

of said board of school directors, and countersigned by the city comptroller of such city.

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

Approved March 1, 1918.

No. 4, A.]

[Published March 2, 1918.

CHAPTER 6

AN ACT to amend section 2024—36 of the statutes, relating to pledging of assets of state banks.

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

SECTION 1. Section 2024—36 of the statutes is amended to read: Section 2024—36. No bank or bank officer shall give preference to any depositor or creditor by pledging the assets of the bank as collateral security; provided, that a state bank may deposit with the treasurer of the United States so much of its assets *not exceeding its capital and surplus* as may be necessary under the act of congress, approved June 25, 1910, and all amendments thereof, to qualify as a depository for postal-savings funds *and, during the period of the present war and for one year thereafter, other government deposits*; and provided, that any bank may borrow money for temporary purposes, and may pledge assets of the bank not exceeding fifty per cent in excess of the amount borrowed as collateral security therefor; but it shall be unlawful for any bank to borrow money unless a resolution stating the amount, naming the bank from which it shall be borrowed, and designating two officers to sign the promissory note evidencing such debt, shall have been duly adopted by the board of directors and spread of record in the minute book. Provided, that whenever it shall appear that a bank is borrowing habitually for the purpose of reloaning, the commissioner of banking may require such bank to pay off such borrowed money. Nothing herein contained shall prevent any bank from rediscounting in good faith and indorsing any of its negotiable notes. It shall be unlawful for any bank to issue its certificate of deposit for the purpose of borrowing money. Neither shall any bank make partial payments upon certificates of deposit.

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

Approved March 1, 1918.