

act, for substantiated maltreatment under Minnesota Statutes, section 626.556 or 626.557, that occurred on or after October 1, 1995, may petition the licensing board for review of the disqualification, as provided in section 2. The commissioner of human services shall notify individuals who are eligible to petition under this section of this right.

Sec. 5. COORDINATION OF ACTIVITY REGARDING LICENSED PROFESSIONALS.

The commissioner of human services, the commissioner of health, the health-related licensing boards, and representatives of licensed and nonlicensed health professionals, shall study and make recommendations regarding the coordination of investigatory and disciplinary activity relating to the disqualification of licensed and nonlicensed health professionals under Minnesota Statutes, section 245A.04, subdivision 3d, for purposes of efficiency and avoiding duplication of actions affecting health professionals, consistent with due process for the health professionals. The commissioner shall report recommendations to the legislature by January 15, 2001.

Presented to the governor March 30, 2000

Signed by the governor April 3, 2000, 2:22 p.m.

CHAPTER 320—S.F.No. 2510

An act relating to real property; common interest ownership communities; redemptions of realty; making technical changes; modifying procedural requirements; amending Minnesota Statutes 1998, sections 115.55, subdivision 7; 514.15; 550.24; 580.24; and 581.10; Minnesota Statutes 1999 Supplement, sections 515B.1-102; and 515B.1-116; repealing Minnesota Statutes 1998, section 550.25.

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

Section 1. Minnesota Statutes 1998, section 115.55, subdivision 7, is amended to read:

Subd. 7. **LOCAL STANDARDS.** (a) **EXISTING SYSTEMS.** Counties may adopt by ordinance local standards that are less restrictive than the agency's rules in order to define an acceptable existing system. The local standards may include soil separation, soil classification, vegetation, system use, localized well placement and construction, localized density of systems and wells, extent of area to be covered by local standards, groundwater flow patterns, and existing natural or artificial drainage systems. The local standards and criteria shall be submitted to the commissioner for comment prior to adoption to demonstrate that, based on local circumstances in that jurisdiction, they adequately protect public health and the environment.

(b) **NEW OR REPLACEMENT SYSTEMS.** Counties, after providing documentation of conditions listed in this paragraph to the commissioner, may adopt by

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ordinance local standards that are less restrictive than the agency's rules for new system construction or replacement in areas of sustained and projected low population density where conditions render conformance to applicable requirements difficult or otherwise inappropriate. Documentation may include a map delineating the area of the county to be served by the local standards, a description of the hardship that would result from strict adherence to the agency's rules, and evidence of sustained and projected low population density. The local standards must protect human health and the environment and be based on considerations that may include, but need not be limited to, soil separation, soil classification, vegetation, system use, localized well placement and construction, localized density of systems and wells, extent of area to be covered by local standards, groundwater flow patterns, and existing natural or artificial drainage systems. The local standards must provide cost-effective and long-term treatment alternatives. The draft ordinance incorporating the local standards must be submitted to the local water planning advisory committee, created under section 103B.321, subdivision 3, and then submitted with justification to the commissioner 30 days before adoption for review and comment.

(c) **NEW OR REPLACEMENT SYSTEMS; LOCAL ORDINANCES.** A local unit of government may adopt and enforce ordinances or rules affecting new or replacement individual sewage treatment systems that are more restrictive than the agency's rules. A local unit of government may not adopt or enforce an ordinance or rule if its effect is to prevent or delay recording with the county recorder or registrar of titles of a deed or other instrument that is otherwise entitled to be recorded.

(d) **LOCAL STANDARDS; CONFLICT WITH STATE LAW.** Local standards adopted under paragraph (a) or (b) must not conflict with any requirements under other state laws or rules or local ordinances, including, but not limited to, requirements for:

- (1) systems in shoreland areas, regulated under sections 103F.201 to 103F.221;
- (2) well construction and location, regulated under chapter 103I; and
- (3) systems used in connection with food, beverage, and lodging establishments, regulated under chapter 157.

The local standards must include references to applicable requirements under other state laws or rules or local ordinances.

Sec. 2. Minnesota Statutes 1998, section 514.15, is amended to read:

514.15 JUDGMENT, SALE, REDEMPTION.

The judgment shall direct a sale of the real estate or other property for the satisfaction of all liens charged thereon, and the manner of such sale, subject to the rights of all persons which are paramount to such liens or any of them. It shall require the officer making such sale to pay over and distribute the proceeds of the sale, after deducting all lawful charges and expenses, to and among the lienors to the amount of their respective claims, if there is sufficient therefor; and if there is not sufficient then to divide and distribute the same among the several lienors in proportion to the amount due to each, and without priority among themselves. If the estate sold be a leasehold

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having not more than two years to run, or be the interest of a vendee under an executory contract of sale the conditions whereof are to be performed within the same period, no redemption shall be allowed; in all other cases the right of redemption shall be the same as upon execution sales under section 550.24, except that the period of redemption shall be six months from the date the sale is confirmed by the court. No sale shall be deemed complete until reported to and confirmed by the court.

Sec. 3. Minnesota Statutes 1999 Supplement, section 515B.1-102, is amended to read:

515B.1-102 APPLICABILITY.

(a) Except as provided in this section, this chapter, and not chapters 515 and 515A, applies to all common interest communities created within this state on and after June 1, 1994.

(b) The applicability of this chapter to common interest communities created prior to June 1, 1994, shall be as follows:

(1) This chapter shall apply to condominiums created under chapter 515A with respect to events and circumstances occurring on and after June 1, 1994; provided (i) that this chapter shall not invalidate the declarations, bylaws or condominium plats of those condominiums, and (ii) that chapter 515A, and not this chapter, shall govern all rights and obligations of a declarant of a condominium created under chapter 515A, and the rights and claims of unit owners against that declarant.

(2) The following sections in this chapter apply to condominiums created under chapter 515: 515B.1-104 (Variation by Agreement); 515B.1-105 (Separate Titles and Taxation); 515B.1-106 (Applicability of Local Ordinances, Regulations, and Building Codes); 515B.1-107 (Eminent Domain); 515B.1-108 (Supplemental General Principles of Law Applicable); 515B.1-109 (Construction Against Implicit Repeal); 515B.1-110 (Uniformity of Application and Construction); 515B.1-111 (Severability); 515B.1-112 (Unconscionable Agreement or Term of Contract); 515B.1-113 (Obligation of Good Faith); 515B.1-114 (Remedies to be Liberally Administered); 515B.1-115 (Notice); 515B.1-116 (Recording); 515B.2-103 (Construction and Validity of Declaration and Bylaws); 515B.2-104 (Description of Units); 515B.2-108(d) (Allocation of Interests); 515B.2-109(c) (Common Elements and Limited Common Elements); 515B.2-112 (Subdivision or Conversion of Units); 515B.2-113 (Alteration of Units); 515B.2-114 (Relocation of Boundaries Between Adjoining Units); 515B.2-115 (Minor Variations in Boundaries); 515B.2-118 (Amendment of Declaration); 515B.3-102 (Powers of Unit Owners' Association); 515B.3-103(a), (b), and (g) (Board; Directors and Officers; Period of Declarant Control); 515B.3-107 (Upkeep of Common Interest Community); 515B.3-108 (Meetings); 515B.3-109 (Quorums); 515B.3-110 (Voting; Proxies); 515B.3-111 (Tort and Contract Liability); 515B.3-112 (Conveyance or Encumbrance of Common Elements); 515B.3-113 (Insurance); 515B.3-114 (Reserves; Surplus Funds); 515B.3-115 (c), (e), (f), (g), (h), and (i) (Assessments for Common Expenses); 515B.3-116 (Lien for Assessments); 515B.3-117 (Other Liens); 515B.3-118 (Association Records); 515B.3-119 (Association as Trustee); 515B.3-121 (Accounting Controls); 515B.4-107 (Resale of Units); 515B.4-108 (Purchaser's Right to

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Cancel Resale); and 515B.4-116 (Rights of Action; Attorney's Fees). Section 515B.1-103 (Definitions) shall apply to the extent necessary in construing any of the sections referenced in this section. Sections 515B.1-105, 515B.1-106, 515B.1-107, 515B.1-116, 515B.2-103, 515B.2-104, 515B.2-118, 515B.3-102, 515B.3-110, 515B.3-111, 515B.3-113, 515B.3-116, 515B.3-117, 515B.3-118, 515B.3-121, 515B.4-107, 515B.4-108, and 515B.4-116 apply only with respect to events and circumstances occurring on and after June 1, 1994. All other sections referenced in this section apply only with respect to events and circumstances occurring after May July 31, 1999. A section referenced in this section does not invalidate the declarations, bylaws or condominium plats of condominiums created before August 1, 1999. But all sections referenced in this section prevail over the declarations, bylaws, CIC plats, rules and regulations under them, of condominiums created before August 1, 1999, except to the extent that this chapter defers to the declarations, bylaws, CIC plats, or rules and regulations issued under them.

(3) This chapter shall not apply to cooperatives and planned communities created prior to June 1, 1994; except by election pursuant to subsection (d), and except that sections 515B.1-116, subsections (a), (c), (d), (e), (f), and (h), 515B.4-107, and 515B.4-108, apply to all planned communities and cooperatives regardless of when they are created, unless they are exempt under subsection (e).

(c) This chapter shall not invalidate any amendment to the declaration, bylaws or condominium plat of any condominium created under chapter 515 or 515A if the amendment was recorded before June 1, 1994. Any amendment recorded on or after June 1, 1994, shall be adopted in conformity with the procedures and requirements specified by those instruments and by this chapter. If the amendment grants to any person any rights, powers or privileges permitted by this chapter, all correlative obligations, liabilities and restrictions contained in this chapter shall also apply to that person.

(d) Any condominium created under chapter 515, any planned community or cooperative which would be exempt from this chapter under subsection (e), or any planned community or cooperative created prior to June 1, 1994, may elect to be subject to this chapter, as follows:

(1) The election shall be accomplished by recording a declaration or amended declaration, and a new or amended CIC plat where required, and by approving bylaws or amended bylaws, which conform to the requirements of this chapter, and which, in the case of amendments, are adopted in conformity with the procedures and requirements specified by the existing declaration and bylaws of the common interest community, and by any applicable statutes.

(2) In a condominium, the preexisting condominium plat shall be the CIC plat and an amended CIC plat shall be required only if the amended declaration or bylaws contain provisions inconsistent with the preexisting condominium plat. The condominium's CIC number shall be the apartment ownership number or condominium number originally assigned to it by the recording officer. In a cooperative in which the unit owners' interests are characterized as real estate, a CIC plat shall be required. In

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a planned community, the preexisting plat recorded pursuant to chapter 505, 508, or 508A, or the part of the plat upon which the common interest community is located, shall be the CIC plat.

(3) The amendment shall conform to the requirements of section 515B.2-118(d).

(4) Except as permitted by paragraph (3), no declarant, affiliate of declarant, association, master association nor unit owner may acquire, increase, waive, reduce or revoke any previously existing warranty rights or causes of action that one of said persons has against any other of said persons by reason of exercising the right of election under this subsection.

(5) A common interest community which elects to be subject to this chapter may, as a part of the election process, change its form of ownership by complying with the requirements of section 515B.2-123.

(e) Except as otherwise provided in this subsection, this chapter shall not apply, except by election pursuant to subsection (d), to the following:

(1) a planned community or cooperative which consists of 12 or fewer units subject to the same declaration, which is not subject to any rights to add additional real estate and which will not be subject to a master association;

(2) a common interest community where the units consist solely of separate parcels of real estate designed or utilized for detached single family dwellings or agricultural purposes, and where the association has no obligation to maintain any building containing a dwelling or any agricultural building;

(3) a cooperative where, at the time of creation of the cooperative, the unit owners' interests in the dwellings as described in the declaration consist solely of proprietary leases having an unexpired term of fewer than 20 years, including renewal options;

(4) planned communities and cooperatives limited by the declaration to nonresidential use; or

(5) real estate subject only to an instrument or instruments filed primarily for the purpose of creating or modifying rights with respect to access, utilities, parking, ditches, drainage, or irrigation.

(f) Section 515B.1-106 shall apply to all common interest communities.

Sec. 4. Minnesota Statutes 1999 Supplement, section 515B.1-116, is amended to read:

515B.1-116 RECORDING.

(a) A declaration, bylaws, any amendment to a declaration or bylaws, and any other instrument affecting a common interest community shall be entitled to be recorded. In those counties which have a tract index, the county recorder shall enter the declaration in the tract index for each unit affected. The registrar of titles shall file the declaration on the certificate of title for each unit affected.

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(b) The recording officer shall upon request promptly assign a number (CIC number) to a common interest community to be formed or to a common interest community resulting from the merger of two or more common interest communities.

(c) Documents recorded pursuant to this chapter shall in the case of registered land be filed, and references to the recording of documents shall mean filed in the case of registered land.

(d) Subject to any specific requirements of this chapter, if a recorded document relating to a common interest community purports to require the execution of a certain vote or signatures approving any restatement or amendment of the document by a certain number or percentage of unit owners or secured parties, and if the amendment or restatement is to be recorded pursuant to this chapter, an affidavit of the president or secretary of the association stating that the required vote or agreement has occurred ~~signatures have been obtained~~ shall be attached to the document to be recorded and shall constitute prima facie evidence of the representations contained therein.

(e) If a common interest community is located on registered land, the recording fee for any document affecting two or more units shall be the then-current fee for registering the document on the certificates of title for the first ten affected certificates and one-third of the then-current fee for each additional affected certificate. This provision shall not apply to recording fees for deeds of conveyance, with the exception of deeds given pursuant to sections 515B.2-119 and 515B.3-112.

(f) Except as permitted under this subsection, a recording officer shall not file or record a declaration creating a new common interest community, unless the county treasurer has certified that the property taxes payable in the current year for the real estate included in the proposed common interest community have been paid. This certification is in addition to the certification for delinquent taxes required by section 272.12. In the case of preexisting common interest communities, the recording officer shall accept, file, and record the following instruments, without requiring a certification as to the current or delinquent taxes on any of the units in the common interest community: (i) a declaration subjecting the common interest community to this chapter; (ii) a declaration changing the form of a common interest community pursuant to section 515B.2-123; or (iii) an amendment to or restatement of the declaration, bylaws, or CIC plat. In order for the instruments to be accepted and recorded under the preceding sentence, the assessor must certify or otherwise inform the recording officer that, for taxes payable in the current year, the assessor has allocated taxable values to each unit or has separately assessed each unit.

(g) The registrar of titles shall not require the filing on certificates of title previously issued for units in a flexible common interest community of an amendment to a declaration pursuant to section 515B.2-111 made solely to add additional real estate.

(h) In the case of an amendment to a declaration or a transfer of special declarant rights with respect to a common interest community located on registered land, the registrar of titles shall not require the surrender of the owner's duplicate certificates of title to record the document, except for any owner's duplicate certificates of title

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relating to additional real estate being added by an amendment under section 515B.2-111.

Sec. 5. Minnesota Statutes 1998, section 550.24, is amended to read:

550.24 REDEMPTION OF REALTY.

Upon the sale of real property, ~~where if the estate sold is less than a leasehold of two years' unexpired term, the sale is absolute; In all other cases the property sold, or any portion thereof which has been sold separately, is subject to redemption:~~

(1) By as provided in this section. The judgment debtor, the debtor's heirs, successors, legal representatives, or assigns;

(2) By a creditor may redeem within one year after the day of sale by paying, to the purchaser or the officer making the sale, the amount for which the property was sold with interest at the judgment rate and if the purchaser is a creditor having a prior lien, the amount thereof, with interest at the judgment rate. If there is no redemption during the debtor's redemption period, creditors having a lien, legal or equitable, on the property or some part thereof, subsequent to that on which it was sold.

Creditors shall may redeem in the manner provided for redemption by creditors of the mortgagor in section 580.24, in the order of their respective liens.

Sec. 6. Minnesota Statutes 1998, section 580.24, is amended to read:

580.24 REDEMPTION BY CREDITOR.

If no such redemption be made by the mortgagor, the mortgagor's personal representatives or assigns, the senior creditor having a lien, legal or equitable, upon the mortgaged premises, or some part thereof, subsequent to the mortgage, may redeem within seven days after the expiration of the redemption period determined under section 580.23 or 582.032, whichever is applicable; and each subsequent creditor having a lien in succession, according to priority of liens, within seven days after the time allowed the prior lienholder, respectively, may redeem by paying the amount aforesaid and all liens prior to the lienholder's own held by the person from whom redemption is made; provided that no creditor shall be entitled to redeem unless within the period allowed for redemption by the mortgagor, the creditor file for record notice of intention to redeem with the county recorder or registrar of titles of each county where the mortgage is recorded. Saturdays, Sundays, legal holidays, and the first day following the expiration of the prior redemption period must be included in computing the seven-day redemption period. When the last day of the period falls on Saturday, Sunday, or a legal holiday, that day must be omitted from the computation. All mechanic's lienholders who have coordinate liens shall have one combined seven-day period to redeem.

Sec. 7. Minnesota Statutes 1998, section 581.10, is amended to read:

581.10 REDEMPTION BY MORTGAGOR, CREDITOR.

The mortgagor, or those claiming under the mortgagor, within the time specified in section 580.23 or 582.032, whichever applies, after the date of the order of

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confirmation, may redeem the premises sold, or any separate portion thereof, by paying the amount bid therefor, with interest thereon from the time of sale at the rate provided to be paid on the mortgage debt, not to exceed eight percent per annum, and, if no rate to be provided in the mortgage, at the rate of six percent, together with any further sum which may be payable pursuant to section 582.03 and 582.031. Creditors having a lien may redeem in the order and manner specified in section 580.24, ~~but no creditor shall be entitled to redeem unless within the applicable redemption period the creditor files with the court administrator notice of intention to redeem.~~

Sec. 8. APPLICABILITY.

Sections 2, 5, 6, and 7 apply to redemptions where the owner's period of redemption has not expired before August 1, 2000.

Sec. 9. REPEALER.

Minnesota Statutes 1998, section 550.25, is repealed.

Sec. 10. EFFECTIVE DATE.

Sections 3 and 4 are effective the day following final enactment.

Presented to the governor March 31, 2000

Signed by the governor April 4, 2000, 3:50 p.m.

CHAPTER 321—S.F.No. 3369

An act relating to the environment; providing for grants for special purpose districts with environmental responsibilities; authorizing pilot projects for the restructuring of the organization and operation of special purpose districts; authorizing grants from the board of government innovation and cooperation for the development and implementation of pilot projects.

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

Section 1. SPECIAL PURPOSE DISTRICT PILOT PROJECTS.

Subdivision 1. DEFINITIONS. The definitions in this subdivision apply in this section.

(a) "Board" means the board of government innovation and cooperation established in Minnesota Statutes, section 465.796.

(b) "Special purpose district" means a watershed district established under Minnesota Statutes, chapter 103D, soil and water conservation districts established under Minnesota Statutes, chapter 103C, lake improvement districts established under Minnesota Statutes, sections 103B.501 to 103B.581, watershed management organizations established under Minnesota Statutes, section 103B.205, and other joint powers boards which include these special purpose districts as members.

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