

term of the contract fails to perform its contractual obligations, including failure to deliver or install equipment or materials, failure to replace faulty equipment or materials in a timely fashion, and failure to maintain the equipment as agreed in the contract.

Subd. 2. **ENERGY APPROPRIATION.** The commissioner may spend money appropriated for energy costs in payment of a contract under this section.

Subd. 3. **ENERGY CONSERVATION INCENTIVES.** Notwithstanding any other law to the contrary, fuel cost savings resulting from energy conservation actions shall be available at the managerial level at which the actions took place for expenditure for other purposes within the biennium in which the actions occur or in the case of a shared savings agreement for the contract period of the shared savings agreement. For purposes of this subdivision "shared savings agreement" means a contract meeting the terms and conditions of subdivision 1.

Subd. 4. **ENERGY AND OPERATIONAL COSTS.** (a) The entire cost of an energy efficiency installment purchase contract must be a percentage of the resultant savings in energy and operational costs. Neither the state nor any agency is liable to make payments on the contract except to the extent that there are savings in energy and operational costs that must be shared with other parties to the contract.

(b) The state and the contract vendor may agree to a reasonable floor price for each type of energy used in the savings calculations at the time of contract execution. If the state and the vendor agree to a floor price, that floor price shall be used throughout the term of the contract.

**EFFECTIVE DATE.** This section is effective the day following final enactment.

Presented to the governor March 20, 2002

Signed by the governor March 22, 2002, 2:02 p.m.

#### CHAPTER 261—S.F.No. 3080

*An act relating to auditing; modifying certain provisions relating to preneed funeral trust accounts; amending Minnesota Statutes 2000, section 149A.97, subdivision 5.*

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

Section 1. Minnesota Statutes 2000, section 149A.97, subdivision 5, is amended to read:

Subd. 5. **DEPOSIT OF TRUST FUNDS AND DISCLOSURES.** Within 15 calendar days after receipt of any money required to be held in trust, all of the money must be deposited in a banking institution, savings or building and loan association, or credit union, organized under state or federal laws, the accounts of which are insured by an instrumentality of the federal government. The money must be carried in a

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

separate account with the name of the depositor and the purchaser as trustees for the beneficiary. The depositor as trustee shall not have power to distribute funds, either principal or interest, from the account until the death of the beneficiary, subject to section 149A.80. For purposes of this section, distribute does not mean transferring the trust funds to different investment accounts within an institution or between institutions provided that the depositor as trustee does not have sole access to the funds in a negotiable form. This section shall be construed to limit the depositor's access to trust funds, in a negotiable form, prior to the death of a beneficiary. The preneed arrangements trust shall be considered an asset of the purchaser until the death of the beneficiary, whereupon the money shall be considered an asset of the estate of the beneficiary, to the extent that the value of the trust exceeds the actual value for the goods and services provided at-need. The location of the trust account, including the name and address of the institution in which the money is being held and any identifying account numbers, must be disclosed in writing to the beneficiary by the depositor as trustee at the time the money is deposited and when there are any subsequent changes to the location of the trust account. The depositor shall annually report to the beneficiary the amount of funds in the beneficiary's preneed arrangement trust account, including principal and accrued interest. The depositor may arrange for the banking institution, savings or building and loan association, or credit union to issue such reports. Upon the provision of any funeral or burial site goods or services in connection with a preneed arrangement, the depositor shall provide a statement itemizing the goods or services provided and cost of such goods or services and describing the disposition of all funds in the account.

**EFFECTIVE DATE.** This section is effective January 1, 2003.

Presented to the governor March 20, 2002

Signed by the governor March 22, 2002, 2:07 p.m.

#### CHAPTER 262—S.F.No. 3136

*An act relating to workers' compensation; modifying payment provisions; modifying intervention procedures; changing the calculation of special fund assessments; amending Minnesota Statutes 2000, sections 176.092, subdivision 1, by adding a subdivision; 176.106, subdivision 6; 176.111, subdivision 22; 176.129, subdivisions 7, 9, by adding subdivisions; 176.130, subdivisions 8, 9; 176.139, subdivision 2; 176.155, subdivision 2; 176.181, subdivision 3; 176.182; 176.185, subdivision 5a; 176.194, subdivision 3; 176.361; 176.84, subdivision 2; Minnesota Statutes 2001 Supplement, sections 176.103, subdivision 3; 176.129, subdivisions 10, 13; 176.194, subdivision 4; repealing Minnesota Statutes 2000, section 176.129, subdivisions 3, 4, 4a.*

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

Section 1. Minnesota Statutes 2000, section 176.092, subdivision 1, is amended to read:

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