

“Shall the Minnesota Constitution be amended to remove the requirement that notaries public be approved by the senate?”

Yes

No

Sec. 3. Minnesota Statutes 1978, Section 359.01, is amended to read:

359.01 COMMISSION. The governor may appoint and commission as notaries public, ~~by and with the advice and consent of the senate,~~ as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary. The fee for each commission shall not exceed \$10, and shall be paid to the governor's private secretary.

Sec. 4. Sections 1 to 3 are effective for notaries public appointed after January 1, 1981 if the constitutional amendment proposed in sections 1 and 2 is approved pursuant to section 2 prior to that date. Unless the proposed constitutional amendment is approved prior to January 1, 1981, section 3 is of no effect.

Approved April 23, 1980.

CHAPTER 593—S.F.No. 2099

An act relating to housing; permitting an increase in certain grants made by the housing finance agency; authorizing limitations on the assumability of mortgages made or purchased by a state or local agency; creating a veteran's housing assistance program; modifying the program for moderate rehabilitation of rental properties; changing municipal housing rehabilitation programs; appropriating money; amending Minnesota Statutes 1978, Sections 462A.05, Subdivision 17, and by adding a subdivision; 462A.06, Subdivision 11; 462A.21, by adding a subdivision and Minnesota Statutes, 1979 Supplement, Sections 462A.05, Subdivision 15; 462A.21, Subdivision 11; 462C.03, by adding a subdivision; and 462C.05, Subdivision 1.

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

Section 1. Minnesota Statutes, 1979 Supplement, Section 462A.05, Subdivision 15, is amended to read:

Subd. 15. It may make grants to persons and families of low and moderate income to pay or to assist in paying a loan made pursuant to subdivision 14, or to rehabilitate or to assist in rehabilitating existing residential housing owned or occupied by such persons or families. For the purposes of this section, persons of low and moderate income include administrators appointed pursuant to section 566.25, clause (c). No grant shall be made unless the agency determines that the grant will be used primarily to make the housing more desirable to live in, to increase the market value of the housing or for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related

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improvements. In unincorporated areas and municipalities not having codes and standards, the agency may, solely for the purpose of administering this provision, establish codes and standards. No grant for rehabilitation of owner occupied residential housing shall be denied solely because the grant will not be used for placing the residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. The amount of any grant shall not exceed the lesser of (a) ~~\$5,000~~ \$6,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by the person or family without spending an unreasonable portion of the income of the person or family thereon. In making grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and shall determine the appropriate security should repayment be required.

The agency may also make grants to rehabilitate or to assist in rehabilitating housing under this subdivision to persons of low and moderate income for the purpose of qualifying as foster parents.

Sec. 2. Minnesota Statutes 1978, Section 462A.05, Subdivision 17, is amended to read:

Subd. 17. ~~The agency may make conventional loans, as defined in and in accordance with the conditions and limitations prescribed in section 47.20, but without the necessity that such conventional loans and purchases of obligations representing conventional loans be eligible for purchase by the federal national mortgage association or the federal home loan mortgage corporation as authorized by and defined by the emergency home finance act of 1970, as amended. Notwithstanding section 47.20, the agency may make or purchase conventional loans which limit or prohibit assumption of the loans or which include any other terms inconsistent with section 47.20 when necessary to maintain the tax exempt status of agency notes or bonds pursuant to state or federal laws or regulations.~~

Sec. 3. Minnesota Statutes 1978, Section 462A.05, is amended by adding a subdivision to read:

Subd. 19. It may make no interest loans of up to \$4,000 to persons and families of low and moderate income who are veterans or veterans' dependents to assist in making down payments to enable them to purchase new or existing housing to be used as their principal place of residence. To be eligible, the veterans or veteran's dependent must be a first time home owner, and must enter into an agreement with the agency, with appropriate security as determined by the agency, to repay the loan amount in full when the property is sold, transferred, or otherwise conveyed, or ceases to be the recipient's principal place of residence. For the purpose of this subdivision, "veteran" means a person residing in Minnesota who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, and who is a citizen of the United States, and who served at any time during the period from August 5, 1964 to May 7, 1975; and "veteran's depen-

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dent" means a person residing in Minnesota who is the unmarried surviving spouse of a veteran.

Sec. 4. Minnesota Statutes 1978, Section 462A.06, Subdivision 11, is amended to read:

Subd. 11. It may make and publish rules pursuant to chapter 15 and regulations respecting its mortgage lending, construction lending, rehabilitation lending, grants, and temporary lending, and any such other rules and regulations as are necessary to effectuate its corporate purpose, and may adopt temporary rules to implement demonstration programs for the financing of residential housing.

Sec. 5. Minnesota Statutes, 1979 Supplement, Section 462A.21, Subdivision 11, is amended to read:

Subd. 11. The agency may make or purchase loans to owners of rental property of ~~four units or more~~ that is at least 15 years old and occupied at the time of loan closing primarily by low and moderate income tenants and which does not comply with the standards established in section 116H.129, subdivision 3, for the purposes purpose of moderate rehabilitation and energy improvements necessary to bring the property into compliance with section 116H.129, subdivision 3 these standards. For property which meets the other requirements of this subdivision and, in addition, is at least 15 years old, a loan may also be used for moderate rehabilitation of the property. The authority granted in this subdivision is in addition to and not in limitation of any other authority granted to the agency in this chapter. Loans made pursuant to this subdivision shall ~~only not~~ be made with the proceeds of bonds and notes, and shall not include any appropriated money.

Sec. 6. Minnesota Statutes 1978, Section 462A.21, is amended by adding a subdivision to read:

Subd. 4h. It may create a revolving fund to be used to make loans for the purpose of section 3 and pay the costs and expenses necessary and incidental to the development and operation of the loan program authorized therein.

Sec. 7. Minnesota Statutes, 1979 Supplement, Section 462C.03, is amended by adding a subdivision to read:

Subd. 9. The plan may include limitations or prohibitions on the assumption of the loans or other terms which are inconsistent with section 47.20, subdivision 6, for notes or bonds issued by the city pursuant to section 462C.07.

Sec. 8. **APPROPRIATION.** \$3,000,000 is reappropriated from the homeownership assistance fund created in section 462A.21, subdivision 8, to the housing development fund created by section 462A.20 for the veteran's housing assistance program provided by section 3, and to pay related costs and expenses.

The approved component of the Minnesota housing finance agency is increased by one position.

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Sec. 9. Minnesota Statutes, 1979 Supplement, Section 462C.05, Subdivision 1, is amended to read:

462C.05 MULTIFAMILY HOUSING DEVELOPMENTS. Subdivision 1. A city may also plan, administer, and make or purchase a loan or loans to finance one or more multifamily housing developments within its boundaries, of the kind described in subdivisions 2, 3 or 4, and upon the conditions set forth in this section. A loan may be made or purchased for the acquisition and preparation of a site and the construction of a new development, or for the acquisition of an existing building and site and the rehabilitation thereof, provided that:

(a) The cost of rehabilitation of an existing building is estimated to equal at least \$5,000 per dwelling unit or 50 percent of the appraised value of the original building and site, whichever is less or if the rehabilitation is financed in part by proceeds from a program provided by the federal government pursuant to 24 C.F.R. Sections 882.401 to 882.519 or pursuant to section 312 of the Housing Act of 1964 (42 U.S.C. Section 1452b), the cost of rehabilitation of an existing building is estimated to equal at least \$2,000 per dwelling unit or 20 percent of the appraised value of the original building and site whichever is less :

(b) At least a substantial portion of such rehabilitation cost is estimated to be incurred for compliance with building codes or conservation of energy;

(c) Each development upon completion shall comply with all applicable code requirements;

(d) A loan or loans may be made or purchased for either the construction or the long term financing of a development, or both, including the 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. 10. **EFFECTIVE DATE.** This act is effective the day following its final enactment.

Approved April 23, 1980

CHAPTER 594—S.F.No. 2100

An act relating to trade regulations; providing limits on formaldehyde concentrations emitted from building materials and insulation; prohibiting certain transactions; enacting the uniform trade secrets act; providing remedies; prescribing penalties.

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