any part of the powers of the city under Minnesota Statutes, sections 428A.11 to 428A.20. The authority may establish one or more housing improvement areas within the city under that authority.

Subd. 2. **USE OF FEES.** The economic development authority may use fees permitted under Minnesota Statutes, section 428A.14, subdivision 1, to reimburse the authority for housing improvements or to pay bonds issued by the authority under Minnesota Statutes, section 428A.16.

Subd. 3. **BONDS.** With the approval of the governing body of the city, the authority may issue bonds secured by fees imposed under Minnesota Statutes, section 428A.14, and the full faith, credit, and taxing power of the city.

Sec. 2. **EFFECTIVE DATE.**

The provisions of this act are effective upon local approval by the governing body of the city of Brooklyn Park under Minnesota Statutes, section 645.021, and remain in effect without regard to the provisions of Minnesota Statutes, section 428A.21.

Presented to the governor May 24, 1999

Signed by the governor May 25, 1999, 11:36 a.m.

CHAPTER 247—H.F.No. 1426

An act relating to health; modifying well notification fees; modifying provisions for grants to rural hospitals and community health centers; modifying student loan repayment provisions for health professionals; amending Minnesota Statutes 1998, sections 103I.208, subdivision 1; 144.147, subdivisions 2, 3, 4, and 5; 144.1484, subdivision 1; 144.1486, subdivisions 3, 4, and 8; 144.1488, subdivisions 1, 3, and 4; 144.1489, subdivisions 2 and 4; 144.1490, subdivision 2; 144.1494, subdivisions 2, 3, and 5; 144.1495, subdivisions 3 and 4; and 144.1496, subdivisions 2 and 5.

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

Section 1. Minnesota Statutes 1998, section 103I.208, subdivision 1, is amended to read:

Subdivision 1. **WELL NOTIFICATION FEE.** The well notification fee to be paid by a property owner is:

(1) for a new well, $120, which includes the state core function fee;

(2) for a well sealing, $20 for each well, which includes the state core function fee, except that for monitoring wells constructed on a single property, having depths within a 25 foot range, and sealed within 48 hours of start of construction, a single fee of $20; and

(3) for construction of a dewatering well, $120, which includes the state core function fee, for each well except a dewatering project comprising five or more wells shall be assessed a single fee of $600 for the wells recorded on the notification.

Sec. 2. Minnesota Statutes 1998, section 144.147, subdivision 2, is amended to read:

Subd. 2. **GRANTS AUTHORIZED.** The commissioner shall establish a program of grants to assist eligible rural hospitals. The commissioner shall award grants to hospitals and communities for the purposes set forth in paragraphs (a) and (b).

(a) Grants may be used by hospitals and their communities to develop strategic plans for preserving or enhancing access to health services. At a minimum, a strategic plan must consist of:

(1) a needs assessment to determine what health services are needed and desired by the community. The assessment must include interviews with or surveys of area health professionals, local community leaders, and public hearings;

(2) an assessment of the feasibility of providing needed health services that identifies priorities and timeliness for potential changes; and

(3) an implementation plan.

The strategic plan must be developed by a committee that includes representatives from the hospital, local public health agencies, other health providers, and consumers from the community.

(b) The grants may also be used by eligible rural hospitals that have developed strategic plans to implement transition projects to modify the type and extent of services provided, in order to reflect the needs of that plan. Grants may be used by hospitals under this paragraph to develop hospital–based physician practices that integrate hospital and existing medical practice facilities that agree to transfer their practices, equipment, staffing, and administration to the hospital. The grants may also be used by the hospital to establish a health provider cooperative, a telemedicine system, or a rural health care system or to cover expenses associated with being designated as a critical access hospital for the Medicare rural hospital flexibility program. Not more than one–third of any grant shall be used to offset losses incurred by physicians agreeing to transfer their practices to hospitals.

Sec. 3. Minnesota Statutes 1998, section 144.147, subdivision 3, is amended to read:

Subd. 3. **CONSIDERATION OF GRANTS.** In determining which hospitals will receive grants under this section, the commissioner shall take into account:

(1) improving community access to hospital or health services;

(2) changes in service populations;

(3) ~~demand for~~ availability and upgrading of ambulatory and emergency services;

(4) the extent that the health needs of the community are not currently being met by other providers in the service area;

(5) the need to recruit and retain health professionals;

(6) the extent of community support;

(7) the integration of health care services and the coordination with local community organizations, such as community development and public health agencies; and

(8) the financial condition of the hospital.

Sec. 4. Minnesota Statutes 1998, section 144.147, subdivision 4, is amended to read:

Subd. 4. **ALLOCATION OF GRANTS.** (a) Eligible hospitals must apply to the commissioner no later than September 1 of each fiscal year for grants awarded for that fiscal year. A grant may be awarded upon signing of a grant contract.

(b) The commissioner must make a final decision on the funding of each application within 60 days of the deadline for receiving applications.

(c) Each relevant community health board has 30 days in which to review and comment to the commissioner on grant applications from hospitals in their community health service area.

(d) In determining which hospitals will receive grants under this section, the commissioner shall consider the following factors:

(1) Description of the problem, description of the project, and the likelihood of successful outcome of the project. The applicant must explain clearly the nature of the health services problems in their service area, how the grant funds will be used, what will be accomplished, and the results expected. The applicant should describe achievable objectives, a timetable, and roles and capabilities of responsible individuals and organizations.

(2) The extent of community support for the hospital and this proposed project. The applicant should demonstrate support for the hospital and for the proposed project from other local health service providers and from local community and government leaders. Evidence of such support may include past commitments of financial support from local individuals, organizations, or government entities; and commitment of financial support, in–kind services or cash, for this project.

(3) The comments, if any, resulting from a review of the application by the community health board in whose community health service area the hospital is located.

(e) In evaluating applications, the commissioner shall score each application on a 100 point scale, assigning the maximum of 70 points for an applicant's understanding of the problem, description of the project, and likelihood of successful outcome of the project; and a maximum of 30 points for the extent of community support for the hospital and this project. The commissioner may also take into account other relevant factors.

(f) ~~A~~ Any single grant to a hospital, including hospitals that submit applications as consortia, may not exceed $50,000 a year and may not exceed a term of two years. Prior to the receipt of any grant, the hospital must certify to the commissioner that at least one–half of the amount of the total cost of the planning or transition project, which may include in–kind services, is available for the same purposes from nonstate sources. A hospital receiving a grant under this section may use the grant for any expenses incurred in the development of strategic plans or the implementation of transition projects with respect to which the grant is made. Project grants may not be used to retire debt incurred with respect to any capital expenditure made prior to the date on which the project is initiated. Hospitals may apply to the program each year they are eligible.

(g) The commissioner may adopt rules to implement this section.

Sec. 5. Minnesota Statutes 1998, section 144.147, subdivision 5, is amended to read:

Subd. 5. **EVALUATION.** The commissioner shall evaluate the overall effectiveness of the grant program. The commissioner may collect, from the hospital, and communities receiving grants, ~~the information necessary~~ quarterly progress reports to evaluate the grant program. Information related to the financial condition of individual hospitals shall be classified as nonpublic data.

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

Sec. 6. Minnesota Statutes 1998, section 144.1484, subdivision 1, is amended to read:

Subdivision 1. **SOLE COMMUNITY HOSPITAL FINANCIAL ASSISTANCE GRANTS.** (a) The commissioner of health shall award financial assistance grants to rural hospitals in isolated areas of the state. To qualify for a grant, a hospital must: (1) be eligible to be classified as a sole community hospital according to the criteria in Code of Federal Regulations, title 42, section 412.92 or be located in a community with a population of less than 5,000 and located more than 25 miles from a like hospital currently providing acute short-term services; (2) have experienced net operating income losses in two of the previous three most recent consecutive hospital fiscal years for which audited financial information is available; (3) consist of 40 or fewer licensed beds; and (4) demonstrate to the commissioner that it has obtained local support for the hospital and that any state support awarded under this program will not be used to supplant local support for the hospital.

(b) The commissioner shall review audited financial statements of the hospital to assess the extent of local support. Evidence of local support may include bonds issued by a local government entity such as a city, county, or hospital district for the purpose of financing hospital projects; and loans, grants, or donations to the hospital from local government entities, private organizations, or individuals.

(c) The commissioner shall determine the amount of the award to be given to each eligible hospital based on the hospital's operating loss margin (total operating losses as a percentage of total operating revenue) for two of the previous three most recent consecutive fiscal years for which audited financial information is available and the total amount of funding available. For purposes of calculating a hospital's operating loss margin, total operating revenue does not include grant funding provided under this subdivision. One hundred percent of the available funds will be disbursed proportionately based on the operating loss margins of the eligible hospitals.

(d) Before awarding a grant contract to an eligible hospital, the commissioner shall require the eligible hospital to submit a budget for the use of grant funds. For grants above $30,000, the commissioner shall also require the eligible hospital to submit a brief annual work plan that includes objectives and activities intended to improve the hospital's financial viability and maintain the quality of the hospital's services.

(e) Hospitals receiving a grant under this section shall submit brief semiannual reports to the commissioner reporting progress toward meeting annual plan objectives.

Sec. 7. Minnesota Statutes 1998, section 144.1486, subdivision 3, is amended to read:

Subd. 3. **GRANTS.** ~~(a)~~ The commissioner shall provide grants to communities for planning ~~and~~, establishing, and operating community health centers through the Minnesota community health center program. Grant recipients shall develop and implement a strategy that allows them to become self-sufficient and qualify for other supplemental funding and enhanced reimbursement. The commissioner shall coordinate the grant program with the federal rural health clinic, federally qualified health center, and migrant and community health center programs to encourage federal certification. ~~The commissioner may award planning, project, and initial operating expense grants, as provided in paragraphs (b) to (d).~~

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

~~(b) Planning grants may be awarded to communities to plan and develop state funded community health centers, federally qualified health centers, or migrant and community health centers.~~

~~(c) Project grants may be awarded to communities for community health center start-up or expansion, and the conversion of existing practices to community health centers. Start-up grants may be used for facilities, capital equipment, moving expenses, initial staffing, and setup. Communities must provide reasonable assurance of their ability to obtain health care providers and effectively utilize existing health care provider resources. Funded community health center projects must become operational before funding expires. Communities may obtain funding for conversion of existing health care practices to community health centers. Communities with existing community health centers may apply for grants to add sites in underserved areas. Governing boards must include representatives of new service areas.~~

~~(d) Centers may apply for grants for up to two years to subsidize initial operating expenses. Applicants for initial operating expense grants must demonstrate that expenses exceed revenues by a minimum of ten percent or demonstrate other extreme need that cannot be met using organizational reserves.~~

Sec. 8. Minnesota Statutes 1998, section 144.1486, subdivision 4, is amended to read:

Subd. 4. **ELIGIBILITY REQUIREMENTS.** In order to qualify for community health center program funding, a project must:

(1) be located in a rural shortage area that is a medically underserved, federal health professional shortage, or governor designated shortage area. "Rural" means an area of the state outside the seven-county Twin Cities metropolitan area and outside of the Duluth, St. Cloud, East Grand Forks, Moorhead, Rochester, and LaCrosse census defined urbanized areas;

(2) represent or propose the formation of a nonprofit corporation with local resident governance, or be a governmental or tribal entity. Applicants in the process of forming a nonprofit corporation may have a nonprofit coapplicant serve as financial agent through the remainder of the formation period. With the exception of governmental or tribal entities, all applicants must submit application for nonprofit incorporation and 501(c)(3) tax-exempt status within six months of accepting community health center grant funds; and

(3) ~~result in a locally owned and operated community health center that provides primary and preventive health care services, and incorporates quality assurance, regular reviews of clinical performance, and peer review;~~ for an application for an operating expense grant, demonstrate that expenses exceed revenues or demonstrate other extreme need that cannot be met from other sources.

~~(4) seek to employ midlevel professionals, where appropriate;~~

~~(5) demonstrate community and popular support and provide a 20 percent local match of state funding; and~~

~~(6) propose to serve an area that is not currently served or was not served prior to establishment of a state-funded community health center by a federally certified medical organization.~~

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

Sec. 9. Minnesota Statutes 1998, section 144.1486, subdivision 8, is amended to read:

Subd. 8. **REQUIREMENTS.** The commissioner shall develop a list of requirements for community health centers and a tracking and reporting system to assess benefits realized from the program to ensure that projects are on schedule and effectively utilizing state funds.

The commissioner shall require community health centers established or supported through the grant program to:

~~(1)~~ abide by all ~~federal and state laws, rules, regulations, and executive orders;~~

~~(2)~~ establish ~~policies, procedures,~~ and services equivalent to those ~~required for federally certified rural health clinics or federally qualified health centers. Written policies are required for description of services, medical management, drugs, biologicals, and review of policies;~~

~~(3) become a Minnesota nonprofit corporation and apply for 501(c)(3) tax-exempt status within six months of accepting state funding. Local governmental or tribal entities are exempt from this requirement;~~

~~(4) establish a governing board composed of nine to 25 members who are residents of the area served and representative of the social, economic, linguistic, ethnic, and racial target population. At least 35 percent of the board must represent consumers;~~

~~(5) establish corporate bylaws that reflect all functions and responsibilities of the board;~~

~~(6) develop an appropriate management and organizational structure with clear lines of authority and responsibility to the board;~~

~~(7) provide for adequate patient management and continuity of care on site and from referral sources;~~

~~(8) establish quality assurance and risk management programs, policies, and procedures;~~

~~(9) develop a strategic staffing plan to acquire an appropriate mix of primary care providers and clinical support staff;~~

~~(10) establish billing policies and procedures to maximize patient collections, except where federal regulations or contractual obligations prohibit the use of these measures;~~

~~(11) develop and implement policies and procedures, including a sliding scale fee schedule, that assure that no person will be denied services because of inability to pay;~~

~~(12) establish an accounting and internal control system in accordance with sound financial management principles;~~

~~(13) provide a local match equal to 20 percent of the grant amount;~~

~~(14) work cooperatively with the local community and other health care organizations, other grant recipients, and the office of rural health;~~

~~(15) obtain an independent annual audit and submit audit results to the office of rural health;~~

~~(16) maintain detailed records and, upon request, make these records available to the commissioner for examination; and~~

~~(17) pursue supplemental funding sources, when practical, for implementation and initial operating expenses.~~

(1) provide ongoing active local governance to the community health center and pursue community support, integration, collaboration, and resources;

(2) offer primary care services responsive to community needs and maintain compliance with requirements of all cognizant regulatory authorities, health center funders, or health care payers;

(3) maintain policies and procedures that ensure that no person will be denied services because of inability to pay; and

(4) submit brief quarterly activity reports and utilization data to the commissioner.

Sec. 10. Minnesota Statutes 1998, section 144.1488, subdivision 1, is amended to read:

Subdivision 1. **DUTIES OF COMMISSIONER OF HEALTH.** The commissioner shall administer the state loan repayment program. The commissioner shall:

(1) ensure that federal funds are used in accordance with program requirements established by the federal National Health Services Corps;

(2) notify potentially eligible loan repayment sites about the program;

(3) develop and disseminate application materials to sites;

(4) review and rank applications using the scoring criteria approved by the federal Department of Health and Human Services as part of the Minnesota department of health's National Health Services Corps state loan repayment program application;

(5) select sites that qualify for loan repayment based upon the availability of federal and state funding;

(6) carry out other activities necessary to implement and administer sections 144.1487 to 144.1492;

(7) verify the eligibility of program participants;

(8) sign a contract with each participant that specifies the obligations of the participant and the state;

(9) arrange for ~~the payment~~ loan repayment of qualifying educational loans for program participants;

(10) monitor the obligated service of program participants;

(11) waive or suspend service or payment obligations of participants in appropriate situations;

(12) place participants who fail to meet their obligations in default; and

(13) enforce penalties for default.

Sec. 11. Minnesota Statutes 1998, section 144.1488, subdivision 3, is amended to read:

Subd. 3. **ELIGIBLE LOAN REPAYMENT SITES.** ~~Private, nonprofit,~~ Nonprofit private and public entities located in and providing health care services in federally designated primary care health professional shortage areas are eligible to apply for the program. The commissioner shall develop a list of Minnesota health professional shortage areas in greatest need of health care professionals and shall select loan repayment sites from that list. The commissioner shall ensure, to the greatest extent possible, that the geographic distribution of sites within the state reflects the percentage of the population living in rural and urban health professional shortage areas.

Sec. 12. Minnesota Statutes 1998, section 144.1488, subdivision 4, is amended to read:

Subd. 4. **ELIGIBLE HEALTH PROFESSIONALS.** (a) To be eligible to apply to the commissioner for the loan repayment program, health professionals must be citizens or nationals of the United States, must not have any unserved obligations for service to a federal, state, or local government, or other entity, must have a current and unrestricted Minnesota license to practice, and must be ready to begin full-time clinical practice upon signing a contract for obligated service.

(b) ~~In selecting physicians for participation, the commissioner shall give priority to physicians who are board certified or have completed a residency in family practice, osteopathic general practice, obstetrics and gynecology, internal medicine, or pediatrics.~~ Eligible providers are those specified by the federal Bureau of Primary Health Care in the policy information notice for the state's current federal grant application. A ~~physician~~ health professional selected for participation is not eligible for loan repayment until the ~~physician~~ health professional has an employment agreement or contract with an eligible loan repayment site and has signed a contract for obligated service with the commissioner.

Sec. 13. Minnesota Statutes 1998, section 144.1489, subdivision 2, is amended to read:

Subd. 2. **OBLIGATED SERVICE.** A participant shall agree in the contract to fulfill the period of obligated service by providing primary health care services in full-time clinical practice. The service must be provided in a ~~private, nonprofit,~~ nonprofit private or public entity that is located in and providing services to a federally designated health professional shortage area and that has been designated as an eligible site by the commissioner under the state loan repayment program.

Sec. 14. Minnesota Statutes 1998, section 144.1489, subdivision 4, is amended to read:

Subd. 4. **AFFIDAVIT OF SERVICE REQUIRED.** ~~Within 30 days of the start of obligated service, and by February 1 of each succeeding calendar year~~ Before receiving loan repayment, annually thereafter, and as requested by the commissioner, a participant shall submit an affidavit to the commissioner stating that the participant is providing the

obligated service and which is signed by a representative of the organizational entity in which the service is provided. Participants must provide written notice to the commissioner within 30 days of: a change in name or address, a decision not to fulfill a service obligation, or cessation of clinical practice.

Sec. 15. Minnesota Statutes 1998, section 144.1490, subdivision 2, is amended to read:

Subd. 2. **PROCEDURE FOR LOAN REPAYMENT.** Program participants, at the time of signing a contract, shall designate the qualifying loan or loans for which the commissioner is to make payments. The participant shall submit to the commissioner ~~all payment books for the designated loan or loans or all monthly billings for the designated loan or loans within five days of receipt~~ proof that all payments made by the commissioner have been applied toward the designated qualifying loans. The commissioner shall make payments in accordance with the terms and conditions of the ~~designated loans~~ state loan repayment grant agreement or contract, in an amount not to exceed $20,000 when annualized. If the amount paid by the commissioner is less than $20,000 during a 12–month period, the commissioner shall pay during the 12th month an additional amount towards a loan or loans designated by the participant, to bring the total paid to $20,000. The total amount paid by the commissioner must not exceed the amount of principal and accrued interest of the designated loans.

Sec. 16. Minnesota Statutes 1998, section 144.1494, subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY.** To be eligible to participate in the program, a ~~prospective physician~~ medical resident must submit ~~a letter of interest~~ an application to the commissioner. A resident who is accepted must sign a contract to agree to serve ~~at least three of the first five years following residency in~~ a minimum three–year service obligation within a designated rural area, which shall begin no later than March following completion of residency.

Sec. 17. Minnesota Statutes 1998, section 144.1494, subdivision 3, is amended to read:

Subd. 3. **LOAN FORGIVENESS.** For each fiscal year after 1995, the commissioner may accept up to 12 applicants who are medical residents~~, including four applicants who are pediatric residents, six applicants who are family practice residents, and two applicants who are internal medicine residents,~~ for participation in the loan forgiveness program. ~~If the commissioner does not receive enough applicants per fiscal year to fill the number of residents in the specific areas of practice, the resident applicants may be from any area of practice.~~ The 12 resident applicants may be in any year of residency training; however, priority must be given to the following categories of residents in descending order: third year residents, second year residents, and first year residents. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed $10,000, as a qualified loan. For each year that a participant serves as a physician in a designated rural area, up to a maximum of four years, the commissioner shall annually pay an amount equal to one year of qualified loans. Participants who move their practice from one designated rural area to another remain eligible for loan repayment. In addition, in any year that a resident participating in

the loan forgiveness program serves at least four weeks during a year of residency substituting for a rural physician to temporarily relieve the rural physician of rural practice commitments to enable the rural physician to take a vacation, engage in activities outside the practice area, or otherwise be relieved of rural practice commitments, the participating resident may designate up to an additional $2,000, above the $10,000 yearly maximum.

Sec. 18. Minnesota Statutes 1998, section 144.1494, subdivision 5, is amended to read:

Subd. 5. **LOAN FORGIVENESS; UNDERSERVED URBAN COMMUNITIES.** For each fiscal year beginning on and after 1995, the commissioner may accept up to four applicants who are medical residents ~~in family practice, pediatrics, or internal medicine per fiscal year~~ for participation in the urban primary care physician loan forgiveness program. The resident applicants may be in any year of residency training; however, priority will be given to the following categories of residents in descending order: third year residents, second year residents, and first year residents. If the commissioner does not receive enough qualified applicants per fiscal year to fill the number of slots for urban underserved communities, the slots may be allocated to residents who have applied for the rural physician loan forgiveness program in subdivision 1. Applicants are responsible for securing their own loans. ~~For purposes of this provision, "qualifying educational loans" are government and commercial loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a health care professional.~~ Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed $10,000, as a qualified loan. For each year that a participant serves as a physician in a designated underserved urban area, up to a maximum of four years, the commissioner shall annually pay an amount equal to one year of qualified loans. Participants who move their practice from one designated underserved urban community to another remain eligible for loan repayment.

Sec. 19. Minnesota Statutes 1998, section 144.1495, subdivision 3, is amended to read:

Subd. 3. **ELIGIBILITY.** To be eligible to participate in the program, a ~~prospective~~ midlevel practitioner student must submit ~~a letter of interest~~ an application to the commissioner ~~prior to or~~ while attending a program of study designed to prepare the individual for service as a midlevel practitioner. A midlevel practitioner student who is accepted into this program must sign a contract to agree to serve ~~at least two of the first four years following graduation from the program in a designated rural area~~ a minimum two-year service obligation within a designated rural area, which shall begin no later than March following completion of training.

Sec. 20. Minnesota Statutes 1998, section 144.1495, subdivision 4, is amended to read:

Subd. 4. **LOAN FORGIVENESS.** The commissioner may accept up to eight applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of midlevel practitioner study, up to a maximum of two years, an agreed amount, not to exceed $7,000, as a qualified loan. ~~For purposes of~~

~~this provision, "qualifying educational loans" are government and commercial loans for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a health care professional.~~ For each year that a participant serves as a midlevel practitioner in a designated rural area, up to a maximum of four years, the commissioner shall annually repay an amount equal to one-half a qualified loan. Participants who move their practice from one designated rural area to another remain eligible for loan repayment.

Sec. 21. Minnesota Statutes 1998, section 144.1496, subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY.** To be eligible to participate in the loan forgiveness program, a person ~~planning to enroll or~~ enrolled in a program of study designed to prepare the person to become a registered nurse or licensed practical nurse must submit a ~~letter of interest~~ an application to the commissioner before completion of a nursing education program. ~~Before completion of the program, the applicant must sign a contract in which the applicant agrees to practice nursing for at least one of the first two years following completion of the nursing education program providing nursing services in a licensed nursing home or intermediate care facility for persons with mental retardation or related conditions.~~ A nurse who is selected to participate must sign a contract to agree to serve a minimum one-year service obligation providing nursing services in a licensed nursing home or intermediate care facility for persons with mental retardation or related conditions, which shall begin no later than March following completion of a nursing program or loan forgiveness program selection.

Sec. 22. Minnesota Statutes 1998, section 144.1496, subdivision 5, is amended to read:

Subd. 5. **RULES.** The commissioner ~~shall~~ may adopt rules to implement this section.

Presented to the governor May 24, 1999

Signed by the governor May 25, 1999, 11:46 a.m.

CHAPTER 248—S.F.No. 1876

An act relating to public administration; imposing and modifying conditions and limitations on the use of public debt; providing for the Dakota county community development agency and the Cuyuna Range joint powers economic development authority; reenacting certain provisions relating to taxes, abatements, and tax increments; clarifying the treatment of property of certain limited liability companies for certain property tax exemption purposes; broadening certain revenue bonding authority involving certain nonprofit facilities and to refund certain youth-based-ice facility debt; authorizing the city of Duluth to provide for certain refunding bonds; removing a condition for the issuance of certain bonds by the Long Prairie housing and redevelopment authority; temporarily expanding an exception to competitive bidding requirements for certain bond-financed structured parking facilities; authorizing the city of Woodbury to issue general obligations to finance construction of a highway interchange and related improvements; authorizing the use of enterprise zone incentive grants for certain purposes by Minneapolis and St. Paul; amending Minnesota Statutes