offered in cooperation with a collegiate institution. The state board may approve an area vocational-technical institute plan for awarding an associate degree which is not offered in cooperation with a collegiate institution only if cooperation is not practicable. All associate degree plans approved by the state board for vocational education shall be presented to the higher education coordinating board for review and recommendation pursuant to section 136A.04, subdivision 1, clause (d) and in accordance with the provisions of this section.

# Sec. 2. [121.218] [Subd. 2.] EXCEPTION.

Associate degrees offered by the area vocational-technical institutes prior to January 1, 1981, shall not be subject to the provisions of section 1.

# Sec. 3. [121.218] [Subd. 3.] REPORT.

By January 15, 1982, the higher education coordinating board, in cooperation with the state board for vocational education, shall submit a report to the education committees of the legislature regarding the awarding of associate degrees by area vocational-technical institutes. The report shall include identification and evaluation of the factors which affect the feasibility of cooperation with collegiate institutions. By January 1, 1983, the higher education coordinating board shall promulgate rules establishing criteria for determining when cooperation with a collegiate institution is not practicable.

# Sec. 4. EFFECTIVE DATE.

Sections 1, 2 and 3 are effective the day following final enactment.

Approved June 1, 1981

#### CHAPTER 354 — S.F.No. 1154

An act relating to public resources; authorizing the conveyance of certain state lands in Pine county to the Amherst H. Wilder Foundation; permitting Independent School District No. 573, Independent School District No. 576, or a joint powers board to request and assume responsibility for educating children at an Amherst H. Wilder Foundation camp; extending the availability of an appropriation to the city of Cloquet for the purpose of constructing a water filtration plant; providing a procedure for determination of a rate and making of a contract for water service between the cities of Hermantown and Duluth.

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

# Section 1. CONVEYANCE OF LAND AUTHORIZED.

Subdivision 1. AUTHORIZATION. Notwithstanding the provisions of Minnesota Statutes, Section 92.45, upon recommendation of the commission-

er of administration, the commissioner of natural resources, and the commissioner of corrections, the governor may transfer and convey, in the name of the state of Minnesota, to the Amherst H. Wilder Foundation, for purposes of operating a youth conservation camp only, the real estate now being leased from the state and operated as a youth conservation camp by the Amherst H. Wilder Foundation and situated in the county of Pine in the St. Croix state forest.

- Subd. 2. SURVEY AND APPRAISAL. The commissioner of administration shall cause the land being transferred to be surveyed, if necessary, whereupon a legal description of the property to be transferred will be written. The commissioner of administration shall also cause property being transferred to be appraised by not less than three appraisers at least two of whom shall be residents of Pine county. Each appraiser shall, before entering upon the duties of his office, take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability, and that he is not interested directly or indirectly in any of the lands to be appraised or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of such appraisal. Each appraiser shall be required to state the portion of the appraisal which is attributable to land and the amount which is attributable to buildings and other improvements.
- Subd. 3. CONSIDERATION. The consideration to be paid for the property being transferred under this act shall be the value certified by the commissioner of administration. The cost of any survey and the appraisals shall be added to and made a part of the value to be certified by the commissioner of administration.

The value attributable to land shall, upon receipt by the state from the Amherst H. Wilder Foundation, be paid by the state to Pine county in recognition of the fact that the land was tax forfeited prior to its acquisition by the department of natural resources. The value attributable to buildings and other improvements, and including the cost of any survey and the appraisals, shall be credited to the general revenue fund.

Subd. 4. PAYMENTS. The Amherst H. Wilder Foundation shall have the choice of making payment in full at the time of sale, or to pay not less than ten percent of the purchase price at time of sale with the balance payable in not less than equal annual installments for not to exceed five years, at the option of the purchaser, with principal and interest payable annually in advance on the unpaid balance, payable to the state treasury on or before June first of each year. The rate of interest shall be the maximum rate allowable for contracts for deed as determined by the department of commerce as of the date of the sale.

In the event that the Amherst H. Wilder Foundation elects to purchase the property on an installment basis, the commissioner of administration shall enter into a contract for deed with the Amherst H. Wilder Foundation, in which contract shall be set forth the description of the real property sold and the price thereof, the consideration paid and to be paid therefore, the rate of interest, and time and terms of payment. This contract for deed shall be made assignable and shall further set forth that in case of the nonpayment of the annual principal or interest payment due by the purchaser, or any person claiming under him, then the contract for deed, from the time of such failure, will be entirely void and of no effect and the state may be repossessed of the property and may return or resell the same as provided in Minnesota Statutes, Sections 94.09 to 94.16. In the event the terms and conditions of a contract for deed are completely fulfilled or if the Amherst H. Wilder Foundation makes a lump sum payment for the subject property in lieu of entering into a contract for deed, the governor, upon the recommendation of the commissioner of administration, the commissioner of corrections, and the commissioner of natural resources, shall sign and cause to be issued a quitclaim deed on behalf of the state. The quitclaim deed shall be in a form prescribed by the attorney general and shall vest in the Amherst H. Wilder Foundation all of the state's interest in the subject property except as provided in Minnesota Statutes, Section 94.14.

Subd. 5. STATE OPTION TO PURCHASE. If the property conveyed to the Amherst H. Wilder Foundation pursuant to this section is not used for the purpose of operating a youth conservation camp, the foundation shall offer to the commissioner of natural resources an option to acquire the property at the appraised value as certified pursuant to subdivision 3 or the value as appraised in the manner provided in Minnesota Statutes, Section 94.10, Subdivision 1, at the time the option is offered, whichever value is less.

#### Sec. 2. EDUCATIONAL PROGRAM.

Notwithstanding Minnesota Statutes, Section 120.17, Subdivision 6, the commissioner of education may assign the entire responsibility for the educational program of all handicapped children who are placed at the Amherst H. Wilder Foundation youth conservation camp to Independent School District No. 573, Hinckley, to Independent School District No. 576, Sandstone, or to a joint board established by these districts pursuant to Minnesota Statutes, Section 471.59, if that district or joint board requests the commissioner to assign it this responsibility and if the commissioner determines that this assignment is necessary to ensure the efficiency of the educational program.

# Sec. 3. CLOQUET WATER TREATMENT PLAN APPROPRIATION; EXTENSION.

Notwithstanding any other provision of law to the contrary, so much of the appropriation made available to the city of Cloquet for use in constructing

a water filtration system pursuant to Laws 1975, Chapter 437, Article XI, Section 2, Subdivision 2, as has not been expended shall remain available to the city for such use or for developing an alternative permanent source of drinking water until July 1, 1986, unless expended earlier.

# Sec. 4. HERMANTOWN AND DULUTH; WATER SERVICE,

Subdivision I. REQUEST FOR SERVICE. By September I, 1981, the city of Hermantown shall submit to the city of Duluth a request for water service including the volume of water needed and the number of years for which the service is requested.

- Subd. 2. CONTRACT OFFER; RATE. By April 1, 1982, the city of Duluth shall offer a contract to the city of Hermantown to provide the service requested by the city of Hermantown at a rate determined by the city of Duluth. The rate shall be based on a reasonable allocation of the capital, repair and operating expenses of the Duluth water system which are attributable to the water service requested by the city of Hermantown, including the full cost of any capital construction and repairs required by the volume of service to the city of Hermantown. The rate shall provide for an amortization of any construction costs reflected in the rate over a reasonable period not to exceed the terms of the proposed contract.
- Subd. 3. APPEAL TO PUBLIC UTILITIES COMMISSION. Not later than 90 days after the city of Duluth offers a contract under subdivision 2, the city of Hermantown may appeal the rate determined by the city of Duluth by filing a petition with the public utilities commission. If a petition is filed, the city shall file its answer within 30 days after the petition is filed. The commission, after public notice and hearing, shall determine whether the rate is just and reasonable consistent with the provisions of subdivision 2. Not later than 120 days after a petition of the city of Hermantown is filed, the commission shall affirm the rate or, if it finds that the rate is not just and reasonable, determine a just and reasonable rate. The rulemaking and contested case procedures of sections 15.0412 to 15.0422 shall not apply to any proceeding required by this subdivision.
- Subd. 4. CONTRACT. Not later than 90 days after the rate is affirmed or determined by the commission or, if no appeal is taken under subdivision 3, not later than 90 days after a contract is offered under subdivision 2, the cities of Hermantown and Duluth shall enter a contract for provision of water service by the city of Duluth to the city of Hermantown. The rate for the service shall be the rate determined by the city of Duluth pursuant to subdivision 2 or, if the commission has affirmed or determined a rate, the rate affirmed or determined by the commission.

#### Sec. 5. EFFECTIVE DATE.

Sections 1 and 3 are effective the day following final enactment.

Pursuant to Minnesota Statutes, Section 645.023, Subdivision 1, Clause (a), sections 2 and 4 are effective without local approval on the day following final enactment.

Approved June 1, 1981

#### CHAPTER 355 — H.F.No. 3

An act relating to public welfare; amending the community social services act; defining groups of persons for whom counties are responsible; establishing certain funding levels; clarifying sections of the community social services act; defining the county of financial responsibility for participants in long term sheltered workshops; amending Minnesota Statutes 1980, Sections 245.64; 245.66; 245.84, Subdivisions 2 and 5; 252.21; 252.24, Subdivisions 1, 3 and 4; 252.27, Subdivisions 1 and 2; 254A.03, Subdivision 1; 254A.05, Subdivision 1; 254A.07, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.03, Subdivision 2; 256E.04, Subdivision 1; 256E.05, Subdivisions 2 and 3; 256E.06, Subdivisions 1, 2, and 5 and by adding a subdivision; 256E.07, Subdivision 2; 256E.08, Subdivisions 1, 7 and 9; 256E.09, Subdivisions 1, 3, and by adding a subdivision; 256E.10; and 256E.12, Subdivision 3; repealing Minnesota Statutes 1980, Sections 245.67; 245.68; 245.72; 252.26; 256E.06, Subdivisions 4 and 11; and 261.27.

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

- Section 1. Minnesota Statutes 1980, Section 256D.18, Subdivision 2, is amended to read:
- Subd. 2. "County of financial responsibility" means (a) the county in which an individual resides; or (b) if an individual is a patient in a hospital or nursing home, as defined in sections 144.50, or 144A.01, or if an individual participates in a long-term sheltered workshop as defined in chapter 129A, or is placed in a county as a result of a correctional program or a treatment plan for health, rehabilitation, foster care, child care or training, at the time of making application, and immediately prior thereto resided in another county, then that other county.
- . Sec.: 2. Minnesota Statutes 1980, Section 256D.18, Subdivision 3, is amended to read:
- Subd. 3. Notwithstanding the provisions of subdivision 2, the county of financial responsibility shall not change as a result of successive placements in one or more counties pursuant to a plan of treatment for health, rehabilitation, foster care, child care or training; nor as a result of placement in any