

financing of the acquisition of dwelling units and interests in common facilities provided therein, by persons to whom such units and facilities may be sold as contemplated in chapter 515 or any supplemental or amendatory law thereof; and

(e) Substantially all of the proceeds of each loan shall be used to pay the cost of a multifamily housing development, including property functionally related and subordinate to it; but nothing herein prevents the construction of the development over, under, or adjacent to, and in conjunction with facilities to be used for purposes other than housing.

Sec. 2. Minnesota Statutes 1980, Section 462C.05, is amended by adding a subdivision to read:

Subd. 7. A development may consist of a combination of a multifamily housing development and a new or existing health care facility, as defined by section 474.02, if the following conditions are satisfied:

(a) The multifamily housing development is designed and intended to be used for rental occupancy;

(b) The multifamily housing development is designed and intended to be used primarily by elderly or physically handicapped persons; and

(c) Nursing, medical, personal care, and other health related assisted living services are available on a 24 hour basis in the development to the residents.

The limitations of section 462C.04, subdivision 2, clause (c), shall not apply to projects defined in this subdivision and approved by the Minnesota housing finance agency before July 1, 1983. The limitations of section 462C.07, subdivision 2, shall not apply to bonds issued for projects defined in this subdivision.

The Minnesota housing finance agency shall provide, in the annual report required by section 462C.04, subdivision 2, information on the costs incurred for the issuance of bonds for projects defined in this subdivision. The report shall also include the Minnesota housing finance agency's recommendations for the regulation of costs of issuance for future issues.

Approved May 29, 1981

CHAPTER 328 — S.F.No. 1074

An act relating to natural resources; extending the permissible term of agricultural leases of state peat lands; providing that certain lands may be sold; authorizing an easement on certain lands; amending Minnesota Statutes 1980, Section 92.50, Subdivision 1.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 92.50, Subdivision 1, is amended to read:

Subdivision 1. The commissioner of natural resources ~~may~~, at public or private vendue and at ~~such~~ the prices and under ~~such~~ the terms and conditions as he may prescribe, may lease any state-owned lands under his jurisdiction and control for the purpose of taking and removing sand, gravel, clay, rock, marl, peat, and black dirt ~~therefrom~~, for storing ~~thereon~~ ore, waste materials from mines, or rock and tailings from ore milling plants, for roads or railroads, or for any other uses not inconsistent with the interests of the state. ~~No such~~ Except as otherwise provided in this subdivision, the term of the lease shall be made for a term to not exceed ten years, except in the case of. Leases of lands for storage sites for ore, waste materials from mines, or rock and tailings from ore milling plants, ~~or~~ for the removal of peat, ~~which or for the use of peat lands for agricultural purposes~~ may be made for a term not exceeding 25 years; provided that such. Leases for the removal of peat shall be approved by the executive council.

All ~~such~~ leases shall be made subject to sale and leasing of the land for mineral purposes under legal provisions and contain a provision for their cancellation at any time by the commissioner upon three months written notice; ~~provided that.~~ A longer notice period, not exceeding three years, may be provided in leases for storing ore, waste materials from mines or rock or tailings from ore milling plants; ~~provided further, that in leases for the removal of peat.~~ The commissioner may determine the terms and conditions upon which the lease may be canceled, including the notice period, for cancellation of a lease for the removal of peat. All money received from leases under this section shall be credited to the fund to which the land belongs.

Sec. 2. **SALE OF LOT AUTHORIZED.**

Notwithstanding Minnesota Statutes, Section 282.018 or any other law to the contrary the following described tract of land in Mahnomon county may be offered for sale by the authority having jurisdiction over the land without the prior approval of the commissioner of natural resources:

Lot 14, Johnson's Addition to Island Lake.

Sec. 3. **EASEMENT GRANTED.**

Notwithstanding any law to the contrary, the commissioner of natural resources shall grant as an easement the following described real property in the manner provided by law:

The North 33.00 feet of the East 300.0 feet of the Northwest Quarter of the Northeast Quarter of Section 36, Township 34, Range 24, Anoka County; but not including that portion of the real property which is designated as a right of way for county state aid highway number 24.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 4. EFFECTIVE DATE.

Sections 2 and 3 are effective the day following final enactment.

Approved May 29, 1981

CHAPTER 329 — S.F.No. 1126

An act relating to insurance; providing for continued health and accident coverage for former spouses and children after dissolution of the marriage in certain circumstances; amending Minnesota Statutes 1980, Section 62A.21, Subdivision 3, and by adding subdivisions; repealing Minnesota Statutes 1980, Section 62A.21, Subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1980, Section 62A.21, is amended by adding a subdivision to read:

Subd. 2a. Every group policy described in subdivision 1 shall contain a provision which permits continuation of coverage under the policy for the insured's former spouse and children upon entry of a valid decree of dissolution of marriage, if the decree requires the insured to provide continued coverage for those persons. The coverage may be continued until the earlier of the following dates:

(a) The date of remarriage of either the insured or the insured's former spouse; or

(b) The date coverage would otherwise terminate under the group policy.

Any required premium contributions for the coverage shall be paid by the insured to the group policyholder for remittance to the insurer.

Sec. 2. Minnesota Statutes 1980, Section 62A.21, is amended by adding a subdivision to read:

Subd. 2b. Every group policy described in subdivision 1 shall contain a provision allowing a former spouse of an insured, without providing evidence of insurability, to obtain from the insurer at the expiration of any continuation of coverage required under subdivision 2a, or upon termination of coverage by reason of an entry of a valid decree of dissolution which does not require the insured to provide continued coverage for the former spouse, conversion coverage providing at least the minimum benefits of a qualified plan as prescribed by section 62E.06 and the option of a number three qualified plan, a number two qualified plan, a number one qualified plan as provided by section

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