

transfer occurs, but only to the extent that the amounts resulted in a reduction of the tax imposed by this act, and (2) amounts received as refunds on account of taxes deducted from gross income during any taxable year shall be treated as gross income for the year in which actually received, but only to the extent that such amounts resulted in a reduction of the tax imposed by this act.

(d) Modification in computing taxable income of the estate of a decedent. Amounts allowable under section 291.07, subdivision 1, clause (2) in computing Minnesota inheritance or estate tax liability shall not be allowed as a deduction in computing the taxable income of the estate unless there is filed within the time and in the manner and form prescribed by the commissioner a statement that the amounts have not been allowed as a deduction under section 291.07 and a waiver of the right to have the amounts allowed at any time as deductions under section 291.07. The provisions of this paragraph shall not apply with respect to deductions allowed under section 290.077 (relating to income in respect of decedents). In the event that the election made for federal tax purposes under section 642(g) of the Internal Revenue Code of 1954 differs from the election made under this paragraph appropriate modification of the estate's federal taxable income shall be made to implement the election made under this paragraph in accordance with regulations prescribed by the commissioner.

### Sec. 3. EFFECTIVE DATE.

This act is effective the day following final enactment.

Approved May 21, 1981

## CHAPTER 255 — H.F.No. 98

*An act relating to energy; amending certain provisions for home energy disclosure reports; amending Minnesota Statutes 1980, Section 116H.129, Subdivisions 1, 2, 5, 6, and 7.*

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

Section 1. Minnesota Statutes 1980, Section 116H.129, Subdivision 1, is amended to read:

Subdivision 1. Before January 1, ~~1979~~ 1982, the ~~commissioner~~ of ~~administration~~, ~~in consultation with the director and the appropriate standing committees of the legislature~~, shall ~~promulgate~~ adopt minimum energy efficiency standards for existing residences. The standards shall be appropriate for evaluation of the energy efficiency of each major type of residential housing including, but not limited to, one to four family dwellings, apartment buildings,

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mobile homes, condominium buildings, and type of ownership. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the director in the state register, will exceed the cost of the energy conserving requirements amortized over the ~~five-year~~ ten-year period subsequent to the incurring of such cost. The costs computed under this section shall include reasonable inflation and interest factors. ~~Not later than January 1, 1981, the commission shall amend the rules to require that energy conserving requirements shall be amortized over a ten year period.~~

Sec. 2. Minnesota Statutes 1980, Section 116H.129, Subdivision 2, is amended to read:

Subd. 2. For the purposes of subdivisions 3 to 7, the following terms shall have the meanings given them.

(a) "Residence" means any dwelling for habitation either seasonally, meaning all or a portion of the months of December through March, or permanently by one or more persons. A residence may be owned or rented and may be part of a multi-dwelling or multi-purpose building, but shall not include buildings such as hotels, hospitals, motels, dormitories, sanitariums, nursing homes, schools and other buildings used for educational purposes, or correctional institutions. A mobile home as defined in section 168.011, subdivision 8, shall be a residence for purposes of this section.

(b) "Time of sale" means the time when a written purchase agreement is executed by the buyer, or, in the absence of a purchase agreement, at the time of the execution of any document providing for the conveyance of a residence.

(c) "Energy disclosure report" means the written and signed evaluation by a person certified pursuant to subdivision 6 made on an approved form, representing to the actual buyer of the residence evaluated that the evaluator has used reasonable care and diligence, ~~and has found no instance of noncompliance with the items contained on the approved form as of the date thereon except as specifically designated.~~ For purposes of subdivisions 5 and 7, a residential energy audit meeting the audit standards of 42 U.S.C. 8211 et seq. may be substituted for an energy disclosure report.

(d) "Applicable energy efficiency standards" means those standards established under subdivision 1 which are not shown to be economically infeasible for the building in question.

Sec. 3. Minnesota Statutes 1980, Section 116H.129, Subdivision 5, is amended to read:

Subd. 5. **RESIDENTIAL ENERGY DISCLOSURE PROGRAM.** By ~~May~~ January 1, 1980 ~~1982, the commissioner of administration, in consultation with the director of the energy agency and the appropriate standing committees~~

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of the legislature, shall promulgate adopt rules providing for residential energy disclosure requirements and shall approve forms for the purposes of this subdivision. The rules and forms shall provide only for the disclosure of structural characteristics, and energy use characteristics relating to energy consumption and conservation, ~~and the extent of compliance with standards adopted pursuant to subdivision 4.~~ Nothing in the forms shall indicate or be deemed to indicate that the residence meets all state building code specifications. For purposes of subdivision 7, a residential energy audit meeting the audit standards of 42 U.S.C. 8211 et seq. and reported on appropriate forms may be substituted for the rules and forms promulgated pursuant to this subdivision.

Sec. 4. Minnesota Statutes 1980, Section 116H.129, Subdivision 6, is amended to read:

Subd. 6. **BUILDING EVALUATORS.** ~~By August 1, 1980, The commissioner of administration~~ director shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy disclosure requirements. ~~The commissioner of administration director shall ; by rule pursuant to chapter 15, establish~~ adopt standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. ~~The commissioner director shall encourage the certification of existing groups of trained municipal personnel and qualified individuals from community based organizations and public service organizations. Effective August 1, 1980, each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy disclosure requirements. The inspections shall be made within 30 days of the request. After July 1, 1981, evaluators for the home energy disclosure program shall be certified only if they also meet all requirements for conducting residential energy audits pursuant to 42 U.S.C. 8211 et seq. Any person certified as a building evaluator prior to July 1, 1981 shall, by January 1, 1982, meet the upgraded certification standards in effect after July 1, 1981. The director shall enter into an agreement with the department of education for the provision of evaluator training through the area vocational technical institutes. The director may contract with the area vocational technical institutes to reduce the training costs to the students. The director may eliminate the examination fee for persons seeking upgraded certificates. The director may also establish requirements for continuing education, periodic recertification, and revocation of certification for evaluators.~~

Sec. 5. Minnesota Statutes 1980, Section 116H.129, Subdivision 7, is amended to read:

Subd. 7. **DISCLOSURE REPORT.** Effective October 1, 1980, no owner or agent shall sell by conveyance or contract for conveyance a residence

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constructed before January, 1976, without providing to the buyer, prior to the time of sale, a copy of an energy disclosure report for the residence unless the buyer has been provided a copy of the form used in making an energy disclosure report and has declared in writing that he waives his right to a report. A residential energy audit meeting the audit standards of 42 U.S.C. 8211 et seq. may be substituted for the energy disclosure report required by this subdivision; and provided that no utility with a geographic audit plan approved by the agency shall be required to deviate from that geographic plan in order to provide a residential energy audit. After January 1, 1982, only residential energy audits meeting the audit standards of 42 U.S.C. 8211 et seq. shall qualify as an energy disclosure report. If the residence has been evaluated subsequent to April 6, 1978, No new evaluation shall be required for five years after the date of the evaluation, if a copy of the last evaluation has been delivered to the prospective buyer. The provisions of this subdivision shall not apply to the sale or conveyance of any residence to a public body or by a sheriff, constable, marshal or other public or court officer in the performance of his official duties as such, or to trustees in bankruptcy or any other person or persons acting under the direction or authority of any court, state or federal, in selling a residence, except as to a public sale ordered by a probate court, in which case this subdivision shall apply. The provisions of this subdivision are repealed effective June 30, 1990.

Sec. 6. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Approved May 27, 1981

**CHAPTER 256 — H.F.No. 126**

*An act relating to waters; requiring posting and publication of notice of aeration operations by a permittee of the commissioner of natural resources; establishing a presumption of due care; changing and clarifying administrative provisions regarding watershed districts; permitting use of a map in lieu of the names of owners or descriptions of affected properties in a notification of a proposed watershed improvement in a watershed benefit; permitting Murray County and the city of Slayton to enter an agreement for the administration of county ditches; amending Minnesota Statutes 1980, Sections 112.36; 112.53, Subdivisions 1, 2 and 4; proposing new law coded in Minnesota Statutes, Chapter 378.*

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

Section 1. **[378.22] WATER AERATION SAFETY.**

Subdivision 1. WARNING SIGNS. Any permittee operating an aeration system on public waters within the state shall comply with the sign posting

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