

Sec. 3. This act shall become effective upon its approval by resolutions adopted by a majority of all members of the school board of Independent School District No. 272 and by a majority of all members of the school board of Independent School District No. 271, and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 26, 1977.

CHAPTER 303—S.F.No.49

An act relating to business or agricultural loans; rate of interest therein; amending Minnesota Statutes 1976, Section 334.011, Subdivisions 1 and 4.

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

Section 1. Minnesota Statutes 1976, Section 334.011, Subdivision 1, is amended to read:

334.011 **BUSINESS OR AGRICULTURAL LOANS; INTEREST.** Subdivision 1. Notwithstanding the provisions of section 334.01 or other law to the contrary, a ~~lending institution which pursuant to U.S. Public Law 93-504 is authorized to charge an interest rate for certain loans in excess of the rate otherwise permitted by state law a lender~~ may, in the case of loans for business or agricultural purposes, charge on any loan or discount made or upon any note, bill or other evidence of debt, interest at a rate of not more than ~~five~~ four and one-half percent in excess of the discount rate on 90 day commercial paper in effect at the Federal Reserve bank in the Federal Reserve district encompassing Minnesota.

For the purposes of this subdivision, the term "business" means a commercial or industrial enterprise which is carried on for the purpose of active or passive investment or profit.

For the purposes of this subdivision, the term "agricultural" means the production, harvest, exhibition, marketing, transportation, processing, or manufacture of agricultural products, including horticultural, viticultural, and dairy products, livestock, wildlife, poultry, bees, forest products, fish and shellfish, and any parts thereof, including processed and manufactured products, and any and all products raised or produced on farms and any processed or manufactured products thereof.

No loan shall be made pursuant to this subdivision if the proceeds of the loan are used to finance the purchase or maintenance of real estate used principally for residential purposes.

Sec. 2. Minnesota Statutes 1976, Section 334.011, Subdivision 4, is amended to read:

Subd. 4. This section is effective the day following final enactment ~~and shall expire~~
Changes or additions indicated by underline deletions by strikethrough

July 1, 1977. A loan made on or before July 1, 1977, at a rate of interest not in excess of the rate authorized by this section at the time the loan is made, shall continue to be enforceable in accordance with its terms until the indebtedness is fully satisfied.

Sec. 3. This act is effective the day following final enactment.

Approved May 27, 1977.

CHAPTER 304—S.F.No.90

[Coded in Part]

An act relating to soil and water conservation; adding the commissioner of natural resources as an ex-officio member of the state soil and water conservation board; authorizing a cost-sharing program; clarifying the powers and duties of the state board and local districts; amending ambiguous or redundant provisions; adding a member to the soil and water conservation board temporarily; appropriating funds; amending Minnesota Statutes 1976, Chapter 40, by adding sections; and Sections 40.01, Subdivision 8, and by adding a subdivision; 40.02; 40.03, Subdivisions 1, 2, 3, and 4; 40.07, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14; repealing Minnesota Statutes 1976, Sections 40.005; and 40.07, Subdivision 13.

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

Section 1. Minnesota Statutes 1976, Section 40.01, Subdivision 8, is amended to read:

Subd. 8. **SOIL AND WATER CONSERVATION; ADMINISTRATION.** "Agency of this state" or "state agency" includes the government of this state and any subdivision, agency, or instrumentality, corporate or otherwise, of the government of this state.

Sec. 2. Minnesota Statutes 1976, Section 40.01, is amended by adding a subdivision to read:

Subd. 15. APPROPRIATE AGENCIES. "Appropriate agencies" include any local, state or federal agency which possesses expertise, involvement or authority concerning the use and development of land and water resources, but does not include any district or the state board.

Sec. 3. Minnesota Statutes 1976, Section 40.02, is amended to read:

40.02 PUBLIC POLICY; PURPOSE. As a guide to the interpretation and application of this chapter, the public policy of the state is declared to be as follows: Improper land-use practices have caused and contributed to serious wind and water erosion of farm and grazing the lands of this state by wind and water and that thereby topsoil is being washed out of fields and pastures and has speeded up the removal of the absorptive topsoil causing exposure of less absorptive and less protective, but more

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