payment and the manner of collection; and the form of marketing contract between the association and its members or stockholders which every member or stockholder may be required to sign.
- (i) The number and qualifications of members or stockholders of the association, and the particular conditions, if any, precedent to membership or ownership of common stock; the method, time and manner of permitting members to withdraw or the holders of common stock to transfer their stock, the manner of assignment and transfer of the interest of members, and of the shares of common stock; the conditions upon which, and the time when membership, of any member shall cease, the automatic suspension of the rights of a member when he ceases to be eligible to membership in the association, and mode, manner and effect of the expulsion of a member; the manner of determining the value of a member's interest and provisions for its purchase by the association upon the death or withdrawal of a member or stockholder, or upon the expulsion of a member or forfeiture of his membership. In case of the withdrawal or expulsion of a member the board of directors shall within a reasonable time equitably appraise his property interests in the association and shall fix the amount thereof in money, which shall be paid or tendered to him within thirty days, after such appraisal. ('23 c. 264 § 9)

**6088. General and special meetings—How called—**In its by-laws each association shall provide for one or more regular meetings annually. The board of directors shall have the right to call a special meeting at any time, and ten per cent of the members or stockholders may file a petition with the secretary stating the specific business to be brought before the association and demand a special meeting at any time. Such meeting must thereupon be called by the secretary. Notice of all meetings, together with a statement of the general purposes thereof, shall be mailed to each member at least ten days prior to the meeting; provided, however, that the by-laws may require instead that such notice may be given by publication in a newspaper of general circulation, published at the principal place of business of the association. ('23 c. 264 § 10)

**6089. Directors—Election—**The affairs of the association shall be managed by a board of not less than five directors elected by the members or stockholders from their own number except as hereinafter provided. The by-laws may provide that the territory in which the association has members shall be divided into districts and that the directors shall be elected according to such districts. In such case the by-laws shall specify the number of directors to be elected by each district, the manner and method of apportioning or reapportioning the directors, and of districting or redistricting the territory covered by the association.

The by-laws may provide that primary elections should be held in each district to elect the directors apportioned to such districts and the result of all such primary elections must be ratified by the next regular meeting of the association, or may be considered final by the association.

The by-laws shall provide that one or more directors may be appointed by the Commissioner of Agriculture or any other public official or commission. The director or directors so appointed need not be members or stockholders of the association, but shall have the same powers and rights as other directors. Such directors shall not number more than one-fifth of the entire number of directors.

An association may provide a fair remuneration for the time actually spent by its officials and directors in its service. No director, during the term of his office, shall be a party to a contract for profit with the association differing in any way from the business relations accorded regular members or holders of common stock of the association, or to any other kind of contract differing from terms generally current in that district.

- (a) The by-laws may provide that no director shall occupy any position in the association, except the president and secretary on regular salary or substantially full time pay.

The by-laws may provide for any executive committee and may allot to such committee all the functions and powers of the board of directors, subject to the general direction and control of the board.

When a vacancy on the board of directors occurs, other than by expiration of term, the remaining members of the board by a majority vote, shall fill the vacancy, unless the by-laws provide for an election of directors by district. In such a case the board of directors shall immediately call a special meeting of the members or stockholders in that district to fill the vacancy. ('23 c. 264 § 11)

**6090. Election of officers—**The directors shall elect from their number a president and one or more vice presidents. They shall also elect a manager, a secretary and a treasurer, who need not be directors, and they may combine the two latter offices and designate the combined office as secretary-treasurer. The treasurer may be a bank or any depository, and as such shall not be considered as an officer but as a function of the board of directors. In such case the secretary shall perform the usual accounting duties of the treasurer, excepting that the funds shall be deposited only as authorized by the board of directors. ('23 c. 264 § 12)

**6091. Officers, employes and agents to be bonded—**Every officer, employe and agent handling funds or negotiable instruments or property of or for any association created hereunder shall be required to execute and deliver adequate bonds for the faithful performance of his duties and obligations. ('23 c. 264 § 13)

**6092. Stock—Membership certificates—When issued—Voting—Liability—Limitations on transfer and ownership—**When a member of an association established without capital stock, has paid his membership fee in full, he shall receive a certificate of membership. No association shall issue stock to a member until it has been fully paid for. The promissory notes of the member may be accepted by the association as full or partial payment. The association shall in case of associations organized without capital stock hold the stock or membership certificate as security for the



payment of the note but such retention as security shall not affect the member's right to vote.

Except for debts lawfully contracted between him and the association, no member shall be liable for the debts of the association to an amount exceeding the sum remaining unpaid on his membership fee, including any unpaid balance or any promissory notes given in payment thereof.

No stockholder of a co-operative association shall own more than one-twentieth of the common stock of the association; and an association, in its by-laws, may further limit the amount of common stock which one member may own.

No member or stockholder shall be entitled to more than one vote, excepting that where the stockholder is a local co-operative association and the general association is a central exchange composed of local co-operative associations, the central co-operative association may, in its option, provide for one vote for each such stockholder or for any other method of voting which may seem to it equitable on the basis of membership in each such local co-operative association or tonnage amount or value of products handled by each such local co-operative association.

Any association organized with stock under this act may issue preferred stock, with or without the right to vote. Such stock may be sold to any person, member or non-member, and may be redeemable or retireable by the association on such terms and conditions as may be provided for by the articles of incorporation and printed on the face of the certificate. The promotion, organization and extension of organization costs and expenses shall not exceed the sum of five dollars (\$5.00) per member, such sum to be fixed and determined from time to time by the board of directors.

The by-laws shall prohibit the transfer of the common stock or certificate of membership in the association to persons not engaged in the production of the agricultural products handled by the association, and such restrictions must be printed upon every certificate of stock or membership. ('23 c. 264 § 14)

**6093. Removal of officer or director**—Any member may bring charges against an officer or director by filing them in writing with the secretary of the association, together with a petition signed by not less than ten per cent of the members requesting the removal of the officer or director in question.

The removal shall be voted upon at the next regular or special meeting of the association and by a vote of a majority of the members, the association may remove the officers or directors and fill the vacancy. The director or officer against whom such charges have been brought shall be informed in writing of the charges previous to the meeting and shall have an opportunity at the meeting to be heard in person or by counsel and to present witnesses; and the person or persons bringing the charge against him shall have the same opportunity.

In case the by-laws provide for election of directors by districts with primary elections in each district, then in lieu of the foregoing the petition for removal of a director must be signed by twenty per cent of the members residing in the district from which he was elected. The board of directors must call a special meeting of the members residing in that district to consider the removal of the director. By a vote of the majority of the members of that district the director in question shall be removed from office. ('23 c. 264 § 15)

**6094. Referendum**—Upon demand of not less than one-third of the entire board of directors, made immediately and so recorded, at the same meeting at which

the original motion was passed, any matter of policy that has been approved or passed by the board must be referred to the entire membership or the stockholders for decision at the next special or regular meeting; and a special meeting may be called for the purpose. ('23 c. 264 § 16)

**6095. Marketing contract**—The association and its members may make and execute marketing contracts, requiring the members to sell, for any period of time, not over five years, all or any specified part of their agricultural products or specified commodities exclusively to or through the association or any facilities to be created by the association. If they contract a sale to the association, it shall be conclusively held that title to the products passes absolutely and unreservedly, except for recorded liens, to the association upon delivery; or at any other specified time if expressly and definitely agreed in the said contract. The contract may provide that the association may sell or re-sell the products of its members, with or without taking title thereto; and pay over to its members the re-sale price, after deducting all necessary selling, overhead and other costs and expenses; and other proper reserves; and interest not exceeding eight per cent per annum upon common stock if any. ('23 c. 264 § 17)

**6096. Remedies for breach of contract**—

- (a) The by-laws and the marketing contract may fix, as liquidated damages, specific sums to be paid by the member or stockholder to the association upon the breach by him of any provisions of the marketing contract regarding the sale or delivery or withholding of products; and may further provide that the member will pay all costs, premiums for bonds, expenses and fees in case any action is brought upon the contract by the association; and any such provisions shall be valid and enforceable in the courts of this state, and such provisions or provisions fixing liquidated damages, shall be enforceable as such and shall not be considered or regarded as a penalty.
- (b) In the event of any such breach or threatened breach of such marketing contract by a member, the association shall be entitled to an injunction to prevent the further breach of the contract; and to a decree of specific performance thereof. Pending the adjudication of such an action and upon filing a certified complaint showing the breach or threatened breach, and upon filing a sufficient bond, the association shall be entitled to a temporary restraining order and preliminary injunction against the member.
- (c) In any action upon such marketing agreement, it shall be conclusively presumed that a landowner or landlord or lessor is able to control the delivery of products produced on his land by tenants or others, whose tenancy or possession or work on such land or the terms of whose tenancy or possession or labor thereon were created or changed after execution by the landowner or landlord or lessor, of such a marketing agreement; and in such actions, the foregoing remedies for non-delivery or breach shall lie and be enforceable against such landowner or lessor. ('23 c. 264 § 18)

**6097. Purchasing business of other corporations, persons, firms or corporations—Payment—Stock issued**—Whenever an association, organized hereunder with preferred capital stock, shall purchase the stock or any property, or any interest in any property of any



person, firm or corporation or association, it may discharge the obligations so incurred, wholly or in part, by exchanging for the acquired interest, shares of its preferred capital stock to an amount which at par value would equal the fair market value of the stock or interest so purchased, as determined by the board of directors. In that case the transfer to the association of the stock or interest purchased shall be equivalent to payment in cash for the shares of stock issued. ('23 c. 264 § 19)

**6098. Annual reports**—Each association formed under this act shall annually prepare, make out, certify and file with the Public Examiner, an annual report on forms furnished by the Public Examiner; containing the name of the association; its principal place of business and a general statement of its business operations during the fiscal year, and showing the amount of capital stock paid up and the number of stockholders if a stock association or the number of members, the amount of membership fees received, if a non-stock association; also in all cases, the total expenses of operations, the amount of its indebtedness, or liability, and a copy of its balance sheets. ('23 c. 264 § 20)

**6099. Conflicting laws not to apply**—Any provisions or provision of law which are in conflict with any provision of this act shall not be construed as applying to the association herein provided for. This statute shall not be construed or considered as repealing or amending by implication or otherwise any existing law of this state, and no statute or law hereafter enacted in this state shall be considered or construed as amending or repealing this act by implication or otherwise, unless so provided in express language in such subsequent enactment.

Any exemptions whatsoever under any and all existing laws, applying to agricultural products in the possession or under the control of the individual producer, and for his benefit, shall apply similarly and completely to such products delivered by its members, and to the proceeds of such products in case said products, if still in the hands of the said producer would have been exempt under the laws of this state. ('23 c. 264 § 21)

**6100. Limitation of the use of term "co-operative"**—No person, firm, corporation or association hereafter organized or doing business in this state as a co-operative marketing association shall be entitled to use the word "co-operative" as a part of its corporate or other business name or title unless it is in fact a co-operative association or corporation.

Any person, firm, corporation or association now organized and existing or purporting to do a producers' co-operative marketing business in this state, and embodying the word "co-operative" as part of its corporate or other business name or title and which is not in fact a co-operative marketing association or corporation organized as such under the laws of this state or similar law of other states, must within six months from the date at which this act goes into effect, eliminate the word "co-operative" from its said corporate or other business name or title. ('23 c. 264 § 22)

**6101. Interest in other corporations or associations**—An association may organize, form, operate, own, control, have an interest in, own stock of, or be a member of any other corporation or corporations, with or without capital stock, and engaged in preserving, drying, processing, canning, packing, storing, handling, shipping, utilizing, manufacturing, marketing, or selling the agricultural products handled by the association, or the by-products thereof. If such corporations are warehousing corporations, they may issue legal

warehouse receipts to the association for any such products or by-products actually delivered and such legal warehouse receipt shall be considered as adequate collateral to the extent of the current value of the commodity represented thereby. In case such warehouse is licensed, or licensed and bonded under the laws of this or any other state or the United States, its warehouse receipt shall not be challenged or discriminated against because of ownership or control, wholly or in part, by the association. ('23 c. 264 § 23)

**6102. Contracts and agreements with other associations**—Any association may, upon resolution adopted by its board of directors, enter into all necessary and proper contracts, and agreements and make all necessary and proper stipulations, agreements, and contracts, and arrangements with any other co-operative corporations, associations or association, formed in this or in any other state, for the co-operative and more economical carrying on of its business, or any part or parts thereof. Any two or more associations may, by agreement between them, unite in employing and using or may separately employ and use the same methods, means and agencies for carrying on and conducting their respective businesses.

**Sec. 24A. Rights and remedies apply to similar associations of other states**—Any corporation or association heretofore or hereafter organized under generally similar laws of another state shall be allowed to carry on any proper activities, operations and functions in this state upon compliance with the general regulations applicable to foreign corporations desiring to do business in this state and all contracts theretofore or thereafter made by or with such associations which could be made by any association incorporated hereunder, shall be legal and valid and enforceable in this state with each and all of the remedies set forth in this act. ('23 c. 264 § 24)

**6103. Association heretofore organized may adopt the provisions of this act**—Any corporation or association organized under previously existing statutes, may by a majority vote of its stockholders or members be brought under the provisions of this act by limiting its membership and adopting the other restrictions as provided herein. It shall make out in duplicate a statement signed and sworn to by its directors, upon forms supplied by the Commission of Agriculture to the effect that the corporation or association has by a majority vote of its stockholders or members decided to accept the benefits and be bound by the provisions of this act. Articles of Incorporation shall be filed as required in Section 7 hereof except that they shall be signed by the members of the board of directors. The filing fee shall be the same as for filing an amendment to Articles of Incorporation. Where any association or corporation may be incorporated or brought under this act, all contracts heretofore made by or on behalf of the same by the promoters thereof in anticipation of such association becoming incorporated under the laws of this state or otherwise, including such contracts made by or in the name of some corporation organized elsewhere, and when same would have been valid if entered into subsequent to the passage of this act, are hereby accepted and validated as if made after the passage of this act. Co-operative corporations and associations heretofore or hereafter organized and doing business under the existing laws or laws supplementary thereto or amendatory thereof shall continue to be governed thereby unless and until they shall elect to be brought under the provisions of this act in the manner provided in this section. ('23 c. 264 § 25)

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**6104. Misdemeanor—Breach of marketing contract of co-operative associations, spreading false reports concerning associations**—Any person or persons or any corporation whose officers or employes knowingly induce or attempt to induce any member or stockholder of an association organized hereunder or organized under similar statutes of other states with similar restrictions and rights and operating in this state under due authority, to break his marketing contract with the association, or who maliciously and knowingly spreads false reports about the finances or management or activity thereof, shall be guilty of a misdemeanor for each such offense; and shall be liable to the association aggrieved in a civil suit in the penal sum of five hundred (\$500.00) dollars for each such offense. ('23 c. 264 § 26)

**6105. Certain persons liable for damages for encouraging or permitting delivery of products in violation of marketing agreements**—Any dealer or prospective purchaser or any person, firm or corporation conducting a warehouse, elevator, or other receiving station within this state who solicits or persuades or permits any member of any association organized hereunder to breach his marketing contract with the association by accepting or receiving such member's products for sale or for auction or for display, for sale, contrary to the terms of any marketing agreement of which said person or dealer or prospective purchaser, or any member of the said firm or any active officer or manager of the said corporation has knowledge or notice, shall be liable to the association aggrieved in a civil suit in the penal sum of five hundred (\$500.00) dollars for each such offense; and such association shall be entitled to any injunction against such dealer, or prospective purchaser, or such person, firm or corporation to prevent further breaches of such marketing agreement and to prevent a multiplicity of actions thereon. In addition to other relief said warehouseman or other person, firm or corporation so offending shall pay to the association a reasonable attorney's fee to be fixed by the court and all costs involved in any such litigation or proceedings at law.

This section is enacted in order to prevent a recurrence or outbreak of violence and to give marketing associations an adequate remedy in the courts against those who encourage violations of co-operative contracts. ('23 c. 264 § 27)

**6106. Association not in restraint of trade**—No association organization hereunder shall be deemed to be a combination in restraint of trade or an illegal monopoly; or an attempt to lessen competition or fix prices arbitrarily; nor shall the marketing contracts or agreements between the association and its members or any agreement authorized in this act be considered illegal or in unlawful restraint of trade, or as a part of a conspiracy or combination to accomplish an improper or illegal purpose. ('23 c. 264 § 28)

**6107. Reservation of right to repeal or amend**—The state reserves the right at any future time to modify, amend or repeal this act, or any part thereof, or to cancel, modify, repeal or extend any grant of power or any permit or franchise obtained or secured under the terms of this act. ('23 c. 264 § 29)

**6108. Supervision by public examiner**—Every association organized or existing under the provisions of this act shall be at all times under the supervision and subject to the control of the Public Examiner. At least annually, and as much oftener as he deems it necessary, without previous notice, such examiner, his deputy or assistant, shall visit and examine the business and offices of every such corporation, verify its books, vouchers and papers, and ascertain its financial con-

dition and ability to perform its functions and fulfill its obligations, and wherein, if at all, it has violated any provision of law, and determine what, if any, further action shall be taken in the premises. For the purpose of making such examination he is authorized to enforce the attendance as witnesses of persons whose testimony is desired, and the production of books and papers, by subpoena or attachment, and may administer oaths to witnesses and compel them to testify. If the Public Examiner is of the opinion that the further operation of such corporation is hazardous to public interests, he shall forthwith take possession of its property, and report the matter to the governor for appropriate action. The Public Examiner shall have authority upon his own motion, and it shall be his duty to make investigation of the affairs of any such association, prescribe uniform system of accounting, and to do or perform any act in relation to any association which in his opinion may be necessary or expedient to protect the public interest. It shall be the duty of the officers and directors of any such association to comply with the orders or requirements of such Public Examiner, and upon failure so to do, the said Public Examiner shall report such failure to the governor of this state for such appropriate action as the governor shall consider necessary. ('23 c. 264 § 30)

**6109. Powers and duties of governor upon report or recommendation of the Public Examiner as herein provided**—The governor shall have the power to remove from office any officer or director of any association, such removal to be upon such notice to the said association and to the said officers or directors thereof as shall be prescribed by the governor. In case the Public Examiner has decided that the further operation of any such association is hazardous to the public interests and so reported to the governor, the governor may refer the matter of winding up the affairs of such association to the attorney general and it shall thereupon be the duty of the attorney general to proceed to wind up the affairs of any such association in the manner provided by law for winding up the business of insolvent banking institutions in the State of Minnesota. ('23 c. 264 § 31)

**6110. Payment of expenses of examination**—Such Public Examiner shall furnish to such association, as soon as possible after any such examination, a complete copy of the report of such Public Examiner in relation to any examination made of any such association, and it shall thereupon forthwith be the duty of the said association and the treasurer thereof, upon requisition therefor by the state treasurer, to pay to the said state treasurer, for such examination and for such services of the said Public Examiner and his deputies or assistants therein, at the rate of eight dollars (\$8.00) per day and expenses for each day of such examination, and upon such payment to the state treasurer the state treasurer shall credit such amount so paid to the Public Examiner's contingent fund. ('23 c. 264 § 32)

**6111. Constitutionality**—If any section of this act shall be declared unconstitutional for any reason the remainder of the act shall not be affected thereby. ('23 c. 264 § 33)

**6112. Annual license fees**—Each association organized hereunder shall pay to the state treasurer an annual license fee of five dollars (\$5.00) only, in lieu of all franchise, corporation, or other taxes or charges. ('23 c. 264 § 34)

**6113. Filing fees**—For filing Articles of Incorporation, any association organized hereunder shall pay five

dollars (\$5.00); and for filing an amendment to the articles, two and 50/100 (\$2.50). ('23 c. 264 § 35)

#### ACCOUNTING OF CO-OPERATIVE ASSOCIATIONS

**6114. Accounting systems**—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. ('23 c. 284 § 1)

**6115. 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 practices 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. ('23 c. 284 § 2)

**6116. 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. ('23 c. 284 § 3)

**6117. 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 association 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. ('23 c. 284 § 4)

**6118. Commissioner of agriculture to prepare form of account books for farms**—In addition to the powers now conferred on him by law, the commissioner of agriculture is hereby empowered and it is made his duty to cause to be prepared at the expense of the state a standard form of account book and record designed for use in the recording of the receipts and expenditures of farming operations and in ascertaining the cost of production of the several kinds of crops and stock produced, the profits therefrom which shall be known as, "the standard farm account approved by the commissioner of agriculture," and shall be filed in his office and be open to public inspection. ('21 c. 491 § 1)

**6119. Copies shall be distributed**—A sufficient number of copies thereof shall be printed by him at the expense of the state and shall be distributed among the several county agricultural agents. It shall be the duty of said agents to solicit and advise persons engaged in agricultural pursuits to use such standard farm account and to instruct and aid such persons in so doing. ('21 c. 491 § 2)

**6120. County agricultural agents shall secure data for statistical purposes**—Annually on or before January first each county agricultural agent shall forward to at least from ten to twenty-five persons engaged in agricultural pursuits in his county, the same

being persons who are operating farms under average conditions existing in such county, and known to be using a standard farm account, a questionnaire, to be prepared by the commissioner of agriculture and supplied to such agents, containing inquiries as to the cost of production of various farm products, the amount received from the sale thereof, the average profit therefrom, and as to other matters deemed pertinent to the subject of profitable farming, with the request that the same be fully answered and returned to the county agent sending the same. Thereafter such county agent shall compile the answers and data contained in the questionnaires returned to him and shall send to the commissioner of agriculture a report of such compilation. And said commissioner shall publish in his official bulletin any data, statistics or information contained in such reports which in his opinion will be of use to persons engaged in agricultural pursuits. ('21 c. 491 § 3)

**6121. Purposes of act**—The purpose of this act is to co-ordinate the work of the Federal government, the state, the several counties of the state, and the division of agricultural extension of the University of Minnesota in the maintenance of county co-operative extension work in agriculture and home economics. ('23 c. 423 § 1)

**6122. County board to incur expenses**—The county commissioners of the several counties of this state are hereby authorized and empowered to incur expenses and to expend money for county co-operative extension work in agriculture and home economics as hereinafter provided. ('23 c. 423 § 2)

**6123. One corporation in each county authorized**—The formation of one corporation in each county in this state to be known as the county farm bureau association, the objects of which shall be to improve the science, art and business of agriculture and home economics, is hereby authorized. The incorporation of said association shall be accomplished by the filing of a certificate of incorporation in the usual form for record with the register of deeds of the proper county. The county farm bureau association shall be accepted as a co-operating agency in the promotion of county co-operation extension work and it shall be entitled to the privileges hereinafter provided when said organization has a membership equal to one-third of the number of farmers in the county as determined by the last official State or Federal census, provided that in no case shall more than 200 members be required, has among its objects the promotion of the purposes of this act as hereinbefore stated, has on deposit in local banks not less than \$200 available for use by such association in maintaining its organization and work, satisfactory proof of which shall be furnished annually to the dean of the department of agriculture of the University of Minnesota, and has elected a county farm bureau executive committee from among its members consisting of a president, vice-president, secretary-treasurer and other members as provided by the by-laws of the County Farm Bureau Association. For the purposes of this act a farmer shall be defined as a person who operates or directs the operation of a farm. ('23 c. 423 § 3)

**6124. Appropriations to be expended by corporations**—All moneys hereafter appropriated by the state for the purpose of aiding in the maintenance and expenses of county co-operative extension work in agriculture and home economics shall be expended under the direction of the dean of the department of agriculture of the University of Minnesota, who, acting with the executive committee of the county farm bur-

eau association, is hereby empowered to carry out the provisions of this act. ('23 c. 423 § 4)

**6125. County budget committee**—There shall be provided in each county having a county farm bureau association a budget committee to be known as the county co-operative extension committee consisting of seven members of whom two shall be members of the board of county commissioners, including the chairman and one other selected by said board, the county auditor; the president, vice-president, and secretary of the county farm bureau association and one additional member selected by the county farm bureau executive committee. The county co-operative extension committee each year on or before the second Monday of July shall prepare a budget showing the total funds available and needed and shall recommend by resolution the amount of county funds necessary for the maintenance, support and expenses of county co-operative extension work in agriculture and home economics during the following year, which shall not be less than \$1,500 and shall not exceed \$5,000 except that in counties having a total area of 150 or more full or fractional congressional townships the sum shall not exceed \$25,000, and a copy of such budget and resolution shall be presented by the county auditor to the board of county commissioners. It shall be the duty of the board of county commissioners at its regular meeting in July or January as the case may be, to consider the recommended county share of money necessary for the maintenance, support and expenses of county co-operative extension work in agriculture and home economics during the following year. For said purposes the board of county commissioners may appropriate annually not less than \$1,500 and not to exceed the specified limits hereinbefore provided and may include the same in the annual levy of County taxes. The amount so set aside shall be appropriated from the general revenue fund of the county except that in counties where the general revenue fund is exhausted, the board of county commissioners shall make a special levy for county co-operative extension purposes. The amount of money so set aside and appropriated by the board of county commissioners for any county for said purposes, shall constitute a fund to be known as the "county co-operative extension fund" which shall be paid out by orders of the dean of the department of agriculture of the University of Minnesota for salaries of the agents employed, their employees, and other expenses incident to the work of such agents in improving agriculture and home economics and improving and bettering the marketing of farm products within the appropriation available, provided that no order for the application of said funds for the purposes named shall be issued until the expenditure shall have been audited and signed by the county auditor and the secretary of the county farm bureau association. In the event there is an unexpended balance of the "county co-operative extension fund" at the end of any year, said balance shall be carried over or re-appropriated within the limits of the appropriation hereinbefore specified. ('23 c. 423 § 5)

**6126. Executive committee to formulate program**—The executive committee of the county farm bureau association shall annually formulate a program of work in agriculture and home economics in co-operation with the agricultural extension division of the University of Minnesota, and the U. S. Department of Agriculture. For the purpose of putting this program into operation it shall be the duty of the executive committee of the County Farm Bureau Association, and the County Co-operative extension committee, acting with the dean of the Department of Agriculture of

the University of Minnesota or his delegated representative to engage a suitable and qualified person or persons for such work to be known as "county agents." No agent shall be continued in any county whose services prove unsatisfactory to the executive committee of the county farm bureau association and the County Co-operative Extension Committee. ('23 c. 423 § 6)

**6127. Duties of committee**—The duties of the members of the County Co-operative Extension Committee, in addition to those hereinbefore specified, shall be to encourage the co-operation of all individuals and organizations to make profitable use of co-operative extension activities, and shall elect its own chairman and vice-chairman, who shall serve for one year. The county agent shall give aid and advice to all residents of the county, when called upon when the object is to improve the science, art and business of agriculture and home economics. The county auditor shall act as secretary of such county co-operative extension committee, and keep a record of all its proceedings, and shall forward copies of all resolutions appropriating funds by the county commissioners to the Dean of the Department of Agriculture of the University of Minnesota. The members of the County Co-operative Extension Committee shall serve without pay, except those members who are also members of the board of county commissioners who may be entitled to such compensation and paid in like manner as for committee services as county commissioners. ('23 c. 423 § 7)

**6128. Laws repealed**—Chapter 427, Laws 1919 and Chapter 300, Laws 1921, hereby are repealed. ('23 c. 423 § 8)

**6129. Application**—This act shall take effect and be in force from and after June 30, 1923, provided that appropriations made by the counties now in effect under chapter 300, Laws 1921, shall not be cancelled, but shall be used in like manner until said funds are exhausted. ('23 c. 423 § 9)

#### MISCELLANEOUS.

**6130. Articles of incorporation, how amended**—The articles of incorporation of any county farm bureau association organized under Chapter 427, Laws of 1919 or acts amendatory thereof or supplemental thereto, may be amended affecting such changes as are defined in Section 6185, General Statutes of Minnesota, 1913 in the following manner: The Executive Committee or corresponding body of managers by a majority vote of its members may pass a resolution setting forth the full text of the proposed amendment and also the full text of such section or sections as may be repealed by such amendment. Upon such action by the Executive Committee or corresponding body, notice shall be mailed to each and every member or stockholder, containing a copy of the resolution so adopted, the full text of the proposed amendment, and also the full text of such section or sections as may be repealed by such amendment. Such notice shall also designate the time and place of the meeting at which such proposed amendment shall be considered and voted upon. If a majority of the members or stockholders is registered as being present or represented by mail vote at such meeting, or in the event voting power at meetings of county farm bureau associations is exercised by delegates elected by and responsible to local units of such farm bureau associations, a majority of the members so present and represented by mail vote or a majority of all accredited delegates representing local units of the county farm bureau association, may adopt or reject such proposed amendment. In case such amendment is adopted, it shall be filed and recorded with the

office in which the original articles of incorporation are filed or recorded, together with a copy of the resolution adopted by the board of directors, a copy of the notice given to members or stockholders and the certificate of the president and secretary verifying the action of the meeting at which such amendment was adopted. ('21 c. 105 § 1)

**6131. Inconsistent acts repealed**—All acts or parts of acts inconsistent herewith as affecting the amending of articles of incorporation of county farm bureau associations, are hereby repealed. ('21 c. 105 § 2)

#### POTATO SEED INSPECTION

**6132. Board of seed potato inspection abolished**—That from and after the time of the taking effect of this act the Board for Seed Potato Inspection shall be and it is hereby abolished and the term of office of each and every officer, inspector or employee thereof shall thereupon terminate and cease. ('21 c. 104 § 1)

**6133. Duties transferred to commissioner of agriculture**—From and after the passage of this act all of the duties imposed by law and all authorities and powers granted to the Board for Seed Potato Inspection and Certification are hereby transferred to, imposed upon and granted to the commissioner of agriculture in addition to all other duties, authorities and powers now exercised by him, and said commissioner of agriculture is hereby authorized and directed to do and perform all acts and things required by law to be done by said board with reference to inspection and certification of seed potatoes. ('21 c. 104 § 2)

The sections of '19 c. 143, which follow seem to be in force and applicable to the commissioner.

**6134. Duties**—The members of said board shall serve without pay, but their actual expenses shall be paid from the fund hereinafter provided. Said board shall organize within thirty days after its appointment and shall adopt such rules and regulations with reference to the conduct of its business and the inspection and certification of seed potatoes as it shall deem advisable, except that no certification of purity or quality shall be made except upon an inspection both of the crop while it is growing and after it is harvested, and no rules shall be promulgated which will authorize the appointment of inspectors who are not familiar with the business of raising potatoes. Said board shall appoint such inspectors, officers and employes as it may deem necessary, fix the amount of salary or the fees to be received by each, and the amount of fees to be paid by potato growers desiring inspection and certification. Said board shall also provide the various forms necessary for use by growers in applying for inspection and by inspectors in their work of inspection and certification and shall specify the methods to be used by officers and inspectors and shall direct that no certificates shall be issued except upon stocks duly inspected and which are in the hands or under the control of the original grower.

Said board shall also provide permanent records of its own organization, rules and acts and a record of the work of its inspectors and officers. ('19 c. 143 § 3)

**6135. Bonds**—Before entering on the duties of his office each member of said board shall give bond to the state of Minnesota with sureties to be approved by the governor in the sum of \$5,000, conditioned for the faithful discharge of the duties of his office. The cost of such bonds shall be paid from the funds hereinafter provided. Every inspector or deputy and every officer appointed by said board shall give bond to the state in such sum as said board shall direct with sureties to be approved by the board, conditioned for the faithful discharge of the duties of their respective offices. ('19 c. 143 § 4)

6136. Fees to be fixed by board, and salaries, etc., to be paid from fund—The fees for inspection shall be fixed by the board and shall be paid or secured at the time of inspection. All moneys so collected, together with any fines and penalties for the violation of any of the provisions of this act, shall be paid into the state treasury and known as the potato inspection and certification fund, and paid out only on order of the board and auditor's warrant. Any interest received from deposit of said moneys shall be credited to such fund.

All expenses of the board and all salaries and fees of inspectors, officers and employes shall be paid out of said fund. There shall be paid into said fund from time to time such sums as may be provided by the legislature for the purpose of carrying out the provisions of this act. ('19 c. 143 § 5)

6137. Application for inspection and certification—Any potato grower may make application to said board for inspection and certification of his crop growing or to be grown in this state, giving description of his land and such other information as said board shall require and pay or secure the amount of the fee required for such purpose to said board, and thereupon this crop shall be listed for inspection by said board and inspected and certified by it under the rules and regulations adopted by it for its government. ('19 c. 143 § 6)

6138. False certificate declared a gross misdemeanor—Any inspector, deputy or officer who shall negligently or carelessly inspect or give any false certificate of inspection or accept money or other consideration directly or indirectly for any negligence or improper performance of duty, and any person who shall improperly influence or attempt to influence any such inspector, deputy or officer in the performance of his official duty, and any person who shall change in any manner the certificate attached to and intended for the containers of potatoes which have been inspected to containers of potatoes which have not been inspected shall be guilty of a gross misdemeanor. ('19 c. 143 § 7)

6139. Certain terms prohibited—Any person not connected with the state inspection and certification department is hereby prohibited from using the term "inspector" or "deputy inspector" or any other words or device calculated or intended to indicate that the certificate made by him is issued under the authority of any officer or person connected with such department and is hereby prohibited from otherwise deceiving or misleading the public as to the inspection or certification of inspection of seed potatoes.

Any person found guilty of violating any provisions of this section shall upon conviction be punished as for a gross misdemeanor. ('19 c. 143 § 8)

ENTOMOLOGIST

6140. Office of state entomologist abolished—Duties transferred—From and after the taking effect of this Act, the office of State Entomologist, as defined in Section 5174, General Statutes 1913, is hereby abolished, and all the rights, powers, duties and privileges heretofore vested in, devolved upon and exercised by the entomologist of the agricultural experiment station of the State University as state entomologist, including his powers, duties, rights and privileges as outlined in Section 5174, Chapter 38, General Statutes of 1913, shall be and are hereby transferred to and shall thereafter be vested in, devolved upon and exercised by the University Department of Agriculture and those as outlined in Sections 5175, 5176, 5177, 5178, 5179, 5180, 5181, 5182, 5183, 5184, 5185, 5186, 5187, 5188 and 5189, Chapter 38, General Statutes of 1913, and all of Chapter 81, Laws of 1919, shall be and are

hereby transferred to and shall thereafter be vested in, devolved upon and exercised by the Commissioner of the State Department of Agriculture. ('21 c. 476 § 1)

6141. Records to be delivered to Department of Agriculture and State University—It shall be the duty of the person holding the office of State Entomologist at the time this Act takes effect to forthwith transfer and deliver to the Department of Agriculture of the State University all records, documents, funds and property pertaining to experimental, educational and extension work as outlined in Section 5174, Chapter 38, General Statutes of 1913, in his custody and control; and all unexpended appropriations heretofore made for the carrying on of the work outlined in the above mentioned section as state entomologist, shall after the passage of this Act be expended and paid out by said Department of Agriculture of the State University as otherwise provided by law. ('21 c. 476 § 2)

6142. Disposition of appropriations—It shall further be the duty of the person holding the office of State Entomologist at the time this Act takes effect to forthwith transfer and deliver to said Commissioner of the State Department of Agriculture all records, documents, funds and property pertaining to regulatory work as outlined in Sections 5175, 5176, 5177, 5178, 5179, 5180, 5181, 5182, 5183, 5184, 5185, 5186, 5187, 5188 and 5189, Chapter 38, General Statutes of 1913, and all of Chapter 81, Laws of 1919, in his custody and control as such State Entomologist and State Inspector of Nurseries, and all unexpended appropriations heretofore made for the carrying on of such regulatory work of the said State Entomologist and State Inspector of Nurseries shall, after the passage of this Act, be expended and paid out by said Commissioner of Agriculture, as otherwise provided by law. ('21 c. 476 § 3)

6143. Commissioner of agriculture to employ entomologist—The Commissioner of Agriculture is hereby authorized to employ the entomologist of the experiment station or other expert as state entomologist on part time, or otherwise, to be immediately in charge of the regulatory work, and to employ such other assistants, experts or otherwise, as shall be necessary to carry out the provisions of this Act, and to pay such compensation as shall be fixed and determined by him, together with the actual and necessary expenses incurred by such assistants in the performance of their official duties. ('21 c. 476 § 4)

6144. Certificates heretofore made to be effective—All certificates, notices, permits or orders issued by the State Entomologist or State Inspector of Nurseries prior to the time this Act takes effect, shall thereafter continue in full force and effect for such time as the same would have continued but for the passage of this Act, and all proceedings instituted by the State Entomologist prior to the taking effect of this Act shall thereafter be conducted and carried on by the Commissioner of Agriculture, in the same manner and with the same force and effect as would have been the case but for the passage of this Act. ('21 c. 476 § 5)

6145. Commissioner not to receive additional compensation—The Commissioner shall receive no additional compensation for the services performed by him under the provisions of this Act. ('21 c. 476 § 6)

NOXIOUS WEEDS

6146. Certain bushes declared nuisances and maintenance forbidden—All barberry (Berberis Sp.) bushes and all Mahonia (Mahonia Sp.) bushes except the species and variety known as Japanese barberry (Berberis thunbergii) are rust-producing species and are hereby declared to be, and the same are, a public

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nuisance and a menace to the public welfare, and their maintenance, propagation, sale or introduction into the state is forbidden. It shall be the duty of every person owning, occupying or having charge of any premises on which such bushes of the rust-producing varieties are grown, or at any time found growing, to forthwith destroy such bushes. ('19 c. 81 § 1)

**6147. Authority of state entomologist**—The state entomologist is authorized, and it is hereby made his duty to cause all such rust-producing Mahonia bushes or barberry bushes within the state of Minnesota to be eradicated. The state entomologist shall make rules and regulations relating to the most convenient and expedient method of eradicating and destroying such rust-producing Mahonia bushes or barberry bushes; he shall have the power to appoint one or more agents to enforce the provisions of this act, and he, or his agents, shall have free access at all reasonable hours to any premises to determine whether such rust-producing Mahonia bushes or barberry bushes are growing thereon, and to require reports from the owners or occupants of any premises as to the presence of such bushes thereon. ('19 c. 81 § 2)

**6148. Destruction of bushes**—In pursuance of his powers hereby granted, whenever the state entomologist, or his agents, shall have found Mahonia bushes or barberry bushes of such rust-producing varieties on any premises, it shall be the duty of the state entomologist, or his agents, as the case may be, to immediately notify or cause to be notified, the owner or occupant of the premises on which such bushes are growing; such notice shall be sent to such owner or occupant in such form as the state entomologist shall prescribe, and if such Mahonia bushes or barberry bushes are not destroyed within ten (10) days after the mailing of such notice, if sent by registered mail, or within eight days after the delivery of such notice, if delivered by messenger, the state entomologist, or his agents, shall destroy or cause to be destroyed such Mahonia bushes or barberry bushes. The expense of such destruction shall be paid to the state entomologist by the owner of the premises within ten (10) days after the rendition of a bill therefor, and if such cost shall not be paid within said time the bill shall be reported to the county attorney, who shall forthwith collect the same in the name of the state and shall turn the amount collected over to the state treasurer to be credited to the road and bridge fund of the county. ('19 c. 81 § 3)

**6149. Certificate of entomologist**—The state entomologist or his agent, may, or whenever requested by any resident of the state, shall determine, or cause to be determined, whether or not the Mahonia bushes or barberry bushes grown on certain premises are of the rust-producing varieties. The said entomologist shall make a certificate of his findings and determination in the premises, which certificate shall be prima facie evidence of the facts therein recited. Such certificate may be received in evidence in any civil action arising under the provisions of this act. ('19 c. 81 § 4)

**6150. Violation a misdemeanor**—Any person violating any of the provisions of this act shall be guilty of a misdemeanor. ('19 c. 81 § 5)

**6151. Commissioner to administer and enforce regulations**—The Commissioner of Agriculture is hereby authorized and it shall be his duty to execute this law and to that end he may make and enforce such regulations as in his judgment shall be necessary; he shall investigate the subject of noxious weeds and to that end may require information from any local weed inspector, mayor, county commissioner, county agent or village or borough president as to the presence of noxious weeds or other information relative to nox-

ious weeds and their control in the localities where such officer resides or has jurisdiction; said commissioner shall also suggest and formulate methods for the eradication and removal of noxious weeds from agricultural and other lands in this state and to that end he may from time to time publish and circulate bulletins, call and attend meetings and conventions dealing with the subject of noxious weed and in other ways may conduct such an educational campaign as he considers desirable. ('23 c. 318 § 1)

**6152. This act may be cited and known as the "noxious weeds act"—How designated—Interpretation and definitions**—In this act unless the context otherwise requires the expression:

(a) "Municipality" means a township, city, village or borough.

(b) "Non-Resident lands" shall refer to all lands which are unoccupied, and the owner of which does not reside within the county.

(c) "Resident lands" shall refer to all lands which are occupied or which are owned by persons resident within the county.

(d) "Noxious Weeds" means the annual, biennial and perennial plants herein named under Classes I and II and such other plants as are or may be injurious to health or crops.

CLASS I

COMMON NAME	BOTANICAL NAME
Perennial sow thistle.	<i>Sonchus arvensis</i> L.
Annual sow thistle.	<i>Sonchus oleraceus</i> L.
Spiny sow thistle.	<i>Sonchus asper</i> L.
Russian thistle.	<i>Salsola kali</i> (var <i>tragus</i> ) L.
Canada thistle.	<i>Carduus arvensis</i> L.
Ox-Eye (white) daisy.	<i>Chrysanthemum leucanthemum</i> L.
Dodders	<i>Cuscuta</i> Sps.
Common barberry.	<i>Berberis vulgaris</i> L.

CLASS II

Leafy spurge.	<i>Euphorbia esula</i> L.
Blue lettuce.	<i>Lactuca pulchella</i> P.
False flax.	<i>Camelina sativa</i> L.
Wild (common) mustard.	<i>Brassica arvensis</i> L.
Tumbling mustard.	<i>Sisymbrium altissimum</i> L.
Hare's Ear mustard.	<i>Cenringia Orientalis</i> L.
French (stink)weed.	<i>Thlaspi arvense</i> L.
Wild oats—varieties.	<i>Avena</i> Sps. L.
Quack grass.	<i>Agropyron repens</i> L.
Curled (yellow or sour) dock.	<i>Remex crispus</i> L.
Burdock.	<i>Arctium minus</i> schk.
Toad flax (butter & eggs)	<i>Linaria vulgaris</i> Hill.
Cockle bur.	<i>Xanthium</i> Sps. L.
Giant ragweed.	<i>Ambrosia trifida</i> L.
Common ragweed.	<i>Ambrosia artemisiaefolia</i> L.
Wild (pea) vetch.	<i>Vicia angustifolia</i> L.
Buckhorn (plantin)	<i>Plantago lanceolata</i> L.

**6153. Occupant or owner of land to destroy noxious weeds**—Except as herein otherwise specifically provided, it shall be the duty of every occupant of land, or if the land is unoccupied, the owner thereof or his duly accredited resident agent, to cut down, eradicate or otherwise destroy all noxious weeds standing, being or growing upon such land and upon the adjacent one-half of every road or highway immediately

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adjoining such lands, in such manner and at such times as may be directed or ordered by the commissioner or by a local weed inspector having jurisdiction. ('23 c. 318 § 3)

**6154. Railroad companies to destroy on right of way**—It shall be the duty of every railroad company and of every suburban railway company to cause all noxious weeds standing, being or growing on the right of way or on land of the company adjoining the right of way, to be cut down, eradicated or otherwise destroyed in such manner and at such times as may be directed or ordered by the local weed inspector or by the commissioner. ('23 c. 318 § 4)

**6155. Cutting on highways, roads, streets, alleys and public grounds**—(a) It shall be the duty of the state highway commissioner at the cost of the state trunk highway maintenance fund annually to cause all noxious weeds growing, being or standing on all state trunk highways not within the limits of a municipality to be cut down, eradicated or otherwise destroyed between the fifteenth day of May and the fifteenth day of October next following, as often as may be necessary to prevent the ripening or scattering of seeds, and in such manner as may be directed or ordered by the commissioner or by the local weed inspector having jurisdiction.

(b) The chief executive and governing board of each municipality annually shall cause to be cut down, eradicated or otherwise destroyed at the expense of the municipality all noxious weeds standing, being or growing on all public grounds, roads, streets and alleys within the limits of the municipality, between the first day of June and the fifteenth day of October next following as often as may be necessary to prevent the ripening or scattering of seeds, and in such manner and at such times as may be directed or ordered by the commissioner or by a local weed inspector having jurisdiction.

(c) The owners or occupants of lots or lands abutting on streets and alleys in municipalities shall annually cut down, eradicate or otherwise destroy all noxious weeds growing, standing or being between the curb line of the street or alley and the property line of their respective properties, between the fifteenth day of May and the fifteenth day of October next following, as often as may be necessary to prevent the ripening or scattering of seeds, and in such manner and at such times as may be directed or ordered by the commissioner or by local weed inspector having jurisdiction. ('23 c. 318 § 5)

**6156. Threshing machines and rigs to be cleaned before moving**—It shall be the duty of every person owning or operating a threshing machine, immediately after completing the threshing of grain at each and every point of threshing, to clean or cause said machine to be cleaned, together with all wagons and other outfit used in connection therewith so that seeds of noxious weeds shall not be carried to or on the way to the next place of threshing by said threshing outfit. ('23 c. 318 § 6)

**6157. Chairman of town board and president and mayors of municipalities to be local weed inspectors**—(a) The Board of County Commissioners whenever requested by the commissioner may at their discretion appoint by resolution local weed inspectors, whose duties shall be as may be prescribed by the commissioner. Such appointment shall be for full time employment for a period of not less than five months from the fifteenth day of May to the fifteenth day of October following, both dates inclusive, except that at the discretion of the commissioner the period of employment may be terminated on or after the 30th day of September, and the resolution appointing such inspectors

shall fix the compensation to be paid to the persons appointed, such compensation to be not more than 35 cents per hour and necessary traveling expenses in addition thereto. The jurisdiction of such local weed inspector shall be co-extensive with the county for which they were appointed. If said Board of County Commissioners refuse or neglect to make appointments as requested by the commissioner on or before May 15, 1923, and on or before March 1st each year thereafter, then in that event the chairman of the several town boards of the said county are authorized and it is hereby made their duty to act as local weed inspectors within their respective townships in accordance with the provisions of this act relative to local weed inspectors.

(b) The mayor or president of cities or other municipalities having a population of five thousand (5,000) inhabitants or more whenever the Commissioner of Agriculture shall so direct shall appoint one or more weed inspectors, whose duties and compensation shall be as described in Sections 7 and 8 of this act for local weed inspectors and their jurisdiction should be co-extensive with the municipality for which they are appointed. ('23 c. 318 § 7)

**6158. Duties of local weed inspectors**—(a) It shall be the duty of each local weed inspector between the dates of May 15th and October 15th, both inclusive, to examine all lands, highways, roads, alleys and public grounds in the territory over which his jurisdiction extends for the purpose of ascertaining if the provisions of this act and the regulations of the commissioner are being complied with and if he finds that such is not the case he shall cause to be given forth with a notice in writing on a form to be prescribed by the commissioner to the proper public officer or to the owner or occupant, or to the accredited resident agent of any non-resident lands within the township whereon noxious weeds are standing, being or growing and in danger of going to seed, requiring him to cause the same to be cut down, eradicated or otherwise destroyed on the lands in the manner and within the time specified in the notice, such time, however, not to exceed ten days. He shall also attend when so notified such conferences called by the Commissioner of Agriculture for the purpose of receiving instructions and for a full and free discussion of this act and its administration.

(b) If noxious weeds are found standing, being or growing on non-resident lands, the local weed inspector shall post a notice in form provided by the Commissioner of Agriculture in a conspicuous place on said land and cause such notice to be once published in a newspaper, published in the municipality nearest to the lands involved, to the effect that noxious weeds are found on said lands and must be cut down, eradicated or otherwise destroyed within seven days from the date of publication of notice in accordance with the law and in addition to posting and publishing said notice the local weed inspector shall at the same time mail a copy thereof to the owner of such non-resident lands, if his postoffice address is known to or can be ascertained by said inspector from the last assessment lists in the county auditor's office. If the weeds are not cut down, eradicated or otherwise destroyed within seven days from the date of publication, the local weed inspector shall cause the same to be cut down, eradicated or otherwise destroyed.

(c) If noxious weeds are found standing, being or growing on tax exempt lands, the official or person in charge thereof shall be served with written notice to cut down, eradicate or otherwise destroy them. If said officials or persons neglect or refuse to cut down, eradicate or otherwise destroy the said noxious weeds in the manner prescribed in the notice served, within the

designated number of days after service thereof, they shall be deemed guilty of a misdemeanor and the local weed inspector shall forthwith proceed to cause them to be cut down, eradicated or otherwise destroyed.

(d) Proof of such posting, publication and mailing shall be made by affidavit forthwith filed in the office of the clerk of municipality wherein such non-resident lands are situate or in the office of the county auditor when such lands are located in unorganized territory. ('23 c. 318 § 8)

**6159. Weed inspectors may cut weeds in growing crops**—Whenever any local weed inspector deems it necessary to prevent the spread of noxious weeds within his jurisdiction to cut down a growing crop, or a part thereof, he shall, before proceeding to do so, notify the mayor or the president of the village or borough council or a county commissioner or the county agent, as the case may be, to inspect said crop, and if on said inspection it is the opinion of the officer making the same that the weeds, together with the crop or portion thereof should be cut down, or otherwise destroyed, such cutting or destroying shall be immediately performed under the direction of the local weed inspector or by his authority. If, however, the officer making such inspection is of the opinion that said weeds, together with the crop or portion thereof, should not be cut down or otherwise destroyed, the matter in issue shall be reported to and determined by the commissioner or by his authority, whose decision thereon shall be final, except in so far as the same may be reviewed under existing laws in courts, and thereupon if so determined it shall be the duty of the local weed inspector to immediately cause the said weeds, together with the crop or a portion thereof, to be cut down, eradicated or otherwise destroyed and no action, claim or damage shall be allowed or shall be sustainable against any one in respect thereto; provided, that notwithstanding anything contained herein, the local weed inspectors shall have power to cut down, or otherwise destroy the said weeds, together with the crop on areas not exceeding three acres in the aggregate in any one field or crop of forty acres or less, other than pasture or meadow, without any notification or application to the mayor, village or borough president, county commissioner or county agent. If after being notified by the local weed inspector to inspect a crop, the mayor, the county commissioner or the village or borough president or county agent so notified fails to make such inspection and to report to the local weed inspector within seven days after the receipt of a notice to inspect the crop, said local weed inspector may thereupon proceed to cut down, eradicate or otherwise destroy such weeds, together with the crop to the same extent as though the officer notified had made an inspection and have reported in the affirmative. ('23 c. 318 § 9)

**6160. Report—Contents**—Each local weed inspector shall make an annual report in duplicate on a form to be approved by the commissioner, fully and clearly showing each and every quarter section and government lot upon which noxious weeds are located, and the kind, disposition and extent of such weeds, also such other information that may be required by the commissioner. One copy of such report shall be filed with the county auditor of the county in which the land is situate, and the other copy with the commissioner not later than the first day of November in each year. Also each local weed inspector shall make a monthly report and file the same with the commissioner the first day of each month, and in addition thereto he shall make a weekly report during the month of July and August, fully and clearly showing the number of farms inspected, the miles traveled, the

kind, extent and disposition of noxious weeds found and such other information as may be required by the commissioner. ('23 c. 318 § 10)

**6161. Notice—Expense—Penalty**—All notices provided for by this act shall be served in the same manner as a summons in a civil action in the district court except as herein otherwise provided. Whenever any person in compliance with a notice served upon him fails to cut down, eradicate or otherwise destroy any noxious weeds or any crop in which such weeds are intermingled or growing, within the time and in such manner as the weed inspector may designate, the local weed inspector having jurisdiction, or if there is no local weed inspector, the Commissioner of Agriculture shall cause the same to be cut down, eradicated or otherwise destroyed at the expense of the township, city or village in which the land affected is situate and claim for such expense of advertising and posting and serving of notices, together with the cost of cutting down, eradicating or otherwise destroying the noxious weeds, are hereby made legal charges against the township, city or village in which said lands are located. After such cutting down, eradicating or otherwise destroying of noxious weeds, the officer causing the same to be done shall file verified and itemized statements of the cost of all services rendered in connection with serving and publishing of notice and cutting down, eradicating or otherwise destroying the noxious weeds on each separate tract or lot of land, with the clerk of the town, city or village in which such lands are located, and such statement shall be authority for the immediate issuance by such clerk of proper warrants to the persons named therein for the amount specified. The amount of such expenses shall constitute and be a lien in favor of the town, village or city or as the case may be against the land involved and shall be certified by the town, village or city clerk to, and entered by, the county auditor on his tax books as a tax upon such land and shall be collected in the same manner that other real estate taxes are collected. The amount of such expenses when collected shall be used to reimburse the town, village, city or county for its expenditures in this regard. Where the lands involved are located in unorganized territory the expense of eradicating and destroying such weeds shall be paid by the county auditor out of the general revenue fund of said county, upon the verified itemized statement of the weed inspector and the amount of such payment shall be entered by him on the tax books as a tax on such lands and shall constitute and be a lien in favor of such county against the lands involved and shall be collected in the same manner as other real estate taxes are collected. ('23 c. 318 § 11)

**6162. Violation—Penalties**—Any person who violates any of the provisions of this act or who violates any duly adopted regulation of the commissioner, or who neglects, fails or refuses to comply with any notice duly issued hereunder by the commissioner or local weed inspector and duly served upon him or who fails, refuses or neglects to perform any duty imposed upon him by this act, shall be deemed guilty of a misdemeanor, and, upon conviction, shall be punished accordingly. ('23 c. 318 § 12)

**6163. Application**—This act shall not apply to unoccupied platted lands less than one acre in area situated more than one-half mile inside the boundaries of any city which now has or may hereafter have 300,000 or more inhabitants. ('23 c. 318 § 13)

**6164. Laws repealed**—Chapter 320, General Statutes of Minnesota 1921, is hereby repealed. ('23 c. 318 § 14)

**6165. Laws repealed**—Sections 5167-5173, both inclusive, General Statutes of Minnesota 1913, and chap-

ters 229 and 394, Session Laws Minnesota 1917, and chapter 372, Session Laws Minnesota 1919, are hereby repealed. ('21 c. 320 § 14)

#### STATE TESTING MILL

**6166. State testing mill**—The management, supervision and control of the state testing mill erected pursuant to the provisions of Chapter 38, Laws of Special Session 1919, is hereby assigned to and placed under the Commissioner of Agriculture, and he is hereby authorized to complete, equip, maintain and operate said mill and appoint such assistants, clerks and employes as may be necessary to comply with the provisions of this act, and fix their compensation. Said mill shall be operated to the extent and in such manner as the Commissioner of Agriculture shall deem advisable, and among other things, shall be used for the purpose of making scientific tests to ascertain the true milling value of the various kinds and grades of wheat or other grains of this or other states as the commissioner may desire, for the use and benefit of the Agricultural Department and the Grain Inspection Department, and for any other purpose the commissioner may conclude to be in the interest of agriculture and the marketing of agricultural products. ('21 c. 156 § 1)

**6167. Duties of commissioner**—It shall be the duty of the Commissioner of Agriculture, annually, at as early a date as practicable, following harvest, and at such other times as he may deem proper, to secure samples of the different kinds and grades of wheat and other grains if deemed advisable and to cause the same to be tested scientifically to ascertain their true milling value, the cost of removing foreign matter and the value thereof, and cause to be compiled and distributed for public information a detailed statement showing the relative milling value of the different kinds and weights of wheat and other grains, if deemed advisable, and to keep an accurate account of all transactions relative to the operation of said test mill, including cost of milling and preparation for marketing of any and all kinds of grain ground, the kind, quality and grade of material used and produced, and include such information in his report. ('21 c. 156 § 2)

**6168. Sale of products**—The Commissioner of Agriculture is hereby directed to dispose of all products of said mill not used for scientific purposes to the State Board of Control, who are hereby directed to receive the same and use such products as far as practical in supplying state institutions under their supervision, and all products that cannot be so used may be disposed of as they may direct, and the Board of Control is hereby directed to monthly account and settle with the Commissioner of Agriculture for all materials as delivered during the previous month, at the cost of manufacture, but not to exceed the value of such article in the open market at the time of delivery. ('21 c. 156 § 3)

**6169. Disposition of proceeds**—All moneys received from the sale of products of said mill shall be paid into the state treasury by the Commissioner of Agriculture and credited to said State Test Mill Fund. ('21 c. 156 § 4)

**6170. To make tests—Fees**—The said Commissioner of Agriculture is also hereby authorized to make scientific tests of the milling value of various kinds of grains and products of this or other states on request of third party, when he deems the same proper in interest of agriculture or marketing of agricultural products, and in all such cases shall charge the cost of making such test to the party requesting and the proceeds realized therefrom shall be paid into the state treasury and credited to said State Test Mill Fund. ('21 c. 156 § 5)

**6171. Inconsistent acts repealed**—All acts and parts of acts inconsistent herewith are hereby repealed. ('21 c. 156 § 6)

#### WAREHOUSES

**6172. Licensed public produce warehouses**—Any person maintaining and conducting a public warehouse where produce is handled, kept or stored for others may maintain the same as a state licensed public produce warehouse by complying with the provisions of this act. ('23 c. 270 § 1)

**6173. Definition of produce**—The term "produce" as used in this act shall mean and include the natural products of the farm, except hay, grain, straw and livestock other than veal; the natural products of the orchard, garden and apiary; the raw and finished products of the dairy, creamery, cheese factory, condensery and dry milk factory; the products of livestock, including wool, mohair, skins, hides and meats; veal; poultry and poultry products; game and fish. ('23 c. 270 § 2)

**6174. Warehousemen must be licensed**—No person shall engage in, or purport to be engaged in, or hold himself out as being engaged in the business of conducting a state licensed and bonded public produce warehouse, or solicit business therefor, unless he shall be licensed to carry on such business by the Commissioner of Agriculture, hereinafter referred to as the commissioner. ('23 c. 270 § 3)

**6175. Commissioner of Agriculture to issue licenses—Fees—Bonds**—Licenses to engage in the business of conducting a state licensed and bonded public produce warehouse, hereinafter referred to as a "Warehouse," shall be issued by the commissioner to such reputable person or persons as shall apply therefor, pay to the State of Minnesota at the time of making application for license, and annually thereafter, a license fee of \$25.00, and further comply with the conditions herein specified, to-wit:

- (a) The application shall be in writing and under oath and shall set forth the place or places where the applicant intends to carry on the business for which the license is desired, the kind and estimated amount of business to be done, the amount of business done during the preceding year, if any, the full names of the persons constituting the firm, in case the applicant is a copartnership, the names of the officers of the corporation and where incorporated, if a corporation, and a financial statement showing the value and character in a general way of the assets and the amount of liabilities of the applicant.
- (b) The applicant shall execute and file with the commissioner a bond to the State of Minnesota with sureties to be approved by the commissioner, the amount and form thereof to be fixed by the commissioner, conditioned for the faithful performance of his duties as a warehouseman, for the observance of all laws relating to the carrying on of the business of conducting a warehouse, and for the payment of any and all just claims against him whether for compensation on account of warehousing contracts or agreements, or payment for losses sustained through failure properly to perform the services due and renderable as a warehouseman, or for breach of contract, or for any other cause or reason whereby loss other than through act of God is sustained by the owner or holder of produce stored. Such bond shall cover each and every place of business within the state conducted or to be conducted by the

applicant. Separate licenses shall be required for each location at which warehouses are operated within the state, and the license shall be kept posted in the office of the licensee at the place licensed. All licenses shall expire May 31st of each year.

- (c) Whenever the licensee shall sell, dispose of or discontinue his business during the term of his license, he shall at the time such action is taken notify the commissioner in writing, and shall surrender his license, and shall file with the commissioner a certified statement of all assets and liabilities as of the date of transfer or discontinuance of said business.
- (d) The applicant shall file with the commissioner, together with a statement of the kind or kinds of produce to be handled and sorted by him, a schedule of the rates and charges made by him at his warehouse in connection with produce handled and stored on account of or as agent for another as of date of application for license, and thereafter as often as such rates and charges may be fixed, altered or cancelled, and such rates and charges shall be at all times open to the public in the office of the commissioner. A schedule of such rates and charges shall be at all times kept posted in plain public view in the main office of the licensee, and departure therefrom either in the matter of rates for storage or of charges for other services rendered, shall be a misdemeanor. Alteration of rates or charges may be made by posting written and properly signed notice of such alterations in the main office of the licensee, together with the schedule of current rates and charges, ten days prior to the taking effect of such altered rates and charges, and by filing with the commissioner, by mail, a notice of such alteration not less than ten days prior to the taking effect of such rates or charges, but no such alteration of rates shall affect, or be deemed to apply to produce already accepted and in storage until the natural seasonal storage term of such produce shall have expired. ('23 c. 270 § 4)

**6176. Commissioner may require additional bonds—**The Commissioner, whenever he is of the opinion that any bond theretofore given by any licensee is inadequate for the proper protection of the public, may require the licensee to give additional bonds in such amounts as from time to time he may determine and direct, with sureties to be approved by the Commissioner and conditioned as heretofore set forth. For the purpose of fixing or changing the amount of such bonds the Commissioner may require from a licensee verified statements of his business, and of his manner of conducting the same, and if the licensee fails to furnish such information or to furnish a new bond when directed by the Commissioner so to do, the Commissioner may revoke his license, after ten day's notice and opportunity to be heard. ('23 c. 270 § 5)

**6177. Persons damaged may maintain action—**Any person claiming himself to be damaged by any breach of the conditions of a bond given by a licensee as heretofore provided may maintain an action thereon in his own name against both principal and sureties; upon commencing such action he shall file a copy of the complaint therein with the Commissioner. If such licensee has become liable to more than one person by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay the entire liability to all persons entitled to the protection of the

bond, the penalty of the bond as against the sureties shall be apportioned among the several claimants.

- (a) The Commissioner before issuing license to any applicant shall cause the premises of said applicant intended for use as a warehouse, to be inspected with regard to suitability for such purpose, and he may require of the applicant such conditioning of such premises, including all grounds and private approaches thereto, as will place said premises in sanitary and physical condition for the proper storage of such produce as the applicant shall determine to accept for storage, prior to the issuance of said license.
- (b) Said applicant for license to conduct a warehousing business shall, as a condition for the holding of such license, engage to employ, either in his own person or for hire, a competent warehouseman, acquainted with the business practices and requirements of produce handling and warehousing, and licensed as a warehouseman by the Commissioner in the manner hereinafter described. ('23 c. 270 § 6)

**6178. Duties of warehousemen—**It shall be the duty of every person conducting a warehouse under the provisions of this act to maintain the same at all times when produce is offered for storage or is required to be held in storage in a proper condition for the acceptance and care of the produce so offered. He shall at all times reserve and maintain free from produce stored, sufficient space to properly care for, handle and recondition produce in storage, as occasion may require. He may lease or rent, or agree to lease or rent, storage space in said warehouse to the full limit of its storage capacity to any person, provided that such space is in fact used for the storing of produce, but the lease or rental of storage space without occupancy thereof within reasonable time after such lease or rental shall be deemed, and is hereby declared to be an act against the public interest, and the license of any produce warehouse so leasing or renting storage space for the purpose or with the effect of withholding the same from public use shall, upon proof of such action, be forthwith revoked. He shall also be liable to the owner of produce offered and accepted for storage, or to the heirs or assigns of such owner, as their interest may appear, for any losses due to neglect, improper storage or handling, improper recording or delivery of produce stored, or failure to do and perform any or all acts and services commonly required of, and performed by warehouses of like character. For failure to perform in a proper manner such acts or services, or any other duties imposed by this act the owner or other legal claimants of property so stored may file complaint of non-performance of duty or of injury sustained, with the Commission, together with a demand for hearing, and it shall be the duty of the Commissioner to fix a time and place of hearing within fifteen days from the time such complaint is filed, and to inquire into all the facts pertaining thereto, and if he shall find that the licensee has been negligent in the matter of service rendered, or that he has failed or refused to perform without prejudice his duty as conducting a warehouse, then the Commissioner may, in his discretion, require of the licensee that he shall compensate the complainant for all losses adjudged to be sustained by him, or he may either suspend or cancel the license of said licensee. ('23 c. 270 § 7)

**6179. Commissioner to inspect warehouses—**It shall be the duty of the Commissioner from time to time to inspect each and every licensed warehouse with regard to its physical fitness for produce storage pur-

poses, to inquire into the manner of conducting the business, including the methods of bookkeeping and the manner of issuing and recording of receipts and certificates of holdings, or of other valuable paper issued, and to suggest adequate methods of recording and accounting for the business done. It shall be the duty of the Commissioner to determine the form of and to provide all necessary produce inspection blanks required, and to designate the manner of using and recording the same. The Commissioner, for the purpose of securing the necessary uniformity in grading of produce offered for or held in storage and in order to make uniform the methods of accounting for produce stored, may hold meetings from time to time, and notice in writing of such meetings, and of the time and place of their holding, shall be mailed not less than one week prior to the holding thereof, to each and every licensee under this act. Such meeting shall be open to the public, and without charge therefor. ('23 c. 270 § 8).

**6180. Application for license—Contents—**(a) Any person desiring to act as a warehouseman may apply to the Commissioner, and the Commissioner shall fix a time and place for examination of said applicant, and upon suitable proof of ability, the Commissioner shall issue a license to said applicant provide, that after May 31st, 1923, and as soon thereafter as practicable, and semi-annually thereafter, the Commissioner shall fix a time or times and place or places for public competitive examination at which time or times and place or places any citizen of the United States may present himself as an applicant for license as a warehouseman of produce. Such examination shall require of the applicant a reasonable knowledge of the various duties of a warehouseman, including the manner of keeping records, the making and issuing of warehouse receipts, the proper methods of grading, storing, loading and shipping of product, and any other knowledge required of such warehouseman in the regular conduct of a produce warehousing business.

(b) It shall be a condition upon which license is issued to any person to act as a warehouseman that he shall be conversant with the ordinary commercial standards of produce handled or to be handled under his supervision, and shall be able to grade such products commercially, in a competent manner, according to the produce grade requirements of this state. The Commissioner may require of such applicant that, before being licensed, he shall give a satisfactory proof of his ability to make inspection, be making track or warehouse inspections as directed by the Commissioner. His license shall indicate in writing thereon the products he is deemed qualified to inspect, and upon issuance to him of said license, and thereafter during the lifetime of said license, and subject to the regulations issued by the Commissioner, he shall be empowered to act as a local licensed inspector of produce as named in his license, and when employed as a warehouseman, he shall be empowered to issue certificates of inspection on produce stored in such produce warehouse, or loaded out, in the manner directed by the Commissioner. The Commissioner, if he deems it desirable so to do, may classify applicants according to the kind and character of produce handled, and may issue to such as are found competent either a limited license applying only to the handling of specified products, or an unlimited license covering the handling of all produce named in this act. Such license shall be issued for a term of three years, and shall be revokable for cause after ten days' notice and upon hearing. Pending such revocation the Commissioner, if he has cause to believe the licensee has committed a breach of trust, may cause the license of such licensee to be immed-

ately suspended. The applicant, at the time of making application for license, shall pay an examination fee of five dollars which examination fee shall be in lieu of any license fee. Such license shall be at all times kept posted in the business office of the warehouse where the licensee is employed.

(c) A record of all such examinations and the results thereof, and of all licenses issued, whether for the purpose of conducting a produce warehouse or as a produce warehouseman, shall be kept on file, open to the public in the office of the Commissioner, together with a record of all complaints, hearings and findings relative to the conduct of business by such licensee. ('23 c. 270 § 9)

**6181. Unlicensed warehousemen liable to penalties—**No person shall claim to be or advertise himself as being a state licensed produce warehouseman unless he shall be duly licensed as herein provided, and advertisement or solicitation for business or acceptance of business, or the issuance of storage receipts or the making of state certificates of inspection as purporting himself to be a licensed warehouseman shall render him liable to the penal provisions of this act. ('23 c. 270 § 10)

**6182. Certain acts unlawful—**Any produce warehouseman who shall knowingly or carelessly inspect or certificate improperly or falsely any produce handled or inspected by him or who shall accept money or other valuable consideration directly or indirectly for any neglect or improper performance of duty, or who shall be guilty of any neglect of duty, or any person who shall improperly influence or attempt to influence or interfere with any such warehouseman in the performance of his duty shall be subject to the penal provisions of this act. ('23 c. 270 § 11)

**6183. Warehousemen to issue warehouse receipts—****Form of receipt—**Every licensee engaged in the business of conducting a warehouse shall upon receipt of produce make inspection of the same according to the grade standards for this state, or according to the standards permitted by the Commissioner under any brand or label adopted by any firm or association, such grade standards having been duly recorded in the office of the Commissioner and approved by him. He shall receive and store such produce in a proper manner, placing produce to be sold in common together with other produce of like grade and kind, and shall place produce that is placed in storage for keeping separate and apart from other produce in bins or storage space adequate to procure such separation. He shall issue in behalf of the warehouse conducted by him a warehouse receipt in the following form:

STUB RECORD

Countersigned by .....  
Secretary

Minnesota State Produce  
Warehouse Receipt No. ....  
License No. ....  
..... Minn., ....., 19...

The ..... Produce Warehouse has received in store in its warehouse known as ..... situated at ....., Minnesota, for storage from ....., owner, ..... cwt. (if potatoes or like produce) or ..... (if crated, boxed or otherwise contained), which has been duly inspected by ....., a duly authorized inspector of produce appointed by the Commissioner of Agriculture of the State of Minnesota, and has been graded by said inspector as of grade No. ...., as per grade certificate herewith attached, said grade certificate being a part and parcel of this record and agreement. Said prod-

uce, or, if pooled, an equal amount of produce of the same kind and grade less natural storage shrinkage and deterioration, is deliverable upon the return of this receipt properly endorsed by the owner above named and the payment of all lawful charges; in case of produce stored separately in a special bin, or place, at the request of the owner or consignee, the identity of such produce will be preserved while in storage and said produce will be delivered as such separate lot or parcel, in accordance with the law, upon surrender of the receipt. Loss by fire, heating or the elements is at owner's risk.

The ..... Produce Warehouse conducts said warehouse as a state licensed and bonded public produce warehouse and receives and stores therein produce of others for hire.

.....cwt. (or crate, etc.).....grade.  
 ..... License No. ....  
 By .....  
 Licensed Warehouseman.  
 .....19...

Receipt No. ....  
 License No. ....  
 Received in store from .....  
 Cwt. (boxes, crates, etc.)....lbs.....Grade.....  
 Cwt.  
 Boxes  
 Crates .....  
 Car No.  
 .....  
 .....  
 .....  
 .....  
 Initial  
 Cwt.  
 Boxes  
 Crates  
 Car No.  
 Cwt.  
 Boxes  
 Crates  
 Car No.

('23 c. 270 § 12)

**6184. Certificate of inspection**—A certificate of inspection shall be made by the inspector in triplicate and a copy thereof shall be attached to receipt issued, another copy shall be kept on file, together with the stub record, in the office of the storage warehouse, and a third copy shall be forwarded to the office of the Commissioner for record in said office. The receipts and inspection certificates shall be consecutively numbered for each licensed produce warehouse, and such receipt and certificate of inspection shall be delivered to the owner immediately upon receipt of each lot or parcel of produce, giving the true and correct grade and amount thereof. The manner of receipt of such produce shall be stated in the receipt. The failure to issue such receipt as directed or the issuance of any warehouse receipt differing in form or language from that prescribed shall be a misdemeanor. ('23 c. 270 § 13)

**6185. Receipt must be surrendered upon re-delivery**—No produce warehouseman conducting such warehouse shall sell or otherwise dispose of or deliver out of store any such produce without the express authority of its owner and the return of the storage receipt, except as herein provided, nor in any way tamper with produce of others while in his possession or custody, with the purpose of securing any profit to himself or any other person, or attempt to deliver

produce of one grade for that of another. ('23 c. 270 § 14)

**6186. Warehousemen to re-deliver same quantity and grade**—Upon return of the receipt to the proper warehouse, properly endorsed, and upon payment or tender of all advances and legal charges, the produce warehouseman conducting the warehouse shall deliver to the holder of such receipt within twenty-four hours after facilities for receiving the same have been provided the quantity of produce named therein less the shrinkage due to reconditioning, if any, and shall inspect the same and issue a certificate of out-inspection thereon according to the grade requirements of this state according to the standards permitted by the Commission under any brand or label adopted by any firm or association, such grade standards having been duly recorded in the office of the Commissioner and approved by him. Such certificates of inspection shall be issued in the manner prescribed in Section 12, and an exact duplicate of said certificates, legibly written and properly signed, shall accompany such shipment, attached or posted conspicuously in such manner as the Commissioner may in the rules and regulations issued by him hereafter provide. If such produce warehouseman shall fail so to deliver and certify he shall be liable to the owner in damages as the loss may appear but not to exceed a damage of two cents per cwt. or equivalent compensation for each day's delay, unless he shall deliver the property to the several owners in the order of demand as rapidly as it can be done by ordinary diligence. If upon such demand and tender the produce warehouseman conducting the warehouse shall fail so to deliver such produce, the person entitled thereto may recover the same by action; and such produce warehouseman shall also be guilty of larceny. ('23 c. 270 § 15)

**6187. Commissioner to make, and publish rules**—The Commissioner shall have power and it shall be his duty from time to time to make and publish uniform rules and regulations, not inconsistent with law, to carry out and enforce the provisions of this act and governing the rates charged by licensed warehouses for storage and handling services rendered and in regard to the receipt, care, accounting for, reporting upon and delivery of produce, the issuance, cancellation, division and consolidation of warehouse receipts and such other matters relative to the management of the business of produce warehousing or to the duties of warehousemen. Such rules and regulations shall be filed in the office of the Commissioner, and published twice in a legal newspaper of general circulation published at the capital of the state, and from and after the tenth day succeeding the date of the last such publication, such rules and regulations shall have the force and effect of law. An affidavit of such publication shall be kept on file in the office of the Commissioner. A copy of such rules and regulations, certified by the Commissioner, shall be prima facie evidence of the facts therein contained and of the due making and publication of such rules and regulations. ('23 c. 270 § 16)

**6188. Owner may examine produce**—Every person having an interest in produce stored in any licensed warehouse shall have the right to examine the produce so stored at any time during ordinary business hours and such warehouse shall furnish proper facilities for such examination. ('23 c. 270 § 17)

**6189. Warehousemen to keep machinery in proper condition**—It shall be the duty of the produce warehouseman conducting the warehouse to keep its scales, sorting and screening devices and other necessary mechanical equipment at all times in proper condition. ('23 c. 270 § 18)



**6190. Appeals—Re-inspection**—Appeal from the decision of the warehouseman in charge of any warehouse licensed under this act as to grade or condition of produce entering into storage or of produce graded on delivery from storage may be made to the Commissioner, and it shall be the duty of the Commissioner to make re-inspection thereon and such re-inspection shall be final as to the grade and condition of the produce inspected. The Commissioner shall fix the fee for such re-inspection at not to exceed six (\$6.00) dollars per car, or an amount proportionate thereto, and payment for such inspection shall accompany the application therefor, provided that such payment shall be held in the office of the Commissioner pending re-inspection, and if upon re-inspection the contention of the applicant as to quality and condition be sustained, such payment shall be returned in full to said applicant. ('23 c. 270 § 19)

**6191. Owner to control produce**—No contract, agreement, understanding, or combination shall be entered into between the produce warehouseman conducting any warehouse and any common carrier or other person for the delivery of any produce at any warehouse contrary to the direction of the owner, nor shall any produce be so delivered or received. ('23 c. 270 § 20)

**6192. Fees for inspection**—The fee for inspection charged by the produce warehouseman conducting any produce warehouse licensed under this act, shall be fixed by the commissioner and shall not exceed two dollars (\$2.00) per car or proportionate value thereof.

Such fees and the rates for storage and handling approved by the commissioner shall be a lien upon produce stored or handled, and such inspection fees shall be added to the storage or handling charges, being separately indicated therein.

The warehouseman shall remit to the commissioner, at the end of each fiscal month, all moneys collected by him on account of inspections of produce made, and such moneys together with all moneys collected from licenses and examinations shall be deposited by him in the State Treasury to the credit of a revolving fund to be known as the Produce Inspection Fund.

Out of this fund the commissioner shall pay all supervision costs of such warehouse inspection, and shall pay to each warehouseman, licensed and acting as an inspector, for inspection services rendered, such reasonable amount as shall be determined by him. ('23 c. 270 § 21)

**6193. Warehousemen to insure produce**—Each and every produce warehouseman conducting a warehouse operated under this act shall insure and shall keep insured the building owned and controlled by him, and the produce stored therein, and shall use all reasonable precaution to protect such property against fire, theft and other damage and injury caused by persons either employed in or entering upon such premises and loitering therein. ('23 c. 270 § 22)

**6194. Expiration of licenses**—All licenses either of warehouses or warehousemen issued prior to the commencement of the fiscal year 1924 shall be and remain in effect from and after date of issue, and until the expiration of license, as though issued for the year commencing June 1st, 1923. ('23 c. 270 § 23)

**6195. Other laws to apply**—It is further provided that in the issue of warehouse receipts, the obligations and rights of produce warehousemen conducting warehouses upon their receipts, negotiation and transfer of receipts, and in all matters of criminal offenses and interpretation of the law relative to warehouse receipts, the provisions of Chapter 161, Section 62, Minnesota Session Laws 1913, as made and amended

shall apply to this act and to the regulations issued thereunder. ('23 c. 270 § 24)

**6196. Commissioner to enforce provisions of act**—The Commissioner shall administer and enforce the provisions of this act, together with the regulations made thereunder. The violation of any provisions of this act, the penalty for which is not otherwise provided shall be a misdemeanor and upon conviction thereof the person, firm or corporation adjudged guilty of such offense may be fined not less than \$25.00 for each such offense or, if a person, at the discretion of the court may be imprisoned in the county jail not less than ten days, or may be punished by both such fine and imprisonment. For any violation of law named herein both the warehouse and the warehouseman shall be deemed to be and is, liable. Conviction under the penal provisions of this section or under the penal provisions elsewhere specifically provided in this act shall cancel the license of the licensee for a period of one year from date of such conviction. ('23 c. 270 § 25)

For assessment of property in warehouses see Taxes. '21 c. 527.

#### COMMISSION MERCHANTS

**6197. Definition—License—Bond**—For the purpose of this subdivision, a commission merchant is a person who may receive for sale, for account of the consignor, any grain, hay or straw. No person shall sell, or receive, or solicit shipments of such commodities for sale, without first obtaining a license from the Railroad and Warehouse Commission to carry on the business of a commission merchant, and filing with said commission a corporate surety bond to the state for the benefit of such consignors, approved by said commission, and conditioned for the faithful discharge of his duties as such commission merchant and full compliance with all the laws of the state and rules of the said commission relative thereto. If the license authorizes the sale of grain the bond shall not be for a less sum than twenty-five thousand dollars (\$25,000.00) for each separate municipality in which the commission merchant maintains an office for the conduct of such business. If the license only authorizes the sale of hay and straw the bond shall be not less than eight thousand dollars. (\$8,000.00). In either case the Railroad and Warehouse Commission may at any time require such an additional amount of bond as it may deem necessary to protect the consignors. (R. L. '05 § 2114, amended '13 c. 432 § 1; '15 c. 370 § 1; '21 c. 213 § 1; '23 c. 113 § 1) [4598]

1913 c. 432 § 5 repeals 1905 c. 126 and 1913 c. 228. 77-483, 80-633, 778; 94-225, 102-697.

**6198. Application for license—Conditions of bonds—Separate licenses, etc.**—The application for license shall be in writing, state the commodities for which license to sell is wanted, also the cities or other location in the state where applicant intends to do business, and give the business address of the applicant and the estimated volume of business to be done monthly. If he desires a license which shall authorize him to sell grain, hay and straw the bond shall be conditioned that he report to all persons consigning grain, hay and straw to him, whether on commission or on an open account and pay to them the proceeds of its sale, less charges and actual disbursements; otherwise, the bond shall be conditioned for the faithful performance of his duties as commission merchant. Separate licenses shall be required for each city or location at which consignments are received and disposed of by such commission merchant, and said licenses shall be kept posted in each office of licensee. All licenses shall expire May 31st of each year. The fee for each license shall be five dollars (\$5.00). Such



license may be revoked by the commission for cause, upon notice and hearing. All moneys collected under this act shall be deposited in the state treasury and credited to the grain inspection fund. (R. L. '05 § 2115, amended '13 c. 432 § 2; '15 c. 370 § 2; '21 c. 213 § 2) [4599]

**6199. Commission may require confidential statements**—For the purpose of fixing or changing the amount of a bond or for any other reason which the commission shall deem proper, the commission shall require statements of his business from the licensee, and, if he fail to render such statements or to furnish any new bond required, the commission may revoke his license. All such statements shall be for the exclusive information of the commissioners, unless they shall be required for use in court, in which case the commissioners shall produce them. (R. L. '05 § 2116; G. S. '13 § 4600, amended '15 c. 370 § 3; '21 c. 213 § 3)

**6200. Statement to consignor**—Whenever a licensee sells any grain he shall render a true statement in writing to the consignor within twenty-four (24) hours of the amount sold, price received, name and address of purchaser, and the day, hour and minutes of sale, and shall forward vouchers for all charges and expenses. Whenever consignments of hay and straw are sold, the licensee shall render a true statement in writing to the consignor with such reasonable time and in such manner and form as may be prescribed by the commission. All licensees handling grain shall keep a separate record of all cars handled on commission in such manner as the commission may prescribe. It is expressly forbidden in this act for a licensee hereunder to carry any of the accounts of grain commission business in an open account. (R. L. '05 § 2117, amended '13 c. 432 § 3; '15 c. 370 § 4; '21 c. 213 § 4) [4601]

94-225, 1024-697.

**6201. Licensee to produce all records—Complaint—Investigation—Report**—Whenever a consignor of a commodity, other than grain, after demand therefor, shall have received no remittance or report of its sale, or shall be dissatisfied with the remittance, or report, he may complain in writing, under oath, to the commission, who shall investigate the matter complained of. In making the investigation the commission may compel the licensee to produce all information, books, records, and memoranda concerning the matter, and they shall give the complainant a written report of the investigation. This report shall be prima facie evidence of the matters therein contained. (R. L. '05 § 2118; G. S. '13 § 4602, amended '15 c. 370 § 5)

122-316, 142+328; 126-485, 148+465.

**6202. Suit on bond and amount recovered to be proportioned among aggrieved parties**—If any licensee shall fail to account for any consignment of any of the commodities mentioned in this subdivision, or to pay to the consignor moneys due on such consignment, the consignor, or his agent, may file with the commission an affidavit setting forth the matters complained of. Thereafter, such consignor may bring an action upon the bond of the licensee, and recover the amount due him on account of such consignment. If such licensee has become liable to more than one consignor, and the amount of his bond be insufficient to pay the entire liability, the consignors shall be compensated in proportion to their several claims. (R. L. '05 § 2119; G. S. '13 § 4603, amended '15 c. 370 § 6)

**6203. Refusal to permit inspection of books a misdemeanor**—Any person, persons, firm or corporation engaged in selling any property as herein specified, who fails or neglects to comply with any of the provisions of this act, or any of the rules of the commission therein provided for, shall be guilty of a mis-

demeanor and on conviction thereof in any court having competent jurisdiction, shall be punished by a fine of not less than twenty-five (\$25) dollars nor more than one hundred (\$100.00) dollars, and the Railroad and Warehouse Commission is hereby authorized, either upon such conviction or upon its own findings after investigation, if the facts warrant it, to cancel the license of any person, persons, firm or corporation guilty of any violation of law or conduct prejudicial to the interest of those making consignments for sale, to such person, persons, firm or corporation. Where a license has been cancelled, the Railroad and Warehouse Commission may refuse to issue any license to such person, persons, firm or corporation for a term of one year.

Whenever requested to do so by any interested shipper, the Railroad and Warehouse Commission shall have power to investigate any sale or transaction carried on by any person, persons, firm or corporation licensed under this act and for that purpose, shall have the right to examine any and all books, records, and accounts of any licensed commission merchant. Any licensed commission merchant or any agent in charge of such books, records or accounts who shall fail or refuse to submit such books, records, or accounts for the examination of said Railroad and Warehouse Commission shall be guilty of a misdemeanor.

It shall be unlawful to use the word commission, commission merchant or commission company on any advertising matter, letter or bill heads of any person not having a license from the commission. Any person who shall hold himself out or claim to be a licensed or bonded commission merchant, either by written, printed, or verbal representation or by the use of any letterhead, statement or advertisement, without having a license from the commission, shall be guilty of a misdemeanor. (R. L. § 2120, amended '13 c. 432 § 4, '15 c. 370 § 7) [4604]

See '19 c. 444. § 3, amended '21 c. 78 § 3; '23 c. 261 § 3 appearing as section 6025.

**6204. Commission merchants prohibited from being interested in sales**—No person, persons, firm or corporation whether doing business in a Chamber of Commerce, Board of Trade, or elsewhere in this state engaged in selling grain, corn or other farm products or live stock as commission merchant, or for others for a compensation in any manner, who shall hereafter receive and accept for sale for account of the consignor or owner thereof, any such property, or who shall sell or attempt to sell or dispose of such property for account of such consignor or owner, shall hereafter be interested directly or indirectly, as purchaser or otherwise than solely as the agent of such consignor or owner and according to the contract of agency in the sale, purchase or disposition of such property; and no such person, persons, firm or corporation engaged as aforesaid shall hereafter in any transaction involving such sale, purchase or disposition of such property in any manner, directly or indirectly, represent or promote in any respect whatever the interest of any other person, persons, firm or corporation than said consignor or owner of such property. ('17 c. 19 § 1)

**6205. Penalty for violation**—Whoever shall violate any provision of this act shall upon conviction thereof be punished by imprisonment in the county jail not to exceed one year, or by a fine not to exceed one thousand dollars, and any license issued to such party under section 4599 of the General Statutes of Minnesota for the year 1913, shall thereupon become void and such party shall be disqualified from obtaining a new license under said law for a period of two years from and after such conviction. ('17 c. 19 § 2)

**6206. First lien upon membership, membership to be sold to highest bidder**—That the indebtedness of any member of any chamber of commerce or board of trade or other grain exchange for or on account of any grain purchased by such member, or sold by him as agent or commission merchant, shall be and constitute a first lien upon the membership of such member prior and paramount to the lien of all other members of such chamber of commerce, board of trade or other grain exchange; notwithstanding any rule or by-law of such grain exchange to the contrary.

Provided, however, that the lien above mentioned shall not be exercised unless and in case the bond required of grain commission merchants by the state of Minnesota shall fail to completely satisfy the debts due to the sellers and consignors of said grain.

And provided further that in the enforcement of the lien against the membership of the member of the grain exchange above mentioned the said membership shall be sold to the highest bidder in accordance with the provisions of the rules of the grain exchange governing the sale of memberships to satisfy liens, and the proceeds shall then be applied by said grain exchange in satisfaction of the debt or debts of said member. ('19 c. 283 § 1)

#### COLD STORAGE

**6207. Definition of "Cold Storage"**—For the purpose of this act "Cold Storage" shall mean the storage or keeping of articles of food at or below a temperature above zero of 45 degrees fahrenheit in a cold storage warehouse. The term "Cold Storage Warehouse" shall mean and include every place, whether a single room or enclosed space, or a group of rooms, that is cooled, mechanically or by any artificial means whatever, including the cooling by use of ice, to or below a temperature of 45 degrees fahrenheit above zero and in which articles of food are placed and held for thirty days or more.

For the purposes of this act any room or rooms in a cold storage warehouse, leased, controlled and operated apart from the general storage business of such warehouse and to which the general public has not access for storage purpose, is hereby declared a separate cold storage warehouse, subject to licensing and supervision under this act.

Refrigerator cars and ships, when used solely for the transportation as distinguished from the storage of foods shall not be regarded as cold storage warehouses, nor shall the ice boxes of retail food establishments and chill rooms used only for the holding of food for periods of less than thirty days, be so regarded. The Commissioner shall, however, for the proper enforcement of the law, have the right of inspection of such chill-rooms, and, as well, of the food held therein: "Articles of food" shall mean fresh meat and fresh meat products and all fish, game, poultry, eggs, butter, butter substitutes, and lard substitutes. For the purposes of enforcing sanitation and public health and in order to make public all current tariff rates and the total amount of cold storage holdings, all other articles of food not hereinbefore specifically mentioned shall be included and come under the provisions of this act and for these purposes shall be subject to such inspection, rules and regulations as may be prescribed by the Commissioner of Agriculture. ('21 c. 310 § 1, amended '23 c. 233 § 1)

**6208. Licenses, fees, etc.**—No person, firm or corporation shall maintain or operate a cold storage warehouse without a license so to do issued by the Commissioner of Agriculture. Any person, firm or corporation desiring such license shall make written application to the Commissioner of Agriculture for that pur-

pose, stating the location of the warehouse. The Commissioner of Agriculture, shall cause an examination to be made of said warehouse, and if it be found by him to be in proper sanitary condition and otherwise properly equipped for its intended use, he shall issue a license authorizing the applicant to operate the same as a cold storage warehouse during one year. The license shall be issued upon payment by the applicant of a license fee of fifty (\$50.00) dollars to the Commissioner of Agriculture. ('21 c. 310 § 2, amended '23 c. 233 § 2)

**6209. Suspending or revoking licenses**—The Commissioner of Agriculture shall also have authority to suspend or revoke the license of any cold storage warehouse man or dealer in cold storage products, whenever it shall be made to appear to him by satisfactory evidence that any such licensee has violated any of the terms or provisions of this act. Such suspension or revocation shall be made only after notice to the licensee and an opportunity to be heard with reference to the grounds for suspension or revocation and such action by the Commissioner of Agriculture shall in no way exempt such licensee from the penalties otherwise provided for in this act. ('21 c. 310 § 3, amended '23 c. 233 § 3)

**6210. Records, reports, etc.**—Every licensee, operating under Section 2 of this act, shall keep accurate records of the articles of food received in and of the articles of food withdrawn from his cold storage warehouse, and the Commissioner of Agriculture shall have free access to such records at any time. Every such licensee shall submit a monthly report to the Commissioner of Agriculture, setting forth its itemized particulars and the quantity and kinds of articles of food in his cold storage warehouse. Such monthly reports shall be filed on or before the fifth day of each month, and the reports so rendered shall show the conditions existing on the last day of the preceding month reported and a summary of such reports shall be prepared by the Commissioner of Agriculture and shall be open to the public inspection on or before the tenth day of each month. ('21 c. 310 § 4, amended '23 c. 233 § 4)

**6211. Inspection**—The Commissioner of Agriculture shall inspect and supervise all cold storage warehouses and make such inspection of articles of food therein as he may deem necessary to secure the proper enforcement of this act, and he shall have access to all cold storage warehouses, together with all related offices, toilet, wash and locker rooms, egg candling rooms, power houses or rooms, loading and unloading platforms, passage ways, approaches, and other spaces, the state of sanitation of which may affect the sanitary conditions of the cold storage foods, or which may require visitation or inspection for the enforcement of any of the provisions of the law, at all reasonable times. The Commissioner may appoint such persons as he deems qualified to make any inspection under this act. ('21 c. 310 § 5, amended '23 c. 233 § 5)

**6212. Food which may be received for cold storage**—No article of food intended for human consumption shall be placed, received or kept in any cold storage warehouse unless the same is in an apparently pure and wholesome condition. A food will be deemed "Wholesome" only when it is in all respects fit for human consumption. The Commissioner of Agriculture may seize and condemn any articles of food in cold storage warehouses which are found to be unfit for human consumption, and such articles of food shall be destroyed or otherwise disposed of under such conditions as the Commissioner shall prescribe. ('21 c. 310 § 6, amended '23 c. 233 § 6)

**6213. Marking articles of food**—No person, firm or corporation shall place, receive or keep in any cold storage warehouse in this state, articles of food unless the same shall be plainly marked, stamped or tagged, either upon the container in which they are packed, or upon the article of food itself, with the date when placed therein; and no person, firm or corporation shall remove or allow to be removed such articles of food from any cold storage warehouse unless the same shall be plainly marked, stamped or tagged, either on the container in which it is enclosed or upon the article of food itself, with the date of such removal, and such marks, stamps and tags shall be prima facie evidence of such receipt, and removal, and of the date thereof. It shall be unlawful to remove, deface, add to, alter or change any mark or marks placed upon the container, wrapper or upon the article of food itself, or upon the label or tag attached thereto, which marks are required under the provisions of this act, or in compliance with regulations adopted by the Commissioner of Agriculture or under the provisions of the cold storage act of any other state, without permission of the Commissioner of Agriculture or under his direction.

If the articles of food are stored by the lessee of a room or rooms in a cold storage warehouse, the said lessee shall be responsible for the goods placed by him or his employes in said leased space, and also for the placing upon them of the required marks. Articles of food entered for periods of less than thirty days in a chill-room located in cold storage warehouses, but used solely for the storage of articles of food for less than thirty days, shall have affixed their respective Lot Numbers, but require no "time of entry" marks. Cold storage products, as defined in this act, may be removed from one container to another for the purpose of grading or repacking into more convenient commercial form, either during cold storage or at the time of withdrawal therefrom providing that the old container was properly marked; the lot number or numbers, and all other distinguishing marks, shall be marked also upon the new container. An invoice or bill shall be rendered and delivered by the seller to the purchaser for each sale or consignment in wholesale quantities of articles of food which have been in cold storage for a period of thirty days or more, and a copy of such invoice or bill shall be kept on file at the place where said sale was made; such invoice or bill and copy thereof shall clearly describe the articles of food sold, and in addition shall describe such articles of food as being "cold storage," by using the words "cold storage" in connection with such description as for example, "Cold storage meat," "Cold storage fish," "Cold storage poultry," "Cold storage butter," "cold storage eggs," "cold storage tallow," "cold storage lard substitutes," etc., such description to be plainly contained on the invoice or bill on a separate line, printed or stamped in type not smaller than ten point bold face, which line shall contain no other words than as above indicated. When such goods are bought for re-sale or on consignment, the purchaser shall keep such invoice or bill on file for at least thirty days after all of the goods covered by such invoice or bill are sold. ('21 c. 310 § 7, amended '23 c. 233 § 7)

**6214. Length of storage period**—No person, firm or corporation shall keep or permit to remain in any cold storage warehouse any article of food which has been held in cold storage either within or without the state for a longer aggregate period than twelve months, except with the consent of the Commissioner of Agriculture, as herein provided.

The Commissioner upon written application made and presented during the twelve months' period may

extend the allowable storage period for any particular article of food, provided the same upon examination is found to be in proper condition for further cold storage. If the Commissioner shall grant the application for such further cold storage period he shall enter an order specifying the period for which such additional storage may be permitted. The Commissioner shall make written report on each case in which such extension of storage is granted, including therein the information relating to the reason for the action taken, specifying the kinds and amounts of the articles of food covered by such extension order and the length of time for which the extension is granted, and this report and the order based thereon shall be kept on file in the office of the Commissioner at all times open to the public. No extension shall be granted for a longer period than sixty days, but a second extension of not more than sixty days may be granted upon re-investigation and re-examination, provided the entire extension period shall in no event exceed more than one hundred and twenty (120) days.

In case the owner of any article of food in storage in a cold storage warehouse fails or refuses to remove the same before the expiration of the period of time within which the storage may lawfully be continued, then and in such case the warehouseman may sell the same at public auction and for the best price obtainable, first giving ten days' published notice of his intention so to do and account for and pay over to the owner of said articles of food so sold the amount for which the same is sold, after deducting the reasonable expense of such sale and his charges, if any, for the storage of such articles of food. In such case it shall be lawful to retain such articles of food in cold storage for a period of time, not exceeding fifteen days, after the expiration of time during which such articles of food could otherwise be kept in cold storage. ('21 c. 310 § 8, amended '23 c. 233 § 8)

**6215. Shortening storage period**—Whenever, in the opinion of the Commissioner, the market conditions of food articles, resulting from hoarding or deterioration is such as to require the release for immediate sale of food stuffs held in cold storage, so that there is immediate market therefor at fair and reasonable prices, the Commissioner by order, may shorten the twelve months' storage period herein provided for as to any particular article of food and may by his order fix and establish a shorter storage period for such article or articles of food and thereupon the articles covered by such order shall, upon the expiration of such shortened storage period be released from storage and removed from such storage warehouse.

If such provision for shortened storage period for any reason shall be invalid; no other provision of this act shall be impaired or held invalid in consequence thereof. ('21 c. 310 § 9, amended '23 c. 233 § 9)

**6216. Display of placards**—It shall be unlawful to sell, or to offer for sale, either at wholesale or retail, fresh meat or fresh meat products, fish, game, poultry, eggs, butter, butter substitutes, and lard substitutes which have been held for a period of thirty days or over in cold storage, either within or without the State, without notifying persons purchasing or intending to purchase the same that it has been so held, by the display of a placard, which shall indicate the kind of cold storage products offered for sale by such dealer, which placard shall be furnished at cost by the Department of Agriculture, and shall be prominently displayed within the principal salesroom of such place of business. ('21 c. 310 § 10, amended '23 c. 233 § 10)

**6217. Dealers' penalties**—Any place of business, or warehouse, or outbuilding connected therewith, wherein cold storage products are sold, or held subject to

sale, and all books and records shall be open at all reasonable times to inspection by the Commissioner of Agriculture, and for the purpose of examination of such foods, the Commissioner may cause any food container to be opened and examined as to its suitability for human consumption.

Any dealer in cold storage products whether wholesale or retail violating Section 10 of this act, or who shall fail to comply with the rules and regulations of the Commissioner of Agriculture in the enforcement of same shall be guilty of a misdemeanor and shall upon conviction be punished for the first offense by a fine of not to exceed (\$25.00) twenty-five dollars, and for a second offense by a fine not to exceed (\$100.00) one hundred dollars or by imprisonment, or by both such fine and imprisonment. ('21 c. 310 § 11, amended '23 c. 233 § 11)

**6218. Returning food to cold storage—Transfer—** After food has been withdrawn from a cold storage warehouse, for the purpose of placing it on the market for sale, it shall be unlawful for any person, firm or corporation to return such food, or any portion thereof, to such cold storage warehouse, or to any similar warehouse. Subject to such regulations as may be prescribed by the Commissioner of Agriculture, food may be transferred from one cold storage warehouse or refrigerating plant to another; provided, however, that the total length of time such food shall remain in such cold storage for the purpose of sale, shall not exceed the time specified in Section 8 of this Act. ('21 c. 310 § 12, amended '23 c. 233 § 12)

**6219. Making rules and regulations—**The Commissioner shall have power and it shall be his duty from time to time to make and publish uniform rules and regulations, not inconsistent with law, to carry out and enforce the provisions of this act, which rules and regulations shall be filed in the office of the Commissioner, and published twice in a legal newspaper of general circulation published at the capital of the state, and from and after the tenth day succeeding the date of the last such publication, such rules and regulations shall have the force and effect of law. An affidavit of such publication shall be kept on file in the office of the Commissioner. A copy of such rules and regulations, certified by the Commissioner, shall be prima facie evidence of the facts therein contained and of the due making and publication of such rules and regulations. ('21 c. 310 § 13, amended '23 c. 233 § 13)

**6220. Penalties—**Any person, firm or corporation violating any provision of this Act as relating to cold storage warehousing, shall be guilty of a gross misdemeanor and shall upon conviction be punished for the first offense by a fine of not to exceed five hundred dollars (\$500.00) or by imprisonment in the jail of the proper county for a period of not more than three months, or by both such fine and imprisonment, and for the second or subsequent offense, by a fine not to exceed one thousand (\$1,000.00) dollars or by imprisonment in the jail of the proper county for a period not to exceed one year, or by both such fine and imprisonment. ('21 c. 310 § 14, amended '23 c. 233 § 14)

**6221. Fees and fines, disposition of—**All license fees and fines accruing through the enforcement of the provisions of this act shall be paid into the State Treasury and credited to the State Revenue Fund. ('21 c. 310 § 15, amended '23 c. 233 § 15)

**6222. Conflicting acts repealed—**Chapter 57, Special Session Laws of 1919 and all acts and parts of acts inconsistent with this Act are hereby repealed. ('21 c. 310 § 16, amended '23 c. 233 § 16)

## PRODUCE DEALERS

**6223. Who are dealers—**For the purposes of this act any person who shall purchase or contract to purchase, or who shall handle in wholesale lots for the purpose of resale, or who shall handle on account of or as an agent for another, any produce as herein defined, shall be deemed a dealer at wholesale. ('23 c. 254 § 1)

**6224. Definition of term "produce"—**The term "produce" as used in this act shall mean and include the natural products of the farm, except hay, grain, straw and livestock other than veal; the natural products of the orchard, garden and apiary; the raw and finished products of the dairy, creamery, cheese factory, condensery and dry milk factory; the products of livestock, including wool, mohair, skins, hides and meats; veal; poultry and poultry products; game and fish. ('23 c. 254 § 2)

**6225. Dealer must be licensed—**No person shall engage in, or purport to be engaged in, or hold himself out as being engaged in the business of a dealer at wholesale, or as being a dealer at wholesale, unless he shall be licensed to carry on such business by the Commissioner of Agriculture. ('23 c. 254 § 3)

**6226. Commissioner of agriculture to issue licenses—Application—Bonds—**Licenses to engage in the business of a dealer at wholesale shall be issued by the Commissioner of Agriculture, hereinafter referred to as the Commissioner, to such reputable persons as shall apply therefor, pay the prescribed fee and comply with the conditions herein specified, to-wit:

(a) The application shall be in writing and under oath and shall set forth the place or places where the applicant intends to carry on the business for which the license is desired, the estimated amount of business to be done monthly, the amount of business done during the preceding year, if any, the full names of the persons constituting the firm, in case the applicant is a copartnership, the names of the officers of the corporation and where incorporated, if a corporation, and a financial statement showing the value and character in a general way of the assets and the amount of liabilities of the applicant.

(b) The applicant shall execute and file with the Commissioner a bond to the State of Minnesota with sureties to be approved by the Commissioner, the amount and form thereof to be fixed by the Commissioner, conditioned for the faithful performance of his duties as a dealer at wholesale, for the observance of all laws relating to the carrying on of the business of a dealer at wholesale, for the payment when due of the purchase price of produce purchased by him, for the prompt reporting of sales, as required by law, to all persons consigning produce to the licensee for sale on commission and the prompt payment to the persons entitled thereto of the proceeds of such sales, less lawful charges, disbursements and commissions. Such bond shall cover each and every place of business within the state conducted or to be conducted by the applicant. Separate licenses shall be required for each location at which consignments are received or disposed of by such dealer at wholesale, and the license shall be kept posted in the office of the licensee at the place licensed. All licenses shall expire May 31 of each year. The fee for each license shall be five dollars. Whenever the licensee shall sell, dispose of or discontinue his business during the life time of his license, he shall at the time such action is taken notify the Commissioner in writing, and shall upon demand produce before the Commissioner a full statement of all assets and liabilities as of the date of transfer or discontinuance of said business.

(c) The applicant shall file with the Commissioner a schedule of his commissions and charges for services in connection with produce handled on account of or as agent for another. ('23 c. 254 § 4)

**6227. Commissioner may require additional bonds—**The commissioner, whenever he is of the opinion that any bond theretofore given by any licensee is inadequate for the proper protection of the public, may require the licensee to give additional bonds in such amounts as from time to time he may determine and direct, with sureties to be approved by the Commissioner and conditioned as heretofore set forth. For the purpose of fixing or changing the amount of such bonds the Commissioner may require from a licensee verified statements of his business, and if the licensee fails to furnish such information or to furnish a new bond when directed by the Commissioner so to do, the Commissioner may revoke his license, after ten days' notice and opportunity to be heard. ('23 c. 254 § 5)

**6228. Persons damaged may sue on bonds—**Any person claiming himself to be damaged by any breach of the conditions of a bond given by a licensee as hereinbefore provided may maintain an action thereon in his own name against both principal and sureties; upon commencing such action he shall file a copy of the complaint therein with the Commissioner. If such licensee has become liable to more than one person by reason of breaches of the conditions of the bond and the amount of the bond is insufficient to pay the entire liability to all persons entitled to the protection of the bond, the penalty of the bond as against the sureties shall be apportioned among the several claimants. ('23 c. 254 § 6)

**6229. Commissioner to establish grade of produce—**The Commissioner shall have power to establish grades on all produce as herein defined, and when deemed necessary, shall provide for inspecting and grading produce subject to sale, at such marketing points within the state as the Commissioner may designate, and provide for the issuing of certificates of inspection showing the grade, quality, and conditions of such produce, and may charge and collect a reasonable fee therefor, a schedule thereof to be adopted and published from time to time. Such certificates of inspection shall be prima facie evidence in all courts of this state as to the grade, quality and condition of such produce at the time such inspection was made. ('23 c. 254 § 7)

**6230. Brands—Filing of brands and labels—**Any person producing or manufacturing or handling in this state any of the products mentioned in this act, except cheese and butter, and preparing, packing and offering the same for sale, may file with the Commissioner a brand or label which shall thereafter be the exclusive property of said applicant, and he may place upon said brand or label such descriptive or locative matter as shall be approved by the Commissioner. The Commissioner may issue to such applicant for brands and labels a permit to use the same subject to such regulations and restrictions as to quality of product so branded as the Commissioner may determine. Said brand or label shall be recorded in the office of the Commissioner, and any person who shall without authority of the Commissioner use any such brand or label, or who shall brand and label therewith products or commodities of a quality below the standard permitted under the brand or label shall be subject to the penal provisions of this act. ('23 c. 254 § 8)

**6231. Any interested party may call for inspection certificate—**Whenever produce is ready for sale, or is on its way to market, the owner thereof or the conveyor, or the prospective buyer, or any other interested party may call for and shall be entitled to in-

spection of said produce, and to an inspection certificate as provided for in Section 7 of this act. ('23 c. 254 § 9)

**6232. Commissioner to make inspections—**Whenever produce is shipped to or received by a dealer at wholesale for handling, purchase or sale in this state at any market point therein giving inspection service as provided for in Section 7 of this act, and said dealer at wholesale finds the same to be in a spoiled, damaged, unmarketable or unsatisfactory condition, unless the owner of such produce shall waive inspection before sale or other disposition thereof, he shall cause the same to be examined by an inspector assigned by the commissioner for that purpose, and said inspector shall execute and deliver a certificate to the applicant thereof stating the day and the time and place of such inspection and the condition of such produce, and mail or deliver a copy of such certificate to the shipper thereof. ('23 c. 254 § 10)

**6233. Wholesale dealers shall report to shippers—**Whenever any dealer at wholesale to whom produce has been shipped has received the same, he shall immediately notify the shipper of the receipt of such shipment, after such shipment has been sold by him the dealer at wholesale shall make a written report of such sale to the shipper within forty-eight hours thereafter, which report shall show the date of the sale, the quantity, quality or grade, and the price received, and at the same time shall pay the shipper the net proceeds of such sale. ('23 c. 254 § 11)

**6234. Complaints of shippers to be made to commissioner—**Whenever a shipper after demand therefor, shall have received no remittance or report of sale, or shall be dissatisfied with the remittance, sale or report, he may complain in writing to the commissioner, who shall investigate the matter complained of. ('23 c. 254 § 12)

**6235. Commissioner to investigate complaints—**Said commissioner is authorized to receive complaints against any persons dealing in, shipping, transporting, storing or selling produce, and shall have full authority to make any and all necessary investigations relative to the handling of or storing, shipping or dealing in produce at wholesale, and he shall at all times have access to all buildings, yards, warehouses, storage and transportation facilities in which any produce is kept, stored, handled or transacted. For the purpose of enforcing the provisions of this act, the commissioner shall have the authority, upon complaint being filed with him for any alleged violation of the provisions of this act or the regulations issued thereunder, or upon information furnished by an inspector of the Department of Agriculture, to suspend any license issued by him. He shall have and is hereby granted full authority to issue subpoenas requiring the attendance of witnesses before him of books, papers and other documents, articles or instruments, and compel the disclosure by such witnesses of all facts known to them relative to the matters under investigation, and shall have full authority to administer oaths, and to take testimony; and the commissioner shall thereafter give the complainant a written report of the investigation. Such report shall be prima facie evidence of the matters therein contained. All parties disobeying the orders or subpoenas of said commissioner shall be guilty of contempt as in proceedings in district courts of the state and may be punished in like manner. ('23 c. 254 § 13)

**6236. Commissioner to make rules and regulations—**The commissioner shall have power and it shall be his duty from time to time to make and publish uniform rules and regulations, not inconsistent with law, for carrying out and enforcing the provisions of this act and governing the rates charged by and the buying,

selling, advertising and trading practices of dealers at wholesale, which rules and regulations shall be filed in the office of the commissioner, and published twice in a legal newspaper of general circulation published at the capital of the state, and from and after the tenth day succeeding the date of the last such publication, such rules and regulations shall have the force and effect of law. An affidavit of such publication shall be kept on file in the office of the commissioner. A copy of such rules and regulations, certified by the commissioner, shall be prima facie evidence of the facts therein contained and of the due making and publication of such rules and regulations. ('23 c. 254 § 14)

**6237. Commissioner may co-operate with other agencies**—The commissioner may co-operate with the United States Department of Agriculture and with other federal departments, and with the state and municipal authorities of this and other states, and do and perform such acts and things as may be necessary and proper in carrying out the purposes of this act. ('23 c. 254 § 15)

**6238. Violation—Penalties**—Any person subject to the provisions of this act who shall:

(a) Fail to account for produce or to make settlement therefor within the time herein limited; or who shall violate or fail to comply with the terms or conditions of any contract entered into by him for the purchase or sale of produce.

(b) Purchase for his own account any produce received on consignment, either directly or indirectly, without the consent of the consignor; or

(c) Make any false statement or report as to the grade, condition, markings, quality or quantity of produce received or delivered, or act in any manner so as to deceive the consignor or purchaser thereof; or

(d) Make or collect any commission or charge in excess of that shown in his schedule filed with the commissioner; or

(e) Whoever shall violate any provisions of this act or any rule or regulation made or published thereof by the commissioner shall be deemed guilty of a misdemeanor, and his license may be suspended, revoked or cancelled by the commissioner upon ten days' notice and opportunity to be heard, but upon conviction of any such offense it shall be the duty of the commissioner to revoke and cancel license of the person so convicted. ('23 c. 254 § 16)

**6239. Commissioner to enforce act**—The commissioner shall be charged with the enforcement of the provisions of this act and of the rules and regulations made and published thereunder. Upon complaint made it shall be the duty of the county attorney to prosecute all cases arising in his county for violation of this act or of the rules or regulations made and published thereunder. ('23 c. 254 § 17)

**6240. Inconsistent acts repealed**—All acts and parts of acts inconsistent with this act are hereby repealed. ('23 c. 254 § 18)

#### INVESTIGATIONS

**6241. Commissioner of agriculture authorized to make investigations**—The Commissioner of Agriculture is hereby empowered to investigate the prices of kerosene, gasoline, electricity and other things used for light, heat and power, and all common necessities of life, including food stuffs, clothing, shoes, building material, tools and implements, automobiles and repairs for same, coal and other fuel, paints, oils and farm machinery and automobile parts, and other commodities ordinarily regarded as essential to living, and to that end he may exercise the powers now conferred upon him by law with reference to the holding of hear-

ings, compelling the attendance of witnesses and the production of books, papers, administering oaths and taking testimony. ('19 Ex. Sess. c. 47 § 1)

**6242. Publication of reports**—He may from time to time prepare and publish reports apportioning in detail the cost of production and the wholesale and retail cost of necessities of life investigated by him, so as to disclose the cost of production, the cost of distribution and the profits to each manufacturer, producer, dealer, wholesaler or retailer, of such necessities so investigated by him, and may at the same time prepare and publish prices deemed by him to be fair retail prices in any given locality, in order that the public may know whether or not excessive profits are being exacted by any person, firm, association or corporation producing or dealing in such necessities. ('19 Ex. Sess. c. 47 § 2)

**6243. Other information**—Said commissioner may from time to time, at his discretion, publish any other information obtained by him relative to the prices of the necessities of life as hereinbefore defined. Said reports shall be issued from time to time as the commissioner shall determine and a limited number shall be available for general distribution. ('19 Ex. Sess. c. 47 § 3)

**6244. Violations to be reported to prosecuting officers**—If, after an investigation, it appears to the commissioner that the laws of this state have been violated in any respect, said commissioner shall present all available information bearing upon such apparent violation to the proper law enforcing or prosecuting officer of the state of Minnesota, or of the United States. He shall prepare a report of his investigations and work under this act for submission to the 1921 regular session of the legislature, and shall make such recommendations for changes in existing laws or for additional legislation as appear necessary or desirable in order to bring about a reduction in the cost of the necessities of life as hereinbefore defined. ('19 Ex. Sess. c. 47 § 4)

**6245. To co-operate with federal authorities**—It shall be the duty of the commissioner to co-operate with and furnish to all federal authorities engaged in similar work all information which he attains from time to time, providing that the furnishing of such information will not materially interfere with the work being carried on by the commissioner. ('19 Ex. Sess. c. 47 § 5)

#### FARM BUREAUS

**6246. County farm bureaus**—Corporations to be known as county farm bureaus may be organized to develop and foster the agricultural, social and commercial interests of the citizens of the county in which they are organized by the creation and development of cordial and friendly relations between the residents of the urban and rural districts thereof, by encouraging and aiding the organization of social and business clubs within the various villages, towns and school districts of the county, by co-operating with the department of agriculture of the United States and the colleges of agriculture of the state of Minnesota in carrying out the plans and purposes of said department and said colleges in improving the social and business interests of persons engaged in agriculture and by such other means and methods as may be deemed advisable. ('13 c. 519 § 1) [6531]

**6247. How incorporated**—Such corporations shall be incorporated in the manner and under the provisions of law applicable to the corporation specified and authorized to be organized under the provisions of section 3102, of the Revised Laws of 1905 [6522] and acts amendatory thereof and supplementary thereto. ('13 c. 519 § 2) [6532]



6248. Fees—No fee other than the usual recording fee, payable to the secretary of state, shall be required to be paid to any officer of the state of Minne-

sota for filing of such articles of incorporation with the secretary of state. ('13 c. 519 § 3) [6533]

## CHAPTER 39

## BOUNTIES AND REWARDS

6249. For timber growing—Every person who shall plant one acre or more of land with forest trees of any kind other than black locust, and shall keep such trees growing in a thrifty condition, and not more than twelve feet apart either way, replacing yearly such as may die, shall receive from the state two dollars and fifty cents per acre therefor for six successive years, not exceeding, however, twenty-five dollars in any one year. This section shall not apply to any railway company, to any person who has already received such compensation, nor to any person planting trees in compliance with an act of Congress approved March 3, 1873, relating to the growth of timber on western prairies, or any act amendatory thereof. For the purpose of paying such compensation, the sum of twenty thousand dollars is annually appropriated from the revenue fund. (R. L. § 2391, amended '13 c. 76 § 1) [5191]

6249½. Claim and proof—The claimant shall file with the county auditor a plat giving the government subdivision, and the position of the trees thereon. If the number of trees be increased, supplemental plats shall be filed. He shall show his ownership of the land, and make oath to the planting and maintaining of the trees as prescribed in § 6249; and his proof shall be supported by the affidavit of at least two freeholders, residing in the same town, who have personal knowledge of the facts. Such proofs shall be filed with the county auditor between July 1 and July 15 of the year for which compensation is claimed. (2392) [5192]

6250. Duty of assessor—The assessor of every town, at the time of making his assessment, shall ascertain if trees have been planted therein for which compensation is claimed under this chapter, and, if any such be found, he shall personally examine the same, and report the area planted and the condition of the trees to the auditor when the assessment books are returned. (2393) [5193]

6251. Proofs sent to state auditor—Before August 1 the auditor shall compare the proofs furnished by the claimant with the assessor's report, and, if they correspond in substance, he shall immediately forward to the state auditor the original proofs of claim, and a certified list of all plats filed. (2394) [5194]

6252. Auditor to issue warrant—The state auditor shall audit all such claims, and on the first Monday of October in each year shall issue his warrant to the several claimants for the amount to which each is entitled; but, if the aggregate of compensation due to all such claimants shall exceed the appropriation therefor, he shall distribute the available amount amongst them pro rata, which distribution shall relieve the state from further obligation to such claimants for the year. (2395) [5195]

6253. Horse stealing—A reward of two hundred dollars shall be paid for procuring the arrest and conviction of any person charged with horse stealing. The claimant thereof shall apply to a judge of the court wherein the conviction was had, within twenty

days thereafter, and not later, for an order directing the clerk to issue a certificate therefor. Every applicant for such reward shall pay all expenses made by him. After the expiration of such twenty days, the judge shall appoint a time and place for the hearing, of which the claimant shall be notified by the clerk. If the judge finds the claim well founded, he shall direct the clerk to issue the certificate; and, if more than one claimant be found entitled thereto, the court shall apportion the amount between them. The certificate shall set forth the object for which it was given, and be directed to the county treasurer, who shall take a receipt for the sum paid thereon. He shall then forward the certificate and receipt to the state auditor, who at the next tax settlement shall deliver to the state treasurer a warrant for the amount as a credit to said county. (2396) [5196]

82-71, 84+650.

A mule is not a horse within the meaning of this section. (129-520, 152+866; 134-67, 158+796). 6254-58  
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6254. Bounties on wolves—Every person who shall kill a wolf in this state shall be rewarded in the sum of fifteen dollars for a full-grown animal and six dollars for a cub, to be paid by the state out of the revenue fund. Any county board may add to such reward and appropriate county funds therefor. (R. L. '05 § 2397, amended '07 c. 381 § 1; '23 c. 103 § 1) [5197]

139-356, 166+405.

6255. Claim, when and how made—Within thirty days after the killing, the claimant shall produce, in the presence of two witnesses, to the clerk of the town wherein the animal was killed, the carcass thereof, and shall make oath that the killing was done by him at a time and place specified, and that he did not on that occasion spare the life of any wolf he could have killed. He shall then deliver the hide, with head and ears intact, to the county auditor, who on request shall return such hide; but all transportation charges shall be paid by the claimant, who shall also bury or destroy the carcass. (2398) [5198]

6256. Clerk to issue certificate—The town clerk shall make and file a certificate that he examined the carcass; that it was that of a full-grown wolf or cub, as the case may be; and that the toes of both front feet were removed in his presence and in the presence of the witnesses named. All animals produced at any one time shall be included in one certificate, and the clerk shall furnish a copy thereof to the claimant, who shall pay a fee of twenty-five cents therefor, and ten cents for its filing. Provided, that in unorganized towns the application shall be made to the nearest town clerk in the county. (R. L. § 2399, amended '07 c. 298) [5199]

6257. Duties of county and state auditor—The auditor shall identify the animal, punch a three-eighths inch hole in each ear, and issue to the claimant a warrant upon the county treasurer for the sum due. He shall then transmit copies of the certificate and warrant to the state auditor, who shall issue and return his warrant upon the state treasurer in favor of the county for the amount paid. (2400) [5200]