

provide services to residents of bordering states. A person who receives services in another state under this section is subject to the laws of the state in which services are provided. A person who will receive services in another state under this section must be informed of the consequences of receiving services in another state, including the implications of the differences in state laws.

Subd. 3. EXCEPTIONS. A contract may not be entered into under this section for services to persons who:

- (1) are serving a sentence after conviction of a criminal offense;
- (2) are on probation or parole;
- (3) are the subject of a presentence investigation;
- (4) have been committed involuntarily; or
- (5) will be receiving treatment for chemical dependency.

Subd. 4. CONTRACTS. Contracts entered into under this section must, at a minimum:

- (1) describe the services to be provided;
- (2) establish responsibility for the costs of services;
- (3) establish responsibility for the costs of transporting individuals receiving services under this section;
- (4) specify the duration of the contract;
- (5) specify the means of terminating the contract;
- (6) specify the terms and conditions for refusal to admit or retain an individual; and
- (7) identify the goals to be accomplished by the placement of an individual under this section.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment.

Approved May 29, 1985

CHAPTER 254 — H.F.No. 648

An act relating to state departments and agencies; transferring authority for administration of the rural rehabilitation corporation trust liquidation act from the state executive council to the commissioner of energy and economic development; creating a governor's rural development council; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1984, section 9.36.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

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

Section 1. [116J.951] DEFINITIONS.

Subdivision 1. APPLICABILITY. The definitions in this section apply to sections 1 to 3.

Subd. 2. COMMISSIONER. "Commissioner" means the commissioner of energy and economic development.

Subd. 3. COUNCIL. "Council" means the governor's rural development council.

Subd. 4. MEMBER. "Member" means a member of the council.

Sec. 2. [116J.955] RURAL REHABILITATION REVOLVING FUND.

Subdivision 1. ESTABLISHMENT. The rural rehabilitation revolving fund is established as an account in the state treasury. The money transferred to the state as a result of liquidating the rural rehabilitation corporation trust, and money derived from transfer of the trust to the state, must be credited to the rural rehabilitation revolving fund. The principal amount of the rural rehabilitation revolving fund, \$9,300,000, may not be spent and must be invested by the state investment board. The income attributable to investment of the principal is appropriated to the commissioner for the activities of the rural development council.

Subd. 2. EXPENDITURE OF INVESTMENT INCOME. The commissioner may only use the income from the investment of the rural rehabilitation revolving fund for the purposes that are allowed under the Minnesota rural rehabilitation corporation's charter and agreement with the United States secretary of agriculture as provided in Public Law Number 499, 81st Congress, enacted May 3, 1950 and as allowed under section 3, subdivision 8. Not more than three percent of the book value of the Minnesota rural rehabilitation corporation's assets may be used for administrative purposes in a year without approval of the United States secretary of agriculture.

Subd. 3. TRANSFER OF AUTHORIZED RECORDS TO COMMISSIONER. The authority, assets, books, and records held by the Minnesota rural rehabilitation corporation and later by the state executive council under Public Law Number 499, 81st Congress, May 3, 1950, is transferred to the commissioner.

Sec. 3. [116J.961] GOVERNOR'S RURAL DEVELOPMENT COUNCIL.

Subdivision 1. ESTABLISHMENT. The governor's rural development council is established in the department of energy and economic development. The council shall consist of one representative from each of the state's develop-

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ment regions, including the seven-county metropolitan area, and the commissioner.

Subd. 2. SELECTION OF MEMBERS. Members representing the state's development regions must be selected by a majority vote of the regional development commissions, where they exist, and the metropolitan council. In regions that have dissolved their development commissions, members must be selected by a majority vote of the chairs of the respective county boards of commissioners in the region. Members must reside within the region they represent. The county boards of commissioners and the regional development commissions selecting members are encouraged to give preference to persons that hold an elected office. The county boards of commissioners and the regional development commissions must give public notice of vacancies on the council and make a selection of a member from applications received for the positions. The terms, compensation, and expiration of the council and its members are as provided in section 15.059 except that existing members of the council shall serve until January 1, 1987. A member may not serve more than two consecutive terms.

Subd. 3. OFFICERS. The council may elect a chairperson, vice chairperson, and other officers as is necessary from its members.

Subd. 4. ADVISORY TASK FORCES. The council may form advisory task forces to advise or assist the council to identify and work with rural development issues. The council shall appoint persons to the task forces. The persons on the task force may not receive per diem but may be reimbursed for expenses.

Subd. 5. COUNCIL STAFF. (a) The commissioner shall employ, with the concurrence of the council, an executive director experienced in public administration and rural development issues. The executive director is not a member of the council, but shall perform duties the council may require in carrying out its responsibilities. The executive director's position is in the unclassified service.

(b) The commissioner shall employ professional staff, clerical help, and other necessary employees upon the recommendation of the council and the executive director. Support staff shall serve in the classified civil service. The commissioner shall also provide materials and administrative help necessary for the council's activities including personnel, budget, payroll, and contract administration.

Subd. 6. EXPENSES OF COUNCIL. The commissioner shall pay for the expenses of the council, the council staff, and the council's programs from the appropriation under section 2, subdivision 1.

Subd. 7. IDENTIFICATION OF RURAL DEVELOPMENT POLICY. The council shall advise the governor and the legislature on matters of public

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policy relating to rural development. The council shall identify prominent rural issues and formulate and advocate policies that serve the needs of the rural population of the state.

Subd. 8. ADMINISTRATION OF ANNUAL INVESTMENT INCOME FROM THE RURAL REHABILITATION REVOLVING FUND. (a) The council shall administer the annual investment income from the rural rehabilitation revolving fund by:

(1) administering a rural development grant program including the establishment of grant eligibility criteria, solicitation and review of grant applications, and determination of projects to be funded;

(2) developing priorities for state projects and activities related to rural development;

(3) providing technical help and rural development information services to state agencies, regional agencies, special districts, local governments, and interested citizens;

(4) preparing an annual budget and work program, and a biennial budget;

(5) preparing an annual report for the state office of the farmers home administration, United States department of agriculture outlining program activities and expenditures from the trust fund; and

(6) reporting to the house agriculture and senate agriculture and natural resources committees by January 31 of each year on the grants, projects, and activities of the council.

(b) The commissioner shall make agreements or contracts to distribute grant funds to projects selected by the council.

Subd. 9. RULES. The commissioner shall, with the concurrence of the council, adopt rules for the administration of a rural development grant program.

Subd. 10. BUDGET. The commissioner shall review and approve a biennial budget prepared by the council and submit it to the governor and the legislature for approval as part of the biennial budget process.

Sec. 4. [116J.965] INTERAGENCY COOPERATION.

State departments and agencies shall cooperate with and assist the council in its work.

Sec. 5. REPEALER.

Minnesota Statutes 1984, section 9.36, is repealed.

Approved May 29, 1985

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