
CHAPTER 140—S.F.No.1156

[Coded]

An act relating to political subdivisions; authorizing direct loans to cities, counties and towns; amending Minnesota Statutes 1974, Chapter 465, by adding a section.

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

Section 1. Minnesota Statutes 1974, Chapter 465, is amended by adding a section to read:

[465.73] MUNICIPALITIES; FARMERS HOME ADMINISTRATION LOANS; FIRE HALLS OR EQUIPMENT; DIRECT LOANS TO POLITICAL SUBDIVISIONS. For purposes of constructing or acquiring fire halls or fire equipment any city, county or town may borrow up to \$100,000 directly from the Farmers Home Administration on a note secured by a mortgage on the real or personal property purchased with the borrowed funds. When the full faith and credit of the city, county or town is irrevocably pledged for the redemption of the note and mortgage, the taxes levied to pay principal and interest thereon shall be considered special levies within the meaning of section 275.50, subdivision 5 (i), and the amount of the obligation shall be included when computing the net debt of the political subdivision. Unless expressly provided otherwise in the mortgage instrument, when a city, county or town borrows on a mortgage and fails to repay all or a part of the mortgage, the agency is confined to the remedy of recovery of the property purchased with the borrowed funds. An election shall be required to authorize the note and mortgage unless the agency is confined to the remedy of recovery of the property.

Sec. 2. This act is effective on the day following final enactment.

Approved April 3, 1976.

CHAPTER 141—S.F.No.1262

An act relating to tax forfeited lands; authorizing the county auditor to grant easements or permits thereon for recreational trails; amending Minnesota Statutes 1974, Section 282.04, Subdivision 4.

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

Section 1. Minnesota Statutes 1974, Section 282.04, Subdivision 4, is amended to read:

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Subd. 4. **TAXATION; TAX FORFEITED LANDS; RECREATIONAL TRAILS; EASEMENTS.** The county auditor, when and for such price and on such terms and for such period as the county board prescribes, may grant easements or permits on unsold tax-forfeited land for telephone, telegraph, and electric power lines either by underground cable or conduit or otherwise, sewer and water lines, highways, recreational trails, railroads, and pipe lines for gas, liquids, or solids in suspension. Any such easement or permit may be canceled by resolution of the county board after reasonable notice for any substantial breach of its terms or if at any time its continuance will conflict with public use of the land, or any part thereof, on which it is granted. Land affected by any such easement or permit may be sold or leased for mineral or other legal purpose, but sale or lease shall be subject to the easement or permit, and all rights granted by the easement or permit shall be excepted from the conveyance or lease of the land and be reserved, and may be canceled by the county board in the same manner and for the same reasons as it could have been canceled before sale and in that case the rights granted thereby shall vest in the state in trust as the land on which it was granted was held before sale or lease. Any easement or permit granted before passage of Laws 1951, Chapter 203, may be governed thereby if the holder thereof and county board so agree. Reasonable notice as used in this subdivision, means a 90-day written notice addressed to the record owner of the easement at the last known address, and upon cancellation the county board may grant extensions of time to vacate the premises affected.

Approved April 3, 1976.

CHAPTER 142—S.F.No.1296

[Coded in Part]

An act relating to insurance; making more certain which group insurance policies and subscriber contracts are required to provide insurance coverage to employees after termination of employment; extending the period for certain notices to terminated employees; requiring certain group insurance policies to provide for optional conversion to an individual policy after group coverage terminates; amending Minnesota Statutes 1974, Sections 62A.16; and 62A.17, by adding a subdivision; and Minnesota Statutes, 1975 Supplement, Section 62A.17, Subdivision 5.

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

Section 1. Minnesota Statutes 1974, Section 62A.16, is amended to read:

62A.16 INSURANCE; GROUP HOSPITAL AND MEDICAL COVERAGE AND HEALTH CARE PLANS; APPLICABILITY. The provisions of sections 62A.16 and 62A.17 shall apply to all group insurance policies or group subscriber contracts providing coverage for hospital

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