

and the periods of time specified in section 176.141 shall be computed from the date that a confirmed diagnosis of tuberculosis is first communicated to the nurse.

Sec. 12. The provisions of this act will become effective September 1, 1971.

Approved May 20, 1971.

CHAPTER 423—H.F.No.2089

[Not Coded]

An act relating to the village of Deer River and the county of Itasca; authorizing the acquisition, construction, financing and leasing of nursing home facilities in the village.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. DEER RIVER, VILLAGE OF; ACQUISITION AND CONSTRUCTION OF NURSING HOME FACILITIES. The village of Deer River is hereby authorized to construct and furnish nursing home facilities in the village, and is further authorized to acquire by lease, gift, devise, purchase, condemnation or otherwise any property necessary or desirable and suitable for such purpose.

Sec. 2. REVENUE BONDS. The village may issue one or more series of revenue bonds of the village in a total amount not to exceed \$500,000 to finance the acquisition and betterment of such nursing home facilities, including but without limitation the payment of interest during construction and for a reasonable period thereafter, the establishment of an initial reserve to secure the payment of the bonds and a reserve for working capital. The village may pledge and appropriate revenues to be derived from its operation of the facilities, or the rentals to be derived from leasing such facilities to the county of Itasca or to a nonprofit or public corporation as hereinafter provided, to pay the principal and interest on the bonds when due and to create and maintain reserves as herein described. Such pledge and appropriation shall be a first and prior lien on all such revenues or rentals, or, if so provided in the bond resolution, as a lien thereon subordinate to all or a fixed percentage of the costs of the operation, administration, and maintenance of the facilities, subject to such parity lien provisions as are provided for in the bond resolution. The full faith and credit of the village may also be pledged to the payment of the bonds, but only as herein provided.

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Sec. 3. OPERATION; LEASE TO COUNTY OF ITASCA OR NONPROFIT OR PUBLIC CORPORATION. The governing body of the village may operate such nursing home facilities and may make such rules or regulations and provide for such managing board as it deems necessary for such purpose. Alternatively, the village may lease the nursing home facilities to the county of Itasca or to a nonprofit or public corporation, for such rentals and upon such terms and subject to such other conditions as may be agreed, except as hereinafter otherwise provided. The lessee may be granted an option to renew the lease for an additional term or terms upon such conditions and rentals, or to purchase the facilities at such price, as may be provided. If the county is the lessee, the lease shall provide for the operation, administration, and maintenance of the nursing home facilities by the county as an integral part of the county welfare services in accordance with Minnesota Statutes, Section 376.55, Subdivision 1, and Sections 376.58 to 376.66, except as otherwise provided in this act. No other provision of Minnesota Statutes, Chapter 376 or any limitation contained in such provisions shall apply to such facilities except as provided in section 8. If a nonprofit or public corporation is the lessee, the lease shall provide for the operation, administration and maintenance of the facilities as a community nursing home open to all residents of the community on equal terms, except as may otherwise be provided by law. Any lease agreement entered into hereunder may require the lessee to pay a net annual rental, in excess of the cost of operation, administration and maintenance of the facilities, in such amount that if paid in full such rental, together with estimated collections of taxes and other revenues of the village of Deer River pledged to the payment of the revenue bonds issued hereunder, will pay the principal and interest when due on all such revenue bonds, and provide for the maintenance of any agreed revenue bond reserves. The costs of operation may include any taxes or special assessments payable with respect to such facilities. No lease entered hereunder shall grant an option to the lessee to purchase the facilities at a price less than the amount of the bonds so issued and interest accrued thereon, except bonds and accrued interest paid from such rentals before the option is exercised. The village may undertake and agree to pay to the lessee annually, and to include in each annual budget and tax levy for nursing home purposes, a fixed compensation determined by the village council to be just and proper compensation for services agreed to be performed by the lessee in the operation, administration, and maintenance of the nursing home as a community facility; for any investment by the lessee of its own funds or funds granted or contributed to it in the construction or equipment of the nursing home; and for any auxiliary services to be provided or made available by the lessee through other facilities owned or operated by it; and services other than those provided for in the lease agreement may be compensated at such rates as may be agreed subsequently.

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Sec. 4. COVENANTS AND OTHER SECURITY FOR BONDHOLDERS. In the issuance of bonds hereunder the revenues or rentals may be pledged and appropriated by resolution for the use and benefit of bondholders generally, or may be pledged by the execution of an indenture or other appropriate instrument to a trustee for the bondholders, and any property interest in such facilities held by the village of Deer River may be mortgaged to such trustee. The governing body of the village shall have the power to make and enter into any and all covenants with the bondholders or trustee which are determined by it to be necessary or proper to assure the marketability of the bonds, the completion of the facilities, the segregation of the revenues or rentals and any other funds pledged, and the sufficiency thereof for the prompt and full payment of all bonds and interest.

Sec. 5. APPLICABILITY OF MINNESOTA STATUTES, CHAPTER 475. Except as otherwise provided in this act, all bonds issued pursuant to this act shall be issued and sold as provided in Minnesota Statutes, Chapter 475. Such bonds shall not be included in the net debt of the county of Itasca or of the village of Deer River, as defined or referred to in Minnesota Statutes, Section 475.51 or any other law. An election shall be required only if the full faith and credit of the village of Deer River is pledged to the payment of the bonds. The bonds and interest thereon shall be exempt from taxation by the state and any of its subdivisions.

Sec. 6. FINANCING BY COUNTY. If the county of Itasca leases the nursing home facilities under the authority granted in this act, the county board may transfer surplus funds from any fund except the road and bridge, sinking or drainage ditch funds for the purpose of defraying the cost of operation, administration and maintenance of such facilities incurred during the term of the lease and any net annual rental payments, as provided for in the lease. The lease may require that the county board annually levy a tax in such amount as is necessary to defray such costs of operation, administration and maintenance and, in addition thereto, may further require that the board annually levy a tax in such amount as is necessary to pay such net annual rentals, after taking into consideration revenues derived from the operation of the facility and any other funds available for such purposes. The proceeds of taxes for costs of operation, administration and maintenance shall be paid by the county into a county nursing home operation and maintenance fund, which shall be expended therefrom as provided in this act and in the lease entered into hereunder. The proceeds from the taxes levied and collected to pay the net annual rental shall be paid by the county into a county net rentals fund, which shall be expended therefrom as provided in this act and in the lease entered into hereunder.

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Sec. 7. REQUIRED LEVY BY COUNTY. The lease may require that the county board, prior to the delivery of any revenue bonds issued hereunder, levy a direct general ad valorem tax upon all taxable property in the county to be spread upon the tax rolls for each year in which the net rentals are due in such amounts that if collected in full they, together with estimated collections by the county of net revenues derived from the operation of the nursing home facilities and any other funds pledged by the county for the payment of net rentals, will produce at least five percent in excess of the amount needed to meet when due the net rentals required to be paid by the county under the lease. The county shall irrevocably appropriate the taxes so levied and any other revenues so pledged by the county to the county net rental fund. If the county levies taxes under this section, the county auditor shall file in his office a certified copy of the resolution levying such taxes together with full information regarding the lease for which the tax is levied. The county auditor shall forthwith certify to the county board that the required tax levy has been made. Tax levies so made and filed shall be irrevocable, except that if the county board in any year makes an irrevocable appropriation to the net rental fund of moneys actually on hand or if there is on hand any excess amount in the net rental fund, the county auditor shall certify the fact and amount thereof and shall reduce by the amount so certified the amount otherwise to be included in the rolls next thereafter prepared. All such taxes shall be collected and remitted to the county as other taxes are collected and remitted, and shall be used only for payment of the net rentals due under the lease, on account of which levied or to repay advances from other funds used for such payments, except that any surplus remaining in the net rental fund when the lease has terminated and the bonds issued hereunder have been paid may be appropriated to any other purpose by the county. The provisions of Minnesota Statutes, Chapter 475, including but not limited to any net debt or election requirements, shall not apply to any obligation assumed by the county under the terms of this act and any lease entered into hereunder, except as otherwise provided in section 8.

Sec. 8. FINANCING IMPROVEMENTS MADE BY COUNTY. Any improvements made by the county to the leased nursing home facilities, including equipping, furnishing, enlarging, or adding to the facilities, as provided for in the lease, shall be financed by the county in accordance with the provisions of Minnesota Statutes, Section 376.55, Subdivision 3, and Section 376.56.

Sec. 9. COMMUNITY MEMORIAL HOSPITAL OF DEER RIVER, INC. The village of Deer River may enter into a long term contract with the Community Memorial Hospital of Deer River, Inc., a nonprofit corporation, authorizing the village to construct, furnish, equip and improve such nursing home facilities as an integral part of the community hospital facilities presently owned and operated by

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the corporation and to provide for the administration, operation and maintenance of the nursing home facilities, and any improvements thereto, in accordance with this act and any lease entered hereunder, for a period of 99 years, or it may enter into a contract for such shorter period as reasonably corresponds with the life of the facilities.

Sec. 10. SERVICE CONTRACT. Notwithstanding any other provisions of this act, the village of Deer River, or the county of Itasca, as lessee of such facilities, may enter into a service contract with a nonprofit or public corporation for the operation and maintenance of such nursing home facilities on such terms and conditions as may be agreed upon, including but not limited to the delegation to such corporation of responsibility for any or all employment policies adopted with respect to such facilities.

Sec. 11. POWERS ADDITIONAL AND SUPPLEMENTAL. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law. So far as the provisions of any other law are not consistent herewith, the provisions hereof shall be controlling.

Sec. 12. EFFECTIVE DATE. This act shall become effective only after its approval by a majority of the governing body of the village of Deer River and its approval by a majority of the governing body of the county of Itasca, and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved May 20, 1971.

CHAPTER 424—H.F.No.2279

[Not Coded]

An act relating to Cook and Lake counties; authorizing levy for health department purposes.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. COOK AND LAKE COUNTIES; HEALTH DEPARTMENT TAX LEVY. Notwithstanding the provisions of Minnesota Statutes, Section 145.51, the board of commissioners of Cook and Lake counties shall have authority to levy a tax in an amount not to exceed six mills against all of the taxable property of said counties for the purposes set forth in Minnesota Statutes, Sections 145.47 to 145.54.

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