

(3) of a trust created on or before the date of final enactment if no part of the principal of the trust would be included in the gross estate of the trustee for federal estate tax purposes if the trustee had died on the date of enactment without exercising the power;

(4) of a trust created on or before the date of final enactment if (i) the trust is not exempt from generation-skipping transfer tax under chapter 13 of the Internal Revenue Code of 1986, as amended through December 31, 1992, because of Public Law Number 99-514, section 1433(b) to (d); (ii) there would be a taxable termination with respect to the assets held in the trust if the trustee and all beneficiaries of the trust who are assigned to the trustee's generation or a higher generation had died on the date of enactment; and (iii) the trust would have an inclusion ratio, as defined in section 2642(c) of the Internal Revenue Code of 1986, as amended through December 31, 1992, of one with respect to the taxable termination; or

(5) of a trust created on or before the date of final enactment if (i) on the date of final enactment there is no person with the power to amend or revoke the trust, and (ii) on the date of final enactment there is only one trustee of the trust.

(c) This section has no effect on an action taken by a trustee on or before the date of final enactment.

Sec. 2. EFFECTIVE DATE.

Section 1 is effective the day following final enactment.

Presented to the governor May 11, 1993

Signed by the governor May 14, 1993, 9:08 a.m.

CHAPTER 170—S.F.No. 674

An act relating to civil actions; regulating the posting of a bond required of plaintiffs in certain actions against a public body; amending Minnesota Statutes 1992, section 562.02.

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

Section 1. Minnesota Statutes 1992, section 562.02, is amended to read:

562.02 CIVIL ACTIONS AFFECTING A PUBLIC BODY; SURETY BOND REQUIRED OF PLAINTIFF.

Whenever any action at law or in equity is brought in any court in this state questioning directly or indirectly the existence of any condition or thing precedent to, or the validity of any action taken or proposed to be taken, by any pub-

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

lic body or its officers or agents in the course of the authorization or sale, issuance or delivery of bonds, the making of a contract for public improvement or the validity of any proceeding to alter the organization of a school district in any manner, such public body may move the court for an order requiring the party, or parties, bringing such action to file a surety bond as hereinafter set forth. Three days' written notice of such motion shall be given. If the public body is not a party to the action, but if it deems that such action be injurious to the public interest and to the taxpayers, such public body may intervene or appear specially for the purpose of making such motion. If the court determines that loss or damage to the public or taxpayers may result from the pendency of the action or proceeding, the court may require such party, or parties, to file a surety bond, which shall be approved by the court, in such amount as the court may determine. The court must also consider whether the action presents substantial constitutional issues or substantial issues of statutory construction, and the likelihood of a party prevailing on these issues, when determining the amount of a bond and whether a bond should be required under this section or section 473.675. Such bond shall be conditioned for payment to the public body of any loss or damage which may be caused to the public body or taxpayers by such delay, to the extent of the penal sum of such bond, if such party, or parties, shall not prevail therein. If such surety bond is not filed within a reasonable time allowed therefor by the court, the action shall be dismissed with prejudice. If such party, or parties, file a bond as herein required and prevail in the action, any premium paid on the bond shall be repaid by or taxed against the public body.

Sec. 2. EFFECTIVE DATE; APPLICATION.

Section 1 is effective August 1, 1993, and applies to orders entered under Minnesota Statutes, section 473.675 or 562.02, on and after that date.

Presented to the governor May 11, 1993

Signed by the governor May 14, 1993, 9:07 a.m.

CHAPTER 171—S.F.No. 190

An act relating to background checks; providing that certain criminal conviction data are public; providing that a record of conviction of certain crimes and other determinations disqualify an individual from obtaining certain human services licenses; providing for access to certain data on day care and foster care licensees; amending Minnesota Statutes 1992, sections 13.46, subdivision 4; 13.87, subdivision 2; and 245A.04, subdivisions 3 and 3b.

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

Section 1. Minnesota Statutes 1992, section 13.46, subdivision 4, is amended to read:

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