CHAPTER 331—H.F.No. 1247

VETOED

CHAPTER 332—H.F.No. 1138

An act relating to agriculture; changing eligibility and participation requirements for certain rural finance authority programs; authorizing an application fee; appropriating money; amending Minnesota Statutes 1992, sections 41B.03, subdivision 1, and by adding a subdivision; 41B.039, subdivision 2; and 41B.042, subdivision 4.

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

Section 1. Minnesota Statutes 1992, section 41B.03, subdivision 1, is amended to read:

Subdivision 1. **ELIGIBILITY GENERALLY.** To be eligible for a program in sections 41B.01 to 41B.23:

(1) a borrower must be a resident of Minnesota or a domestic family farm corporation, as defined in section 500.24, subdivision 2;

(2) the borrower or one of the borrowers must be the principal operator of the farm or, for a prospective homestead redemption borrower, must have at one time been the principal operator of a farm; and

(3) the borrower must not ~~previously have received~~ receive assistance under sections 41B.01 to 41B.23 exceeding an aggregate of $100,000 in loans during the borrower's lifetime.

Sec. 2. Minnesota Statutes 1992, section 41B.03, is amended by adding a subdivision to read:

Subd. 6. **APPLICATION FEE.** The authority may impose a reasonable nonrefundable application fee for each application submitted for a beginning farmer loan or a seller-sponsored loan. The application fee is initially $50. The authority may review the fee annually and make adjustments as necessary. The fee must be deposited in the state treasury and credited to an account in the special revenue fund.

Sec. 3. Minnesota Statutes 1992, section 41B.039, subdivision 2, is amended to read:

Subd. 2. **STATE PARTICIPATION.** The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount of the loan or ~~$50,000~~ $100,000, whichever is less. The interest rates and repayment terms of the authority's participation

New language is indicated by underline, deletions by ~~strikeout~~.