

CHAPTER 1 — S.F.No. 2

An act relating to the city of Albert Lea; authorizing the city to expend certain federal revenue sharing funds for certain purposes.

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

Section 1. CITY OF ALBERT LEA; EXPENDITURES.

The city of Albert Lea may expend funds received from the federal government under the State and Local Fiscal Assistance Act of 1972 (Title I, Public Law 92-512), as amended, to acquire, improve and construct industrial sites and buildings to be leased, sold or otherwise disposed of on the terms the city council may determine to be in the best interests of the city.

Sec. 2. EFFECTIVE DATE.

This act is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3 by the governing body of the city of Albert Lea.

Approved July 9, 1982

CHAPTER 2 — H.F.No. 1

An act relating to the northeast Minnesota economic protection fund; designating the fund as a trust fund; authorizing the expenditure of money from the fund to finance a distressed area emergency job program and alternative energy source projects; establishing a trust board; appropriating money; amending Minnesota Statutes 1980, sections 298.291; 298.292; 298.293; and 298.294, as amended; Minnesota Statutes 1981 Supplement, sections 298.225, as amended; and 298.28, subdivisions 1, as amended, and 2; and Laws 1982, chapter 523, article XXX, section 4, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 298.

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

Section 1. Minnesota Statutes 1981 Supplement, Section 298.225, as amended by Laws 1982, Chapter 523, Article XXX, Section 1, is amended to read:

298.225 APPROPRIATION.

If a taconite producer ceases beneficiation operations, either temporarily or permanently, and if the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (4) and (5)(b) to (8), would receive decreased distributions as a result thereof, then the distribution to these recipients in each of the two years immediately following the year in which operations

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ceased shall be equal to the amount they received in the last full year before operations ceased. There is hereby appropriated to the commissioner of revenue from the taconite environmental protection fund and the corpus of the northeast Minnesota economic protection trust fund in equal proportions the amount needed to make the above payments.

If a taconite producer ceases beneficiation operations permanently and is required by a special law to make bond payments for a school district, the northeast Minnesota economic protection trust fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the corpus of the northeast Minnesota economic protection trust fund to the commissioner of revenue the amounts needed to make these school bond payments.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 298.28, Subdivision 1, as amended by Laws 1982, Chapter 523, Article XLI, Section 1, and Chapter 548, Article I, Section 15, is amended to read:

Subdivision 1. **DISTRIBUTION FROM GENERAL FUND.** The proceeds of the taxes collected under section 298.24, except the tax collected under section 298.24, subdivision 2, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue as follows:

(1) 2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) 12.5 cents per taxable ton, less any amount distributed under clause (8), to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.

(3) 29 cents per taxable ton plus the increase provided in paragraph (c) to qualifying school districts to be distributed as follows:

(a) Six cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concen-

trate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) 23 cents per taxable ton, less any amount distributed under part (d), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to this part, certified levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2d.

(c) On July 15, 1982 and on July 15 in subsequent years, an amount equal to the increase derived by increasing the amount determined by clause (3)(b) in the same proportion as the increase in the steel mill products index over the base year of 1977 as provided in section 298.24, subdivision 1, clause (a), shall be distributed to any school district described in clause (3)(b) where a levy increase pursuant to section 275.125, subdivision 2d, is authorized by referendum, according to the following formula. Each district shall receive the product of:

(i) \$150 times the pupil units identified in section 124.17, subdivision 1, clauses (1) and (2), enrolled in the previous school year, less the product of two mills times the district's taxable valuation in the second previous year; times

(ii) the lesser of:

(A) one, or

(B) the ratio of the amount certified pursuant to section 275.125, subdivision 2d, in the previous year, to the product of two mills times the district's taxable valuation in the second previous year.

If the total amount provided by clause (3)(c) is insufficient to make the payments herein required then the entitlement of \$150 per pupil unit shall be reduced uniformly so as not to exceed the funds available. Any amounts received by a qualifying school district in any fiscal year pursuant to clause (3)(c) shall not be applied to reduce foundation aids which the district is entitled to receive pursuant to section 124.212 or the permissible levies of the district. Any amount remaining after the payments provided in this paragraph shall be paid to the commissioner of finance who shall deposit the same in the taconite environmental protection fund and the northeast Minnesota economic protection trust fund as provided in section 298.28, subdivision 1, clause 10.

(d) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

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(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) Four cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) One cent per taxable ton to the state for the cost of administering the tax imposed by section 298.24.

(7) Three cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation board account in the special revenue fund for the purposes of section 298.22. The amount determined in this clause shall be increased in 1981 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1. The amount distributed pursuant to this clause shall be expended within or for the benefit of a tax relief area defined in section 273.134. No part of the fund provided in this clause may be used to provide loans for the operation of private business unless the loan is approved by the governor and the legislative advisory commission.

(8) .20 cent per taxable ton shall be paid in 1979 and each year thereafter, to the range association of municipalities and schools, for the purpose of providing an area wide approach to problems which demand coordinated and cooperative actions and which are common to those areas of northeast Minnesota affected by operations involved in mining iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting the general welfare and economic development of the cities, towns and school districts within the iron range area of northeast Minnesota.

(9) The amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(10) The proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (9) and parts (a) and (b) of this clause have been made shall be divided between the taconite environmental protection fund created in section 298.223 and the northeast Minnesota economic protection trust fund created in section 298.292 as follows: In 1981 and each year thereafter, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection trust fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977; provided, however, that the amount distributed in 1981 to the unorganized territory number 2 of Lake County and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company will be distributed in 1982 and subsequent years to the unorganized territory number 2 of Lake County and the towns of Beaver Bay and Stony River based on the miles of track of Erie Mining Company in each taxing district.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer") shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of

such tax, and the amount of the estimated tax which would be distributable to each such district in the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district in computing the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4)(c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.125 or 275.50 to 275.59 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.125 or 275.50 to 275.59, of such county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.125 or 275.50 to 275.59 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the range association of municipalities and schools, to the taconite environmental protection

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fund, and to the northeast Minnesota economic protection trust fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 3. Minnesota Statutes 1981 Supplement, Section 298.28, Subdivision 2, is amended to read:

Subd. 2. In distributing the proceeds of the tax collected under section 298.24, the commissioner of revenue shall deduct the amount of any credits authorized under section 298.24, subdivision 3, against the tax imposed under subdivision 1 of said section, from the amount which would otherwise have been distributed to the northeast Minnesota economic protection trust fund in the apportionment fund in the state treasury under subdivision 1 of this section.

Sec. 4. Minnesota Statutes 1980, Section 298.291, is amended to read:
298.291 **CITATION.**

Sections 298.291 to 298.294 shall be known as the "northeast Minnesota economic protection trust fund act of 1977".

Sec. 5. Minnesota Statutes 1980, Section 298.292, is amended to read:
298.292 **POLICY.**

The legislature is cognizant of the severe economic dislocations and widespread unemployment that result when a single industry on which an area is largely dependent, experiences a drastic reduction in activity. The northeast Minnesota economic protection trust fund is hereby created to be devoted to *economic rehabilitation and diversification of industrial enterprises where these conditions ensue as the result of the decline of such a single industry. Priority shall be given to using the northeast Minnesota economic protection trust fund for the following purposes:*

(a) projects and programs that are designed to create and maintain productive, permanent, skilled employment, including employment in technologically innovative businesses;

(b) projects and programs to promote the development of minerals, alternative energy sources utilizing indigenous fuels, forestry, small business, and tourism;

(c) projects and programs for which technological and economic feasibility have been demonstrated; and

(d) loans, loan guarantees, interest buy-downs and other forms of participation with private sources of financing in preference to grants.

Money from the trust fund shall be expended only in or for the benefit of the tax relief area defined in section 273.134.

Sec. 6. Minnesota Statutes 1980, Section 298.293, is amended to read:

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298.293 DECLARATION OF EMERGENCY; EXPENDING FUNDS.

The funds provided by section 298.28, subdivision 1, clause (10), relating to the northeast Minnesota economic protection trust fund, except money expended pursuant to sections 8 to 14, shall not be expended prior to (a) in the case of expenditures proposed before June 30, 1987, a request by the board of trustees of the northeast Minnesota economic protection trust fund that the governor declare an economic emergency in northeast Minnesota as a result of a decline in mineral-related activities; (b) a declaration by the governor to the effect that the economic situation of northeast Minnesota requires remedial action by the legislature as a result of a decline in mineral-related activities, and (b) ~~an appropriation~~ (c) authorization of expenditure of the funds by the legislature, provided that the funds to be expended shall not exceed the amount of net interest, dividends, and earnings arising from the investment of the trust for the preceding 12 calendar months from the date of the authorization. The governor shall recommend to the legislature those measures that he believes will be appropriate in order to accomplish the purpose of his declaration. The funds provided by this fund may be spent only in or for the benefit of those areas that are tax relief areas as defined in section 273.134. ~~The funds provided by section 298.28, subdivision 1, clause (10), for this fund shall not be expended for this purpose prior to January 1, 2002.~~ If during any year the taconite property tax account under sections 273.134 to 273.136 does not contain sufficient funds to pay the property tax relief specified in Laws 1977, Chapter 423, Article X, Section 4, there is appropriated from this trust fund to the relief account sufficient funds to pay the relief specified in Laws 1977, Chapter 423, Article X, Section 4.

Sec. 7. Minnesota Statutes 1980, Section 298.294, as amended by Laws 1981, Third Special Session Chapter 2, Article 7, Section 6, is amended to read:

298.294 INVESTMENT OF FUND.

The trust fund established by section 298.292 shall be invested pursuant to law by the state board of investment and the net interest ~~and~~, dividends, and other earnings arising from the ~~investment~~ investments shall be transferred on the first day of each month to the trust and shall be included and become part of the trust fund and the amounts transferred, including the interest, dividends, and other earnings earned prior to the effective date of this act, are appropriated from the trust fund to the board of trustees of the northeast Minnesota economic protection trust.

Sec. 8. [298.295] BOARD OF TRUSTEES OF THE NORTHEAST MINNESOTA ECONOMIC PROTECTION TRUST.

Subdivision 1. CREATION. The board of trustees of the northeast Minnesota economic protection trust is created.

Subd. 2. MEMBERS. The board shall consist of 15 members appointed in the following manner:

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(a) Three members of the house of representatives appointed by the speaker of the house, at least two of whom shall be elected from representative districts in which over 50 percent of the residents reside in a tax relief area as defined in section 273.134, and no more than two of whom shall be members of the same political party;

(b) Three members of the senate appointed by the subcommittee on committees of the committee on rules and administration of the senate, at least two of whom shall be elected from senate districts in which over 50 percent of the residents reside in a tax relief area as defined in section 273.134, and no more than two of whom shall be members of the same political party;

(c) Two representatives of local governmental units within a tax relief area defined in section 273.134 appointed by the governor with the advice and consent of the senate;

(d) The commissioner of energy, planning and development, or his designee;

(e) Six public members appointed by the governor with the advice and consent of the senate who have expertise in labor, small business, mining, timber, tourism, energy, law, finance, economic development, or other areas of expertise related to the work of the board, each of whom resides in a tax relief area defined in section 273.134.

The terms of the members shall be six years with the terms ending on the first Monday in January, except that to establish staggered membership terms the speaker of the house and the subcommittee on rules and administration of the senate shall each appoint one member for a term expiring in January, 1983, and one for a term expiring in January, 1985, and the governor shall appoint two public members and one local government representative for terms expiring in January, 1983, and two public members and one local government unit representative to terms expiring in January, 1985. Provided further, that the membership term of the commissioner of energy, planning and development or his designee shall be coterminous with his service as commissioner.

If, prior to the end of his membership term, a legislative member leaves the office which he held when appointed to the board, the member shall be removed from the board and the appointing authority shall appoint a successor to serve the remainder of the member's term. Members may serve until their successors are appointed and qualified. If the appointing authority fails to appoint a successor by July 1 of the year in which a term expires, the term of the non-legislative member for whom a successor has not been appointed shall extend, subject to the advice and consent of the senate if the member was appointed by the governor, until the first Monday in January six years after the scheduled end of the original term.

Subd. 3. COMPENSATION; REMOVALS; VACANCIES. The compensation and removal of members, including legislative members, and filling of vacancies on the board shall be as provided in section 15.0575.

Subd. 4. CHAIRMAN. On the first Monday in January of each odd numbered year the governor shall appoint a chairman from among the members of the board of trustees. If a vacancy occurs in the position of chairman, the governor shall designate a new chairman to complete the unexpired term.

Subd. 5. ADMINISTRATOR. After July 1, 1983, the trust shall be administered by an administrator appointed by and serving at the pleasure of the governor. The administrator shall employ staff or consultants as directed by the board, and shall have the powers and perform all duties assigned to him by the board. The salary of the administrator shall be established by the board subject to the approval of the commissioner of employee relations provided that it shall not exceed the salary of the commissioner of iron range resources and rehabilitation. Prior to July 1, 1983, the governor shall designate the administrator and shall provide administrative support to the board. All salaries and expenses incurred by the office of the governor pursuant to sections 8 to 14 shall be reimbursed from the northeast Minnesota economic protection trust fund.

Subd. 6. TERMINATION. The existence and operation of the board and the office and duties of the administrator and staff of the board shall terminate June 30, 1987.

Sec. 9. [298.296] POWERS AND DUTIES OF THE BOARD.

The board shall by August 1 of each year prior to 1987 prepare a list of projects to be funded from the northeast Minnesota economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

(a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(b) the prospective benefits of the expenditure exceed the anticipated costs;
and

(c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

To be proposed by the board, a project must be approved by at least ten board members. The list of projects shall be submitted to the legislative advisory commission for its review. The list with the recommendation of the legislative advisory commission shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor.

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The board may submit supplemental projects for approval at any time.

During fiscal year 1983, the board shall give priority consideration to (1) providing grants to counties, cities, townships, and school districts to meet the full costs of converting the heating systems of buildings owned by those local units of government and located in tax relief areas defined in section 273.134 to use of fiber fuels generally available in the area; (2) providing loans to private businesses at an annual rate of interest of 10 percent for up to one-half of the costs of conversion of their heating systems in buildings located in the tax relief area to use of such fiber fuels; (3) providing loans at an annual rate of interest of 10 percent to enterprises engaged in the development and processing of fiber fuels in the tax relief area for up to one-half of the costs of initiating the actual processing operation; and (4) financing publicly operated projects for development and processing of indigenous fiber fuels.

Before January 1, 2002, funds may be expended on projects and for administration of the trust fund, including reimbursement of salary and other expenses incurred by the office of the governor pursuant to section 8, subdivision 6, and salaries and other expenses of the trust board, only from the net interest, earnings, and dividends arising from the investment of the trust at any time, including net interest, earnings, and dividends that have arisen prior to the effective date of this act except that any amount required to be paid out of the trust fund to provide the property tax relief specified in Laws 1977, chapter 423, article X, section 4, and to make school bond payments and payments to recipients of taconite production tax proceeds pursuant to Minnesota Statutes, section 298.225, may be taken from the corpus of the trust. On and after January 1, 2002, funds may be expended on projects and for administration from any assets of the trust. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the net interest, dividends, and earnings arising from the trust in the preceding fiscal year.

Principal and interest received in repayment of loans made pursuant to this section shall be deposited in the state treasury and credited to the trust. These receipts are appropriated to the board for the purposes of sections 298.291 to 298.294 and 8 to 11.

Sec. 10. [298.297] TECHNICAL ADVISORY COMMITTEE.

Subject to the provisions of section 15.059, subdivisions 1 to 4, the governor, with the advice of the trust board, shall appoint a technical advisory committee consisting of no more than nine persons who collectively are knowledgeable in the areas of finance, banking, taxation, business management, economics, law, economic development, minerals, forestry, tourism, technological innovation, and peat and alternative energy source utilization. Each proposal for funding submitted to the board shall be evaluated by the technical advisory committee with respect to conformance with the policies, criteria, and priorities

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contained in sections 5 and 9. The board shall not act on a proposal until it has received the evaluation and recommendations of the technical advisory committee.

Sec. 11. [298.298] LONG RANGE PLAN.

Consistent with the policy established in sections 298.291 to 298.294 and 8 to 11, the trust board shall prepare and present to the governor and the legislature by January 1, 1984 a long range plan for the use of the northeast Minnesota economic protection trust fund for the economic development and diversification of the tax relief area defined in section 273.134. The board shall, before November 15 of each even numbered year, prepare a report to the governor and legislature updating and revising this long range plan and reporting on the board's progress on those matters assigned to it by law. After January 1, 1984, no project shall be approved by the board which is not consistent with the goals and objectives established in the long range plan.

Sec. 12. DISTRESSED AREA EMERGENCY JOBS PROGRAM.

Subdivision 1. APPROPRIATION. Notwithstanding the provisions of Minnesota Statutes, sections 298.293 or 298.294, or any other law, there is appropriated to the commissioner of iron range resources and rehabilitation from the net interest, dividends, and other earnings of the northeast Minnesota economic protection trust fund the sum of \$2,500,000. This money shall be expended by the commissioner upon recommendation of the iron range resources and rehabilitation board for the creation of emergency jobs through public works projects submitted to the commissioner by cities, towns, and school districts that are tax relief areas as defined in Minnesota Statutes, section 273.134, by counties in which a tax relief area is located, or by state or federal agencies. The money shall be expended only for projects located within a tax relief area. The projects shall be beneficial to the city, town, school district, county, or the state and may include permanent improvements or maintenance of public property, residential weatherization programs, landscaping of public grounds or parks, planting or trimming trees, improving open space areas, playgrounds, and recreational facilities owned or operated by the sponsoring unit of government, mineland reclamation, and reforestation. The sponsoring unit of government shall provide the administration, supervision, and supplies and materials for its project. All money appropriated for the projects under this section and section 14 shall be expended for wages and benefits for workers who qualify for employment pursuant to subdivision 2 and who are employed pursuant to this act except that an amount not to exceed 3.5 percent of the amount expended under this section and section 14 shall be available to reimburse the department of economic security for its actual cost of administering this program. Any money not expended from this appropriation by July 1, 1983, and any interest earned on it, shall revert to the trust fund.

Subd. 2. QUALIFICATIONS FOR EMPLOYMENT. The appropriations made under this section and section 14 shall be used only to employ needy unemployed persons who meet the qualifications which shall be established by the

commissioner of iron range resources and rehabilitation and the commissioner of economic security. The criteria for employment may be established without compliance with any law or statutory provision relating to the promulgation of rules by departments, agencies or instrumentalities of the state.

Sec. 13. ACCOUNTABILITY.

The money appropriated by sections 12 and 14, and any interest earned on it, shall be separately accounted for and shall be used only on works projects within the purpose of this act. Accounts of the projects, the amount of money spent on the projects, and the number of persons employed, shall be submitted to the legislative advisory commission, the governor, and the trust board established pursuant to section 8 by the commissioner of iron range resources and rehabilitation on a quarterly basis.

Sec. 14. SUPPLEMENTAL APPROPRIATION.

Notwithstanding the provisions of Minnesota Statutes, sections 298.293 or 298.294, or any other law there is appropriated to the iron range resources and rehabilitation board from the net interest, dividends, and other earnings of the northeast Minnesota economic protection trust fund the sum of \$5,000,000 for the purpose of continuing the emergency public works job program established in section 12. Expenditure of this money, or any portion thereof, is contingent upon approval by a majority of the members of the board of trustees of the northeast Minnesota economic protection trust fund. The determination of the trust board that money may be expended from this appropriation shall be approved by the governor prior to the expenditure of any money under this section, and the legislative advisory commission shall make a recommendation on the expenditure. Any money not expended from this appropriation by July 1, 1983, and any interest earned on it, shall revert to the trust fund.

Sec. 15. Laws 1982, Chapter 523, Article XXX, Section 4, Subdivision 1, is amended to read:

Subdivision 1. Commencing with taxes payable in 1983, the commissioner of revenue shall deduct and annually pay to Independent School District 710 an amount equal to four cents per gross ton of taxable iron concentrate produced but not less than \$240,000 annually from the taxes paid pursuant to sections 298.23 to 298.28 by a person, corporation, partnership, operator, joint venture or other owner of a taconite plant and taconite properties located within the school district. The deduction shall be made from the amount which would otherwise have been distributed to the northeast Minnesota economic protection trust fund in the apportionment fund in the state treasury under section 298.28, subdivision 1. A sum is annually appropriated to the commissioner from the proceeds of the taxes sufficient to make the payments required by this section.

Sec. 16. EFFECTIVE DATE.

This act is effective the day following final enactment.

Approved July 12, 1982

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