

CHAPTER 32--H.F.No. 463

An act relating to capital investment; appropriating money for the Rural Finance Authority; authorizing the sale and issuance of state bonds.

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

Section 1. **RURAL FINANCE AUTHORITY.**

Subdivision 1. **Appropriation.** \$50,000,000 is appropriated from the bond proceeds fund to the Rural Finance Authority for the purposes set forth in the Minnesota Constitution, article XI, section 5, paragraph (h), to purchase participation interests in or to make direct agricultural loans to farmers under Minnesota Statutes, chapter 41B. This appropriation is from the bond proceeds account in the rural finance administration fund and is for the beginning farmer program under Minnesota Statutes, section 41B.039; the loan restructuring program under Minnesota Statutes, section 41B.04; the seller-sponsored program under Minnesota Statutes, section 41B.042; the agricultural improvement loan program under Minnesota Statutes, section 41B.043; and the livestock expansion loan program under Minnesota Statutes, section 41B.045. All debt service on bond proceeds used to finance this appropriation must be repaid by the Rural Finance Authority under Minnesota Statutes, section 16A.643. Loan participations must be priced to provide full interest and principal coverage and a reserve for potential losses. Priority for loans must be given first to basic beginning farmer loans, second to seller-sponsored loans, and third to agricultural improvement loans.

Subd. 2. **Bond sale expenses.** \$50,000 is appropriated from the bond proceeds fund to the commissioner of management and budget for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8.

Subd. 3. **Bond sale.** To provide the money appropriated in this section from the bond proceeds fund, the commissioner of management and budget shall sell and issue bonds of the state in an amount up to \$50,050,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

EFFECTIVE DATE. This section is effective the day following final enactment.

Presented to the governor May 8, 2023

Signed by the governor May 8, 2023, 4:53 p.m.