

Sec. 9. Minnesota Statutes 1988, section 221.605, subdivision 1, is amended to read:

Subdivision 1. **FEDERAL REGULATIONS.** Interstate carriers and private carriers engaged in interstate commerce shall comply with the federal motor carrier safety regulations, Code of Federal Regulations, title 49, parts 390 to 398, and with the rules of the commissioner concerning inspections, vehicle and driver out-of-service restrictions and requirements, and vehicle, driver, and equipment checklists. For purposes of regulating commercial motor vehicles as defined in section 1, subdivision 1, the exemption provided in Code of Federal Regulations, title 49, section 396.11, paragraph (d), applies in Minnesota only to driveaway-towaway operations.

Sec. 10. **APPROPRIATION.**

\$263,000 is appropriated from the trunk highway fund to the commissioner of public safety for the purposes of this act, to be available for the fiscal year ending June 30, 1991.

The complement of the state patrol in the department of public safety is increased by three state trooper positions and one clerical staff person to administer the program under sections 1 to 3.

Sec. 11. **EFFECTIVE DATE.**

Section 1, subdivisions 1 and 3 to 8, and sections 2 to 10 are effective July 1, 1990. Section 1, subdivision 2, is effective April 1, 1991.

Presented to the governor April 26, 1990

Signed by the governor May 3, 1990, 5:03 p.m.

CHAPTER 564—S.F.No. 1925

An act relating to the environment; changing certain requirements for municipal wastewater treatment grants; increasing bonding authority; amending Minnesota Statutes 1988, sections 116.18, subdivision 3c; 446A.07, subdivision 2; 446A.12, subdivision 1; and Minnesota Statutes 1989 Supplement, section 116.16, subdivisions 2 and 5.

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

Section 1. Minnesota Statutes 1989 Supplement, section 116.16, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** In this section and sections 116.17 and 116.18:

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

(1) Agency means the Minnesota pollution control agency created by this chapter;

(2) Municipality means any county, city, and town, the metropolitan waste control commission established in chapter 473 and the metropolitan council when acting under the provisions of that chapter or an Indian tribe or an authorized Indian tribal organization, and any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state;

(3) Water pollution control program means the Minnesota state water pollution control program created by subdivision 1;

(4) Bond account means the Minnesota state water pollution control bond account created in the state bond fund by section 116.17, subdivision 4;

(5) Terms defined in section 115.01 have the meanings therein given them;

(6) The eligible cost of any municipal project, except as otherwise provided in ~~clauses~~ clause (7) and (8), includes (a) preliminary planning to determine the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, sociological, project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of disposal systems; (e) inspection and supervision of construction; and (f) all other expenses of the kinds enumerated in section 475.65;

~~(7) For state independent grant and matching grant purposes hereunder, the eligible cost for grant applicants shall be the eligible cost as determined by the United States Environmental Protection Agency under the Federal Water Pollution Control Act, United States Code, title 33, sections 1281 to 1299;~~

~~(8) Notwithstanding clause (7);~~ For state grants under the state independent grants program, the eligible cost includes the acquisition of land for stabilization ponds, the construction of collector sewers for totally unsewered statutory and home rule charter cities and towns described under section 368.01, subdivision 1 or 1a, that are in existence on January 1, 1985, and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. ~~Notwithstanding clause (7);~~ For state grants under the state independent grants program, the eligible cost does not include the provision of service to seasonal homes, or cost increases from contingencies that exceed three percent of as-bid costs or cost increases from unanticipated site conditions that exceed an additional two percent of as-bid costs;

~~(9)~~ (8) Authority means the Minnesota public facilities authority established in section 446A.03.

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

Sec. 2. Minnesota Statutes 1989 Supplement, section 116.16, subdivision 5, is amended to read:

Subd. 5. **RULES.** (a) The agency shall promulgate permanent rules and may promulgate emergency rules for the administration of grants and loans authorized to be made under the water pollution control program, which rules, however, shall not be applicable to the issuance of bonds by the commissioner of finance as provided in section 116.17. The rules shall contain as a minimum:

- (1) procedures for application by municipalities;
- (2) conditions for the administration of the grant or loan;
- (3) criteria for the ranking of projects in order of priority for grants or loans, based on factors including the extent and nature of pollution, technological feasibility, assurance of proper operation, maintenance and replacement, and participation in multimunicipal systems; and
- (4) such other matters as the agency and the commissioner find necessary to the proper administration of the grant program.

(b) ~~Except as otherwise provided in sections 116.16 to 116.18, the rules for the administration of state independent grants must comply, to the extent practicable, with provisions relating directly to protection of the environment contained in the Federal Water Pollution Control Act, as amended, and regulations and guidelines of the United States Environmental Protection Agency promulgated under the act, except provisions regarding allocation contained in section 205 of the act and regulations and guidelines promulgated under section 205 of the act. This provision does not require approval from federal agencies for the issuance of grants or for the construction of projects under the state independent grants program.~~

(c) For purposes of awarding independent state grants, the agency may by rule waive the federal 20-year planning requirement for municipalities with a population of less than 1,500.

Sec. 3. Minnesota Statutes 1988, section 116.18, subdivision 3c, is amended to read:

Subd. 3c. **INDIVIDUAL ON-SITE TREATMENT SYSTEMS PROGRAM.** (a) Beginning in fiscal year 1989, up to ten percent of the money to be awarded as grants under subdivision 3a in any single fiscal year, up to a maximum of \$1,000,000, may be set aside for the award of grants by the authority to municipalities to reimburse owners of individual on-site wastewater treatment systems for a part of the costs of upgrading or replacing the systems.

(b) An individual on-site treatment system is a wastewater treatment system, or part thereof, serving ~~one or two~~ less than six dwellings or other establishments, which utilizes subsurface soil treatment and disposal.

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

(c) Municipalities may apply yearly for grants of up to 50 percent of the cost of replacing or upgrading individual on-site treatment systems within their jurisdiction. Upon application for a grant Before agency approval of the grant application, a municipality must certify that:

(1) it has adopted and is enforcing the requirements of Minnesota Rules governing individual sewage treatment systems;

(2) the existing systems for which application is made do not conform to those rules, were constructed prior to January 1, 1977, do not serve seasonal residences, and were not constructed with state or federal funds; and

(3) ~~that the costs requested do not include planning and engineering costs, administrative costs, and costs for improvements or replacements made before the application is submitted to the authority unless it pertains to the plan finally adopted, and planning and engineering costs other than those for the individual site evaluations and system design.~~

(d) The federal and state regulations regarding the award of state and federal wastewater treatment grants do not apply to municipalities or systems funded under this subdivision, except as provided in this subdivision.

(e) The authority shall award individual on-site wastewater treatment grants to municipalities selected by the state pollution control commissioner upon certification by the state pollution control commissioner that the municipalities' applications have been reviewed and approved in accordance with this subdivision and agency rules adopted under paragraph (f).

(f) The agency shall adopt permanent rules regarding priorities, distribution of funds, payments, inspections, the maximum number of dwellings or other establishments that may be served by an individual on-site treatment system, and other matters that the agency finds necessary for proper administration of grants awarded under this subdivision.

(g) The commissioner of trade and economic development may adopt rules containing procedures for administration of the authority's duties as set forth in paragraph (e).

Sec. 4. Minnesota Statutes 1988, section 446A.07, subdivision 2, is amended to read:

Subd. 2. **STATE FUNDS.** A state matching fund is established to be used in compliance with federal matching requirements specified in the Federal Water Pollution Control Act. A state grant and loan fund is established to provide grants and loans to governmental units for the planning and construction of treatment works as specified in section 116.16, subdivision 2, paragraphs (6); and (7); and (8).

Sec. 5. Minnesota Statutes 1988, section 446A.12, subdivision 1, is amended to read:

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

Subdivision 1. **BONDING AUTHORITY.** The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed ~~\$100,000,000~~ \$150,000,000.

Sec. 6. EFFECTIVE DATE.

Section 5 is effective the day following final enactment.

Presented to the governor April 26, 1990

Signed by the governor May 4, 1990, 11:35 p.m.

CHAPTER 565—S.F.No. 2617

An act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; reducing appropriations for the biennium ending June 30, 1991, with certain conditions; providing for the transfer of money in the state treasury; regulating certain activities and practices; amending Minnesota Statutes 1988, section 170.23; Minnesota Statutes 1989 Supplement, sections 168.011, subdivisions 7 and 9; 168.33, subdivision 7; and 297B.09, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 152 and 299A.

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

Section 1. TRANSPORTATION AND OTHER AGENCIES; APPROPRIATIONS.

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1990" and "1991" mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1990, or June 30, 1991, respectively. Sums shown in parentheses are reduced from the general fund appropriations to the specified agencies in Laws 1989, chapter 269, or another named law.

SUMMARY BY FUND

	1990	1991	TOTAL
General	\$ 769,000	\$ 1,106,000	\$ 1,875,000

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