

A security interest in letters of credit and advices of credit (subsection (2) (a) of section 336.5-116), goods, instruments, money, negotiable documents, or chattel paper may be perfected by the secured party's taking possession of the collateral. A security interest in the rights to proceeds of a written letter of credit may be perfected only by the secured party's taking possession of the letter of credit. If such collateral other than goods covered by a negotiable document is held by a bailee, the secured party is deemed to have possession from the time the bailee receives notification of the secured party's interest. A security interest is perfected by possession from the time possession is taken without relation back and continues only so long as possession is retained, unless otherwise specified in this article. The security interest may be otherwise perfected as provided in this article before or after the period of possession by the secured party.

Sec. 9. REVISOR'S INSTRUCTION.

The revisor shall change the reference to "section 336.5-103" to "section 336.5-102" wherever it appears in Minnesota Statutes, sections 223.17 and 223.177.

Presented to the governor March 17, 1997

Signed by the governor March 18, 1997, 9:23 a.m.

CHAPTER 12—H.F.No. 100

An act relating to public safety; providing for emergency expenditures related to the continuing severe weather conditions and their aftermath; providing additional funding for state road operations and state trooper overtime in fiscal year 1997; making certain cross-reference corrections; reinstating authority inadvertently stricken; appropriating money; amending Minnesota Statutes 1996, sections 12.221, subdivision 3; 84.912, subdivision 1; 86B.337, subdivision 1; 168.042, subdivision 1; 169.121, subdivision 4; 169.1217, subdivision 1; 171.043; 171.24, subdivision 5; 171.30, subdivision 3; and 171.305, subdivision 5.

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

ARTICLE 1

EMERGENCY SNOW AND FLOOD FUNDING

Section 1. APPROPRIATION FOR 1997 SEVERE WEATHER AFFECTING PUBLIC SAFETY.

Subdivision 1. COORDINATION. A special 1997 severe weather appropriation is authorized. Reimbursement to counties, cities, and towns under this section must be coordinated in so far as possible, and subject to immediate public safety concerns, with emergency federal funding for the same or similar purposes.

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

Subd. 2. ALLOCATION OF FUNDS. The appropriation in this article must be distributed as follows:

(a) \$6,000,000 is available:

(1) for the state match of federal disaster funds for 1997 snow-related disaster costs according to the formula agreed to by the state and the federal emergency management agency (FEMA);

(2) to fund what would otherwise be the local government match for eligible 1997 snow-related disaster costs in the formula in clause (1); and

(3) to fund the ten percent of snow removal costs determined by the FEMA to be ineligible for federal reimbursement;

(b) \$3,000,000 is reserved for assistance associated with 1997 flooding or related emergencies that affect public safety to be distributed as follows:

(1) for the state match of federal disaster funds for any 1997 flood-related disaster costs according to the formula agreed to by the state and FEMA;

(2) for other 1997 flood-related costs not covered in clause (1); and

(3) for the purposes specified in paragraph (a) if, by June 30, 1997, the commissioner of public safety determines that all or any part of the funds reserved in this paragraph are not needed for the purposes specified in clauses (1) and (2); and

(c) \$11,000,000 shall be distributed according to a formula that compares snow removal expenditures of local government units for calendar year 1996 to the average annual snow removal expenses for calendar years 1993, 1994, and 1995.

Subd. 3. DISTRIBUTION OF FUNDS. The commissioner of public safety must notify local governments of the availability of state disaster relief funds and of the information that must be submitted to obtain funds. To receive reimbursement of 1996 snowplowing expenditures or to match federal disaster assistance, a county, city, or town must request the aid and provide relevant information to the commissioner. The commissioner may require documentation of costs reported by a county, city, or town. The commissioner shall review the request, determine the appropriate amount of the reimbursement or match, and distribute funds accordingly.

Subd. 4. NO PRECEDENT SET. Funding by the state in this section for costs that would otherwise be a local fiscal responsibility under funding formulas negotiated by the state with FEMA is not to be considered a precedent for any future disaster funding.

Sec. 2. APPROPRIATION.

\$20,000,000 in fiscal year 1997 is appropriated from the general fund to the commissioner of public safety to be spent as provided in section 1, except that the commissioner may use up to \$15,000 of this appropriation for administration of this program. This appropriation does not cancel, but is available until expended.

Sec. 3. EFFECTIVE DATE.

This article is effective the day after its final enactment.

New language is indicated by underline, deletions by strikeout.

ARTICLE 2**TRUNK HIGHWAY FUNDING****Section 1. STATE HIGHWAY OPERATIONS; APPROPRIATION.**

\$16,000,000 is appropriated from the trunk highway fund to the commissioner of transportation for state road operations. This amount is added to the appropriation for state road operations for fiscal year 1997 in Laws 1995, chapter 265, article 2, section 2, subdivision 8.

Sec. 2. STATE PATROL; APPROPRIATION.

\$95,000 is appropriated from the trunk highway fund to the commissioner of public safety for state trooper overtime costs in fiscal year 1997 related to winter weather emergencies. This appropriation is added to the appropriation for the state patrol for fiscal year 1997 in Laws 1995, chapter 265, article 2, section 5, subdivision 3.

Sec. 3. EFFECTIVE DATE.

This article is effective the day after its final enactment.

ARTICLE 3**TECHNICAL**

Section 1. Minnesota Statutes 1996, section 12.221, subdivision 3, is amended to read:

Subd. 3. **GOVERNOR'S AUTHORIZED REPRESENTATIVE.** The state director may serve as the governor's authorized representative. As such, the state director may apply for and enter into an agreement with any federal agency to accept and administer federal financial assistance made available to the state as a result of a disaster declaration. Federal money received is appropriated to the state director, who shall report its expenditure to the chairs of the house of representatives ways and means committee and the appropriate senate finance committee.

Sec. 2. Minnesota Statutes 1996, section 84.912, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section, the following terms have the meanings given them:

- (a) "All-terrain vehicle" has the meaning given in section 84.92, subdivision 8.
- (b) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.
- (c) "Designated offense" means a violation of section 84.91 or an ordinance in conformity with it:

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(1) occurring within five years of the first of three prior impaired driving convictions or the first of three prior license revocations based on separate impaired driving incidents;

(2) occurring within 15 years of the first of four or more prior impaired driving convictions or the first of four or more prior license revocations based on separate impaired driving incidents;

(3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause (8) (9); or

(4) by a person who is subject to a restriction on the person's driver's license under section 171.09 that provides that the person may not use or consume any amount of alcohol or a controlled substance.

(d) "Owner" means the registered owner of the snowmobile or all-terrain vehicle according to records of the department of natural resources and includes a lessee of a snowmobile or all-terrain vehicle if the lease agreement has a term of 180 days or more.

(e) "Prior impaired driving conviction" has the meaning given in section 169.121, subdivision 3.

(f) "Prior license revocation" has the meaning given in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

(h) "Snowmobile" has the meaning given in section 84.81, subdivision 3.

(i) "Vehicle" means a snowmobile or an all-terrain vehicle.

Sec. 3. Minnesota Statutes 1996, section 86B.337, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section, the following terms have the meanings given them:

(a) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(b) "Designated offense" means a violation of section 86B.331 or an ordinance in conformity with it:

(1) occurring within five years of the first of three prior impaired driving convictions or the first of three prior license revocations based on separate impaired driving incidents;

(2) occurring within 15 years of the first of four or more prior impaired driving convictions or the first of four or more prior license revocations based on separate impaired driving incidents;

(3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause (8) (9); or

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(4) by a person who is subject to a restriction on the person's driver's license under section 171.09 that provides that the person may not use or consume any amount of alcohol or a controlled substance.

(c) "Motorboat" has the meaning given in section 86B.005, subdivision 9.

(d) "Owner" means the registered owner of the motorboat according to records of the department of natural resources and includes a lessee of a motorboat if the lease agreement has a term of 180 days or more.

(e) "Prior impaired driving conviction" has the meaning given in section 169.121, subdivision 3.

(f) "Prior license revocation" has the meaning given in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

Sec. 4. Minnesota Statutes 1996, section 168.042, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Violator" means a person who was driving, operating, or in physical control of the motor vehicle when the violation occurred.

(c) "Violation" means:

(1) a violation of section 169.123 or an impaired driving conviction as defined in section 169.121, subdivision 3, that results in the revocation of a person's driver's license or driving privileges, and also includes an alcohol-related license revocation from another state;

(2) a violation of section 169.129; and

(3) a violation of section 171.24 by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9).

Sec. 5. Minnesota Statutes 1996, section 169.121, subdivision 4, is amended to read:

Subd. 4. **ADMINISTRATIVE PENALTIES.** (a) The commissioner of public safety shall revoke the driver's license of a person convicted of violating this section or an ordinance in conformity with it as follows:

(1) for an offense under subdivision 1: not less than 30 days;

(2) for an offense under subdivision 1a: not less than 90 days;

(3) for an offense occurring within five years after a prior impaired driving conviction or a prior license revocation, or any time after two or more prior impaired driving convictions or prior license revocations: (i) if the current conviction is for a violation of subdivision 1, not less than 180 days and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126; or (ii) if the current conviction is for a violation of subdivision 1a, not less

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than one year and until the court has certified that treatment or rehabilitation has been successfully completed where prescribed in accordance with section 169.126;

(4) for an offense occurring within five years after the first of two prior impaired driving convictions or prior license revocations: not less than one year, together with denial under section 171.04, subdivision 1, clause ~~(8)~~ (9), until rehabilitation is established in accordance with standards established by the commissioner;

(5) for an offense occurring any time after three or more prior impaired driving convictions or prior license revocations: not less than two years, together with denial under section 171.04, subdivision 1, clause ~~(8)~~ (9), until rehabilitation is established in accordance with standards established by the commissioner.

(b) If the person convicted of violating this section is under the age of 21 years, the commissioner of public safety shall revoke the offender's driver's license or operating privileges for a period of six months or for the appropriate period of time under paragraph (a), clauses (1) to (5), for the offense committed, whichever is the greatest period.

(c) For purposes of this subdivision, a juvenile adjudication under this section, section 169.129, an ordinance in conformity with either of them, or a statute or ordinance from another state in conformity with either of them is an offense.

(d) Whenever department records show that the violation involved personal injury or death to any person, not less than 90 additional days shall be added to the base periods provided above.

(e) Except for a person whose license has been revoked under paragraph (b), and except for a person who commits a violation described in subdivision 3, paragraph (c), clause (4), (child endangerment), any person whose license has been revoked pursuant to section 169.123 as the result of the same incident, and who does not have a prior impaired driving conviction or prior license revocation within the previous ten years, is subject to the mandatory revocation provisions of paragraph (a), clause (1) or (2), in lieu of the mandatory revocation provisions of section 169.123.

(f) As used in this subdivision, the terms "prior impaired driving conviction" and "prior license revocation" have the meanings given in subdivision 3, paragraph (a).

Sec. 6. Minnesota Statutes 1996, section 169.1217, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** As used in this section, the following terms have the meanings given them:

(a) "Appropriate agency" means a law enforcement agency that has the authority to make an arrest for a violation of a designated offense.

(b) "Designated offense" includes a violation of section 169.121, an ordinance in conformity with it, or 169.129:

(1) within five years of three prior impaired driving convictions or three prior license revocations based on separate incidents;

(2) within 15 years of the first of four or more prior impaired driving convictions or the first of four or more prior license revocations based on separate incidents;

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(3) by a person whose driver's license or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9); or

(4) by a person who is subject to a restriction on the person's driver's license under section 171.09 which provides that the person may not use or consume any amount of alcohol or a controlled substance.

"Designated offense" also includes a violation of section 169.121, subdivision 3, paragraph (c), clause (4):

(1) within five years of two prior impaired driving convictions or two prior license revocations based on separate incidents; or

(2) within 15 years of the first of three or more prior impaired driving convictions or the first of three or more prior license revocations based on separate incidents.

(c) "Motor vehicle" and "vehicle" have the meaning given "motor vehicle" in section 169.121, subdivision 11. The terms do not include a vehicle which is stolen or taken in violation of the law.

(d) "Owner" means the registered owner of the motor vehicle according to records of the department of public safety and includes a lessee of a motor vehicle if the lease agreement has a term of 180 days or more.

(e) "Prior impaired driving conviction" has the meaning given it in section 169.121, subdivision 3. A prior impaired driving conviction also includes a prior juvenile adjudication that would have been a prior impaired driving conviction if committed by an adult.

(f) "Prior license revocation" has the meaning given it in section 169.121, subdivision 3.

(g) "Prosecuting authority" means the attorney in the jurisdiction in which the designated offense occurred who is responsible for prosecuting violations of a designated offense.

Sec. 7. Minnesota Statutes 1996, section 171.043, is amended to read:

171.043 NOTICE OF PERSONS UNDER DRIVER'S LICENSE CANCELLATION.

The commissioner of public safety shall develop a program under which the commissioner provides a monthly notice to local law enforcement agencies of the names and addresses of persons residing within the local agency's jurisdiction whose driver's licenses or driving privileges have been canceled under section 171.04, subdivision 1, clause ~~(8)~~ (9). At the commissioner's discretion, the commissioner may adopt necessary procedures so that the information is current and accurate. Data in the notice are private data on individuals and are available to law enforcement agencies.

Sec. 8. Minnesota Statutes 1996, section 171.24, subdivision 5, is amended to read:

Subd. 5. **GROSS MISDEMEANOR.** A person is guilty of a gross misdemeanor if:

(1) the person's driver's license or driving privilege has been canceled or denied under section 171.04, subdivision 1, clause ~~(8)~~ (9);

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(2) the person has been given notice of or reasonably should know of the cancellation or denial; and

(3) the person disobeys the order by operating in this state any motor vehicle, the operation of which requires a driver's license, while the person's license or privilege is canceled or denied.

Sec. 9. Minnesota Statutes 1996, section 171.30, subdivision 3, is amended to read:

Subd. 3. **CONDITIONS ON ISSUANCE.** The commissioner shall issue a limited license restricted to the vehicles whose operation is permitted only under a class A, class B, or class C license whenever a class A, class B, or class C license has been suspended under section 171.18, or revoked under section 171.17, for violation of the highway traffic regulation act committed in a private passenger motor vehicle. This subdivision shall not apply to any persons described in section 171.04, subdivision 1, clauses (4), (5), (6), (8) (7), (9), (10), and (11) (12), or any person whose license or privilege has been suspended or revoked for a violation of section 169.121 or 169.123, or a statute or ordinance from another state in conformity with either of those sections.

Sec. 10. Minnesota Statutes 1996, section 171.305, subdivision 5, is amended to read:

Subd. 5. **ISSUANCE OF LIMITED LICENSE.** The commissioner may issue a limited license to a person whose driver's license has been canceled and denied due to an alcohol or controlled substance related incident under section 171.04, subdivision 1, clause (8) (9), under the following conditions:

- (1) at least one-half of the person's required abstinence period has expired;
- (2) the person has completed all rehabilitation requirements; and
- (3) the person agrees to drive only a motor vehicle equipped with a functioning and certified ignition interlock device.

Sec. 11. **EFFECTIVE DATES.**

Section 1 is effective retroactively to August 1, 1996. Sections 2 to 10 are effective retroactively to February 1, 1997.

Presented to the governor March 18, 1997

Signed by the governor March 19, 1997, 10:45 a.m.

CHAPTER 13—S.F.No. 129

An act relating to drivers' licenses; providing for Under-21 Minnesota identification cards; amending Minnesota Statutes 1996, sections 171.06, subdivision 2; and 171.07, subdivisions 3 and 4.

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

Section 1. Minnesota Statutes 1996, section 171.06, subdivision 2, is amended to read:

New language is indicated by underline, deletions by strikeout.