

- (1) is a deputy registrar who is not a public official operating in Dakota county;
(2) has operated for at least nine years the office at which the applicant will carry out the functions of a driver's license agent; and
(3) procures and maintains photo identification equipment satisfactory to the commissioner.

An agent appointed under this section is subject to section 13.

Sec. 16. STUDY OF DEPUTY REGISTRAR TRANSACTION COSTS.

The commissioner of public safety shall investigate, survey, and report findings regarding the costs of deputy registrar transactions in Minnesota. The commissioner shall submit a written report to the legislature by January 15, 1998.

Sec. 17. REPEALER.

Minnesota Statutes 1996, section 171.06, subdivision 4, is repealed.

Sec. 18. EFFECTIVE DATE.

Sections 10, subdivisions 5 and 6; 14; and 15 are effective the day following final enactment. Sections 9; 10, subdivisions 1 to 4; 11; 12; 16; and 17 are effective January 1, 1999.

Presented to the governor May 30, 1997

Signed by the governor June 3, 1997, 2:12 p.m.

CHAPTER 251—S.F.No. 1955

An act relating to legislative enactments; correcting miscellaneous noncontroversial oversights, inconsistencies, ambiguities, unintended results, and technical errors; amending Minnesota Statutes 1996, sections 115.55, subdivision 5, as amended; 124.918, subdivision 1; 168B.07, subdivision 1, as amended; 171.041, as amended; 242.32, subdivision 4, as added; 256.9355, subdivision 4, as amended; 275.08, by adding a subdivision; 290.9725, as amended; 295.52, subdivision 7, as added; 297A.15, subdivision 7, as amended; and 352.96, subdivision 2; Laws 1997, chapter 121, section 2; Senate File 1208, articles 3, sections 23 and 24; and 4, section 2, subdivision 7; Senate File 1905, article 1, section 19; and Senate File 1908, article 1, section 3, subdivision 1; House File 1684, article 9, section 12, subdivision 6; House File 2158, article 1, sections 2, subdivision 2; 17, subdivision 5; and 25; and House File 2163, articles 1, section 12; 2, section 52; 8, section 17; 9, section 5, subdivision 2; and 16, sections 13, subdivision 3; and 14, subdivisions 1 and 4.

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

Section 1. Minnesota Statutes 1996, section 352.96, subdivision 2, is amended to read:

Subd. 2. **PURCHASE OF SHARES.** The amount of compensation so deferred may be used to purchase:

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- (1) shares in the Minnesota supplemental investment fund established in section 11A.17;
- (2) saving accounts in federally insured financial institutions;
- (3) life insurance contracts, fixed annuity and variable annuity contracts from companies that are subject to regulation by the commissioner of commerce; or
- (4) a combination of (1), (2), or (3), as specified by the participant.

The shares accounts or contracts purchased shall stand in the name of the state or other employing unit, for the officer or employee whose deferred compensation purchased the shares, until distributed to the officer or employee in a manner agreed upon by the employee and the executive director of the Minnesota state retirement system, acting for the employer. This subdivision does not authorize an employer contribution, except as authorized in section 356.24, subdivision 1, paragraph (a), clause (4) (5). The state, political subdivision, or other employing unit is not responsible for any loss that may result from investment of the deferred compensation.

Sec. 2. **CORRECTION 1.** Laws 1997, chapter 121, section 2, is amended to read:

Sec. 2. **EFFECTIVE DATE.**

Section 1 applies to the calculation of interest on and after August 1, ~~1996~~ 1997, on deposits held or received on or after that date.

Sec. 3. **CORRECTION 2.**

Laws 1997, chapter 32, is effective April 17, 1997.

Sec. 4. **CORRECTION 5.** Minnesota Statutes 1996, section 168B.07, subdivision 1, as amended by Laws 1997, chapter 108, section 4, is amended to read:

Subdivision 1. **PAYMENT OF CHARGES.** The owner or any lienholder of an impounded vehicle shall have a right to reclaim such vehicle from the unit of government or impound lot operator taking it into custody upon payment of all towing and storage charges resulting from taking the vehicle into custody within ~~25~~ 15 or 45 days, as applicable under section 168B.051, subdivision 1, 1a, or 2, after the date of the notice required by section 168B.06.

Sec. 5. **CORRECTION 6.** 1997 H.F. No. 2158, article 1, section 2, subdivision 2, if enacted, is amended to read:

Subd. 2. Business and Community
Development

35,963,000 20,977,000

\$7,017,000 the first year and \$6,017,000 the second year is for Minnesota investment fund grants. Of this appropriation, \$3,000,000 the first year and \$2,000,000 the second year are one-time appropriations and may not be added to the budget base for the biennium ending June 30, 2001. Of this one-time appropriation \$1,000,000 the first year

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is for a single grant recipient, to be identified by the commissioner, notwithstanding the monetary limitation under Minnesota Statutes, section 116J.8731, subdivision 5. This amount may not be added to the agency's budget base. This amount is available until June 30, 1999.

\$450,000 the first year and \$450,000 the second year is for grants to Advantage Minnesota, Inc. The funds are available only if matched on at least a dollar-for-dollar basis from other sources. The commissioner may release the funds only upon:

(1) certification that matching funds from each participating organization are available; and

(2) review and approval by the commissioner of the proposed operations plan of Advantage Minnesota, Inc. for the biennium.

\$7,418,000 the first year and \$7,918,000 the second year is for the job skills partnership program. If the appropriation for either year is insufficient, the appropriation for the other year is available. This appropriation does not cancel. Of this amount, \$1,500,000 the first year and \$2,000,000 the second year is for the Pathways program under Minnesota Statutes, section 116L.04, subdivision 1a.

\$250,000 the first year is for a grant from the department of trade and economic development to the Software Technology Center to broaden industry-related educational and technological services. This appropriation is available upon documentation of a dollar-for-dollar match from other sources since the inception of the Software Technology Center. This is a one-time appropriation and must not be included in the budget base for the biennium ending June 30, 2001.

\$100,000 the first year is for a one-time grant to the Duluth Technology Center. This appropriation is available until June 30, 1999.

\$25,000 the first year is for a one-time grant to the city of New London for improvements

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to the Little Theatre. This appropriation is available when the city matches the appropriation with \$25,000 from nonstate sources.

\$750,000 the first year is for one or more grants to the Minnesota Futures Fund administered by the Minneapolis Foundation. The Minneapolis Foundation shall use these grants to provide technical assistance grants to nonprofit organizations to assist them in redesigning services and organizational structures in response to changes in federal and state welfare policy. The commissioner shall make the grants in amounts necessary to match nonpublic contributions to the fund on a dollar-for-dollar basis. This appropriation is available until June 30, 1999. This is a one-time appropriation and may not be included in the budget base for the biennium ending June 30, 2001.

\$35,000 the first year is for a one-time appropriation to the Fairfax economic development authority for roof replacement. This appropriation is available until June 30, 1999.

\$2,000,000 the first year is for a one-time grant to the city of Brooklyn Center to redevelop the Brookdale regional center and provide opportunities for economic development at or near the center. The grant must be used to assist the city in constructing a series of storm water retention ponds that will facilitate the redevelopment and economic development of the center and nearby property. The grant must be on terms and conditions determined by the commissioner. The grant must be matched by city resources that equal at least 25 percent of the grant.

\$650,000 the first year is for the taconite mining grant program under Minnesota Statutes, section 116J.992. This appropriation is available until June 30, 1999. This is a one-time appropriation and may not be included in the budget base for the biennium ending June 30, 2001.

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\$95,000 the first year and \$95,000 the second year is for grants to county and district agricultural societies and associations that are eligible to receive aid under Minnesota Statutes, section 38.02. The commissioner shall spend this appropriation as grants of \$1,000 for each fair conducted by such a county and district agricultural society and association in each year.

\$3,000,000 the first year is for a grant to develop a direct reduction iron-processing facility in Minnesota. This appropriation is available until June 30, 1999. This is a one-time appropriation and may not be included in the budget base for the biennium ending June 30, 2001.

\$500,000 the first year is for technical assistance under Minnesota Statutes, section 116J.8745. This appropriation is available until June 30, 1999.

\$4,444,000 the first year is for state matching money for federal grants to capitalize the drinking water revolving loan fund under Minnesota Statutes, section 446A.081. The expenditure is limited to the minimum amount necessary to match the allotment of federal money to Minnesota. This is a one-time appropriation and must not be included in the budget base for the biennium ending June 30, 2001.

\$25,000 the first year is for a one-time grant to the city of St. Paul to improve, beautify, and enhance marked trunk highway No. 5 from Minneapolis-St. Paul international airport to interstate highway No. 35-E. Enhancements may include, among other things, landscaping, historical lighting, and signing.

\$100,000 the first year is for a one-time grant to the city of Grey Eagle for construction of a wastewater treatment plant.

\$526,000 the first year and \$537,000 the second year is from fees collected under Minnesota Statutes, section 446A.04, subdivision

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5, to administer the programs of the public facilities authority.

\$125,000 the first year is for a one-time demonstration project grant to the city of Newport for the city to conduct a study of the economic impact on the city resulting from regional infrastructure improvement projects. The city may retain consultants and enter into contracts it considers desirable to conduct the study. The elements of the study must include an alternate economic use study, a fiscal impact study, an infrastructure impact study, and a traffic impact study. The grant is available only to the extent that the city provides in-kind resources or money that provides a one-to-one match of the grant.

\$100,000 the first year is for a grant to the Minnesota Organization for Global Professional Assignments, an independent, non-profit corporation, for a program that creates opportunities for the international professional development of Minnesota college graduates and Minnesota college seniors interested in pursuing careers with multinational businesses. This is a one-time appropriation. The appropriation is available for the fiscal year ending June 30, 1998.

\$100,000 the first year and \$100,000 the second year is for one-time grants to the city of New Brighton, as project coordinator and fiscal agent of the seven-city coalition, for the multicompany business retention and market expansion project and related planning efforts linking geographical information systems, contaminated land remediation, land use planning, transportation corridor study, integration of existing housing stock, subregional transit and reverse commute coordination, employment densities, job training and welfare reform placement coordination, and commercial and industrial development. The coalition shall share all results and written reports with the department of trade and economic development.

\$2,000,000 the first year is for transfer to the rural policy and development center fund.

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This appropriation does not cancel. This is a one-time appropriation and may not be included in the agency's budget base for the biennium ending June 30, 2001.

\$250,000 the first year and \$250,000 the second year is for grants to the board of the rural policy and development center for operation of the center.

\$130,000 the first year and \$155,000 the second year is for grants to the metropolitan economic development association.

\$240,000 the first year and \$265,000 the second year is for grants to WomenVenture.

WomenVenture and the metropolitan economic development association must, in the first year, develop contacts and relationships with the regional initiatives selected under Minnesota Statutes, section 116J.415, subdivision 3, and a plan to deliver their services statewide. In the second year, they must generally offer their services statewide.

\$500,000 the first year and \$500,000 the second year is for grants to the St. Paul rehabilitation center for its current programs, including those related to developing job-seeking skills and workplace orientation, intensive job development, functional work English, and on-site job coaching.

\$250,000 in the first year is for a one-time grant to the Morrison county rural development finance authority established under Laws 1982, chapter 437. The authority must use the grant only for capital improvements to a paper and wood products manufacturer in the county primarily for the purposes of facility upgrading and expansion of the manufacturer's capability to utilize recycled wastepaper as a fiber source. Minnesota Statutes, section 116J.991, applies to the grant.

\$200,000 the first year is for an agreement with the Judy Garland Children's Museum to assist in the design and construction of a children's museum. This amount must be matched by at least \$1,275,000 from non-

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state sources committed by June 30, 1998. This is a one-time appropriation and may not be added to the agency's budget base in future biennia.

Notwithstanding Minnesota Statutes, section 116J.8731, or any other law to the contrary, the commissioner shall, in the commissioner's considerations on Minnesota investment fund grants in fiscal year 1998, strongly consider an application for a \$250,000 grant to the Morrison county rural development authority established under Laws 1982, chapter 437, for capital improvements to a paper and wood products manufacturer in Morrison county primarily for the purposes of facility upgrading and expansion of the manufacturer's capability to utilize recycled wastepaper as a fiber source, thereby achieving the purpose of job enhancement, stability, and preservation. As part of this consideration, the commissioner shall confer with the manufacturer, inspect the manufacturer's facilities, and conduct an analysis of the manufacturer's business plan and its previous and proposed efforts to achieve these purposes. The commissioner shall strongly consider approving the grant application unless the commissioner determines that the grant will not significantly contribute to achieving these purposes. The commissioner must make a determination on this application by December 1, 1997.

\$45,000 the first year is for a one-time grant to the Upper Minnesota Valley River regional development commission for development of design specifications and architectural plans for a regional visitors center, to be built on the upper segment of the Minnesota river corridor within the designated scenic byway area and in conjunction with the development of the Minnesota river corridor trail. This appropriation is available until June 30, 1999.

\$100,000 the first year and \$100,000 the second year is for grants to create and operate community development corporations under Minnesota Statutes, section 116J.982, that

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study by February 1, 1999. This appropriation is available until June 30, 1999.

Sec. 8. **CORRECTION 9.** 1997 H.F. No. 2163, article 8, section 17, if enacted, is amended to read:

Sec. 17. SALES OF LANDS BY SCOTT COUNTY; AGGREGATE MATERIALS.

Minerals subject to reservation by Scott county under Minnesota Statutes, section 373.01, subdivision 1, clause ~~(1)~~ (4), do not include minerals defined as aggregate material by Minnesota Statutes, section 298.75, subdivision 1, that are present in and upon the following described property:

All that part of the East Half of the Southwest Quarter in Section 33, Township 115, Range 23, Scott County MN; which lies westerly of the westerly right of way line of the Chicago, St. Paul, Minneapolis, and Omaha Railway Company (Chicago and North-Western Railway),

Together with all that part of the East Half of the Southwest Quarter of Section 33, Township 115, Range 23, Scott County, MN; lying easterly of the easterly right of way line of the Chicago, St. Paul, Minneapolis and Omaha Railway Company (Chicago and NorthWestern Railway); and all that part of the West Half of the Southeast Quarter of said Section 33 lying westerly of the westerly right of way line of the Minneapolis and St. Louis Railroad; excepting therefrom the following described parcel:

EXCEPTION:

Commencing at the Southwest corner of the Southeast Quarter of said Section 33; thence on an assumed bearing of North 87 degrees 25 minutes 08 seconds East along the South line of said Southeast Quarter a distance of 501.49 feet; thence North 02 degrees 24 minutes 52 seconds West a distance of 750.00 feet; thence South 87 degrees 12 minutes 56 seconds East a distance of 750.00 feet; thence South 02 degrees 34 minutes 52 seconds East a distance of 750.00 feet to the South line of said East Half of the Southwest Quarter; thence North 86 degrees 48 minutes 19 seconds East along said South line of the East Half of the Southwest Quarter a distance of 248.52 feet to the point of beginning.

Together with Tract A, Registered Land Survey Number 86; and Tract C, Registered Land Survey Number 136; as filed in the office of the Registrar of Titles, Scott County, Minnesota.

The county may sell, lease, or convey the property and except the aggregate material from the mineral reservation required by Minnesota Statutes, section 373.01, subdivision 1, and it may lease the aggregate material upon conditions different from those prescribed by that subdivision.

Sec. 9. **CORRECTION 10.** Minnesota Statutes 1996, section 242.32, subdivision 4, as added by 1997 S.F. No. 1880, article 9, section 17, is amended to read:

Subd. 4. **EXCEPTION.** ~~This section does not apply to a privately operated facility licensed by the commissioner in Rock county, Minnesota. Up to 32 beds constructed and operated by a privately operated facility licensed by the commissioner in Rock County, Minnesota, for long-term residential secure programming do not count toward the~~

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~~100-bed limitation in subdivision 3. The 100-bed limitation in subdivision 3 does not apply to up to 32 beds constructed and operated for long-term residential secure programming by a privately operated facility licensed by the commissioner in Rock county, Minnesota.~~

Sec. 10. **CORRECTION 12.** 1997 H.F. No. 2163, article 16, section 13, subdivision 3, if enacted, is amended to read:

Subd. 3. **DEPOSIT OF REVENUES.** All revenues from the tax are for the use of the Ramsey county board of commissioners and must be deposited in the county's environmental response fund under section ~~383B.84~~ 383A.81.

Sec. 11. **CORRECTION 12A.** 1997 H.F. No. 2163, article 16, section 14, subdivision 1, if enacted, is amended to read:

Subdivision 1. **CREATION.** An environmental response fund is created for the purposes specified in this section. The taxes imposed by section ~~383B.80~~ 383A.80 must be deposited in the fund. The board of county commissioners shall administer the fund either as a county board, a housing and redevelopment authority, or a regional rail authority.

Sec. 12. **CORRECTION 12B.** 1997 H.F. No. 2163, article 16, section 14, subdivision 4, if enacted, is amended to read:

Subd. 4. **BONDS.** The county may pledge the proceeds from the taxes imposed by section ~~383B.80~~ 383A.80 to bonds issued under this chapter and chapters 398A, 462, 469, and 475.

Sec. 13. **CORRECTION 13.** Minnesota Statutes 1996, section 290.9725, as amended by 1997 H.F. No. 2163, article 6, section 17, if enacted, is amended to read:

290.9725 S CORPORATION.

For purposes of this chapter, the term "S corporation" means any corporation having a valid election in effect for the taxable year under section 1362 of the Internal Revenue Code, except that a corporation which either:

(1) is a financial institution to which either section 585 or section 593 of the Internal Revenue Code applies; or

(2) has a wholly owned subsidiary as described in section 1361(b)(3)(B) of the Internal Revenue Code which is a financial institution as described above

is not an "S" corporation for the purposes of this chapter. An S corporation shall not be subject to the taxes imposed by this chapter, except the taxes imposed under sections 290.0922, 290.92, 290.9727, 290.9728, and 290.9729.

Sec. 14. **CORRECTION 14.** 1997 S.F. No. 1905, article 1, section 19, if enacted, is amended to read:

Sec. 19. VETERANS AFFAIRS	21,594,000	4,324,000
\$231,000 the first year and \$232,000 the second year are for grants to county veterans offices for training of county veterans service officers.		

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\$1,544,000 the first year and \$1,544,000 the second year are for emergency financial and medical needs of veterans. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

With the approval of the commissioner of finance, the commissioner of veterans affairs may transfer the unencumbered balance from the veterans relief program to other department programs during the fiscal year. Before the transfer, the commissioner of veterans affairs shall explain why the unencumbered balance exists. The amounts transferred must be identified to the chairs of the senate governmental operations budget committee and the house governmental operations committee division on state government finance.

~~\$250,000~~ \$275,000 the first year and ~~\$250,000~~ \$275,000 the second year are for a grant to the Vinland National Center.

\$110,000 is for a matching grant for a memorial to be constructed in the city of Park Rapids to honor veterans from all wars involving armed forces of the United States. In-kind donations may be used for the nonstate match. The appropriation does not expire and is available until expended. \$10,000 of this amount is for administrative costs.

\$110,000 the first year is to make a grant to the Red Tail Project of the Southern Minnesota Wing of the Confederate Air Force and Tuskegee Airmen, Inc., to restore a P-51C Mustang World War II fighter plane to honor the airmen known as the "Tuskegee Airmen." The appropriation must be matched by nonstate contributions to the project. \$10,000 of this amount is for administrative costs.

\$17,090,000 the first year is to make bonus payments authorized under Minnesota Statutes, section 197.79. The appropriation may not be used for administrative purposes. The appropriation does not expire until the com-

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missioner acts on all applications submitted under Minnesota Statutes, section 197.79.

\$250,000 the first year and \$250,000 the second year are to administer the bonus program established under Minnesota Statutes, section 197.79. The appropriation does not expire until the commissioner acts on all the applications submitted under Minnesota Statutes, section 197.79.

Sec. 15. **CORRECTION 15.** 1997 S.F. No. 1908, article 1, section 3, subdivision 1, if enacted, is amended to read:

Subdivision 1. Total Appropriation		72,642,000	71,996,000
	Summary by Fund		
General	50,589,000	49,733,000	
Metropolitan Landfill Contingency Action Fund	193,000	193,000	
State Government			
Special Revenue	21,860,000	22,070,000	
Minnesota Resources	150,000	-0-	

LANDFILL CONTINGENCY. The appropriation from the metropolitan landfill contingency action fund is for monitoring well water supplies and conducting health assessments in the metropolitan area.

Sec. 16. **CORRECTION 16.** 1997 H.F. No. 2163, article 2, section 52, if enacted, is amended to read:

Sec. 52. [273.11] [Subd. 19.] **VALUATION EXCLUSION FOR IMPROVEMENTS TO CERTAIN BUSINESS PROPERTY.**

Property classified under Minnesota Statutes, section 273.13, subdivision 24, which is eligible for the preferred class rate on the market value up to \$150,000, shall qualify for a valuation exclusion for assessment purposes, provided all of the following conditions are met:

(1) the building must be at least 50 years old at the time of the improvement or damaged by the 1997 floods;

(2) the building must be located in a city or town with a population of 10,000 or less that is located outside the seven-county metropolitan area, as defined in section 473.121, subdivision 2;

(3) the total estimated market value of the land and buildings must be \$100,000 or less prior to the improvement and prior to the damage caused by the 1997 floods;

(4) the current year's estimated market value of the property must be equal to or less than the property's estimated market value in each of the two previous years' assessments;

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(5) a building permit must have been issued prior to the commencement of the improvement, or if the building is located in a city or town which does not have a building permit process, the property owner must notify the assessor prior to the commencement of the improvement;

(6) the property, including its improvements, has received no public assistance, grants or financing except, that in the case of property damaged by the 1997 floods, the property is eligible to the extent that the flood losses are not reimbursed by insurance or any public assistance, grants, or financing;

(7) the property is not receiving a property tax abatement under section 469.1813; and

(8) the improvements are made after the effective date of this act and prior to January 1, 1999.

The assessor shall estimate the market value of the building in the assessment year immediately following the year that (1) the building permit was taken out, or (2) the taxpayer notified the assessor that an improvement was to be made. If the estimated market value of the building has increased over the prior year's assessment, the assessor shall note the amount of the increase on the property's record, and that amount shall be subtracted from the value of the property in each year for five years after the improvement has been made, at which time an amount equal to 20 percent of the excluded value shall be added back in each of the five subsequent assessment years.

For any property, there can be no more than two improvements qualifying for exclusion under this subdivision. The maximum amount of value that can be excluded from any property under this subdivision is \$50,000.

The assessor shall require an application, including documentation of the age of the building from the owner, if unknown by the assessor. Applications must be received prior to July 1 of any year in order to be effective for taxes payable in the following year.

For purposes of this subdivision, "population" has the same meaning given in Minnesota Statutes, section 477A.011, subdivision 3.

Sec. 17. **CORRECTION 17.** Minnesota Statutes 1996, section 115.55, subdivision 5, as amended by 1997 H.F. No. 244, section 4, if enacted, is amended to read:

Subd. 5. **INSPECTION.** (a) An inspection shall be required for all new construction or replacement of a system to determine compliance with agency rule or local standards. The manner and timing of inspection may be determined by the applicable local ordinance. The inspection requirement may be satisfied by a review by the designated local official of video, electronic, photographic, and or other evidence of compliance provided by the installer.

(b) Except as provided in subdivision 5b, paragraph (b), a local unit of government may not issue a building permit or variance for the addition of a bedroom on property served by a system unless the system is in compliance with the applicable requirements, as evidenced by a certificate of compliance issued by a licensed inspector or site evaluator or designer. A local unit of government may temporarily waive the certificate of compliance requirement for a building permit or variance for which application is made during the period from November 1 to April 30, provided that an inspection of the system is

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performed by the following June 1 and the applicant submits a certificate of compliance by the following September 30. This paragraph does not apply if the local unit of government does not have an ordinance requiring a building permit to add a bedroom.

(c) A certificate of compliance for an existing system is valid for three years from the date of issuance unless the local unit of government finds evidence of an imminent threat to public health or safety requiring removal and abatement under section 145A.04, subdivision 8.

(d) A certificate of compliance for a new system is valid for five years from the date of issuance unless the local unit of government finds evidence of an imminent threat to public health or safety requiring removal and abatement under section 145A.04, subdivision 8.

(e) A licensed inspector who inspects an existing system may subsequently design and install a new system for that property, provided the inspector is licensed to install individual sewage treatment systems.

Sec. 18. **CORRECTION 18.** Subdivision 1. Minnesota Statutes 1996, section 124.918, subdivision 1, is amended to read:

Subdivision 1. **CERTIFY LEVY LIMITS.** (a) By September 8, the commissioner shall notify the school districts of their levy limits. The commissioner shall certify to the county auditors the levy limits for all school districts headquartered in the respective counties together with adjustments for errors in levies not penalized pursuant to section 124.918, subdivision 3, as well as adjustments to final pupil unit counts. A school district may require the commissioner to review the certification and to present evidence in support of modification of the certification.

The county auditor shall reduce levies for any excess of levies over levy limitations pursuant to section 275.16. Such reduction in excess levies may, at the discretion of the school district, be spread over two calendar years.

(b) As part of the commissioner's certification under paragraph (a), the commissioner shall certify the amount by which a district's levy for its general fund was reduced under subdivision 8.

Subd. 2. Subdivision 1 is effective if 1997 H.F. No. 2163 is enacted, for taxes levied in 1997, payable in 1998, and thereafter.

Sec. 19. **CORRECTION 18A.** Subdivision 1. Minnesota Statutes 1996, section 275.08, is amended by adding a subdivision to read:

Subd. 1e. **EDUCATION HOMESTEAD CREDIT TAX RATE ADJUSTMENT.** The amounts certified under section 124.918, subdivision 1, paragraph (b), shall be divided by the total net tax capacity of all taxable properties within a school district's taxing jurisdiction. The resulting ratio is a school district's education homestead credit tax rate adjustment.

Subd. 2. Subdivision 1 is effective if 1997 H.F. No. 2163 is enacted, for taxes levied in 1997, payable in 1998, and thereafter.

Sec. 20. **CORRECTION 18B.** Subdivision 1. 1997 H.F. No. 2163, article 1, section 12, if enacted, is amended to read:

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Sec. 12. [273.1382] EDUCATION HOMESTEAD CREDIT.

Subdivision 1. **EDUCATION HOMESTEAD CREDIT.** Each year, beginning with property taxes payable in 1998, the respective county auditors shall determine the local tax rate for each school district for the general education levy certified under section 124A.23, subdivision 2 or 3. That rate plus the school district's education homestead credit tax rate adjustment under section 275.08, subdivision 1e, shall be the general education homestead credit local tax rate for the district. The auditor shall then determine a general education homestead credit for each homestead within the county equal to 32 percent of the general education homestead credit local tax rate times the net tax capacity of the homestead for the taxes payable year. The amount of general education homestead credit for a homestead may not exceed \$225. In the case of an agricultural homestead, only the net tax capacity of the house, garage, and surrounding one acre of land shall be used in determining the property's education homestead credit.

Subd. 2. Subdivision 1 is effective for taxes levied in 1997, payable in 1998, and thereafter.

Sec. 21. **CORRECTION 19.** Minnesota Statutes 1996, section 297A.15, subdivision 7, as amended by H.F. No. 2163, article 7, section 10, if enacted, is amended to read:

Subd. 7. **REFUND; APPROPRIATION; ADULT AND JUVENILE CORRECTIONAL FACILITIES.** If construction materials and supplies described in section 297A.25, subdivision 63 65, are purchased by a contractor, subcontractor, or builder as part of a lump-sum contract or similar type of contract with a price covering both labor and materials for use in the project, a refund equal to the taxes paid by the contractor, subcontractor, or builder must be paid to the governmental subdivision. The tax must be imposed and collected as if the sales were taxable and the rate under section 297A.02, subdivision 1, applied. An application for refund must be submitted by the governmental subdivision and must include sufficient information to permit the commissioner to verify the sales taxes paid for the project. The contractor, subcontractor, or builder must furnish to the governmental subdivision a statement of the cost of the construction materials and supplies and the sales taxes paid on them. The amount required to make the refunds is annually appropriated to the commissioner. Interest must be paid on the refund at the rate in section 270.76 from 60 days after the date the refund claim is filed with the commissioner.

Sec. 22. **CORRECTION 20.** 1997 H.F. No. 1684, article 9, section 12, subdivision 6, if enacted, is amended to read:

Subd. 6. **ELECTRONIC CURRICULUM RESOURCE.** For support of electronic curriculum development:

\$4,000,000 1998

Of this amount, \$2,700,000 is for the electronic curriculum resource under section 5, \$1,000,000 of which is for the collaborative arts project in section 5, subdivision 1, paragraph (c), clause (5) (6).

Of this amount, \$300,000 is for the purposes of the Gopher Biology Shareware Project under section 5, subdivision 1, paragraph (c), clause (1).

Sec. 23. **CORRECTION 21.** 1997 H.F. No. 2163, article 9, section 5, subdivision 2, if enacted, is amended to read:

New language is indicated by underline, deletions by strikeout.

Subd. 2. **PROPERTY TAX REFORM ACCOUNT.** \$46,000,000 is appropriated to the property tax reform account from the general fund for fiscal year ~~2000~~ 1998.

Sec. 24. **CORRECTION 22.** Minnesota Statutes 1996, section 171.041, as amended by Laws 1997, chapter 48, section 1, as amended by 1997 H.F. No. 241, section 6, if enacted, is amended to read:

171.041 RESTRICTED LICENSES FOR FARM WORK.

Notwithstanding any provisions of section 171.04 relating to the age of an applicant to the contrary, the commissioner may issue a restricted farm work license to operate a motor vehicle to a person who has attained the age of 15 years but who is under the age of 16 years and who, except for age, is qualified to hold a driver's license. The applicant is not required to comply with the six-month instruction permit possession provisions of sections 171.04, subdivision 1, clause (2), and 171.05, subdivision 2a. The restricted license shall be issued solely for the purpose of authorizing the person to whom the restricted license is issued to assist the person's parents or guardians with farm work. A person holding this restricted license may operate a motor vehicle only during daylight hours and only within a radius of 20 miles of the parent's or guardian's farmhouse; however, in no case may a person holding the restricted license operate a motor vehicle in a city of the first class. An applicant for a restricted license shall apply to the commissioner for the license on forms prescribed by the commissioner. The application shall be accompanied by:

(1) a copy of a property tax statement showing that the applicant applicant's parent or guardian owns land that is classified as agricultural land or a copy of a rental statement or agreement showing that the applicant applicant's parent or guardian rents land classified as agricultural land; and

(2) by a written verified statement by the applicant's parent or guardian setting forth the necessity for the license.

Sec. 25. **CORRECTION 23.** Minnesota Statutes 1996, section 171.041, as amended by Laws 1997, chapter 48, section 1, as amended by 1997 H.F. No. 241, section 6, if enacted, is amended to read:

171.041 RESTRICTED LICENSES FOR FARM WORK.

Notwithstanding any provisions of section 171.04 relating to the age of an applicant to the contrary, the commissioner may issue a restricted farm work license to operate a motor vehicle to a person who has attained the age of 15 years ~~but who is under the age of 16~~ years and who, except for age, is qualified to hold a driver's license. The applicant is not required to comply with the six-month instruction permit possession provisions of sections 171.04, subdivision 1, clause (2), and 171.05, subdivision 2a. The restricted license shall be issued solely for the purpose of authorizing the person to whom the restricted license is issued to assist the person's parents or guardians with farm work. A person holding this restricted license may operate a motor vehicle only during daylight hours and only within a radius of 20 miles of the parent's or guardian's farmhouse; however, in no case may a person holding the restricted license operate a motor vehicle in a city of the first class. An applicant for a restricted license shall apply to the commissioner for the license on forms prescribed by the commissioner. The application shall be accompanied by:

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

(1) a copy of a property tax statement showing that the applicant owns land that is classified as agricultural land or a copy of a rental statement or agreement showing that the applicant rents land classified as agricultural land; and

(2) by a written verified statement by the applicant's parent or guardian setting forth the necessity for the license.

Sec. 26. **CORRECTION 24.** Minnesota Statutes 1996, section 256.9355, subdivision 4, as amended by 1997 S.F. No. 1208, article 1, section 10, if enacted, is amended to read:

Subd. 4. **APPLICATION PROCESSING.** The commissioner of human services shall determine an applicant's eligibility for MinnesotaCare no more than 30 days from the date that the application is received by the department of human services. Beginning July January 1, 2000, this requirement also applies to local county human services agencies that determine eligibility for MinnesotaCare.

Sec. 27. **CORRECTION 24A.** Minnesota Statutes 1996, section 295.52, subdivision 7, as added by 1997 S.F. No. 1208, article 3, section 13, if enacted, is amended to read:

Subd. 7. **TAX REDUCTION.** Notwithstanding subdivisions 1, 1a, 2, 3, and 4, the tax imposed under this section for calendar years 1998 and 1999 shall be equal to 1.5 percent of the gross revenues received on or after January 1, 1998, and before January 1, 2000. The commissioner shall extend the reduced tax rate of 1.5 percent for gross revenues received on or after January 1, 2000, and before January 1, 2002, if the commissioner of finance determines that the health care access fund structural balance projected for fiscal year 2001 will remain positive, prior to any increase of the one percent premium tax under section 60A.15, subdivision 1, paragraph (h), and prior to any tax expenditures related to the increase in the maximum tax credit for research expenses under section 295.53, subdivision 4 4a, as amended by this act.

Sec. 28. **CORRECTION 24B.** 1997 S.F. No. 1208, article 3, section 23, if enacted, is amended to read:

Sec. 23. **REPEALER.**

(a) Minnesota Statutes 1996, sections 295.52, subdivision 1b; and 295.53, subdivision 5, are repealed.

(b) Laws 1997, chapters 31, article 4; and 84, article 4, are repealed. Notwithstanding Minnesota Statutes, section 645.34, the sections of statutes amended by the laws repealed under this paragraph remain in effect as if not so amended. chapter 31, article 4, is repealed. Notwithstanding Minnesota Statutes, section 645.34, the sections of statutes amended by Laws 1997, chapter 31, article 4, remain in effect as if not amended.

(c) Laws 1997, chapter 84, article 4, is repealed. Notwithstanding Minnesota Statutes, section 645.34, the sections of statutes amended by Laws 1997, chapter 84, article 4, remain in effect as if not amended.

Sec. 29. **CORRECTION 24C.** 1997 S.F. No. 1208, article 3, section 24, if enacted, is amended to read:

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

Sec. 24. EFFECTIVE DATES.

Section 2, subdivision 1, paragraph (f), is effective for payments, revenues, and reimbursements received from the federal government on or after December 31, 1996.

Sections 1 and 3 are effective July 1, 1997.

Sections 4, 5, 6, 9 to 13, 15, and 19 are effective for gross revenues received after December 31, 1997.

Section 14, subdivision 1, paragraph (a), clause (6), and paragraph (b) are effective the day following final enactment. Section 14, paragraph (a), clause (17), is effective for gross revenues received for hearing aids and related equipment or prescription eyewear after December 31, 1997.

Section 18 is effective January 1, 1998. Section 21, paragraph (a), is effective January 1, 1998.

Section 20 is effective for estimated payments due after July 1, 1997.

Sections 7, 8, and 21, paragraphs (c) and (d), are effective the day following final enactment.

Section 16 is effective for research expenditures incurred after December 31, 1995. Section 17 is effective for research expenditures incurred after December 31, 1999.

Section 23, paragraph (a), is effective January 1, 1998. Section 23, paragraph (b), is effective retroactively to April 15, 1997. Section 23, paragraph (c), is effective the day following final enactment.

Sec. 30. CORRECTION 24D. 1997 S.F. No. 1208, article 4, section 2, subdivision 7, if enacted, is amended to read:

Subd. 7. **COST SHARING.** (a) Enrollees shall pay an annual premium of \$120.

(b) Program enrollees must satisfy a \$300 annual deductible, based upon expenditures for prescription drugs, to be paid as follows:

- (1) \$25 monthly deductible for persons with a monthly spenddown; or
- (2) \$150 biannual deductible for persons with a six-month spenddown.

~~The commissioner may adjust the annual deductible amount to stay within the program's appropriation.~~

Sec. 31. EFFECTIVE DATE.

Unless provided otherwise, each section of this act takes effect at the time that the section of law enacted in 1997 that it amends or cites takes effect.

Presented to the governor May 30, 1997

Signed by the governor June 3, 1997, 2:20 p.m.

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