

Subd. 2. The agency shall also establish a special account or accounts in the loan fund for the segregation of the proceeds of notes issued by the agency, the disbursement of federally insured construction loans therefrom and the application of repayments of such loans and interest thereon to the repayment of such notes, upon such terms and conditions as shall be provided in resolutions of the agency authorizing the issuance of such notes. No funds shall be disbursed for any construction loan unless such construction loan is directly insured by a federal instrumentality, until the agency receives copies of letter of commitment from the federal instrumentality insuring the mortgage loan to be made for the permanent financing of the project; final plans and specifications for the construction of the project; a surety bond in the amount of the construction cost, executed by a surety company licensed in Minnesota and securing completion in accordance with the plans and specifications and payment of all persons supplying labor and materials to the contractor; and a letter of commitment from the sponsor of the project, undertaking to comply fully with all regulations of the agency and of the federal instrumentality.

Subd. 3. Except as provided in subdivision 2, money in the loan fund shall be used (a) for required transfers to the bond fund in accordance with section 22, (b) for payment of bonds when called for redemption before maturity, with redemption premiums thereon, (c) for the purchase of bonds, (d) for the purchase of stock of a federal instrumentality to the extent permitted in section 5, subdivision 10, and (e) for making or participating in the making of such federally insured mortgage loans and purchasing such federally insured securities as are authorized by this act.

Sec. 24. [462A.24] **CONSTRUCTION OF ACT.** This act is necessary for the welfare of the state of Minnesota and its inhabitants; therefore, it shall be liberally construed to effect its purpose.

Sec. 25. **AUTHORIZATION OF APPROPRIATION.** There is hereby appropriated the sum of \$250,000 to be paid to the housing development fund of the agency for the purpose of this act.

Approved June 3, 1971.

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## CHAPTER 703—H.F.No.1695

*An act relating to dairy products; processor certification and inspection; amending Minnesota Statutes 1969, Section 32.394, Subdivisions 8 and 9.*

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

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1969, Section 32.394, Subdivision 8, is amended to read:

Subd. 8. **DAIRY PRODUCTS; PROCESSOR CERTIFICATION.** Any processor of milk, milk products or goat milk who wishes to acquaint himself and his producers with Grade A requirements may make a request to the commissioner for exploratory inspections and meetings for this purpose. Upon receipt of such request the commissioner at his convenience shall cause such exploratory inspections to be made and such meetings to be held as are necessary to acquaint said processor and producers with such requirements. If after such exploratory inspections are made and such meetings are held and when in his opinion his field service has brought his producers into compliance with said requirements, said processor wishes to avail himself of further inspection service he shall so apply on a form furnished by the commissioner stating the number of farms to be inspected. Such applications shall be accompanied by a fee payable to the state treasurer in an amount of not less than \$50 and not more than \$300, which fee is to be charged for preliminary inspection prior to continuous inspection and assessments over \$50 are to be determined by charging \$1 for each farm over 50 but shall not exceed \$300 if more than 300 farms are inspected; provided that if the plant and farms are accepted for continuous inspection, this charge shall be made only once. If the preliminary inspection discloses that the processor is eligible for use of the Grade A label on his products and before he so labels said products he shall apply for continuous inspection on a form furnished by the commissioner and shall hold a Grade A permit. Such application shall be accompanied by a fee of not less than \$100 nor more than \$300 per plant and of not less than \$15 nor more than \$30 per farm, said fee to be paid annually by the processor. The commissioner as he deems necessary to more nearly meet the cost of the service, annually may adjust the assessments within the limits set herein.

Any processor of milk, milk products or goat milk, other than Grade A who wishes to obtain farm certification, shall make a request to the commissioner for a farm certification inspection. Each processor who requests and receives a farm certification inspection shall pay a fee to the commissioner for the certification of his milk supply. The fee shall be set by the commissioner in an amount that he deems is necessary to meet the cost of the service for farm certification, which fee shall not exceed 50 percent of fees charged for Grade A permits.

Sec. 2. Minnesota Statutes 1969, Section 32.394, Subdivision 9, is amended to read:

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

Subd. 9. The amount of such assessments shall be payable by the processor on or before July 1, of each year, and if not paid on or before July 31, following, the service shall be discontinued, and permission to use the Grade A label shall be withdrawn; provided, that such processor may terminate such payment and such service without loss of the Grade A label if written notice of such intention is given prior to the due date of the payment of said assessment and if the continuous inspection of said plant and farms is assumed by a city, village or borough whose milk control ordinance is substantially equivalent to Minnesota law and regulation and is enforced with equal effectiveness. When such written notice is given by the processor on or before December 31 preceding the due date, that portion of the assessment for the period January 1 through June 30, immediately following, shall be refunded to the processor. The fees for services performed by the activities of this section shall be deposited in the state treasury and shall constitute a separate account to be known as the ~~Grade A~~ milk inspection service account, which is hereby created, set aside, and appropriated as a revolving fund to be used to help to defray the cost of administration, refunds and expenses of the ~~Grade A~~ preliminary and continuous milk inspection services and shall be in addition to and not in substitution for the sums appropriated or otherwise made available for this purpose to the department of agriculture.

Approved June 3, 1971.

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## CHAPTER 704—H.F.No.1968

[Coded]

*An act relating to insurance adjusters, insurance appraisers and public adjuster solicitors; providing for licensing and regulation; providing penalties.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **[72B.01] INSURANCE; ADJUSTERS; REGULATIONS; PURPOSE AND SCOPE.** It is the purpose of this act to provide high quality service to insureds and insurance claimants in the state of Minnesota by providing for well trained appraisers, adjusters and persons engaged in soliciting business for adjusters, who are qualified to deal with the public in the interest of a fair resolution of insurance claims. This act shall apply to all appraisers, adjusters, and adjusters' solicitors, except as specifically stated to the contrary; but nothing in this act shall apply to:

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