

Sections 1 to 36 are effective the day following final enactment. Section 37 takes effect the day after the filing of a certificate of local approval by the Lake of the Woods county board of commissioners in compliance with Minnesota Statutes, section 645.021, subdivision 3.

Approved June 28, 1985

CHAPTER 16 — S.F.No. 25

An act relating to statutes; conforming various laws to judicial decisions of unconstitutionality and suggestions for clarity; correcting various legislative enactments; amending Minnesota Statutes 1984, sections 3.736, subdivision 3; 47.20, subdivision 15, as amended; 49.05, subdivision 6, if added; 60A.11, subdivision 21; 121.912, if amended; 152.19, subdivision 5, as amended; 160.25, subdivision 3, as amended; 164.06, as amended; 181.13; 290.01, subdivision 20f; 290.091; 365.37, as amended; 429.061, subdivision 1; 444.075, subdivisions 1, as amended, and 1a, as added; 559.21, subdivision 6, as amended; 580.031, as amended; 609.531, subdivision 6, as amended; and 631.09; Laws 1979, chapter 280, section 2, subdivision 2, as amended; Laws 1984, chapter 502, article 9, section 5; Laws 1985, chapters 37, section 2; 152, section 1, subdivision 1; 172, sections 74, subdivisions 4, 5, and 7; 80, by adding a subdivision; 217, section 7; 225, section 1, subdivision 2; 259, sections 6 and 8; 261, sections 31 and 38; and 305, article 12, section 5; House File Nos. 3, article 3, section 28, subdivisions 2, if enacted, and 4, if enacted; article 5, section 1, subdivision 6, if enacted; article 8, section 63, subdivision 3, if enacted and section 66, if enacted; article 11, section 3, subdivision 1, if enacted; section 21, subdivision 3, if enacted; section 23, subdivision 2, if enacted; 10, article 9, section 77, if enacted; 16, and section 37, subdivision 1, of the first special session; repealing Minnesota Statutes 1984, section 15A.081, subdivision 7a, if added; Laws 1985, chapters 102, section 2; 248, section 85; House File Nos. 5, section 13, if enacted; and 16, section 230, of the first special session.

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

ARTICLE 1 CONFORMITY

Section 1. Minnesota Statutes 1984, section 3.736, subdivision 3, is amended to read:

Subd. 3. **EXCLUSIONS.** Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) Any loss caused by an act or omission of a state employee exercising due care in the execution of a valid or invalid statute or regulation;

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(b) Any loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) Any loss in connection with the assessment and collection of taxes;

(d) Any loss caused by snow or ice conditions on any highway or other public place, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) Any loss caused by wild animals in their natural state;

(f) Any loss other than injury to or loss of property or personal injury or death;

(g) Any loss caused by the condition of unimproved real property owned by the state, which means land that the state has not improved, and appurtenances, fixtures and attachments to land that the state has neither affixed nor improved;

(h) Any loss incurred by a user within the boundaries of the outdoor recreation system and arising from the construction, operation, or maintenance of the ~~outdoor recreation~~ system, as defined in section 86A.04, or from the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces, except that the state is liable for conduct that would entitle a trespasser to damages against a private person.

(i) Any loss of benefits or compensation due under a program of public assistance or public welfare, except where state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(j) Any loss based on the failure of any person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents;

(k) Any loss based on the usual care and treatment, or lack of care and treatment, of any person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(l) Any loss, damage, or destruction of property of a patient or inmate of a state institution;

(m) Any loss for which recovery is prohibited by section 169.121, subdivision 9.

The state will not pay punitive damages.

Sec. 2. Minnesota Statutes 1984, section 181.13, is amended to read:

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181.13 PENALTY FOR FAILURE TO PAY WAGES PROMPTLY.

When any person, firm, company, association, or corporation employing labor within this state discharges a servant or employee, the wages or commissions actually earned and unpaid at the time of the discharge shall become immediately due and payable upon demand of the employee. If the employee's earned wages and commissions are not paid within 24 hours after such demand, whether the employment was by the day, hour, week, month, or piece or by commissions, the discharged employee may charge and collect the amount of his or her average daily earnings at the rate agreed upon in the contract of employment, for such period, not exceeding 15 days, after the expiration of the 24 hours, as the employer is in default, until full payment or other settlement, satisfactory to the discharged employee, is made. In the case of a public employer where approval of expenditures by a governing board is required, the 24-hour period for payment shall not commence until the date of the first regular or special meeting of the governing board following discharge of the employee. The wages and commissions must be paid at the usual place of payment unless the employee requests that the wages and commissions be sent to him or her through the mails. If, in accordance with a request by the employee, the employee's wages and commissions are sent to the employee through the mail, the wages and commissions shall be deemed to have been paid as of the date of their postmark for the purposes of this section.

Sec. 3. Minnesota Statutes 1984, section 429.061, subdivision 1, is amended to read:

Subdivision 1. **CALCULATION, NOTICE.** At any time after the expense incurred or to be incurred in making an improvement shall be calculated under the direction of the council, the council shall determine by resolution the amount of the total expense the municipality will pay, other than the amount, if any, which it will pay as a property owner, and the amount to be assessed. If a county proposes to assess within the boundaries of a city for a county state-aid highway or county highway, the resolution must include the portion of the cost proposed to be assessed within the city. The county shall forward the resolution to the city and it may not proceed with the assessment procedure under this section for property within the city unless the city council adopts a resolution approving the assessment. Thereupon the clerk, with the assistance of the engineer or other qualified person selected by the council, shall calculate the proper amount to be specially assessed for the improvement against every assessable lot, piece or parcel of land, without regard to cash valuation, in accordance with the provisions of section 429.051. The proposed assessment roll shall be filed with the clerk and be open to public inspection. The clerk shall thereupon, under the council's direction, publish notice that the council will meet to consider the proposed assessment. Such notice shall be published in the newspaper at least once and shall be mailed to the owner of each parcel described in the assessment roll. For the purpose of giving mailed notice under this

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subdivision, owners shall be those shown to be such on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Such publication and mailing shall be no less than two weeks prior to such meeting of the council. Except as to the owners of tax exempt property or property taxes on a gross earnings basis, every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless he has requested in writing that the county auditor or county treasurer, as the case may be, include his name on the records for such purpose. Such notice shall state the date, time, and place of such meeting, the general nature of the improvement, the area proposed to be assessed, the amount to be specially assessed against that particular lot, piece, or parcel of land, that the proposed assessment roll is on the file with the clerk, and that written or oral objections thereto by any property owner will be considered. No appeal may be taken as to the amount of any assessment adopted pursuant to subdivision 2, unless a written objection signed by the affected property owner is filed with the municipal clerk prior to the assessment hearing or presented to the presiding officer at the hearing. The notice shall also state that an owner may appeal an assessment to district court pursuant to section 429.081 by serving notice of the appeal upon the mayor or clerk of the municipality within 30 days after the adoption of the assessment and filing such notice with the district court within ten days after service upon the mayor or clerk. The notice shall also inform property owners of the provisions of sections 435.193 to 435.195 and the existence of any deferment procedure established pursuant thereto in the municipality.

Sec. 4. Minnesota Statutes 1984, section 631.09, is amended to read:

**631.09 JURY; HOW AND WHERE KEPT WHILE DELIBERATING;
SEPARATE ACCOMMODATIONS FOR JURORS.**

After hearing the charge the jury may either decide in court, or retire for deliberation, if it shall not agree without retiring, one or more officers shall be sworn to take charge of it, and it shall be kept together in some private and convenient place, ~~without food or drink except water, unless otherwise ordered by the court,~~ and no person shall be permitted to speak to or communicate with it or any one of its number unless by order of court, nor listen to the deliberations; and it shall be returned into court when agreed, or when so ordered by the court. In case of mixed juries counties shall provide adequate, separate quarters for male and female jurors with proper accommodations and, in the event the county fails to provide proper accommodations, the court shall order the jurors kept in a suitable hotel for the night.

This section applies only in cases where the jury has failed to agree.

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ARTICLE 2
CORRECTIONS**Section 1. EFFECT OF AMENDMENTS AND REPEALS.**

Subdivision 1. CONFLICTS; PREVAILING LAW. Regardless of the order of final enactment of this article and the acts it amends, the amendments or repeals in this article shall be given effect. Notwithstanding Minnesota Statutes, sections 645.26, subdivision 3, 645.33, or other law, an amendment in this article shall prevail over any other act amending the same provisions of law in an irreconcilable manner.

Subd. 2. EFFECTIVE DATE. Subdivision 1 is effective the day following its final enactment.

Sec. 2. CORRECTION. Subdivision 1. **INCORRECT REFERENCE.** Laws 1985, chapter 37, section 2, is amended to read:

Sec. 2. LOCAL APPROVAL.

Section 1 is effective upon approval by the Roseville city council and compliance with Minnesota Statutes, section ~~654.021~~ 645.021.

Subd. 2. EFFECTIVE DATE. Subdivision 1 is effective retroactively to April 30, 1985.

Sec. 3. CORRECTION. Subdivision 1. **CHAPTER 340 RECODIFICATION; INSTRUCTION TO REVISOR.** If a provision in Minnesota Statutes, chapter 340 is amended by the 1985 regular session and H.F. No. 1145 is enacted by the 1985 regular session the revisor shall codify the amendment consistent with the recodification of chapter 340 by H.F. No. 1145 notwithstanding any law to the contrary.

Subd. 2. EFFECTIVE DATE. Subdivision 1 is effective the day following its final enactment.

Sec. 4. CORRECTION. Subdivision 1. **NUMBER OF BOARD MEMBERS INCORRECTLY ADDED.** Laws 1985, chapter 152, section 1, subdivision 1, is amended to read:

Subdivision 1. CREATION AND MEMBERSHIP. The board of governors of the Big Island Veterans Camp - Lake Minnetonka supervises and manages the camp. The board consists of ~~nine~~ eight members. Two members each are appointed by the state level organization of the American Legion, the Disabled American Veterans, the Military Order of the Purple Heart, and the Veterans of Foreign Wars provided that at least two appointees are Vietnam veterans. The commissioner of veterans affairs or the commissioner's designee may attend and participate in an advisory capacity at any of the board meetings.

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The term of each member of the board is two years or until the appointment and qualification of a successor. The board selects a chairperson and secretary from its membership who serve terms of one year.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactively to May 21, 1985.

Sec. 5. **CORRECTION.** Subdivision 1. **INCORRECT NUMBER IN LEGAL DESCRIPTION.** Laws 1985, chapter 225, section 1, subdivision 2, is amended to read:

Subd. 2. **LAND DESCRIPTION.** The commissioner of natural resources shall offer an easement in the land described in this subdivision to Olmsted county.

(a) A parcel of land in the northwest quarter of section 5, township 106 north, range 13 west, Olmsted county Minnesota, described as follows:

Beginning at the northwest corner of the northwest quarter; thence north 88 degrees 46 minutes 17 seconds east (for the purpose of this description the north line of the northwest quarter is assumed to be north 88 degrees 46 minutes 17 seconds east) along the north line of the northwest quarter for a distance of 1313.61 feet; thence south 01 degrees 13 minutes 43 seconds east for a distance of 100.00 feet; thence south 87 degrees 06 minutes 46 seconds west for a distance of 941.55 feet; thence south 86 degrees 31 minutes 53 seconds west for a distance of 233.94 feet; thence south 52 degrees 23 minutes 06 seconds west for a distance of 117.75 feet; thence south 00 degrees 06 minutes 36 seconds west for a distance of 304.96 feet; thence south 01 degrees 51 minutes 26 seconds east for a distance of 180.21 feet; thence south 01 degrees 11 minutes 25 seconds east for a distance of 1870.77 feet more or less to the south line of the northwest quarter; thence westerly along the south line of said quarter to the southwest corner of the northwest quarter for a distance of 46.00 feet; thence north 01 degrees 02 minutes 19 seconds west along the west line of the northwest quarter for a distance of 2561.96 feet to the northwest corner of the northwest quarter and the point of beginning.

(b) A parcel of land consisting of the west 46 feet of the southwest quarter of section 5 lying north of the north right-of-way line of trunk highway No. 14. The parcel is subject to all existing roadway easements.

(c) A parcel of land in the northeast quarter in section 6, township 106 north, range 13 west, Olmsted county Minnesota, described as follows:

Beginning at the northeast corner of the northeast quarter of section 6; thence south 89 degrees 34 minutes 27 seconds west (for the purposes of this description the north line of the northeast quarter is assumed to be south 89 degrees 34 minutes 27 seconds west) along the north line of said quarter a distance of 910.58 feet; thence south 00 degrees 07 minutes 33 seconds east for a

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distance of 86.23 feet; thence south 85 degrees 58 minutes 28 seconds east for a distance of 621.63 feet; thence south 48 degrees 17 minutes 20 seconds east for a distance of 133.16 feet; thence south 08 degrees 23 minutes 21 seconds east for a distance of 251.13 feet; thence south 02 degrees 01 minutes 48 seconds east for a distance of ~~200.95~~ 220.95 feet; thence south 01 degrees 11 minutes 25 seconds east for a distance of 690.71 feet to the north line of the south 1180 feet of the northeast quarter; thence north 88 degrees 47 minutes 30 seconds east for a distance of 157.13 feet to the east line of the northeast quarter; thence north 01 degrees 02 minutes 19 seconds west along the east line of the northeast quarter for a distance of 1381.96 feet to the northeast corner of the northeast quarter and the point of beginning. The parcel is subject to all existing roadway easements.

The parcels in paragraphs (a), (b), and (c) containing 14.0 acres more or less.

(d) A parcel of land in the southeast quarter and the south one-half of the northeast quarter of section 31, township 107 north, range 13 west, Olmsted county Minnesota, described as follows:

Beginning at the southeast corner of the southeast quarter; thence north 00 degrees 43 minutes 30 seconds west (for the purpose of this description the east line of the southeast quarter is assumed to be north 00 degrees 43 minutes 30 seconds west) along the east line of said quarter for a distance of 848.56 feet; thence north 31 degrees 33 minutes 48 seconds west for a distance of 394.73 feet; thence northerly 1000.11 feet along a nontangential curve, concave southwesterly, a central angle of 07 degrees 24 minutes 14 seconds, a radius of 7739.44 feet, and the chord of said curve bears north 18 degrees 57 minutes 13 seconds west for a distance of 999.41 feet; thence north 22 degrees 39 minutes 20 seconds west for a distance of 545.41 feet to the north line of the southeast quarter; thence continuing north 22 degrees 39 minutes 20 seconds west for a distance of 1411.85 feet to the north line of the south one-half of the northeast quarter; thence south 89 degrees 35 minutes 55 seconds west along the north line of the south one-half of the northeast quarter for a distance of 216.10 feet; thence south 22 degrees 39 minutes 20 seconds east for a distance of 1412.11 feet to the north line of the southeast quarter; thence continuing south 22 degrees 39 minutes 20 seconds east for a distance of 626.99 feet; thence southerly 1349.73 feet along a tangential curve, concave southwesterly, a central angle of 10 degrees 15 minutes 26 seconds, a radius of 7539.44 feet, and the chord of said curve bears south 17 degrees 31 minutes 37 seconds east for a distance of 1347.93 feet; thence south 06 degrees 05 minutes 53 seconds east, not tangent to curve, for a distance of 539.30 feet; thence south 39 degrees 31 minutes 07 seconds west for a distance of 153.23 feet; thence south 84 degrees 04 minutes 49 seconds west for a distance of 552.74 feet; thence south 00 degrees 07 minutes 33 seconds east for a distance of 63.77 feet to the south line of the southeast quarter; thence north 89 degrees 34 minutes 27 seconds east along the south line of the southeast quarter for a

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distance of 910.58 feet to the southeast corner of the southeast quarter to the point of beginning.

Less the Chicago and Northwestern Railroad right-of-way in the south one-half of the northeast quarter. The parcel is subject to all existing roadway easements.

This parcel contains 22.21 acres more or less.

(e) A parcel of land in the southwest quarter of the southwest quarter of section 32, township 107 north, range 13 west, Olmsted county Minnesota, described as follows:

Beginning at the southwest corner of the southwest quarter; thence north 00 degrees 43 minutes 30 seconds west (for the purpose of this description the west line of the southwest quarter is assumed to be north 00 degrees 43 minutes 30 seconds west) along the west line of said quarter quarter for a distance of 848.56 feet; thence southeasterly 654.77 feet along a nontangential curve, concave southwesterly, a central angle of 04 degrees 46 minutes 24 seconds, a radius of 7859.44 feet, and the chord of said curve bears south 10 degrees 06 minutes 08 seconds east for a distance of 654.58 feet; thence south 47 degrees 06 minutes 34 seconds east for a distance of 127.00 feet; thence south 86 degrees 49 minutes 24 seconds east for a distance of 174.20 feet; thence north 88 degrees 46 minutes 17 seconds east for a distance of 941.35 feet to the east line of the southwest quarter of the southwest quarter; thence south 00 degrees 38 minutes 36 seconds east for a distance of 100.00 feet along the east line of the southwest quarter of the southwest quarter to the southeast corner of the southwest quarter of the southwest quarter; thence south 88 degrees 46 minutes 17 seconds west along the south line of said quarter quarter for a distance of 1313.61 feet to the southwest corner of the southwest quarter of the southwest quarter and the point of beginning. The parcel is subject to all existing roadway easements.

This parcel contains 4.27 acres more or less.

(f) That part of the southeast quarter and that part of the south one-half of the northeast quarter of section 31, lying south of the south right-of-way line of the Chicago and Northwestern railroad, township 107 north, range 13 west, Olmsted county Minnesota, described as follows:

Commencing at the southwest quarter of the southeast quarter; thence north 00 degrees 43 minutes 24 seconds west (for the purpose of this description the west line of the southeast quarter is assumed to be north 00 degrees 43 minutes 24 seconds west) along the west line of southeast quarter for a distance of 2100.00 feet to the point of beginning; thence north 89 degrees 16 minutes 36 seconds east for a distance of 1911.81 feet; thence north 22 degrees 39 minutes 20 seconds west to the north line of the southeast quarter for a distance of 571.30 feet; thence continuing north 22 degrees 39 minutes 20 seconds west to the south right-of-way line of said railroad for a distance of 64.75 feet; thence south 75

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degrees 01 minutes 33 seconds west along the south right-of-way line of said railroad for a distance of 239.27 feet to the north line of the southeast quarter; thence continuing south 75 degrees 01 minutes 33 seconds west along the south right-of-way line of said railroad for a distance of 1488.13 feet to the west line of the southeast quarter; thence south 00 degrees 43 minutes 24 seconds east along the west line of the southeast quarter for a distance of 164.79 feet to the point of beginning. Said tract is subject to all existing roadway easements.

This parcel contains 16.11 acres more or less.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactively to May 24, 1985.

Sec. 6. **CORRECTION.** Subdivision 1. **TRANPOSED NUMBERS.** Laws 1985, chapter 259, section 6, is amended to read:

Sec. 6. **PAYMENT OF AMORTIZATION STATE AID.**

Pursuant to Laws 1980, chapter 607, article 15, section 5, the city of Faribault, having modified the coverage of its salaried firefighters and police, shall be entitled to the payment of the amounts of amortization state aid as provided by law now coded in Minnesota Statutes, section 423A.02.

The amounts of the amortization state-aid payments for years after 1984 shall be paid to the city of Faribault following application to the commissioner of finance pursuant to section ~~432A.02~~ 423A.02.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following its final enactment.

Sec. 7. **CORRECTION.** Subdivision 1. **OMITTED LINE.** Laws 1985, chapter 259, section 8, is amended to read:

Sec. 8. **APPROPRIATION.**

There is hereby appropriated during the 1986-87 biennium, the amount of \$11,429,317 for the purpose of funding the post retirement adjustments provided for in this section. The appropriation shall be apportioned to the retirement funds paying the post retirement adjustment as follows:

| | FY 1986 | FY 1987 |
|--|----------------|----------------|
| public employees retirement fund | \$1,849,896 | \$1,821,454 |
| public employees police and fire fund | 76,338 | 76,551 |
| teachers retirement fund | 1,569,042 | 1,566,075 |
| state patrol retirement fund | 59,328 | 59,489 |
| state employees retirement fund | 1,316,736 | 1,320,386 |
| <u>Minneapolis employees retirement fund</u> | <u>852,714</u> | <u>861,308</u> |

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 8. **CORRECTION; OMITTED AMENDMENTS.**

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Laws 1985, chapter 248, section 85, is repealed and Laws 1984, chapter 468, section 1, is reenacted.

Sec. 9. Minnesota Statutes 1984, section 160.25, subdivision 3, as amended by Laws 1985, chapter 169, section 2, is amended to read:

Subd. 3. **TUNNEL TO BE MAINTAINED BY ROAD AUTHORITY.** Any tunnel constructed as provided in this section under any highway shall be maintained by the road authority having jurisdiction over the highway. A town board may charge the costs of maintenance of the tunnel to the users if the users and the town board agree on the amount to be charged.

Sec. 10. Minnesota Statutes 1984, section 164.06, as amended by Laws 1985, chapter 169, section 5, is amended to read:

164.06 ESTABLISH, ALTER, OR VACATE BY RESOLUTION.

A town board, when authorized by a vote of the electors at the annual meeting, or at a special meeting called for that purpose, may establish, alter, or vacate a town road by resolution, and may acquire the right-of-way as may be necessary for the road by gift, purchase or as provided in section 164.07. A town board may alter a town road by resolution.

Sec. 11. Minnesota Statutes 1984, section 365.37, as amended by Laws 1985, chapter 169, section 8, is amended to read:

365.37 CONTRACTS; LET ON BIDS, OFFICERS NOT TO BE INTERESTED.

Except as provided in sections 471.87 to 471.89, no supervisors, town clerk, or town board shall become a party to, or be directly or indirectly interested in, any contract made or payment voted by the town board and all contracts let on bid shall be let to the lowest responsible bidder after ten days public notice, posted in the three most public places in the town or published for two weeks in a newspaper generally circulated in the town, of the time and place of receiving bids. In cases of special emergency, a contract may be let without the notice being given or sealed bids solicited. A special emergency, for the purposes of this section, is a situation where immediate action must be taken, essential to the health, safety, or welfare of the community. Every contract made and payment voted or made contrary to the provisions of this section shall be void and any such officer violating the provisions of this section shall be guilty of a misdemeanor and, in addition to the provisions prescribed by law, removed from office.

Sec. 12. Minnesota Statutes 1984, section 444.075, subdivision 1, as amended by Laws 1985, chapter 169, section 15, is amended to read:

Subdivision 1. **DEFINITIONS.** For purposes of this section, the term "municipality" means a home rule charter or statutory city, wherever located,

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except a city of the first class, or a town located in a metropolitan county as defined in section 473.121, subdivision 4. The term "governing body" means the town board of supervisors with respect to towns.

Sec. 13. Minnesota Statutes 1984, section 444.075, subdivision 1a, as added by Laws 1985, chapter 169, section 15, is amended to read:

Subd. 1a. **AUTHORIZATION.** Any ~~home rule charter city, except cities of the first class, or any statutory city~~ municipality may build, construct, reconstruct, repair, enlarge, improve, or in any other manner obtain

(i) waterworks systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants, and other appurtenances of a waterworks system,

(ii) sewer systems, sewage treatment works, disposal systems, and other facilities for disposing of sewage, industrial waste, or other wastes, and

(iii) storm sewer systems, including mains, holding areas and ponds, and other appurtenances and related facilities for the collection and disposal of storm water, all hereinafter called facilities, and maintain and operate the facilities inside or outside its corporate limits, and acquire by gift, purchase, lease, condemnation or otherwise any and all land and easements required for that purpose. The authority hereby granted is in addition to all other powers with reference to the facilities otherwise granted by the laws of this state or by the charter of any municipality. The authority granted in clause (iii) to municipalities which have territory within a watershed which has adopted a watershed plan pursuant to section 473.878 shall be exercised, with respect to facilities acquired following the adoption of the watershed plan, only for facilities which are not inconsistent with the watershed plan. The authority granted in clause (iii) to municipalities which have adopted local water management plans pursuant to section 473.879 shall be exercised, with respect to facilities acquired following the adoption of a local plan, only for facilities which are not inconsistent with the local plan. Counties, except counties in the seven county metropolitan area, shall have the same authority granted to municipalities by this subdivision except for areas of the county organized into cities and areas of the county incorporated within a sanitary district established by special act of the legislature.

Sec. 14. Minnesota Statutes 1984, section 152.19, subdivision 5, as amended by Laws 1985, chapter 160, section 1, is amended to read:

Subd. 5. Property shall be forfeited after a conviction deemed to be a felony according to the following procedure:

(1) A separate complaint shall be filed against the property describing it, charging its use in the specified violation, and specifying the time and place of its unlawful use.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(2) If the person arrested is acquitted, the court shall dismiss the complaint against any property seized pursuant to the preceding subdivisions and order the property returned to the persons legally entitled to it.

(3) If after conviction the court finds that the property, or any part thereof, was used in any violation as specified in the complaint, it shall order that the property unlawfully used be sold, destroyed, or disposed of by the appropriate agency in the following manner:

(a) The appropriate agency and prosecuting agency that handled the forfeiture may retain the property for official use but shall not use any motor vehicle required to be registered pursuant to chapter 168A until title is properly transferred pursuant to chapter 168A;

(b) Sell that which is not required to be destroyed by law and which is not harmful to the public;

(c) Require the commissioner of administration to take custody of the property and remove it for disposition in accordance with law; or

(d) Forward it to the federal drug enforcement administration.

Any property retained pursuant to clause (3)(a) of this subdivision shall be used only in the performance of official duties of the appropriate agency, and shall not be used for any other purpose. All proceeds from property retained under clause (3)(a) of this subdivision which is later sold shall be disbursed as provided in clause (4) of this subdivision.

(4) One-third of the proceeds from the sale of forfeited property, after payment of seizure, storage, forfeiture and sale expenses and satisfaction of valid liens against the property, shall be forwarded to the state drug abuse authority for distribution among licensed hospitals and licensed drug treatment facilities of this state for the care and treatment of patients with drug related physical and psychological disorders, and licensed drug analysis centers. The remaining two-thirds of net proceeds shall be shared equally between the prosecuting agency with jurisdiction over the criminal offense or the agency handling the forfeiture proceeding at the request of the prosecuting agency, and the agency investigating the offense involved in the forfeiture, except that if the forfeiture proceeding was prosecuted by a county attorney whose position is not full time as provided in section 388.21, the prosecutor's share of net proceeds shall be forwarded to the county board.

Any local police relief association organized under chapter 423, which received or was entitled to receive the proceeds of any sale made under this section before the enactment of Laws 1984, chapter 625 August 1, 1984, shall continue to receive and retain the proceeds of these sales.

Sec. 15. Minnesota Statutes 1984, section 609.531, subdivision 6, as amended by Laws 1985, chapter 160, section 2, is amended to read:

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Subd. 6. **FORFEITURE PROCEDURES.** Any proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, weapon used, or contraband property shall be forfeited according to the following procedure:

(a) a separate complaint shall be filed against the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, weapon used, or contraband property describing it, and either specifying that it is contraband property, or specifying that it constitutes proceeds derived from or traced to the commission of a designated offense, or charging its use in the specified violation, and specifying the time and place of its unlawful use;

(b) if the person charged with a designated offense is not convicted of an offense, the court shall dismiss the complaint against the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device of component, primary container, or weapon used pursuant to subdivisions 2 to 5 and order the property returned to the persons legally entitled to it;

(c) if after conviction of a felony offense the court finds that the proceeds derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container or weapon was used in commission of a designated offense, it may order that the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container or weapon be sold, used, converted, or disposed of by the appropriate agency in the following manner:

(1) if the lawful ownership of the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, or weapon used can be determined and it is found the owner was not privy to violation of a designated offense, the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, or weapon used will be returned forthwith; or

(2) if the lawful ownership of the proceeds derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, or weapon used cannot be determined or if the lawful owner can be determined and it is found the owner was privy to violation of a designated offense, the appropriate agency or prosecuting agency handling the forfeiture may:

(i) retain the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, weapon used, or contraband property for official use; or

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(ii) sell the proceeds which are derived from or traced to the commission of a designated offense, conveyance device, communications device or component, primary container, or weapon used in accordance with law. One-third of the proceeds from the sale, after payment of seizure, storage, forfeiture and sale expenses, and satisfaction of valid liens against the property, shall be forwarded to the prosecuting agency with jurisdiction over the criminal offense or the agency that handled the forfeiture proceedings at the request of the prosecuting agency for deposit in its operating fund, or similar fund; one-third of the proceeds shall be forwarded to the commissioner of public safety for disbursement pursuant to section 299C.065, and one-third of the proceeds shall be retained by the appropriate agency and deposited in its operating fund. Any local police relief association organized under chapter 423, which received or was entitled to receive the proceeds of any sale made under this section before the enactment of Laws 1984, chapter ~~625~~ August 1, 1984, shall continue to receive and retain the proceeds of these sales;

(3) property which has been forfeited pursuant to this subdivision and which consists of proceeds derived from or traced to the commission of a designated offense must be applied first, to payment of seizure, storage, forfeiture and sale expenses and to satisfy valid liens against the property, and second, to any court-ordered restitution before being disposed of in accordance with clause (2)(i) and (ii).

(d) if the property is deemed to be contraband, the property shall be destroyed or used by the appropriate agency for law enforcement purposes.

Sec. 16. CORRECTION. Subdivision 1. **FAILURE TO CHANGE TOTAL WHEN OTHER SUMS CHANGED.** Laws 1979, chapter 280, section 2, subdivision 2, as amended by Laws 1982, chapter 617, section 25, and Laws 1985, chapter 299, section 39, is amended to read:

Subd. 2. ~~\$50,000,000~~ \$50,500,000 or so much thereof as is needed, is available for expenditure at a rate not exceeding \$12,500,000 per fiscal year for grants to political subdivisions for construction and reconstruction of key bridges on highways, streets and roads under their jurisdiction. The grants shall not exceed the following aggregate amounts:

- (1) To counties.... \$11,500,000
- (2) To home rule charter and statutory cities.... \$1,500,000
- (3) To towns....\$21,000,000

Additional grants may be made in an aggregate amount not to exceed \$16,500,000 to the political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdiction. Appropriations made in subdivisions 1, 2, or 3 may also be used for the following purposes:

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(1) The costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement will be made.

(2) The costs of constructing a road or street that would facilitate the abandonment of an existing bridge determined to be deficient. The construction of the road or street must be judged to be more cost efficient than the reconstruction or replacement of the existing bridge.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactively to June 6, 1985.

Sec. 17. Minnesota Statutes 1984, section 60A.11, subdivision 21, is amended to read:

Subd. 21. **FOREIGN INVESTMENTS.** Obligations of and investments in foreign countries, on the following conditions:

(a) A company may acquire and hold any foreign investments which are required as a condition of doing business in the foreign country or necessary for the convenient accommodation of its foreign business. An investment is considered necessary for the convenient accommodation of the insurance company's foreign business only if it is demonstrably and directly related in size and purpose to the company's foreign insurance operations; and

(b) A company may also invest not more than a total of two percent of its admitted assets in any combination of:

(1) the obligations of foreign governments, corporations, or business trusts;

(2) obligations of federal, provincial, or other political subdivisions backed by the full faith and credit of the foreign governmental unit;

(3) or in the stocks or stock equivalents or obligations of foreign corporations or business trusts not qualifying for investment under subdivision 40 ~~12~~, if the obligations, stocks or stock equivalents are listed or regularly traded on the London, Paris, Zurich, or Tokyo stock exchange or any similar regular securities exchange not disapproved by the commissioner within 30 days following notice from the company of its intention to invest in these securities.

Sec. 18. **CORRECTION.** Subdivision 1: **SECTION DROPPED FROM BILL; EFFECTIVE DATE UNCHANGED.** Laws 1985, chapter 217, section 7, is amended to read:

Sec. 7. **EFFECTIVE DATE.**

Sections 1 and 2 are effective the day after final enactment. Sections 3 and 6 are effective 30 days after final enactment. ~~Section 7 is effective August 1, 1985.~~

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactively to May 24, 1985.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Sec. 19. **CORRECTIONS.** Subdivision 1. **AMENDMENT NOT DRAWN TO RECODIFIED DRAINAGE LAW.** Laws 1985, chapter 172, section 80, is amended by adding a subdivision to read:

[106A.701] Subd. 4. CONSTRUCTION OF ROAD INSTEAD OF BRIDGE OR CULVERT. In a repair proceeding under Laws 1985, chapter 172, sections 80 to 89, if the drainage authority finds that constructing a private road is more cost-effective or practical than constructing a bridge or culvert, a drainage authority may order a private road to be constructed under Laws 1985, chapter 102, section 1, instead of a bridge or culvert.

Subd. 2. **REPEALER.** Laws 1985, chapter 102, section 2, is repealed.

Sec. 20. **CORRECTION.** Subdivision 1. **INCORRECT INTERNAL SECTION REFERENCE.** H.F. No. 3, article 11, section 23, subdivision 2, if enacted at the 1985 first special legislative session, is amended to read:

Subd. 2. Section ~~13~~ 22 is effective July 1, 1986.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 21. Laws 1985, chapter 172, section 74, subdivision 4, is amended to read:

Subd. 4. **PAYMENT PERIOD AND INTEREST ON DRAINAGE BONDS.** (a) The board shall determine, by resolution:

(1) the time of payment for the drainage bonds not exceeding 23 years from their date;

(2) the rates of interest for the drainage bonds, with the net average rate of interest over the term of the bonds not to exceed ~~seven percent per year~~ the rate established under section 475.55; and

(3) whether the drainage bonds are payable annually or semi-annually.

(b) The board shall determine the years and amounts of principal maturities that are necessary by the anticipated collections of the drainage systems assessments, without regard to any limitations on the maturities imposed by section 475.54.

Sec. 22. Laws 1985, chapter 172, section 74, subdivision 5, is amended to read:

Subd. 5. **TEMPORARY DRAINAGE BONDS MATURING IN TWO YEARS OR LESS.** The board may issue and sell temporary drainage bonds under this subdivision maturing not more than two years after their date of issue, instead of bonds under subdivision 4. The county shall issue and sell definitive drainage bonds before the maturity of bonds issued under this subdivision and use the proceeds to pay for the temporary drainage bonds and interest to the extent that the temporary bonds are not paid for by assessments collected or other

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available funds. The holders of temporary drainage bonds and the taxpayers of the county have and may enforce by mandamus or other appropriate proceedings:

(1) all rights respecting the levy and collection of assessments sufficient to pay the cost of drainage proceedings and construction financed by the temporary drainage bonds that are granted by law to holders of other drainage bonds, except the right to require levies to be collected before the temporary drainage bonds mature; and

(2) the right to require the offering of definitive drainage bonds for sale, or to require the issuance of definitive drainage bonds in exchange for the temporary drainage bonds, on a par for par basis, bearing interest at the rate of ~~seven percent per year~~ established under section 475.55 if the definitive drainage bonds have not been sold and delivered before the maturity of the temporary drainage bonds.

Sec. 23. Laws 1985, chapter 172, section 74, subdivision 7, is amended to read:

Subd. 7. **SALE OF DEFINITIVE DRAINAGE BONDS.** The board must sell and negotiate the definitive drainage bonds for at least their par value. The definitive bonds must be sold at ~~public sale after advertised notice under chapter 475~~ in accordance with section 475.60.

Sec. 24. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** Laws 1985, chapter 261, section 31, is amended to read:

Sec. 31. **REPEALER OF MOORHEAD SPECIAL LAWS.**

Laws 1945, chapter 277; Laws 1951, chapter 499; Laws 1955, chapter 75; Laws 1965, chapter 190; Laws 1967, chapter 775; Laws 1969, chapter 138; Laws 1975, chapter 120; Laws 1978, chapter 563, ~~section 8~~ sections 13 and 19; Laws 1979, chapter 216, sections 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, and 43; Laws 1980, chapter 600, section 16; Laws 1981, chapter 224, section 236; and Laws 1982, chapter 578, article 3, section 18, are repealed.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment of Laws 1985, chapter 261.

Sec. 25. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** Laws 1985, chapter 261, section 38, is amended to read:

Sec. 38. **EFFECTIVE DATE.**

Sections 2, 4 to ~~40~~ 9, 17, 21 to 23, and 32 are effective the day following final enactment. Section 10 is retroactive to January 1, 1985. Section 1 is effective May 31, 1985. Sections 3 and 24 are effective July 1, 1985. ~~Sections 4 and 5 are effective January 1, 1986.~~ Sections 11 to 13 are effective on approval by the Hennepin county board. Section 14 is effective retroactive to January 1, 1985, on approval by the Thief River Falls city council. Sections 15 and 16 are

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effective retroactive to January 1, 1985, on approval by the Virginia city council. Section 18 is effective on approval by the Buhl city council. Section 19 is effective retroactive to January 1, 1985, on approval by the Eveleth city council. Section 20 is effective on approval by the New Ulm city council. Sections 25 to 31 are effective on approval by the Moorhead city council. Sections 32 to 35 are effective on approval by the St. Louis Park city council. Section 36 is effective on approval by the Albert Lea city council. All local approvals must comply with Minnesota Statutes, section 645.021.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactively to the day following final enactment of Laws 1985, chapter 261.

Sec. 26. Laws 1985, chapter 305, article 12, section 5, is amended to read:

Sec. 5. INSTRUCTIONS TO REVISOR.

In the following sections of Minnesota Statutes, the revisor of statutes shall change the reference to chapter 340 listed in column B which occurs in the section specified in column A to the new reference listed in column C.

| Column A, section | Column B, section | Column C, section |
|------------------------|--------------------|----------------------|
| 16A.26 | 340.60 | 297C.02 to 297C.08 |
| 28.16 | 340.02 | 340A.403 |
| 28.16 | 340.11 | 340A.404 to 340A.407 |
| <u>271.01, subd. 5</u> | <u>chapter 340</u> | <u>chapter 297C</u> |
| 290.612 | 340.01 | 340A.403 |
| 290.612 | 340.13 | 340A.404 to 340A.406 |
| 297A.431 | 340.01 | 340A.403 |
| 297A.431 | 340.13 | 340A.404 to 340A.406 |
| 466.15 | 340.95 | 340A.801 |
| 471.981, subd. 1 | 340.95 | 340A.801 |
| 471.981, subd. 1 | 340.951 | 340A.802 |
| 624.731, subd. 5 | 340.001, subd. 2 | 340A.101, subd. 19 |
| 624.731, subd. 5 | 340.07, subd. 2 | 340A.101, subd. 13 |

Sec. 27. **CORRECTION.** Subdivision 1. **TAX CHANGE.** Minnesota Statutes 1984, section 290.01, subdivision 20f, is amended to read:

Subd. 20f. **MODIFICATION FOR ACCELERATED COST RECOVERY SYSTEM.** A modification shall be made for the allowable deduction under the accelerated cost recovery system. The allowable deduction for the accelerated cost recovery system as provided in section 168 of the Internal Revenue Code of 1954 shall be the same amount as provided in that section for individuals, estates, and trusts with the following modifications:

(1) For property placed in service after December 31, 1980, and for taxable years beginning before January 1, 1982, 15 percent of the allowance provided in section 168 of the Internal Revenue Code of 1954 shall not be allowed.

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(2)(a) For taxable years beginning after December 31, 1981, and before January 1, 1983, for 15-year real property as defined in section 168 of the Internal Revenue Code of 1954, 40 percent of the allowance provided in section 168 of the Internal Revenue Code of 1954 shall not be allowed and for all other property, 17 percent of the allowance shall not be allowed.

(b) For taxable years beginning after December 31, 1982, and before January 1, 1985, and with respect to property placed in service in taxable years beginning before January 1, 1983, for 15-year real property as defined in section 168 of the Internal Revenue Code of 1954, 40 percent of the allowance provided in section 168 of the Internal Revenue Code of 1954 shall not be allowed and for all other property 20 percent of the allowance shall not be allowed.

(3) For ~~property placed in service in~~ taxable years beginning after December 31, ~~1982~~ 1984, the allowable deduction shall be the amount provided by section 168 of the Internal Revenue Code of 1954.

(4) For property placed in service after December 31, 1980, for which the taxpayer elects to use the straight line method provided in section 168(b)(3) or a method provided in section 168(e)(2) of the Internal Revenue Code of 1954, the modifications provided in clauses (1) and (2) do not apply.

(5) For property subject to the modifications contained in clause (1) or (2) above, the following modification shall be made after the entire amount of the allowable deduction for that property under the provision of section 168 of the Internal Revenue Code of 1954 has been obtained. The remaining depreciable basis in those assets for Minnesota purposes shall be a depreciation allowance computed by using the straight line method over the following number of years:

- (a) 3 year property - 1 year.
- (b) 5 year property - 2 years.
- (c) 10 year property - 5 years.
- (d) All 15 year property - 7 years.

(6) The basis of property to which section 168 of the Internal Revenue Code of 1954 applies shall be its basis as provided in this chapter and including the modifications provided in this subdivision. The recapture tax provisions provided in sections 1245 and 1250 of the Internal Revenue Code of 1954 shall apply but shall be calculated using the basis provided in the preceding sentence. When an asset is exchanged for another asset including an involuntary conversion and under the provision of the Internal Revenue Code of 1954 gain is not recognized in whole or in part on the exchange of the first asset, the basis of the second asset shall be the same as its federal basis provided that the difference in basis due to clause (1) or (2) can be written off as provided in clause (5).

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(7) The modifications provided in this subdivision shall apply before applying any limitation to farm losses contained in section 290.09, subdivision 29.

(8) The first taxable year after the entire amount of the allowable deduction for that property under the provisions of section 168 of the Internal Revenue Code of 1954 has been obtained, or where the straight line method provided in section 168(b)(3) is used, the last taxable year in which an amount of allowable depreciation for that property under section 168 is obtained, the remaining depreciable basis in those assets for Minnesota purposes that is attributable to the basis reduction made for federal purposes under section 48(q) of the Internal Revenue Code of 1954 to reflect the investment tax credit shall be allowed as a deduction. No amount shall be allowed as a deduction under section 196 of the Internal Revenue Code of 1954.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective for taxable years beginning after December 31, 1984.

Sec. 28. **CORRECTION.** Subdivision 1. **TAX CHANGE.** Minnesota Statutes 1984, section 290.091, is amended to read:

290.091 MINIMUM TAX ON PREFERENCE ITEMS.

In addition to all other taxes imposed by this chapter there is hereby imposed on individuals, estates, and trusts a tax which, in the case of a resident individual, shall be equal to 40 percent of the amount of the taxpayer's alternative minimum tax liability for tax preference items pursuant to the provisions of sections 55, 57, 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1983. For purposes of the tax imposed by this section, the following modifications shall be made:

(1) Alternative tax itemized deductions shall include the amount allowable as a deduction for the taxable year under section 164 of the Internal Revenue Code for Minnesota income tax paid or accrued.

(2) The capital gain preference item shall be reduced where the gain would be modified because some or all of the assets have a higher basis for Minnesota purposes than for federal purposes.

(3) In the case of a nonresident individual, or an estate or trust, with a net operating loss that is a larger amount for Minnesota than for federal, the capital gain preference item shall be reduced to the extent it was reduced in the allowance of the net operating loss.

(4) Federal preference items from the business of mining or producing iron ore and other ores which are subject to the occupation tax and exempt from taxation under section 290.05, subdivision 1, shall not be a preference item for Minnesota.

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(5) The term "regular tax" as defined in section 55(f)(2) of the Internal Revenue Code shall be increased by the amount of the credit allowable under section 38 of the Internal Revenue Code and it shall be computed before the limitation on tax provided in section 1301 of the Internal Revenue Code.

(6) Federal preference items which arise from a farm shall not be a preference item to the extent they exceed the loss allowed under section 290.09, subdivision 29, other than interest and taxes.

In the case of any taxpayer who is not a full year resident individual, or who is an estate or trust the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17 to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.

The tax benefit rule contained in section 58(h) of the Internal Revenue Code is applied to the Minnesota minimum tax only to the extent that it determines if there is a federal minimum tax. No separate tax benefit rule is allowable for the Minnesota minimum tax.

For property placed in service after December 31, 1980, and in a taxable year beginning before January 1, 1983, the preference items contained in section 57 (a)(12) of the Internal Revenue Code of 1954, as amended through December 31, 1983, shall not apply.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective for taxable years beginning after December 31, 1984.

Sec. 29. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** Minnesota Statutes 1984, section 121.912, if amended by H.F. No. 3, article 7, section 7 by the 1985 first special session, is amended to read:

Sec. 7. Minnesota Statutes 1984, section 121.912, subdivision 1, is amended to read:

Subdivision 1. **LIMITATIONS.** Except as provided in this subdivision, section 7 8 of this article, and sections 123.36, 475.61, and 475.65, a school district may not permanently transfer money from (1) an operating fund to a nonoperating fund; (2) a nonoperating fund to another nonoperating fund; or (3) a nonoperating fund to an operating fund. Permanent transfers may be made from any fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues operation of a district-owned bus fleet or a substantial portion of a fleet, permanent transfers may be made from the fund balance account entitled "pupil transportation fund appropriated for bus purchases" to the capital expenditure fund, with the

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approval of the commissioner. The levy authorized pursuant to section 275.125, subdivision 11a, shall be reduced by an amount equal to the amount transferred. Any school district may transfer any amount from the unappropriated fund balance account in its transportation fund to any other operating fund or to the appropriated fund balance account for bus purchases in its transportation fund.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment of H.F. No. 3 at the 1985 first special session.

Sec. 30. **CORRECTION.** Subdivision 1. **ENTITLEMENT FIGURES WRONG.** H.F. No. 3, article 3, section 28, subdivision 2, if enacted by the 1985 first special session, is amended to read:

Subd. 2. **SPECIAL EDUCATION AID.** For special education aid there is appropriated:

\$137,986,300.....1986,

\$142,755,600.....1987.

The appropriation for 1986 includes \$20,719,600 for aid for fiscal year 1985 payable in fiscal year 1986, and \$117,266,700 for aid for fiscal year 1986 payable in fiscal year 1986.

The appropriation for 1987 includes \$21,082,300 for aid for fiscal year 1986 payable in fiscal year 1987 and \$121,673,300 for aid for fiscal year 1987, payable in fiscal year 1987.

The appropriations are based on aid entitlements of ~~\$137,960,800~~ \$138,349,000 for fiscal year 1986 and ~~\$143,145,000~~ \$143,548,700 for fiscal year 1987.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 31. **CORRECTION.** Subdivision 1. **INCORRECT FIGURE.** H.F. No. 3, article 3, section 28, subdivision 4, if enacted by the 1985 first special session, is amended to read:

Subd. 4. **TRAVEL FOR HOME-BASED SERVICES.** For aid for teacher travel for home-based services for handicapped children under age five and their families there is appropriated:

\$198,600.....1987.

The appropriation is based on aid entitlement of ~~\$536,400~~ \$233,700.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 32. **CORRECTION.** Subdivision 1. **CLARIFICATION.** H.F. No. 3, article 5, section 1, subdivision 6, if enacted at the 1985 first special session, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 6. **FINANCIAL ARRANGEMENTS.** At the end of each school year, the department of education shall pay the tuition reimbursement amount within 30 days to the post-secondary institutions that enroll pupils under this section. The amount of tuition reimbursement shall equal the lesser of:

(1) the actual costs of tuition, textbooks, materials, and fees directly related to the course or program charged for the secondary pupil enrolling in a course or program under this section; or

(2) an amount equal to the difference between the formula allowance plus the total tier revenue attributable to that pupil and an amount computed by multiplying the formula allowance plus the total tier revenue attributable to that pupil by a ratio. The ratio to be used is the total number of hours that the pupil is enrolled in courses in the secondary school during the regular school year over the total number of secondary instructional hours per pupil in that pupil's resident district.

The amount paid for each pupil shall be subtracted from the foundation aid paid to the pupil's resident district. If the amount to be subtracted is greater than the amount of foundation aid due the district, the excess reduction shall be made from other state aids due to the district.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective August 1, 1985.

Sec. 33. **CORRECTION.** Subdivision 1. **CLARIFICATION.** H.F. No. 3, article 8, section 63, subdivision 3, if enacted at the 1985 first special session, is amended to read:

Subd. 3. **EXEMPLARY TEACHER EDUCATION PROGRAMS.** For development of exemplary teacher education programs there is appropriated:

\$150,000.....1986,

\$150,000.....1987.

Up to \$30,000 of this sum the total appropriation for both years may be used for evaluation. The sum is available until June 30, 1987 Any unexpended balance remaining from the appropriation for fiscal year 1986 shall not cancel, and shall be available for fiscal year 1987.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 34. **CORRECTION.** Subdivision 1. **WRONG SECTION REFERENCE.** H.F. No. 3, article 8, section 66, if enacted at the 1985 first special session, is amended to read:

Sec. 66. **EFFECTIVE DATES.**

Section 9 is effective for the 1986-1987 school year and thereafter.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

~~Sections 10 and 14 are~~ Section 14 is effective for the 1987-1988 school year and thereafter.

Section 19 is effective for licenses issued on April 4, 1988, and thereafter.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 35. **CORRECTION.** Subdivision 1. **INCORRECT SUBDIVISION REFERENCE.** H.F. No. 3, article 11, section 3, subdivision 1, if enacted by the 1985 first special session, is amended to read:

Subdivision 1. **CALCULATION.** For an intermediate school district, a joint vocational technical school district or for other employing units, for each fiscal year the teacher retirement and F.I.C.A. aid is the product of (1) the sum of (A) teacher retirement obligations in the base year, multiplied by the teacher retirement inflation factor, and (B) F.I.C.A. obligations in the base year, multiplied by the F.I.C.A. inflation factor, times (2) the ratio of the number of full-time equivalent teachers or employees as defined in section 1, subdivisions ~~11~~ 11 and 12 and 13 in the current year, to the number of full-time equivalent teachers or employees in the base year.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 36. **CORRECTION.** Subdivision 1. **INCORRECT SECTION REFERENCE.** H.F. No. 3, article 11, section 21, subdivision 3, if enacted by the 1985 first special session, is amended to read:

Subd. 3. **TO DEPARTMENT OF EDUCATION.** To the department of education to make the aid payments required by ~~section~~ sections 2 and 3, there is appropriated:

\$195,462,000.....1987.

This appropriation is for aid for fiscal year 1987 payable in fiscal year 1987. The appropriation is based on an aid entitlement of \$229,955,300 for fiscal year 1987.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 37. **CORRECTION.** Subdivision 1. **INCORRECT TERMINOLOGY.** Minnesota Statutes 1984, section 49.05, subdivision 6, if added by H.F. No. 8, at the 1985 first special session, is amended to read:

Subd. 6. **RIGHT OF SUBROGATION.** When a financial institution has been closed, and the federal deposit insurance corporation has paid or made available for payment the insured deposit liabilities of the closed institution, the corporation, whether or not it has or shall thereafter become a liquidating agent of the closed institution is subrogated, by operation of law with like force and effect as if the closed institution were a national bank, to all rights of the owners of these deposits against the closed financial institution in the same manner and

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to the same extent as now or hereafter necessary to enable the federal deposit insurance corporation under federal law to make insurance payments available to depositors of closed insured banks; provided, that the rights of depositors and other creditors of the closed institution shall be determined in accordance with the laws of this state. The commissioner may, in his or her discretion, in the event of the closing of any financial institution pursuant to section 49.04, subdivision 1, the deposits of which ~~banking~~ financial institution are to any extent insured by the corporation, tender to the corporation the appointment as liquidating agent of this financial institution and, if the corporation accepts the appointment, it shall have and possess all the powers and privileges provided by the laws of this state with respect to a special deputy examiner of the department of commerce in the management and liquidation of this institution, and be subject to all of the duties of the special deputy examiner; provided, that nothing contained in this subdivision shall be construed as a surrender of the right of the commissioner to liquidate financial institutions under his or her supervision pursuant to the statute in such case made and provided; and the commissioner may waive the filing of a bond by the corporation as the special deputy examiner.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment of H.F. No. 8 passed by the 1985 first special session.

Sec. 38. **CORRECTION.**

Subdivision 1. **TAX ERROR.** Laws 1984, chapter 502, article 9, section 5, is amended to read:

There is appropriated from the general fund to the commissioner of revenue the amounts necessary to make certain refunds of property taxes to railroads for assessment years 1981 and 1982 as a result of a change in the assessed valuation of railroad property. For purposes of this section, the term "property taxes" includes any interest which is required to be paid to the railroads; and the terms "refund" and "abatement" include only reductions in property tax made from the original assessment certified by the commissioner of revenue, as the result of a court order.

The county auditor shall certify to the commissioner of revenue the dollar amount of the refunds paid to the railroads by the county and each city, town, school district, and special taxing district or portion thereof which is located within the county. The certification must be made on the forms and completed by the date prescribed by the commissioner. The commissioner of revenue shall review the certification and make changes in the certification that he determines are necessary. The amounts of the abatements for a taxing district which is located in more than one county shall be aggregated. The commissioner shall determine the amount to be paid to each county, city, town, and special taxing district which shall be equal to the amount of the abatement in excess of 20 cents per capita for each county, city, town, and special taxing district. The commissioner shall determine the amount to be paid to each school district which shall

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

be equal to the amount of the abatement in excess of one dollar per pupil unit for the school district. The 20 cents per capita and the one dollar per pupil unit shall relate to the combined abatement amount for all railroads for both 1981 and 1982 for each county, city, town, school district, and special taxing district. The commissioner shall pay each taxing district as soon as practicable after certification, but not before January 1, 1985.

This appropriation is available the day after final enactment until expended.

A county, city, town, school district, and special taxing district may include an additional amount in its property tax levy for taxes payable in 1985 equal to the difference between the amount of tax and interest refunded to a railroad company whose valuation was ordered reduced by the tax court and the amount reimbursed to the taxing district by the state pursuant to this section. Amounts levied for this purpose shall be considered outside of any levy limitations applicable to the taxing district. In the case of a school district, only the amount of abatement not reimbursed under this section may be considered in the computation of abatement aid under section 124.214, subdivision 2.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day after final enactment and applies to assessment years 1981 and 1982.

Sec. 39. **CORRECTION.** Subdivision 1. **REPEALER.** Minnesota Statutes 1984, section 15A.081, subdivision 7a, if added by H.F. No. 5, section 4, at the 1985 first special session, is repealed.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment of H.F. No. 5, section 4, by the 1985 first special session.

Sec. 40. **CORRECTION.** Subdivision 1. **REPEALER AND REENACTMENT.** H.F. No. 5, section 13, if enacted by the 1985 first special session, is repealed. Minnesota Statutes 1984, section 15A.081, subdivision 7, as amended, is reenacted.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following its final enactment.

Sec. 41. **CORRECTION.** Subdivision 1. **COMPLEMENT STATED INCORRECTLY.** First Special Session H.F. No. 16, section 37, subdivision 1, is amended to read:

| | | | |
|-----------------------------|-------|------------|------------|
| Subdivision 1. Total | | | |
| Appropriation | | 12,739,700 | 12,667,600 |
| Approved Complement - 366.5 | | | |
| General - | 74.8 | 41.1 | |
| Special - | 291.7 | 325.4 | |

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Summary by Fund

| | | |
|---------------------------|----------------|----------------|
| General | \$ 6,095,800 | \$ 5,802,900 |
| Special | \$10,229,800 | \$10,324,500 |
| Transfers to Other Direct | (\$ 3,585,900) | (\$ 3,459,800) |

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective July 1, 1985.

Sec. 42.

Subdivision 1. REPEALER. Special Session H.F. No. 16, section 230, is repealed and, notwithstanding Minnesota Statutes, section 645.34, Minnesota Statutes 1984, section 115A.904, is reenacted.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective the day following final enactment.

Sec. 43. **CORRECTION.** Subdivision 1. **NOTICE IN WRONG SECTION.** Minnesota Statutes 1984, section 47.20, subdivision 15, as amended by Laws 1985, chapter 306, section 1, is amended to read:

Subd. 15. (a) Notwithstanding the provisions of any other law to the contrary, any notice of default on homestead property as defined in section 583.02 mailed after May 24, 1983 and prior to May 1, 1985, or after the effective date of this section and prior to May 1, 1987, shall indicate that the borrower has 60 days from the date the notice is mailed in which to cure the default. The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12.

(b) The statement must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the statement from the rest of the notice. The requirements of this paragraph must be followed on notices mailed under this subdivision on or after August 1, 1985. A violation of this paragraph is a petty misdemeanor.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactive to the day following final enactment of Laws 1985, chapter 306.

Sec. 44. **CORRECTION.** Subdivision 1. **INCORRECT TERMS.** Minnesota Statutes 1984, section 559.21, subdivision 6, as amended by Laws 1985, chapter 306, section 7, is amended to read:

Subd. 6. **TEMPORARY MINIMUM NOTICE.** (a) Notwithstanding the provisions of any other law to the contrary, no contract for conveyance of homestead property, as defined in section 583.02, shall terminate until 60 days after service of notice if the notice is served after May 24, 1983, and prior to May

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

1, 1985 or after the effective date of this section and prior to May 1, 1987, or 90 days after service of notice if the contract was entered into after May 1, 1980 and the contract vendee has paid 25 percent or more of the purchase price. The notice shall specify this 60- or 90-day period. The notice shall include a statement that the ~~borrower~~ purchaser may be eligible for an extension of the time prior to ~~foreclosure and execution sale~~ termination under sections 583.01 to 583.12.

(b) The ~~notice statement~~ must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the ~~notice statement~~ from the rest of the ~~writing~~; notice. The requirements of this paragraph must be followed on notices served under this subdivision on or after August 1, 1985. A violation of this ~~requirement~~ paragraph is a petty misdemeanor.

(c) This ~~section~~ subdivision does not apply to earnest money contracts, purchase agreements or exercised options.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactive to the day following final enactment of Laws 1985, chapter 306.

Sec. 45. **CORRECTION.** Subdivision 1. **NOTICE IN WRONG SECTION.** Minnesota Statutes 1984, section 580.031, as amended by Laws 1985, chapter 306, section 15, is amended to read:

580.031 **MINIMUM NOTICE.**

(a) Notwithstanding the provisions of any other law to the contrary, eight weeks' published notice must be given prior to the foreclosure sale of a homestead, as defined in section 583.02, if the notice is published for the first time after May 24, 1983 and prior to May 1, 1985 or after the effective date of this section and prior to May 1, 1987. The notice must contain the information specified in section 580.04.

(b) ~~The notice must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the notice from the rest of the writing; violation of this requirement is a petty misdemeanor.~~

(c) At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Subd. 2. **EFFECTIVE DATE.** Subdivision 1 is effective retroactive to the day following final enactment of Laws 1985, chapter 306.

Sec. 46. **CORRECTION.** Subdivision 1. **AVAILABILITY OF MONEY.** H.F. No. 10, article 9, section 77, if enacted at the 1985 first special session, is amended by adding a subdivision to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 5. Notwithstanding any other provision of this article, money available under this article to support the office of full productivity and opportunity is available to the full productivity and opportunity coordinator August 1, 1985.

Subd. 2. EFFECTIVE DATE. Subdivision 1 is effective the day following final enactment.

Approved June 28, 1985

CHAPTER 17 — H.F.No. 5

An act relating to state government; requiring state agencies to provide services and materials in languages other than English; regulating the career executive service; specifying executive branch conflicts of interest; permitting the governor to set salaries for certain full- and part-time officials of metropolitan agencies; providing for review of state trooper arbitration awards; regulating approved complements; regulating liquidation of vacation leave; requiring approval of commissioner of administration to grant right-of-way over state-owned land to railroad company; amending Minnesota Statutes 1984, sections 15.62, subdivision 2; 15A.081, subdivision 1, and by adding a subdivision; 16A.123, subdivision 3; 16B.65, subdivision 3; 43A.17, subdivision 8; 43A.21, subdivision 5; 43A.38, subdivision 5; 62D.22, subdivision 7; 222.025, subdivision 1; and 299D.03, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 15; repealing Minnesota Statutes 1984, section 15A.081, subdivision 7.

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

Section 1. [15.441] COMMUNICATIONS SERVICES.

Subdivision 1. STATE AGENCIES; BILINGUAL EMPLOYEES. Every state agency that is directly involved in furnishing information or rendering services to the public and that serves a substantial number of non-English-speaking people shall employ enough qualified bilingual persons in public contact positions, or enough interpreters to assist those in these positions, to ensure provision of information and services in the language spoken by a substantial number of non-English-speaking people.

The commissioner of administration shall determine the application of this section to each state agency, in consultation with the council on affairs of Spanish-speaking people, groups representing other non-English-speaking people, and the head of the agency. In determining what constitutes a substantial number of non-English-speaking people, the commissioner shall consider:

- (1) the number of people served by the agency;
- (2) the number of non-English-speaking people served by the agency;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.