

Sec. 7. Minnesota Statutes 1976, Section 334.03, is amended to read:

**334.03 USURIOUS CONTRACTS INVALID; EXCEPTIONS.** All bonds, bills, notes, mortgages, and all other contracts and securities, and all deposits of goods, or any other thing, whereupon or whereby there shall be reserved, secured, or taken any greater sum or value for the loan or forbearance of any money, goods, or things in action than ~~hereinbefore~~ prescribed, except such instruments which are taken or received in accordance with and in reliance upon the provisions of any statute, shall be void except as to ~~bona fide purchasers of negotiable paper, in good faith, for a valuable consideration and before maturity; as hereinafter provided a holder in due course.~~ No merely clerical error in the computation of interest, made without intent to avoid the provisions of this chapter, shall constitute usury. Interest at the rate of one-twelfth of eight percent for every 30 days shall not be construed to exceed eight percent per annum; nor shall the payment of interest in advance of one year, or any less time, at a rate not exceeding eight percent per annum constitute usury; and nothing herein shall prevent the purchase of negotiable mercantile paper, usurious or otherwise, for a valuable consideration, by ~~an innocent~~ a purchaser without notice, at any price before the maturity of the same, when there has been no intent to evade the provisions of this chapter, or where such purchase has not been a part of the original usurious transactions; but where the original holder of a usurious note sells the same to an innocent purchaser, the maker thereof, or his representatives, may recover back from the original holder the amount of principal and interest paid by him on the note.

Sec. 8. This act is effective the day following final enactment.

Approved March 23, 1978.

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#### CHAPTER 530-S.F.No.1684

[Coded]

*An act relating to federal aid to state government; requiring consultation with the legislative advisory commission prior to expenditure of certain federal aid.*

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

Section 1. **[4.073] ANTI-RECESSION FINANCIAL ASSISTANCE.** In the case of money received by the state from the federal government under the program for anti-recession financial assistance, 42 U.S.C.A., Sections 6721 to 6735, the money shall not be expended until the governor has consulted with the legislative advisory commission and received its recommendation thereon. The recommendation is advisory only.

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

Approved March 23, 1978.

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