

CHAPTER 113—S.F.No. 1463

An act relating to townships; authorizing creation of a capital reserve fund; amending Minnesota Statutes 1998, section 365.10, by adding a subdivision.

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

Section 1. Minnesota Statutes 1998, section 365.10, is amended by adding a subdivision to read:

Subd. 18. CAPITAL RESERVE FUND. The electors may authorize creation of a capital reserve fund and designate its use for any lawful purpose.

Presented to the governor April 29, 1999

Signed by the governor May 3, 1999, 1:50 p.m.

CHAPTER 114—S.F.No. 480

An act relating to transportation; allowing port authorities to retain lease or management contract revenues from commercial navigation projects financed by the state; amending Minnesota Statutes 1998, section 457A.04, by adding a subdivision.

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

Section 1. Minnesota Statutes 1998, section 457A.04, is amended by adding a subdivision to read:

Subd. 6. USE AGREEMENTS. Notwithstanding section 16A.695, for leases or management contracts entered into with respect to property acquired or bettered with the proceeds of state general obligations bonds, (1) a port authority may meet its obligations and expenses of operating and reinvesting capital improvements by retaining revenues received under leases or management contracts and is not required to pay lease or management contract revenues to the commissioner of finance; and (2) the lease or management contract entered into by a port authority must not be canceled or terminated as a result of changes or termination by the state in the governmental program of the port authority unless compensation is paid as provided by law.

Presented to the governor April 29, 1999

Signed by the governor May 3, 1999, 1:53 p.m.

CHAPTER 115—S.F.No. 1012

An act relating to Itasca county; modifying certain accounting and expenditure requirements for road and bridge fund tax money derived from unorganized townships.

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

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

Section 1. ROAD AND BRIDGE FUND ACCOUNTING AND EXPENDITURE; UNORGANIZED TOWNSHIPS.

Notwithstanding Minnesota Statutes, section 163.06, subdivision 4, the road and bridge fund tax money collected from unorganized townships in Itasca county need not be set apart in separate funds for each township. Notwithstanding Minnesota Statutes, section 163.06, subdivision 5, road and bridge fund tax money that is collected from the various unorganized townships may be expended by the Itasca county board in any of the unorganized townships in the county.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day after the Itasca county board and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivision 3.

Presented to the governor April 29, 1999

Signed by the governor May 3, 1999, 1:55 p.m.

CHAPTER 116—S.F.No. 1368

An act relating to commerce; regulating contracts for architects, engineers, surveyors, landscape architects, geoscientists, and interior designers; amending Minnesota Statutes 1998, sections 16C.08, subdivision 5; and 337.10, subdivision 4.

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

Section 1. Minnesota Statutes 1998, section 16C.08, subdivision 5, is amended to read:

Subd. 5. **CONTRACT TERMS.** (a) A professional or technical services contract must by its terms permit the commissioner to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the commissioner determines that further performance under the contract would not serve agency purposes.

(b) The terms of a contract must provide that no more than 90 percent of the amount due under the contract may be paid until the final product has been reviewed by the head of the agency entering into the contract and the head of the agency has certified that the contractor has satisfactorily fulfilled the terms of the contract, unless specifically excluded in writing by the commissioner. This paragraph does not apply to contracts for professional services as defined in sections 326.02 to 326.15.

Sec. 2. Minnesota Statutes 1998, section 3, subdivision 4, is amended to read:

Subd. 4. **PROGRESS PAYMENTS AND RETAINAGES.** (a) Unless the building and construction contract provides otherwise, the owner or other persons making payments under the contract must make progress payments monthly as the work progresses. Payments shall be based upon estimates of work completed as approved by the owner or the owner's agent. A progress payment shall not be considered acceptance or approval of any work or waiver of any defects therein.

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