

CHAPTER 665—S.F.No. 1937

An act relating to crimes; providing for seizure and forfeiture of property used in commission of crime, proceeds of crime, and contraband; creating a presumption that money, precious metals, and jewels found near controlled substances, and vehicles containing controlled substances, are subject to forfeiture; providing for administrative forfeiture of such property with opportunity for judicial determination; providing for summary forfeiture of contraband, certain controlled substances, weapons following a conviction, and certain plants; providing for forfeiture by judicial action of property and proceeds associated with controlled substance violations and designated offenses; eliminating the requirement that forfeiture actions be dismissed if no associated conviction results; providing that a conviction creates the presumption that after-acquired property constitutes forfeitable proceeds of the offense; eliminating the defense of an owner who negligently allowed the unlawful use of the owner's property; providing that the right to forfeitable property passes to law enforcement agencies upon commission of unlawful act; allowing seizure without process incident to a lawful search without a warrant and in other circumstances; allocating the proceeds of forfeitures to law enforcement agencies and county attorneys; including the cost of facilities and improvements in calculating the confinement per diem for the Hennepin county corrections facility; increasing the amount that may be credited to the sheriff's contingent fund; amending Minnesota Statutes 1986, sections 152.205; 152.21, subdivision 6; 383B.128, subdivision 1; 387.212; and 609.531, subdivisions 4, 5, and by adding subdivisions; Minnesota Statutes 1987 Supplement, section 609.531, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1986, sections 152.19; and 609.531, subdivisions 2, 3, and 6.

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

Section 1. Minnesota Statutes 1986, section 152.205, is amended to read:

152.205 LOCAL REGULATIONS.

Sections 152.01, subdivision 18, and 152.092 to 152.095; ~~and 152.19, subdivisions 1 and 3~~ do not preempt enforcement or preclude adoption of municipal or county ordinances prohibiting or otherwise regulating the manufacture, delivery, possession or advertisement of drug paraphernalia.

Sec. 2. Minnesota Statutes 1986, section 152.21, subdivision 6, is amended to read:

Subd. 6. **EXEMPTION FROM CRIMINAL SANCTIONS.** For the purposes of this section, the following are not violations listed in section 152.09 or 152.15:

- (1) use or possession of THC, or both, by a patient in the research program;
- (2) possession, prescribing use of, administering, or dispensing THC, or any combination of these actions, by the principal investigator or by any clinical investigator; and

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(3) possession or distribution of THC, or both, by a pharmacy registered to handle schedule I substances which stores THC on behalf of the principal investigator or a clinical investigator.

THC obtained and distributed pursuant to this section is not subject to forfeiture under section ~~152.19~~ 609.531 or sections 11 to 16.

For the purposes of this section, THC is removed from schedule I contained in section 152.02, subdivision 2, and inserted in schedule II contained in section 152.02, subdivision 3.

Sec. 3. Minnesota Statutes 1986, section 383B.128, subdivision 1, is amended to read:

Subdivision 1. Each municipality in which conduct alleged in a misdemeanor complaint occurs shall pay to Hennepin county for the maintenance cost of the inmate convicted thereon and sentenced to confinement in the corrections facility the sum per diem as it may cost the county for the average maintenance per inmate. The administrator and superintendent shall at the first meeting of the county board in August of each year submit for the board's approval a determination of the maintenance cost per diem per inmate of the corrections facility which shall be based upon the actual costs, records of receipts, disbursements, and other data for the preceding year, adjusted by applying to the preceding years' rate any cost of living increase or decrease for the year ending June 30 of the current year. The costs shall ~~not~~ include the cost, not to exceed \$1 per day per inmate, of the premises or structures of the corrections facility or of any permanent improvements or repairs. The superintendent shall render monthly bills to the municipalities for the maintenance costs provided for by this section.

Sec. 4. Minnesota Statutes 1986, section 387.212, is amended to read:

387.212 CONTINGENT FUND.

The board of county commissioners in any county may create a sheriff's contingent fund and may credit thereto not more than ~~\$3,000~~ \$10,000. The money in such fund may be used for the advancement and reimbursement of expenses of the sheriff and the sheriff's office. Such moneys shall be disbursed by the county treasurer in accordance with rules and regulations prescribed by the board. Any balance remaining at the end of the year shall be transferred to the revenue fund.

Sec. 5. Minnesota Statutes 1987 Supplement, section 609.531, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For the purpose of this section and sections 11 to 16, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation ~~in connection with a designated offense~~ and includes, but is not limited to, a motor ~~vehicles, trailers, snowmobiles, airplanes, and vessels~~ vehicle, trailer, snow-

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mobile, airplane, and vessel and any equipment attached to it. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) ~~"Primary container" means a fundamental receptacle other than a conveyance device used to store or transport property.~~

(e) "Weapon used" means weapons a weapon used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.

~~(d)~~ (c) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(e) ~~(d)~~ "Contraband ~~property~~" means property which is illegal to possess under Minnesota law.

~~(f)~~ (e) "Appropriate agency" means either the bureau of criminal apprehension, the Minnesota state patrol, a county sheriffs and their deputies sheriff's department, or a city or airport police departments department.

~~(g)~~ (f) "Designated offense" includes:

(1) For weapons used: any violation of this chapter;

(2) For all other purposes: a felony violation of, or an a felony-level attempt or conspiracy to violate, section 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322, subdivision 1 or 2; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; ~~609.521; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595;~~ section 609.671, subdivisions 3, 4, and 5; 609.687; 609.825; 609.86; 609.88; 609.89; or 617.246, when the violation constitutes a felony.

(h) ~~"Communications device or component" means a device or system used to facilitate in any manner the creation, storage, dissemination, or transmission of data in connection with a designated offense and includes computers and computer-related components as defined in section 609.87 and any other device or system that by means of electric, electronic or magnetic impulses may be used to facilitate in any manner the creation, storage, dissemination, or transmission of data.~~

(g) "Controlled substance" has the meaning given in section 152.01, subdivision 4.

Sec. 6. Minnesota Statutes 1986, section 609.531, is amended by adding a subdivision to read:

Subd. 1a. CONSTRUCTION. This section and sections 11 to 16 must be liberally construed to carry out the following remedial purposes:

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- (1) to enforce the law;
- (2) to deter crime;
- (3) to reduce the economic incentive to engage in criminal enterprise;
- (4) to increase the pecuniary loss resulting from the detection of criminal activity; and
- (5) to forfeit property unlawfully used or acquired and divert the property to law enforcement purposes.

Sec. 7. Minnesota Statutes 1986, section 609.531, subdivision 4, is amended to read:

Subd. 4. ~~SEIZURE WITHOUT PROCESS.~~ Seizure without process of a weapon used or of contraband Property subject to forfeiture under this section or sections 11 to 16 may be seized by the appropriate agency upon process issued by any court having jurisdiction over the property. Property may be made seized without process if:

(a) (1) the seizure is incident to an a lawful arrest or a lawful search under a search warrant;

(b) (2) the weapon property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this chapter; or

(c) (3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the property and that:

(1) that (i) the weapon property was used or is intended to be used in commission of a designated offense; and

(2) that the delay occasioned by the necessity to obtain process would result in the removal, destruction, illegal use, or intended illegal use of the weapon felony; or

(d) (ii) the property is contraband property dangerous to health or safety.

If property is seized without process under clause (3), subclause (i), the county attorney must institute a forfeiture action under section 13 as soon as is reasonably possible.

Sec. 8. Minnesota Statutes 1986, section 609.531, subdivision 5, is amended to read:

Subd. 5. NOT SUBJECT TO REPLEVIN RIGHT TO POSSESSION VESTS IMMEDIATELY; CUSTODY OF SEIZED PROPERTY. All right, title, and interest in property subject to forfeiture under this section or sections 11 to 16 vests in the appropriate agency upon commission of the act or omission giving rise to the forfeiture. Any conveyance device, communications device or component, primary container, weapon used, or contraband property taken

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~~or detained seized~~ under this section shall or sections 11 to 16 is not ~~be~~ subject to replevin, but is deemed to be in the custody of the appropriate agency subject ~~only~~ to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When ~~any proceeds which are derived from or traced to the~~ commission of a designated offense, conveyance device, communications device or component, primary container, weapon used, or contraband property is so seized under this section, the appropriate agency may:

(a) ~~(1) place the conveyance device, communications device or component, primary container, weapon used, or contraband property under seal; or~~

~~(b) (2) remove the conveyance device, communications device or component, primary container, weapon used, or contraband property to a place designated by it;~~

(3) in the case of controlled substances, require the state board of pharmacy to take custody of the property and remove it to an appropriate location for disposition in accordance with law; and

(4) take other steps reasonable and necessary to secure the property and prevent waste.

Sec. 9. Minnesota Statutes 1986, section 609.531, is amended by adding a subdivision to read:

Subd. 5a. BOND BY OWNER FOR POSSESSION. If the owner of property that has been seized under this section or sections 11 to 16 seeks possession of the property before the forfeiture action is determined, the owner may, subject to the approval of the appropriate agency, give security or post bond payable to the appropriate agency in an amount equal to the retail value of the seized property. On posting the security or bond, the seized property must be returned to the owner and the forfeiture action shall proceed against the security as if it were the seized property. This subdivision does not apply to contraband property.

Sec. 10. Minnesota Statutes 1986, section 609.531, is amended by adding a subdivision to read:

Subd. 6a. FORFEITURE A CIVIL PROCEDURE; CONVICTION RESULTS IN PRESUMPTION. (a) An action for forfeiture is a civil in rem action and is independent of any criminal prosecution, except as provided in this subdivision. The appropriate agency handling the forfeiture has the benefit of the evidentiary presumption of section 14, subdivision 1, but otherwise bears the burden of proving the act or omission giving rise to the forfeiture by clear and convincing evidence, except that in cases arising under section 12, the designated offense may only be established by a felony level criminal conviction.

(b) A court may not issue an order of forfeiture under section 11 while the alleged owner of the property is in custody and related criminal proceedings are

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pending against the alleged owner. For forfeiture of a motor vehicle, the alleged owner is the registered owner according to records of the department of public safety. For real property, the alleged owner is the owner of record. For other property, the alleged owner is the person notified by the prosecuting authority in filing the forfeiture action.

Sec. 11. [609.5311] FORFEITURE OF PROPERTY ASSOCIATED WITH CONTROLLED SUBSTANCES.

Subdivision 1. CONTROLLED SUBSTANCES. All controlled substances that were manufactured, distributed, dispensed, or acquired in violation of chapter 152 are subject to forfeiture under this section, except as provided in subdivision 3 and section 16.

Subd. 2. ASSOCIATED PROPERTY. All property, real and personal, that has been used, or is intended for use, or has in any way facilitated, in whole or in part, the manufacturing, compounding, processing, delivering, importing, cultivating, exporting, transporting, or exchanging of a controlled substance that has not been lawfully manufactured, distributed, dispensed, and acquired is subject to forfeiture under this section, except as provided in subdivision 3.

Subd. 3. LIMITATIONS ON FORFEITURE OF CERTAIN PROPERTY ASSOCIATED WITH CONTROLLED SUBSTANCES. (a) A conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is \$500 or more.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance is \$5,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Notwithstanding paragraphs (d) and (e), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property if the owner or secured party took reasonable steps to terminate use of the property by the offender.

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Subd. 4. RECORDS; PROCEEDS. (a) All books, records, and research products and materials, including formulas, microfilm, tapes, and data that are used, or intended for use in the manner described in subdivision 2 are subject to forfeiture.

(b) All property, real and personal, that represents proceeds derived from or traceable to a use described in subdivision 2 is subject to forfeiture.

Sec. 12. [609.5312] FORFEITURE OF PROPERTY ASSOCIATED WITH DESIGNATED OFFENSES.

Subdivision 1. PROPERTY SUBJECT TO FORFEITURE. All personal property is subject to forfeiture if it was used or intended for use to commit or facilitate the commission of a designated offense. All money and other property, real and personal, that represent proceeds of a designated offense, and all contra-band property, are subject to forfeiture, except as provided in this section.

Subd. 2. LIMITATIONS ON FORFEITURE OF PROPERTY ASSOCIATED WITH DESIGNATED OFFENSES. (a) Property used by a person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the commission of a designated offense.

(b) Property is subject to forfeiture under this subdivision only if the owner was privy to the act or omission upon which the forfeiture is based, or the act or omission occurred with the owner's knowledge or consent.

(c) Property encumbered by a bona fide security interest is subject to the interest of the secured party unless the party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(d) Notwithstanding paragraphs (b) and (c), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the act or omission upon which the forfeiture is based if the owner or secured party took reasonable steps to terminate use of the property by the offender.

Sec. 13. [609.5313] FORFEITURE BY JUDICIAL ACTION; PROCEDURE.

The forfeiture of property under sections 11 and 12 is governed by this section. A separate complaint must be filed against the property stating the act, omission, or occurrence giving rise to the forfeiture and the date and place of the act or occurrence. The county attorney shall notify the owner or possessor of the property of the action, if known or readily ascertainable. The action must be captioned in the name of the county attorney or the county attorney's designee as plaintiff and the property as defendant.

Sec. 14. [609.5314] ADMINISTRATIVE FORFEITURE OF CERTAIN

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PROPERTY SEIZED IN CONNECTION WITH A CONTROLLED SUBSTANCES SEIZURE.

Subdivision 1. PROPERTY SUBJECT TO ADMINISTRATIVE FORFEITURE; PRESUMPTION. (a) The following are presumed to be subject to administrative forfeiture under this section:

- (1) all money, precious metals, and precious stones found in proximity to:
 - (i) controlled substances;
 - (ii) forfeitable drug manufacturing or distributing equipment or devices; or
 - (iii) forfeitable records of manufacture or distribution of controlled substances; and
- (2) all conveyance devices containing controlled substances with a retail value of \$500 or more.

(b) A claimant of the property bears the burden to rebut this presumption.

Subd. 2. ADMINISTRATIVE FORFEITURE PROCEDURE. Forfeiture of property described in subdivision 1 is governed by this subdivision. When seizure occurs, or within a reasonable time after that, all persons known to have an ownership or possessory interest in seized property must be notified of the seizure and the intent to forfeit the property. In the case of a motor vehicle required to be registered under chapter 168, notice mailed by certified mail to the address shown in department of public safety records is deemed sufficient notice to the registered owner. Notice may otherwise be given in the manner provided by law for service of a summons in a civil action. The notice must be in writing and contain:

- (1) a description of the property seized;
- (2) the date of seizure;
- (3) notice of the right to obtain judicial review of the forfeiture; and
- (4) notice of the procedure for obtaining judicial review of the forfeiture.

Substantially the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 14, SUBDIVISION 3, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED PROPERTY."

Subd. 3. JUDICIAL DETERMINATION. (a) Within 60 days following service of a notice of seizure and forfeiture under this section, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administra-

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tor in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the county attorney for that county, and the standard filing fee for civil actions. No responsive pleading is required of the county attorney and no court fees may be charged for the county attorney's appearance in the matter. The proceedings are governed by the rules of civil procedure.

(b) The complaint must be captioned in the name of the claimant as plaintiff, the seized property as defendant, and must state with specificity the grounds on which the claimant alleges the property was improperly seized and stating the plaintiff's interest in the property seized. Notwithstanding any law to the contrary, an action for the return of property seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(c) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under section 10.

Sec. 15. [609.5315] DISPOSITION OF FORFEITED PROPERTY.

Subdivision 1. DISPOSITION. If the court finds under section 13 or 14 that the property is subject to forfeiture, it may order the appropriate agency to:

(1) sell property that is not required to be destroyed by law and is not harmful to the public, and distribute the proceeds under subdivision 5;

(2) take custody of the property and remove it for disposition in accordance with law;

(3) forward the property to the federal drug enforcement administration;

(4) disburse money as provided under subdivision 5; or

(5) keep property other than money for official use by the agency and the prosecuting agency.

Subd. 2. DISPOSITION OF ADMINISTRATIVELY FORFEITED PROPERTY. If property is forfeited administratively under section 14 and no demand for judicial determination is made, the appropriate agency may dispose of the property in any of the ways listed in subdivision 1.

Subd. 3. USE BY LAW ENFORCEMENT. Property kept under this section may be used only in the performance of official duties of the appropriate agency or prosecuting agency and may not be used for any other purpose. Proceeds from the sale of property kept under this subdivision must be disbursed as provided in subdivision 5.

Subd. 4. DISTRIBUTION OF PROCEEDS OF THE OFFENSE. Property that consists of proceeds derived from or traced to the commission of a designated offense must be applied first to payment of seizure, storage, forfeiture, and

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sale expenses, and to satisfy valid liens against the property; and second, to any court-ordered restitution before being disbursed as provided under subdivision 5.

Subd. 5. DISTRIBUTION OF MONEY. Seventy percent of the money or proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, and satisfaction of valid liens against the property, must be forwarded to the appropriate agency for deposit as a supplement to its operating fund or similar fund for use in law enforcement, and 20 percent must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. The remaining ten percent of the money or proceeds must be forwarded within 60 days after resolution of the forfeiture to the state treasury and credited to the crime victim and witness account established under section 609.101. Any local police relief association organized under chapter 423, which received or was entitled to receive the proceeds of any sale made under this section before the effective date of sections 1 to 17, shall continue to receive and retain the proceeds of these sales.

Sec. 16. [609.5316] SUMMARY FORFEITURES.

Subdivision 1. CONTRABAND. If the property is contraband, the property must be summarily forfeited and either destroyed or used by the appropriate agency for law enforcement purposes.

Subd. 2. CONTROLLED SUBSTANCES. (a) Controlled substances listed in schedule I that are possessed, transferred, sold, or offered for sale in violation of chapter 152, are contraband and must be seized and summarily forfeited. Controlled substances listed in schedule I that are seized or come into the possession of peace officers, the owners of which are unknown, are contraband and must be summarily forfeited.

(b) Species of plants from which controlled substances in schedules I and II may be derived that have been planted or cultivated in violation of chapter 152 or of which the owners or cultivators are unknown, or that are wild growths, may be seized and summarily forfeited to the state. The appropriate agency or its authorized agent may seize the plants if the person in occupancy or in control of land or premises where the plants are growing or being stored fails to produce an appropriate registration or proof that the person is the holder of appropriate registration.

Subd. 3. WEAPONS. Weapons used are contraband and must be summarily forfeited to the appropriate agency upon conviction of the weapon's owner or possessor for any offense of this chapter. Notwithstanding this subdivision, weapons used may be forfeited without a conviction under section 609.531 or sections 11 to 15.

Sec. 17. REPEALER.

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Minnesota Statutes 1986, sections 152.19; and 609.531, subdivisions 2, 3, and 6, are repealed.

Sec. 18. EFFECTIVE DATE.

Sections 1, 2, and 4 to 17 are effective August 1, 1988, and apply to crimes committed and violations occurring on or after that date. Section 3 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Hennepin county board of commissioners.

Approved April 26, 1988

CHAPTER 666—S.F.No. 1956

An act relating to financial institutions; savings and loan associations; defining terms; adding clarifying language; regulating incorporations; regulating mutual to stock conversions; providing for corporate governance of capital stock associations; regulating the powers of saving associations; regulating deposit accounts; regulating investments; regulating terms and conditions of loans, contracts, and extensions of credit; amending Minnesota Statutes 1986, sections 51A.02; 51A.03, by adding a subdivision; 51A.041, subdivisions 1 and 4, and by adding a subdivision; 51A.05, subdivision 1, and by adding a subdivision; 51A.06, subdivision 3; 51A.065, subdivisions 1, 3, 4, 8, and by adding a subdivision; 51A.07; 51A.10; 51A.11, subdivision 1; 51A.12; 51A.13; 51A.15, subdivision 2; 51A.17; 51A.19, subdivisions 1, 8, and 10; 51A.21, subdivisions 1, 5, 7, 9, 14, 15, 17, 21, and by adding subdivisions; 51A.251; 51A.261; 51A.262; 51A.28; 51A.31, subdivision 1; 51A.32; 51A.35; 51A.361; 51A.37, subdivisions 1, 2, 3, 4, and by adding subdivisions; 51A.38, subdivisions 1, 2, 3, 4, 5, 7, and 8; 51A.40; 51A.44, subdivision 1; 51A.48; 51A.50; 51A.51, subdivision 1; 51A.53; 51A.56; and 118.005, subdivision 1; Minnesota Statutes 1987 Supplement, section 51A.23, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 48 and 51A; repealing Minnesota Statutes 1986, sections 51A.03, subdivision 2a; 51A.05, subdivisions 3, 4, and 5; 51A.091; 51A.11, subdivision 3; 51A.18; 51A.19, subdivisions 2 and 3; 51A.21, subdivisions 6 and 19; 51A.23, subdivisions 2, 3, 4, and 5; 51A.37, subdivisions 7 and 9; 51A.38, subdivision 6; and 51A.39.

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

Section 1. [48.194] INSTALLMENT SALES CONTRACTS; LOANS.

A person may enter into a credit sale or service contract for sale to a state or national bank doing business in this state, and a bank may purchase and enforce the contract under the terms and conditions set forth in section 66, subdivision 2. A state bank or national bank may extend credit pursuant to the terms and conditions set forth in section 66.

Sec. 2. Minnesota Statutes 1986, section 51A.02, is amended to read:

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