

This act is effective the day following final enactment.

Approved April 21, 1988

CHAPTER 586—H.F.No. 2117

An act relating to public finance; providing conditions of local and state government debt financing; allocating bonding authority subject to a volume cap under federal tax law; amending Minnesota Statutes 1987 Supplement, sections 474A.04, subdivision 1a; 474A.061, subdivisions 2 and 4; and 474A.091; repealing Minnesota Statutes 1987 Supplement, section 474A.061, subdivision 5.

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

Section 1. Minnesota Statutes 1987 Supplement, section 474A.04, subdivision 1a, is amended to read:

Subd. 1a. **ENTITLEMENT RESERVATIONS; CARRYFORWARD; DEDUCTION.** ~~An entitlement issuer may retain any unused portion of its entitlement allocation after the first Monday in September if it has submitted to the department before the first Monday in September a letter stating its intent to issue obligations pursuant to its entitlement allocation before the end of the calendar year or within the time permitted under federal tax law. Except as provided in Laws 1987, chapter 268, article 16, section 41, subdivision 2, paragraph (a), any amount returned by an entitlement issuer before the last Monday in October~~ August shall be reallocated through the multifamily housing pool. ~~Any amount returned on or after the last Monday in October~~ August shall be reallocated ~~under section 474A.091 through the unified pool.~~ An amount returned after the last Monday in November shall be reallocated to the Minnesota housing finance agency. Beginning with entitlement allocations received in 1987 under Minnesota Statutes 1986, section 474A.08, subdivision 1, paragraphs (2) and (3), there shall be deducted from an entitlement issuer's allocation for the subsequent year an amount equal to the entitlement allocation under which bonds are either not issued or carried forward under federal tax law. Except for the Minnesota housing finance agency, any amount of bonding authority that an entitlement issuer carries forward under federal tax law that is not permanently issued by the end of the succeeding calendar year shall be deducted from the entitlement allocation for that entitlement issuer for the next succeeding calendar year. Any amount deducted from an entitlement issuer's allocation under this subdivision shall be divided equally for allocation through the manufacturing pool and the multifamily housing pool.

Sec. 2. Minnesota Statutes 1987 Supplement, section 474A.061, subdivision 2, is amended to read:

Subd. 2. **ALLOCATION PROCEDURE.** From the beginning of the calendar

New language is indicated by underline, deletions by ~~strikeout~~.

year until the last Monday in ~~October~~ August, the commissioner shall allocate available bonding authority under this section on Monday of each week to applications received on or before the Monday of the preceding week.

(a) If there are two or more applications for residential rental project bonds from the multifamily housing pool and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

(b) If there are two or more applications for manufacturing projects from the manufacturing pool and there is insufficient bonding authority to provide allocations for all projects in any one week after all eligible bonding authority has been transferred as provided in section 474A.081, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

(c) If there are two or more applications for public facility bonds from the public facilities pool and there is insufficient bonding authority to provide allocations for all projects in any one week, the available bonding authority shall be awarded by lot unless otherwise agreed to by the respective issuers.

If an application is rejected, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted. The granting of an allocation of bonding authority under this section must be evidenced by a certificate of allocation.

Sec. 3. Minnesota Statutes 1987 Supplement, section 474A.061, subdivision 4, is amended to read:

Subd. 4. **RETURN OF ALLOCATION; DEPOSIT REFUND.** (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section by the end of the current year or within the time period permitted by federal tax law, the issuer must notify the department. If the issuer notifies the department prior to the last Monday in ~~October~~ August, the amount of allocation returned must be reallocated through the pool from which it was originally allocated. If the issuer notifies the department on or after the last Monday in ~~October~~ August, the amount of allocation returned must be reallocated through the unified pool. If the issuer notifies the department after the last Monday in November, the amount of allocation returned must be reallocated to the Minnesota housing finance agency.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section shall receive within 30 days a refund of its application deposit equal to:

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(1) one-half of the amount on deposit for the amount of bonding authority returned before the first Monday in ~~December~~ November;

(2) one-fourth of the amount on deposit for the amount of bonding authority returned on or after the first Monday in ~~December~~ November and before the third Monday in ~~December~~ November; and

(3) one-eighth of the amount on deposit for the amount of bonding authority returned on or after the third Monday in ~~December~~ November and before the last Monday in ~~December~~ November.

No refund shall be available for allocations returned on or after the last Monday in ~~December~~ November.

Sec. 4. Minnesota Statutes 1987 Supplement, section 474A.091, is amended to read:

474A.091 ALLOCATION OF UNIFIED POOL.

Subdivision 1. **UNIFIED POOL AMOUNT.** On the day after the last Monday in ~~October~~ August any bonding authority remaining unallocated from the manufacturing pool, the multifamily housing pool, and the public facilities pool is transferred to the unified pool and must be reallocated as provided in this section.

Subd. 2. **APPLICATION.** An issuer may apply for an allocation under this section by submitting to the department an application on forms provided by the department accompanied by (1) a preliminary resolution, (2) a statement of bond counsel that the proposed issue of obligations requires an allocation under this chapter, (3) the type of qualified bonds to be issued, and (4) an application deposit in the amount of two percent of the requested allocation. An entitlement issuer may not apply for an allocation for public facility bonds, residential rental project bonds, or mortgage bonds under this section unless it has either permanently issued bonds equal to the amount of its entitlement allocation for the current year plus any amount carried forward from previous years or returned for reallocation all of its unused entitlement allocation. For purposes of this subdivision, its entitlement allocation includes an amount obtained under section 474A.04, subdivision 6.

The Minnesota housing finance agency may not apply for an allocation for mortgage bonds under this section until after the last Monday in September. Notwithstanding the restrictions imposed on unified pool allocations after October 1 under subdivision 3, paragraph (c)(2), the Minnesota housing finance agency may be awarded allocations for mortgage bonds from the unified pool after October 1.

Subd. 3. **ALLOCATION PROCEDURE.** (a) The commissioner shall allocate available bonding authority under this section on the Monday of every other week beginning with the first Monday in ~~November~~ September through

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and on the last Monday in ~~December~~ November. Applications for allocations must be received by the department by the Monday preceding the Monday on which allocations are to be made.

(b) On or before October 1, allocations shall be awarded from the unified pool in the following order of priority:

- (1) applications for small issue bonds, with preference given to projects to be located in distressed counties designated under section 297A.257;
- (2) applications for residential rental project bonds;
- (3) applications for public facility bonds;
- (4) applications for redevelopment bonds;
- (5) applications for mortgage bonds; and
- (6) applications for governmental bonds.

(c)(1) On the first Monday in October, \$20,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the manufacturing pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the manufacturing pool for that year, whichever is less, is reserved within the unified pool for small issue bonds. On the first Monday in October, \$5,000,000 of bonding authority or an amount equal to the total annual amount of bonding authority allocated to the public facilities pool under section 474A.03, subdivision 1, less the amount allocated to issuers from the public facilities pool for that year, whichever is less, is reserved within the unified pool for public facility bonds. If sufficient bonding authority is not available to reserve the required amounts for both small issue bonds and public facility bonds, three-fourths of the remaining available bonding authority is reserved for small issue bonds and one-fourth of the remaining available bonding authority is reserved for public facility bonds.

(2) Allocations for mortgage bonds from the unified pool may not exceed:

- ~~(a)~~ (i) \$10,000,000 for any one city;
- ~~(b)~~ (ii) \$20,000,000 for any number of cities in any one county; or
- ~~(c)~~ (iii) 40 60 percent of the amount initially allocated to the unified pool.

An allocation for mortgage bonds may be used for mortgage credit certificates.

After October 1, allocations shall be awarded from the unified pool only for the following types of qualified bonds: small issue bonds, with preference given to manufacturing projects to be located in distressed counties designated under section 297A.257, public facility bonds, and residential rental project bonds.

(d) If there is insufficient bonding authority to fund all projects within any

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qualified bond category, allocations shall be awarded by lot unless otherwise agreed to by the respective issuers. If an application is rejected, the commissioner must notify the applicant and return the application deposit to the applicant within 30 days unless the applicant requests in writing that the application be resubmitted. The granting of an allocation of bonding authority under this section must be evidenced by issuance of a certificate of allocation.

Subd. 4. **MORTGAGE BOND SUNSET.** If federal tax law is not amended to permit the issuance of tax-exempt mortgage bonds after December 31, 1988, all remaining bonding authority available for allocation under this section on December 1, 1988, is allocated to the Minnesota housing finance agency, ~~of which at least.~~ For purposes of this subdivision, "city" has the meaning given it in section 462C.02, subdivision 6. The Minnesota housing finance agency shall reallocate at least 50 percent must be reallocated of the remaining bonding authority available for allocation to cities requesting an allocation on or before November 1, 1988, for the issuance of mortgage bonds. A city may apply for an allocation under this subdivision by submitting to the Minnesota housing finance agency an application on or before November 1, 1988, on forms provided by the agency. After December 1, 1988, any unallocated bonding authority remaining after all city requests are filled is reallocated to the Minnesota housing finance agency for issuance by the agency or for reallocation to a city requesting an allocation on or before November 1, 1988.

Subd. 4a. **NOTIFICATION OF ISSUANCE.** If an issuer that receives an allocation for mortgage bonds under this subdivision 4 fails to notify the department of energy and economic development before the last Monday in December of issuance of obligations pursuant to all or a portion of the allocation, any remaining allocation pursuant to which obligations have not been issued is canceled and the bonding authority is allocated to the department of finance for reallocation under subdivision 6.

Subd. 5. **RETURN OF ALLOCATION; DEPOSIT REFUND.** (a) If an issuer that receives an allocation under this section determines that it will not issue obligations equal to all or a portion of the allocation received under this section by the end of the current year or within the time period permitted by federal tax law, the issuer must notify the department. If the issuer notifies the department prior to the last Monday in ~~December~~ November, the amount of allocation returned must be reallocated through the unified pool.

(b) An issuer that returns for reallocation all or a portion of an allocation received under this section shall receive within 30 days a refund of its application deposit equal to:

(1) one-half of the amount on deposit for the amount of bonding authority returned before the first Monday in ~~December~~ November;

(2) one-fourth of the amount on deposit for the amount of bonding authority returned on or after the first Monday in ~~December~~ November and before the third Monday in ~~December~~ November; and

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(3) one-eighth of the amount on deposit for the amount of bonding authority returned on or after the third Monday in ~~December~~ November and before the last Monday in ~~December~~ November.

No refund of the application deposit shall be available for allocations returned on or after the last Monday in ~~December~~ November.

Subd. 6. **FINAL ALLOCATION; CARRYFORWARD.** ~~\$20,000,000 or any bonding authority remaining unallocated from the unified pool after the last Monday in December, whichever is less, is allocated to the higher education coordinating board.~~ Any bonding authority remaining unissued by the Minnesota housing finance agency after the deduction for the higher education coordinating board allocation last Monday in December is allocated to the department of finance for reallocation for qualified bonds eligible to be carried forward under federal tax law.

Sec. 5. REPEALER.

Minnesota Statutes 1987 Supplement, section 474A.061, subdivision 5, is repealed.

Approved April 21, 1988

CHAPTER 587—H.F.No. 2185

An act relating to game and fish; adjusting the height of deer stands; regulating placing decoys in public waters or on public lands; amending Minnesota Statutes 1986, sections 97B.325; and 97B.811.

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

Section 1. Minnesota Statutes 1986, section 97B.325, is amended to read:

97B.325 DEER STAND RESTRICTIONS.

A person may not take deer from a constructed platform or other structure higher than ~~nine~~ 16 feet above the ground. The restriction does not apply to a portable stand that is chained, belted, clamped, or tied with rope.

Sec. 2. Minnesota Statutes 1986, section 97B.811, is amended to read:

97B.811 DECOYS AND BLINDS ON PUBLIC LANDS AND WATERS.

Subdivision 1. **BLINDS AND DECOYS PROHIBITED BEFORE SEASON.** A person may not erect a blind or place decoys in public waters or on public land more than one hour before the open season for waterfowl.

Subd. 2. **HOURS FOR PLACING DECOYS.** Except as provided in subdivi-

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