

Subd. 11. **ON-SALE LICENSES, INCLUDING HOTELS, CLUBS, RESTAURANTS, AND ON-SALE EXCLUSIVE LIQUOR STORES.** "On-sale" licenses may be issued by municipalities for the sale of intoxicating liquors in hotels, clubs, restaurants and establishments for the sale of "on-sale" liquors exclusively within the number authorized by this section. ~~Except in a city of the first class and~~ In addition to the number of licenses authorized by this section, an "on-sale" license may be issued, if approved by the commissioner of public safety, to a bona fide club which has been in existence for 15 years or more or to a congressionally chartered veterans' organization which has been in existence for ~~ten~~ five years. ~~Such a~~ The club or veterans' organization ~~shall~~ must be incorporated in order to be eligible to apply for a license, and the license issued ~~shall~~ must be for the sale of intoxicating liquors to members and bona fide guests only. The license fee for ~~such~~ an "on-sale" license issued by a municipality pursuant to this subdivision shall be in an amount determined by the governing body thereof subject to the following limitations: up to \$300 for a veterans organization or fraternal club with a membership of 200 or less; up to \$500 for a veterans organization or fraternal club with a membership of between 201 and 500; up to \$650 for a veterans organization or fraternal club with a membership of between 501 and 1,000; up to \$800 for a veterans organization or fraternal club with a membership of between 1,001 and 2,000; up to \$1,000 for a veterans organization or fraternal club with a membership between 2,000 and 4,000; up to \$2,000 for a veterans organization or fraternal club with a membership of between 4,001 and 6,000; and up to \$3,000 for a veterans organization or fraternal club with a membership of more than 6,000. For purposes of the maximum license fee which may be imposed by a municipality pursuant to this subdivision, "fraternal club" means a club which serves only members and their guests and which uses any profits derived from these sales principally for sponsoring activities beneficial to the community and not for the benefit of any individual. Except in cities of the first, second, and third class, a license may be issued jointly to congressionally chartered veterans' organizations ~~which~~ that otherwise qualify under this subdivision.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective July 1, 1982.

Approved March 23, 1982

CHAPTER 632 — H.F.No. 1994

An act relating to financial institutions; authorizing bank or trust company investment in community welfare projects; permitting certain shared appreciation mortgages; providing that the mortgage becomes due and payable upon its sale or transfer; amending Minnesota Statutes 1980, Section 48.61, by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b.

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

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

Section 1. Minnesota Statutes 1981 Supplement, Section 47.20, Subdivision 4b, is amended to read:

Subd. 4b. Notwithstanding any other provision of this chapter, including section ~~47.201~~ 47.203, with respect to any conventional loan pursuant to which the mortgagee or lender shall receive any share of future appreciation of the mortgaged property, the following limitations shall apply:

(1) The share of future appreciation of the mortgaged property which the lender or mortgagee may receive shall be limited to the proportionate amount produced by dividing the lesser of the acquisition cost or fair market value of the mortgaged property at the time the conventional loan is made into the original principal amount of the conventional loan; provided that in no event shall the annual rate of return obtained by the lender or mortgagee over the term of the conventional loan exceed the maximum lawful interest rate prescribed in subdivision 4a.

(2) The lender or mortgagee shall not receive any share of future appreciation of the mortgaged property except (a) upon sale or transfer of the mortgaged property or any interest therein, whether by lease, deed, contract for deed or otherwise, whether for consideration or by gift or in the event of death, or otherwise, and whether voluntarily, involuntarily, or by operation of law, provided that if the mortgagor or mortgagors own the mortgaged property as co-tenants, the transfer of the mortgaged property or any interest therein from one of such co-tenants to another co-tenant, whether by reason of death or otherwise, shall not be considered a sale or transfer, and a taking by eminent domain shall not be considered a sale or transfer unless it is a total taking for which payment is made for the full value of the mortgaged property, and a casualty loss shall not be considered a sale or transfer unless the proceeds of any insurance claim made in connection with such casualty loss are applied to prepay the principal of the conventional loan; or (b) upon the stated maturity of the loan, if the loan is made pursuant to or in connection with a specific housing program undertaken by a city, housing and rehabilitation authority, port authority, or other political subdivision or agency of the state.

(3) Before the loan is made, the lender shall disclose to the mortgagor or mortgagors the terms and conditions upon which the lender or mortgagee shall receive any share of future appreciation of the mortgaged property.

Section 47.20, subdivision 6a, shall not be construed to prohibit the lender or mortgagee from declaring the entire debt of a conventional loan subject to this subdivision due and payable upon a sale or transfer of the mortgaged property or any interest therein, as provided in clause (2).

The commissioner may from time to time make, amend and rescind rules, forms and orders necessary to carry out the provisions of this subdivision. The

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

provisions of this subdivision shall not apply to loans made pursuant to the program authorized by Laws 1981, Chapter 97.

Sec. 2. Minnesota Statutes 1980, Section 48.61, is amended by adding a subdivision to read:

Subd. 4. Any such bank or trust company may make equity or debt investments in corporations or projects designed primarily to promote community welfare, such as the rehabilitation or development of economically depressed residential, commercial, or industrial areas. A bank or trust company investment in any one corporation or project shall not exceed two percent of its capital and surplus and its aggregate investment in all such corporations or projects shall not exceed five percent of its capital and surplus.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment.

Approved March 23, 1982

CHAPTER 633 — H.F.No. 2000

An act relating to state government; strengthening qualifications for persons controlling, administering, or managing nursing homes; requiring review of reimbursement for substandard care; requiring license revocation in certain situations; clarifying certain provisions of the general assistance program; revising a penalty; enhancing the state's ability to fund health and welfare programs by strengthening tax collection efforts; supplementing appropriations for the department of revenue; reappropriating money; amending Minnesota Statutes 1980, Sections 144A.01, Subdivision 7; 144A.04, Subdivisions 4 and 6; 144A.08, Subdivision 3; 144A.10, Subdivision 4; 144A.11, Subdivision 2, and by adding a subdivision; and Minnesota Statutes 1981 Supplement, Section 256D.05, Subdivision 1, and by adding a subdivision.

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

Section 1. Minnesota Statutes 1980, Section 144A.01, Subdivision 7, is amended to read:

Subd. 7. "Uncorrected violation" means (a) a violation of a statute or rule or any other deficiency for which a notice of noncompliance has been issued and fine assessed and allowed to be recovered pursuant to section 144A.10, subdivision 6, or (b) the issuance of two or more correction orders, within a 12-month period, for a violation of the same provision of a statute or rule.

Sec. 2. Minnesota Statutes 1980, Section 144A.04, Subdivision 4, is amended to read:

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