

Everett G. Svendsen, 5423 LaMoya Avenue, Jacksonville, Florida
32210.....\$600.00

James L. Taute, 915 Northdale Boulevard, Coon Rapids, Minnesota
55433.....\$100.00

George H. Thompson, Box 174, Amelia Court House, Amelia, Virginia
23002.....\$300.00

Kenneth Thompson, 8050 Old Central NE, Fridley, Minnesota
55432.....\$105.00

William Magnus Thörkildson, 5920 Newton Avenue South, Minneapolis,
Minnesota 55419.....\$300.00

Efraim Tsarfati, 4546 Johnny Cake Ridge Road, Eagan, Minnesota
55122.....\$100.00

Timothy J. Walsh, 585 Sherburne Avenue, St. Paul, Minnesota
55103.....\$100.00

James W. Webinger, 704 Ruth Street, Prescott, Arizona 86301.....\$300.00

Richard L. Welker, 130 Yucca Street, Vandenburg AFB, California
93437.....\$300.00

Wayne Henry Willhite, Route 2, Buffalo Lake, Minnesota
55314.....\$600.00

Glenn W. Willmsen, 1054 Merrifield Street, Shakopee, Minnesota
55379.....\$195.00

David Eugene Winter, 623 So. Second St., Staples, Minnesota
56479.....\$300.00

Sec. 4. **EFFECTIVE DATE.** This act is effective the day following final enactment.

Approved April 3, 1980

CHAPTER 480—H.F.No. 1996

An act relating to industrial development; providing for various energy related projects; amending Minnesota Statutes 1978, Sections 474.01, Subdivision 4; and 474.02, by adding subdivisions; and Minnesota Statutes, 1979 Supplement, Section 474.03.

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

Section 1. Minnesota Statutes 1978, Section 474.01, Subdivision 4, is amended to read:

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Subd. 4. Other factors necessitating such action are the increasing concentration of population in urban and metropolitan areas; the consequent increase in the amount and cost of governmental services required in these areas; the energy crisis and energy cost escalation, and their contribution to unemployment, rising interest rates, balance of payments deficits and increased welfare payments to cover rising fuel costs and the increased costs of fuel intensive necessities; and the need for more intensive development and use of land to provide an adequate tax base to finance these costs. The effect of these factors is intensified by the necessity of withdrawing land for public use for highways, parks and open space reserves, schools and playgrounds, and other public enterprises needed to sustain proper living conditions, communications, and mobility in an increasingly urban society.

Sec. 2. Minnesota Statutes 1978, Section 474.02, is amended by adding a subdivision to read:

Subd. 1e. The term "project" also means the activities of any revenue producing enterprise involving the construction, fabrication, sale or leasing of equipment or products to be used in gathering, processing, generating, transmitting or distributing solar, wind, geothermal, biomass, agricultural or forestry energy crops, or other alternative energy sources for use by any person or any residential, commercial, industrial or governmental entity in heating, cooling or otherwise providing energy for a facility owned or operated by that person or entity.

Sec. 3. Minnesota Statutes 1978, Section 474.02, is amended by adding a subdivision to read:

Subd. 9. "Alternative energy" means any energy source which does not depend upon nuclear fuel or nonrenewable fossil fuel, or which makes available another energy source which currently is wasted and which includes, but is not limited to, cogeneration or district heating.

Sec. 4. Minnesota Statutes, 1979 Supplement, Section 474.03, is amended to read:

474.03 **POWERS.** Any municipality or redevelopment agency, in addition to the powers prescribed elsewhere by the laws of this state, shall have the power to:

(1) Acquire, construct, and hold any lands, buildings, easements, water and air rights, improvements to lands and buildings, and capital equipment to be located permanently or used exclusively on a designated site and solid waste disposal and pollution control equipment, and alternative energy equipment and inventory, regardless of where located, which are deemed necessary in connection with a project to be situated within the state, whether wholly or partially within or without the municipality or redevelopment agency, and construct, reconstruct, improve, better, and extend such project;

(2) Issue revenue bonds, in anticipation of the collection of revenues of such project, to finance, in whole or in part, the cost of the acquisition, construc-

tion, reconstruction, improvement, betterment, or extension thereof and, in the case of an alternative energy project, in addition to the other powers granted by this chapter, to finance the acquisition and leasing or sale of equipment and products to others;

(3) Issue revenue bonds to pay, purchase or discharge all or any part of the outstanding indebtedness of a contracting party engaged primarily in the operation of one or more nonprofit hospitals or nursing homes, theretofore incurred in the acquisition or betterment of its existing hospital or nursing home facilities, including, to the extent deemed necessary by the governing body of the municipality or redevelopment agency, any unpaid interest on such indebtedness accrued or to accrue to the date on which such indebtedness is finally paid; and any premium the governing body of the municipality or redevelopment agency determines to be necessary to be paid to pay, purchase or defease such outstanding indebtedness; if revenue bonds are issued for this purpose, the refinancing and the existing properties of the contracting party shall be deemed to constitute a project under section 474.02, subdivision 1c. Industrial revenue bonds shall only be available under this provision if the commissioner of securities has been shown that a reduction in debt service charges to patients and third party payors will occur. All reductions in debt service charges pursuant to this program shall be passed on to patients and third party payors. These industrial revenue bonds may not be used for any purpose not consistent with the provisions of sections 145.71 to 145.83 or chapter 256B;

Nothing in this subdivision is intended to prohibit the use of revenue bond proceeds to pay outstanding indebtedness of a contracting party to the extent now permitted by law;

(4) Enter into a revenue agreement with any person, firm, or public or private corporation or federal or state governmental subdivision or agency in such manner that payments required thereby to be made by the contracting party shall be fixed, and revised from time to time as necessary, so as to produce income and revenue sufficient to provide for the prompt payment of principal of and interest on all bonds issued hereunder when due, and the revenue agreement shall also provide that the contracting party shall be required to pay all expenses of the operation and maintenance of the project including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof, and all taxes and special assessments levied upon or with respect to the project and payable during the term of the revenue agreement, during which term a tax shall be imposed and collected pursuant to the provisions of section 272.01, subdivision 2, for the privilege of using and possessing the project, in the same amount and to the same extent as though the contracting party were the owner of all real and personal property comprising the project;

(5) Pledge and assign to the holders of such bonds or a trustee therefor all or any part of the revenues of one or more projects and define and segregate such revenues or provide for the payment thereof to a trustee, whether or not such trustee is in possession of the project under a mortgage or otherwise;

(6) Mortgage or otherwise encumber such projects in favor of the municipality or redevelopment agency, the holders of such bonds, or a trustee therefor, provided that in creating any such mortgages or encumbrances a municipality or redevelopment agency shall not have the power to obligate itself except with respect to the project;

(7) Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of the powers herein granted, or in the performance of its covenants or duties, or in order to secure the payment of its bonds; including, but without limitation, a contract entered into prior to the construction of the project authorizing the contracting party, subject to such terms and conditions as the municipality or redevelopment agency shall find necessary or desirable and proper, to provide for the construction, acquisition, and installation of the buildings, improvements, and equipment to be included in the project by any means available to the contracting party and in the manner determined by the contracting party and without advertisement for bids as may be required for the construction or acquisition of other municipal facilities;

(8) Enter into and perform such contracts and agreements with other municipalities, political subdivisions, and state agencies, authorities, and institutions as the respective governing bodies of the same may deem proper and feasible for or concerning the planning, construction, lease, purchase, mortgaging or other acquisition, and the financing of a project, and the maintenance thereof, including an agreement whereby one municipality issues its revenue bonds in behalf of one or more other municipalities pursuant to revenue agreements with the same or different contracting parties, which contracts and agreements may establish a board, commission, or such other body as may be deemed proper for the supervision and general management of the facilities of the project; provided, no municipality or redevelopment agency shall enter into or perform any contract or agreement with any school district under which the municipality or redevelopment agency issues its revenue bonds or otherwise provides for the construction of school facilities and the school leases or otherwise acquires these facilities;

(9) Accept from any authorized agency of the federal government loans or grants for the planning, construction, acquisition, leasing, purchase, or other provision of any project, and enter into agreements with such agency respecting such loans or grants;

(10) Sell and convey all properties acquired in connection with such projects, including without limitation the sale and conveyance thereof subject to such mortgage as herein provided, and the sale and conveyance thereof under an option granted to the lessee of the project, for such price, and at such time as the governing body of the municipality or redevelopment agency may determine, provided, however, that no sale or conveyance of such properties shall ever be made in such manner as to impair the rights or interests of the holder, or holders, of any bonds issued under the authority of this chapter;

(11) Issue revenue bonds to refund, in whole or in part, bonds previously issued by such municipality or redevelopment agency under authority of this chapter;

(12) If so provided in the revenue agreement, terminate the agreement and re-enter or repossess the project upon the default of the contracting party, and operate, lease, or sell the project in such manner as may be authorized or required by the provisions of the revenue agreement or of the resolution or indenture securing the bonds issued for the project; any revenue agreement which includes provision for a conveyance of real estate to the contracting party may be terminated in accordance with the revenue agreement, notwithstanding that such revenue agreement may constitute an equitable mortgage provided that no municipality or redevelopment agency shall have power otherwise to operate any project referred to in this chapter as a business or in any manner whatsoever, and nothing herein authorizes any municipality or redevelopment agency to expend any funds on any project herein described, other than the revenues of such projects, or the proceeds of revenue bonds and notes issued hereunder, or other funds granted to the municipality or redevelopment agency for the purposes herein contemplated, except as may be otherwise permitted by law and except to enforce any right or remedy under any revenue agreement or related agreement for the benefit of the bondholders or for the protection of any security given in connection with a revenue agreement, provided that the public cost of redevelopment of land paid by a city or its redevelopment agency shall not be deemed part of the cost of any project situated on such land;

(13) Invest or deposit, or authorize a trustee to invest or deposit, any money on hand in funds or accounts established in connection with a project or payment of bonds issued therefor, to the extent they are not presently needed for the purposes for which such funds or accounts were created, in accordance with section 471.56, as amended; and

(14) Waive or require the furnishing of a contractors payment and performance bond of the kind described in section 574.26 and if such bond shall be required, then the provisions of chapter 514 relating to liens for labor and materials, shall not be applicable in respect of any work done or labor or materials supplied for the project, and if such bond be waived then the said provisions of chapter 514 shall apply in respect of work done or labor or materials supplied for the project.

Approved April 3, 1980

CHAPTER 481—H.F.No. 2028

An act relating to state government; clarifying benefits of employees of former Hastings state hospital.

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

Section 1. The term "no reduction in salary or other benefits" in Laws 1977, Chapter 453, Section 17, includes within its scope the preservation and retention of seniority earned by employees at Hastings state hospital for any purpose for which seniority is used.

Changes or additions indicated by underline deletions by ~~strikeout~~