

## ECONOMIC DEVELOPMENT 362.40

**361.26 Application of state law; local regulations; surface use regulations of the commissioner**

Subdivision 1. The provisions of chapter 361, and of other applicable laws of this state shall govern the operation, equipment, numbering and all other matters relating thereto whenever any vessel shall be operated on the waters of this state, or when any activity regulated by chapter 361 shall take place thereon. Nothing in chapter 361 shall be construed as limiting the authority of any political subdivision of this state to adopt regulations, not inconsistent with chapter 361 and the regulations of the commissioner, relating to the use of waters of this state which are wholly or partly within the territorial boundaries of a county, or entirely within the boundaries of a city, village, or borough. A city of the first class of over 200,000 or the park board thereof, may forbid the use of motorboats or boats with motors attached thereto on its lakes.

[1973 c 702 s 2]

Subd. 1a. On or before January 1, 1975, the commissioner shall develop and publish guidelines to assist counties when adopting water surface use ordinances for waters within their jurisdiction.

[1973 c 702 s 3]

[For text of subd. 2, see M.S.1971]

**CHAPTER 362. ECONOMIC DEVELOPMENT**

Sec.  
362.40 Loans to Indians living on and off reservation [New].

**362.40 Loans to Indians living on and off reservation**

Subdivision 1. For purposes of this section the following terms shall have the meanings ascribed to them herein.

Subd. 2. "Indian" means a person of one-quarter or more Indian blood.

Subd. 3. "Census" means the most recent census taken by the Minnesota department of manpower services.

Subd. 4. "Reservation residents" means Indians living on reservations at the time of the census.

Subd. 5. "Nonreservation residents" means Indians living off reservations in Minnesota at the time of the census, and who are enrolled members of a Minnesota-based tribe or band.

Subd. 6. "Person" means an individual Indian, or a partnership comprising Indians only, or a corporation whose stock is owned wholly by Indians.

Subd. 7. "Tribal council" means the reservation business committee or equivalent duly constituted tribal authority.

Subd. 8. The remaining 20 percent of the tax revenue received by the county auditor under section 273.13, subdivision 2a shall be remitted by the county auditor to the state treasurer and shall be deposited in the general fund in special accounts identified as "reservation residents loan accounts" and a "nonreservation residents loan account." The amount to be credited to each reservation residents loan account shall be that percentage of the amount received from all the counties pursuant to subdivision 8 as the number of Indians living on such reservation bears to all the Indians in Minnesota, according to the census. The amount remaining shall be credited to the nonreservation residents loan account. The amounts credited to each of these special accounts shall be used solely for making loans to Indians, in the manner provided by subdivisions 9 and 10.

Subd. 9. A reservation resident, desiring to make a loan for the purpose of starting a business enterprise or expanding a going business, shall make application to the state department of economic development. The department

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shall prescribe the necessary forms, and advise the prospective borrower as to the condition under which his application may be expected to receive favorable consideration. Thereafter the application shall be forwarded to the tribal council, which is empowered either to approve or reject the application. If the application is approved, the tribal council shall forward the application, together with all relevant documents pertinent thereto, to the state auditor, who shall draw his warrant in favor of the tribal council with appropriate notations identifying the borrower. The tribal council shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the state department of economic development. The tribal council shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council shall remit the amount so received plus interest paid thereon to the state treasurer. The amount so received shall be credited to such reservation residents loan account. The tribal council shall secure a bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of such reservation residents loan account during the fiscal year. Ten percent of the total amount made available to any tribal council during the fiscal year shall be paid to such council prior to December 31 for the purpose of financing administrative costs.

Subd. 10. A nonreservation resident desiring to make a loan for the purpose of starting a business enterprise or expanding a going business shall make application to the state department of economic development, on forms prescribed by the department. The department is empowered to either accept or reject the application, based upon guidelines and conditions essentially similar to those used for the purpose of recommending approval or rejection of reservation residents by the tribal council under subdivision 9. If the application is approved by the state department of economic development, the department shall forward the application, together with all the relevant documents pertinent thereto, to the state auditor, who shall draw his warrant in favor of the commissioner of economic development, with appropriate notations identifying the borrower. The department of economic development shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the department. The department of economic development shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent shall be charged. When any portion of a debt is repaid, the department of economic development shall remit the amount so received plus interest paid thereon to the state treasurer. The amount so received shall be credited to the nonreservation residents loan account.

Subd. 11. Loans made under subdivisions 9 and 10 shall be limited to a period of 20 years, if made for the purpose of financing nonreal estate purchases. Loans made for the purpose of financing real estate purchases, where such real property is to be used for nonresidential purposes only, shall be limited to a period of 40 years, and shall be a lien on the real property so acquired.

Subd. 12. Any person misrepresenting facts regarding the Indian ancestry of a prospective borrower for the purpose of securing a loan under subdivisions 9 and 10, whether such borrower be an individual, partnership or corporation, shall be guilty of a gross misdemeanor.

Subd. 13. The county auditor shall remit the tax revenue received yearly to the state treasurer as required by subdivision 8 no later than December 15.

Subd. 14. There is appropriated annually an amount equal to the tax revenue allotted under subdivisions 9 and 10.

[1973 c 650 art. XX s 4]