

A bill for an act

relating to Steele County; authorizing transfer of nursing home and assisted living facility and related assets to nonprofit corporation and acquisition of membership interest in nonprofit corporation.

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

Section 1. **STEELE COUNTY ASSET TRANSFER; STATUS OF TRANSFeree.**

Subdivision 1. **Asset transfer authorized.** Steele County may lease, sell, or otherwise transfer to a nonprofit corporation all of the real and personal property, tangible and intangible, including contract rights, receivables, and enterprise funds, owned or used by the county for nursing home, assisted living, and related purposes and may acquire a membership interest in the nonprofit corporation. Any lease must provide for rent payable by the corporation at least sufficient to pay the principal and interest on the outstanding bonds of the county issued to finance any of such facilities. The lease may grant the corporation an option or require the corporation to purchase the facilities upon payment or redemption of the outstanding bonds. Any lease, sale, or other transfer must be on such terms and conditions as the county board shall approve, without advertisement or public solicitation of bids.

Subd. 2. **Status of transferee.** The articles of incorporation or bylaws of the transferee corporation may provide that the county board has the right to appoint and remove one or more members of the governing board of the corporation and that specified actions be subject to the approval of such members. The corporation shall be a nonprofit corporation organized under Minnesota Statutes, chapter 317A, and entitled to exercise all of the powers of a nonprofit corporation under that chapter. If the county board does not have the right to appoint a majority of the governing board of the nonprofit

2.1 corporation, neither Minnesota Statutes, section 465.717, nor other laws applicable to
2.2 public corporations shall apply to the nonprofit corporation.

2.3 Subd. 3. **Open meeting law; data practices.** A nonprofit corporation created under
2.4 this section is subject to the Minnesota Open Meeting Law and Minnesota Government
2.5 Data Practices Act.

2.6 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective the day
2.7 after the governing body of Steele County and its chief clerical officer timely complete
2.8 compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.