

Sec. 2. Minnesota Statutes 1978, Section 473.446, Subdivision 1, is amended to read:

473.446 **TRANSIT TAX LEVIES.** Subdivision 1. **AMOUNT.** For the purposes of sections 473.401 to 473.451 and the metropolitan transit system, the metropolitan transit commission shall levy each year upon all taxable property within the metropolitan transit taxing district, defined herein, a transit tax consisting of:

(a) An amount equal to 1.72 mills times the assessed value of all such property, the proceeds of which shall be used for payment of the expenses of operating regular route bus service;

(b) An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; and

(c) An additional amount necessary to provide full and timely payment of certificates of indebtedness, bonds in the principal amount of \$9,000,000 which the commission is authorized to sell for the purpose of purchasing buses and related equipment, and constructing maintenance and other buildings, bus shelters and road related improvements, or other obligations issued pursuant to section 1 for purposes of acquisition and betterment of property and other improvements of a capital nature and to which the commission has specifically pledged tax levies under this clause.

Sec. 3. Minnesota Statutes 1978, Section 473.438, Subdivisions 5 and 6, are repealed.

Sec. 4. This act is effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington, the day after final enactment.

Approved April 30, 1979.

CHAPTER 47—H.F.No.297

An act relating to the city of Chisholm; exempting volunteer firefighters from civil service commission jurisdiction.

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

Section 1. Members of the volunteer fire department of the city of Chisholm are in all respects exempt from the jurisdiction of the joint police and firefighters' civil service commission of said city, notwithstanding any compensation received by them for rendering fire prevention and protection service.

Sec. 2. This act is effective upon approval by the Chisholm city council and upon

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

compliance with Minnesota Statutes, Section 645.021.

Approved April 30, 1979.

CHAPTER 48—H.F.No.486

An act relating to usury; extending the expiration date on the law authorizing flexible interest rates on home loans; regulating assumptions of certain mortgages; amending Minnesota Statutes 1978, Section 47.20, Subdivisions 4, 6 and 9.

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

Section 1. Minnesota Statutes 1978, Section 47.20, Subdivision 4, is amended to read:

Subd. 4. No conventional loan shall be made at a rate of interest or loan yield in excess of a maximum lawful interest rate which shall be based upon the monthly index of long term United States government bond yields as compiled by the United States treasury department and published by the department in the monthly treasury bulletin. The maximum lawful interest rate shall be computed as follows:

(1) The maximum lawful rate of interest for a conventional loan made or contracted for during any calendar month shall be equal to the monthly index of long term United States government bond yields for the second preceding calendar month plus an additional two percent per annum rounded off to the nearest quarter of one percent per annum or rounded off to the highest quarter of one percent per annum if equidistant.

(2) On or before the 20th day of each month the commissioner of banking shall determine, based on available statistics, the monthly index of long term United States government bond yields for the preceding calendar month and shall determine the maximum lawful rate of interest for conventional loans for the next succeeding month, as defined in clause (1) and shall cause the maximum lawful rate of interest to be published in a legal newspaper in Ramsey county on or before the 20th day of each month and in the state register on or before the last day of each month; the maximum lawful rate of interest to be effective on the first day of the next succeeding month.

(3) A contract rate within the maximum lawful interest rate applicable to a conventional loan at the time the loan is made shall be the maximum lawful interest rate for the term of the conventional loan.

(4) Conventional loans made pursuant to a commitment for a conventional loan, including a commitment for conventional loans made upon payment of a developer's commitment fee, which provides for consummation within some future time following the issuance of the commitment may be consummated pursuant to the provisions, including the interest rate, of the commitment notwithstanding the fact that the maximum lawful rate of interest at the time such conventional loan is actually made is less than the

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