tion of any improvements, for all ordinary general expenses, and for all expenses incurred in making repairs, which have been approved by the managers only when there are sufficient funds available for payment in the district treasury. When sufficient funds are not available to pay any warrant after its presentation to the treasurer of the district; the warrant draws interest at a rate not to exceed six percent per annum until paid or until notice is given by the district that funds are available for its payment. Except for warrants issued in payment of construction of any improvement, the funds for which have been provided; the outstanding warrants of the district shall not exceed \$5,000.

- Sec. 12. Minnesota Statutes 1967, Section 112.65, Subdivision 1. is amended to read:
- 112.65 Drainage systems within district. Subdivision The managers of a district shall take over when directed by the district court or county board any judicial or county drainage system within the district, together with the right to repair and maintain the same. Such transfer may be initiated by the district court or county board, or such transfer may be initiated by a petition from any person having an interest in the drainage system or by the managers. No such transfer shall be made until the district court or county board has held a hearing thereon. Due notice of the proposed transfer together with the time and place of hearing shall be given by two weeks published notice in a legal newspaper of general circulation in the area involved. All interested persons may appear and be heard. Following the hearing, the district court or county board shall make its order directing that the managers of a district take over the affected judicial or county drainage system, unless it appears that the take over would not be in the public welfare or public interest and would not serve the purpose of Minnesota Statutes, Chapter 112. When the transfer is directed all proceedings for repair and maintenance shall thereafter conform to the provisions of Minnesota Statutes, Chapter 106.

Approved June 6, 1969.

CHAPTER 1073—H. F. No. 2260

[Coded]

An act relating to public health; authorizing the state board of health to establish a merit system for local health personnel; amending Minnesota Statutes 1967, Chapter 144, by adding a section.

Changes or additions indicated by italics, deletions by strikcout.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1967, Chapter 144, is amended by adding a section to read:

[144.071] Health; merit system for local employees. The board may establish a merit system for employees of county or municipal health departments or public health nursing services or health districts, and may promulgate rules and regulations governing the administration and operation thereof. In the establishment and administration of the merit system authorized by this section, the board may utilize facilities and personnel of any state department or agency with the consent of such department or agency. The board may also, by rule or regulation, cooperate with the federal government in any manner necessary to qualify for federal aid.

Approved June 6, 1969.

CHAPTER 1074—H. F. No. 2384

An act relating to redevelopment projects and the tax status thereof and the financing of redevelopment costs with tax increments and bonds; amending Minnesota Statutes 1967, Section 462.585.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1967, Section 462.585, is amended to read:

462.585 Redevelopment project; tax status; agreements respecting and equivalents: tax increments pledge bonds. Subdivision 1. General. In connection with any project of an authority located wholly or partly within the area in which the corporate limits of any municipality is authorized to act, the municipality or other state public body, such body may agree with the authority with respect to the payment by the authority of such sums in lieu of taxes for any year or period of years in accordance with the provisions of section 462.575, but for no longer period than the period of tax exemption provided for under sections 462.415 to 462.711 that section. In any case where property owned by the authority in a redevelopment project area is leased or otherwise made available by the authority to a private individual, firm, or corporation which previously owned the same or other property within the area, not for development in connection with the project but for temporary

Changes or additions indicated by italics, deletions by strikeout.