

No. 371, A.]

[Published August 23, 1929.

CHAPTER 417.

AN ACT to amend subsection (6) of section 20.49 of the statutes, relating to the construction and maintenance of roads on state lands, and making an appropriation.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. Subsection (6) of section 20.49 of the statutes is amended to read: (20.49) (6) On October 1, * * * 1929, and annually thereafter, * * * *one hundred fifty thousand dollars for the construction and maintenance of roads in the state parks * * * and state forests and other public lands as defined in chapter 24, and for roads leading from the most convenient state or federal trunk highways to * * * such lands. All work done under this subsection shall be determined and be done by the state conservation commission * * * for state park and forest lands, and by the land commission for other classes of public lands, * * * jointly with the state highway commission and the county board of the county wherein the lands affected are situated, and * * * in accordance with plans, specifications and contracts, or other arrangements, approved by the highway commission. Outside the limits of the said park, state forest and public land areas, not more than * * * two direct connections to the most convenient state trunk highway may be built or maintained under the provisions of this section.*

SECTION 2. This act shall take effect upon passage and publication.

Approved August 22, 1929.

No. 101, S.]

[Published August 24, 1929.

CHAPTER 418.

AN ACT to amend and revise Chapter 202 of the Statutes, relating to mutual town fire insurance companies.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. The title to Chapter 202 of the Statutes shall read:

CHAPTER 202—INSURANCE—TOWN MUTUALS

SECTION 2. Section 202.01 of the statutes is revised to read: 202.01 TOWN MUTUALS. (1) WHO MAY ORGANIZE. Any number of persons not less than twenty-five residing in the same town or in adjoining towns (not exceeding thirty except that all towns in a county may be included), who collectively own twenty-five thousand dollars' worth of insurable property therein which they desire to insure, may form a corporation for mutual insurance against loss by fire or lightning.

(2) ARTICLES. They shall sign articles of organization which shall be substantially in the following form: The undersigned residents of the towns below named and owners of more than twenty-five thousand dollars' worth of property therein which we desire to insure, do hereby associate for the purpose of forming a mutual insurance corporation to do such insurance in the towns of (here insert the name of each town and municipality in which such corporation proposes to do business and the names of the counties in which they are situated) under the provisions of chapter 202 of the statutes. The name of such corporation shall be the Town Insurance Company of (give name at length). The officers shall be a board of (insert number, not less than five nor more than eleven) directors, a president, a secretary and a treasurer, and such others as may be provided for in the by-laws, and the office of such corporation shall be in the town or municipality from which said directors shall elect the secretary. The following named persons shall constitute the first board of directors, and shall hold their respective offices for one year and until their successors are elected (here insert the names). The first annual meeting shall be held at (here designate the town, city or village and the particular place therein). In witness whereof we have hereunto subscribed our names this day of, A. D. 19.....

(3) FILING, RECORDING ARTICLES; CERTIFICATE OF INCORPORATION. Two copies of the original articles, to which shall be attached the affidavits of two of the signers thereof stating that they are personally acquainted with the signers and know them to be the owners of the property to the amount stated in said articles, which may be insured for said sum, and that the copy is a true and correct and complete copy of the original articles, shall be forwarded to the commissioner and if approved by him

he shall file one copy in his office and attach to the other copy his certificate of such filing. Such certified copy shall within thirty days be recorded in the office of the register of deeds of the county in which the greater number of directors named in said articles reside. Thereupon the corporation shall have legal existence. The register of deeds shall forthwith transmit to the commissioner his certificate stating the time and place when and where such copy was recorded, and shall be entitled to a fee of twenty-five cents therefor to be paid by the person presenting the same for record. Upon the receipt of such certificate the commissioner shall issue a certificate of incorporation.

(4) **AMENDMENT OF ARTICLES, DISSOLUTION.** The articles of organization may be amended by a resolution adopted by two-thirds of the votes cast on the question at any annual meeting, or at a special meeting; provided at least thirty days' notice thereof reciting the proposed amendment shall be given by mail to the members. The secretary shall give such notice upon written request of ten members. Within ten days after the adoption of an amendment two copies thereof with the affidavit of the president and secretary showing compliance with the law, shall be forwarded to the commissioner and if approved by him he shall file one copy in his office and attach to the other copy his certificate of such filing. Such certified copy shall be recorded as provided for the articles of organization and a like certificate made by the register of deeds. Dissolution of a company may be effected by a resolution adopted and certified and recorded in like manner.

(5) **NAME.** The words "Town Insurance Company" shall form part of the name of every such corporation organized after April 25, 1901, and no corporation not organized under this section shall be entitled to use a name embodying said words, except corporations existing on that date.

(6) **SHORT NAME.** A short name for corporations organized under this section may be "Town Mutuals."

(7) **DIVISION OF DISTRICT.** The creation of new towns or municipalities in whole or in part out of the territory of a town mutual shall not impair any power, duty or liability of such corporation.

(8) **FILING BY-LAWS AND FORMS.** A copy of the by-laws, policy, and of each blank used by any such corporation shall be furnished to and filed by the commissioner.

SECTION 3. Section 202.02 of the statutes and chapter 70 of the laws of 1915 which created said section are repealed, but without affecting the validation intended or any rights which accrued thereby or thereunder.

SECTION 4. Section 202.16 of the statutes is renumbered section 202.02 and is revised to read:

202.02 ADDED TERRITORY; AMENDMENT TO ARTICLES.

(1) Any town mutual by amendment to its articles may attach any adjoining towns as part of its territory, provided the towns (with those so attached) shall not exceed thirty except where all the towns shall be within three adjoining counties.

(2) Any contiguous city or village may be included or added to a town mutual the same as any town, but such city or village shall not be counted in determining the number of towns included in the company.

SECTION 5. Section 202.03 of the statutes is revised to read: **202.03 ANNUAL MEETING; QUORUM; RIGHT TO VOTE, PROXY; DIRECTOR, ELECTION, CLASSIFICATION, TERM; SPECIAL MEETINGS.** (1) The annual meeting of town mutual fire insurance companies shall be held at 2 P. M. on the first Tuesday after the first Monday in January unless some other day or hour be fixed therefor in the by-laws.

(2) Ten members shall constitute a quorum. Each policyholder shall have one vote for each two hundred dollars of his insurance, but the company may by a resolution adopted at any annual meeting by a two-thirds vote, provide that each member shall have one and only one vote.

(3) Only women shall vote by proxy and no person shall vote more than one proxy.

(4) The directors shall be elected at each annual meeting for the term of one year and until their successors are elected, but the company may by a two-thirds vote at any annual meeting by resolution provide that its board shall consist of nine directors to be divided into three equal classes and designated as first, second and third class. At the next meeting the directors of the first class shall be elected for one year, those of the second class

for two, and those of the third class for three years, and shall hold office until their successors are elected. Thereafter each annual meeting shall elect one class for three years, except that vacancies shall be filled for the unexpired term.

(5) Special meetings of the corporation may be called in the manner provided in section 202.01.

SECTION 6. Section 202.04 of the statutes is revised to read: **202.04 DIRECTORS; POWERS AND DUTIES; OFFICERS, MEETING PLACE.** The directors shall annually choose from their number a president, a secretary and a treasurer. They shall keep a permanent record of their proceedings, together with the names and places of residence of all persons insured and the amount for which each is insured, which record shall be open for inspection of all members from nine o'clock in the forenoon to four o'clock in the afternoon of such days of each week as may be determined by the annual meeting. The board of directors may change the place of annual meeting of the corporation to any place within its territorial limits, and in case of such change they shall give ten days' notice thereof by mail to all members before the change shall become effective.

SECTION 7. Section 202.05 of the statutes is re-enacted.

SECTION 8. Section 202.06 of the statutes is revised to read: **202.06 TERRITORY; RISKS, LOANS.** (1) Town mutuals shall not insure property outside of their territory.

(2) They shall not insure any property other than detached dwellings and outbuildings used in connection therewith and their contents; farm buildings and their contents; live stock in possession or running at large; farm products on premises and farming tools, implements, machinery and vehicles, but if authorized by an annual meeting they may insure in an amount not exceeding ten thousand dollars on any single risk, country stores, schoolhouses, town and society halls, churches, country hotels, water mills, blacksmith shops, cheese factories, creameries, and the contents of any such buildings.

(3) They may if authorized by an annual meeting insure any of the property above mentioned against loss by windstorms, cyclones and tornadoes, under the same rules and restrictions as relate to insurance against loss by fire; provided a request signed by at least ten members shall have been filed with the secretary requesting that the question of insuring against loss by wind-

storms, cyclones and tornadoes be submitted, and the secretary shall have given thirty days' notice by mail to each member that said question would be submitted at the annual meeting.

(4) They may limit the recovery as to any or all items of personal property insured to a percentage of the value at the time of loss, or to such percentage of the loss as shall be specified in the policy.

(5) They may lend money on notes due in one year or less signed by two persons who shall each own real estate, worth the amount of the notes above exemptions, mortgages and other liens, located within their territory.

SECTION 9. Section 202.07 of the statutes is revised to read: 202.07 REINSURANCE. The board of directors may, when authorized by a meeting of the company, effect reinsurance in some other town mutual insurance company doing business in the same or adjoining territory, and in like manner may reinsure similar risks of other town mutuals.

SECTION 10. Section 202.08 of the statutes is amended to read:

202.08 TERMS OF POLICIES; APPROVAL OF FORM, CLASSIFICATION OF RISKS. The board of directors may issue policies, signed by the president and secretary, agreeing in the name of the corporation to pay to the insured all * * * damage * * * to the property * * * described therein which may be occasioned by either of the causes mentioned in section 202.06, and providing for such conditions of insurance as may be determined by the by-laws of such corporation or by the resolutions of its annual meeting; but no such corporation shall * * * issue any policy until the blank form for the same shall have been * * * approved by the commissioner, * * * but such company shall not be required to use the standard policy; and the * * * board or * * * the corporation may classify * * * property * * * under different rates, corresponding as near as may be to the greater or less risk which may attach to such property.

SECTION 11. Section 202.09 of the statutes is amended to read:

202.09 MEMBERSHIP; LIABILITIES OF MEMBERS. Every * * * policyholder is * * * a member of * * * the corporation and he shall give his undertaking, bearing even date with * * * his policy, binding himself,

his heirs and assigns to pay his pro rata share to the corporation of all losses * * * which may be sustained by any member, * * * and of its necessary business expenses, together with all legal costs and charges incurred in * * * legal proceedings * * * to collect any assessment made upon him; and every such undertaking shall * * * be filed *and kept* * * * *by* the secretary * * * . He shall also at the time of effecting such insurance, pay such * * * *premium* and such reasonable * * * *policy fee* as may be required by the rules or by-laws.

SECTION 12. Section 202.10 of the statutes is amended to read:

202.10 LOSS, NOTICE AND ADJUSTMENT, ARBITRATION. (1) Every member * * * who may sustain loss * * * from any cause insured against shall immediately notify the president or * * * the secretary, * * * who shall forthwith convene the directors, * * * *and they shall* appoint a committee of not less than three nor more than five members, * * * *unless* the loss is supposed to be less than three hundred dollars, when the president and secretary may appoint such committee to ascertain the amount of such loss. * * * . When any * * * loss * * * does not exceed one hundred dollars the president and secretary may * * * adjust the same. * * * The board of directors may appoint a *standing* committee of not less than three members * * * for the adjustment of all losses that may occur during the year.

(2) * * * In case of the inability of the parties to agree upon the amount of such loss * * * the claimant may appoint one disinterested person on his part, and * * * the president, * * * *on notice thereof*, shall forthwith appoint a member, * * * and the two persons so appointed shall forthwith * * * appoint a *disinterested* third person, * * * and the three persons so appointed shall constitute a committee of reference, who shall have full authority to examine witnesses and determine all matters in dispute, and shall make their award *in writing* to the president or * * * to the secretary, * * * which award * * * shall be final. The said committee of reference shall each be allowed two dollars per day for each day's service * * * and five cents per mile for

each mile necessarily traveled in the discharge of such duties, which shall be paid by the claimant, unless the award of said committee shall exceed the sum offered by the corporation in * * * *payment* of such loss, * * * in which case the said expense shall be paid by said corporation. Before entering upon their duties each member of said committee shall be duly sworn to faithfully and impartially discharge the duties thereof. The secretary * * * may administer * * * oaths and take * * * acknowledgments necessary to adjust claims against his company; *but* * * * he shall receive no compensation for such service.

SECTION 13. Section 202.11 of the statutes is amended to read:

202.11 ASSESSMENTS; NOTICES; NONPAYMENT; BORROWING MONEY. (1) When * * * the amount of any loss * * * shall exceed the * * * funds * * * *on hand* the president shall convene the board of directors who shall make an assessment upon all property insured * * * at the time of the loss. * * * *The* board may assess up to three and a half mills even if such loss should not require such an amount. The board * * * may also levy an assessment at any time for the purpose of carrying on the business of the company * * *.

(2) When any assessment shall have been completed the secretary shall immediately insert a notice in one or more newspapers printed in the county or counties where * * * *the* corporation is doing business, stating * * * *the amount of the assessment*, the time * * * such assessment was levied, and the time when the same becomes due. Such notice together with the proof of the publication thereof shall be conclusive evidence of notice of such assessment to every member. * * *. The secretary shall also notify every * * * member by * * * *mail* of the amount of such * * * assessment, and the sum due from him, * * * and the time when *due*, and to whom payment * * * is to be made, which time shall not be less than thirty nor more than sixty days from the date of such notice. If the insurance * * * is payable to a mortgagee and the assessment thereon is not paid within the time specified * * *, the secretary shall within thirty days after the expiration of such time give like notice to the

mortgagee. The mortgagee shall have twenty days from the date of such notice to pay the assessment. * * *

(3) * * * The * * * person designated to receive such * * * *assessments* may demand and receive two per cent *upon and* in addition to the amount of each * * * assessment for his fees. * * *

(4) The corporation may borrow money * * * to pay losses incurred on or after the first day of November preceding, * * * *but* an assessment * * * to cover such loan * * * *shall* be levied before the first day of November following, upon all persons insured at the time such losses were incurred. No loan or renewal thereof shall extend beyond the first day of January following the date limit for levying the assessment for the repayment of such loan. * * *

(5) * * * Every member who shall * * * *fail* to pay * * * *his* assessment * * * *within* the time specified in the notice sent to him, shall pay to such corporation a fine of two per cent of the amount of such assessment for each week or part thereof during which the same shall remain * * * *delinquent*, and no payment shall be made by * * * *the* company upon the policy of any member * * * if * * * at the time * * * *he shall suffer a loss he shall* be in default and shall have * * * *failed* to pay *his* * * * assessment * * * *prior to* the expiration of thirty days from the time *limited* * * * in said notice. * * *

SECTION 14. Section 202.12 of the statutes is revised to read:

202.12 ASSESSMENTS, ACTIONS TO COLLECT; DIRECTORS' LIABILITY. The assessments of town mutuals shall constitute personal liabilities of the members and payment thereof may be enforced by appropriate action. The directors who shall wilfully neglect or refuse for thirty days to perform the duties imposed upon them by this section or by section 202.11 shall be jointly and severally liable to the person sustaining loss by such nonfeasance.

SECTION 15. Section 202.13 of the statutes is amended to read:

202.13 WITHDRAWAL; CANCELLATION OF POLICIES. Any member * * * may withdraw * * * at any time by returning his policy with a request for its cancellation written thereon or by a notice in writing over his * * * signature * * * to the president or * * * to the sec-

retary * * * and paying his share of all claims then existing against * * * *the* corporation. And the directors * * * or such * * * of them as * * * may have *been* appointed as a committee for such purpose, shall have power to annul any policy by giving notice in writing to that effect to the holder. * * *

SECTION 16. Section 202.14 of the statutes is amended to read:

202.14 REPORTS OF SECRETARY AND TREASURER; REPORT TO COMMISSIONER. The secretary of every * * * *town mutual* shall annually prepare a statement showing its condition on the thirty-first day of December preceding its annual meeting, which shall specify the whole number of policies issued, the whole number then in force, the aggregate amount then insured, the amount of losses paid during the year, the amount of losses sustained and unpaid, if any, and all * * * other matters * * * required by the by-laws. The treasurer * * * shall * * * *before each annual meeting* prepare a *detailed financial* statement of its * * * *affairs for the year ending* the thirty-first day of December preceding, * * * showing amount on hand January first, * * * amount received during the year from premiums, amount received from each separate assessment, amount received from * * * other sources, amount paid for losses, amount paid for expenses, giving a detailed statement of every item of expenses, and amount of cash on hand. Such statements * * * shall be read * * * at * * * *the annual meeting and together with the action thereon shall be* entered at length upon the records. The company shall * * * before * * * *February* in each year make and file such report for the preceding year with the commissioner. * * *

SECTION 17. Section 202.15 of the statutes is repealed.

SECTION 18. Section 202.17 of the statutes is repealed, but this repeal shall not impair any validation which was intended by said section or any rights which may have accrued thereunder.

SECTION 19. Section 202.18 of the statutes is renumbered section 202.15 and is amended to read:

202.15 REINSURANCE MUTUALS; ORGANIZATION.
* * * Any number of town mutual fire insurance companies
* * * not less than nine * * * *which* collectively carry

fire insurance risks aggregating * * * ten million dollars, may form themselves into a corporation for mutual reinsurance against loss * * * by fire or lightning.

SECTION 20. Section 202.19 of the statutes is renumbered section 202.16 and is amended to read:

202.16 SAME; MEMBERS; REPRESENTATIVES. * * * Any town mutual fire insurance company may, at its annual meeting, or at a special meeting called for that purpose, * * * vote to become a member of a reinsurance corporation to be organized under this chapter. The secretary, or in case of his inability, the president, of such town company shall thereupon be authorized to represent * * * it in * * * organizing * * * a reinsurance corporation; and shall in all matters represent * * * his company in said reinsurance corporation.

SECTION 21. Section 202.20 of the statutes is renumbered section 202.17 and is amended to read:

202.17 SAME; DIRECTORS; RISKS. * * * The affairs of * * * every reinsurance corporation shall be managed by a board of nine directors who shall be chosen by the representatives of the *constituent* town companies * * * from among their number. Such reinsurance corporation shall have power to reinsure the risks of any of the *constituent* town mutual fire insurance companies; * * * and such town mutual fire insurance companies are authorized to effect *such* reinsurance of their risks. * * * The provisions of * * * *this chapter* shall, so far as applicable, apply to the organization, management, powers, rights, privileges, duties and burdens of such reinsurance corporation and the members thereof, and the relations of such members with each other and with such reinsurance corporation, and the manner of withdrawal of members therefrom.

SECTION 22. Section 202.21 of the statutes is renumbered 202.18 and is amended to read:

202.18 SAME; TOWN MUTUALS MAY JOIN. * * * Any town mutual fire insurance company may * * * at * * * any * * * *legal* meeting * * * vote to apply for insurance in such reinsurance corporation; and when such application for insurance shall be accepted * * * as provided by the by-laws of said reinsurance corporation, such town

mutual fire insurance company shall thereupon become a member.

• • •

SECTION 23. Section 202.22 shall not be printed in subsequent editions of Wisconsin Statutes.

SECTION 24. This act shall take effect upon passage and publication.

Approved August 23, 1929.

No. 479, S.]

[Published August 24, 1929.

CHAPTER 419.

AN ACT to create subsection (3) of section 20.03 of the statutes, relating to the Wisconsin national guard and making an appropriation.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. A new subsection is added to the statutes to read: (20.03) (3) To the Wisconsin national guard, for the fiscal year beginning July 1, 1929, ten thousand dollars, and for the fiscal year beginning July 1, 1930, ten thousand dollars for repair and maintenance of state-owned armories.

SECTION 2. This act shall take effect upon passage and publication.

Approved August 22, 1929.

No. 495, S.]

[Published August 24, 1929.

CHAPTER 420.

AN ACT to amend the introductory paragraph and subsections (1), (2), (3), (4), (10a), (11b) and (12) and to create subsection (14) of section 20.20, to renumber section 20.205 to be subsection (1) and to create subsections (2) and (3) of section 20.205, and to amend subsection (8) of section 20.77 of the statutes, relating to conservation and the state conservation commission, and making an appropriation.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. The introductory paragraph and subsections (1), (2), (3), (4), (10a), (11b) and (12) of section 20.20 of the