- (4) Removing and replacing the underground oil tanks on temporary construction easement 3;
- (5) Lowering the level of the tennis courts and replacing tennis courts, fencing, and bleachers on temporary construction easement 3.

Upon payment of the appraised value by the city, the commissioner of administration shall deliver to the city quitclaim deeds conveying all of the state's interest in those parcels indicated as permanent acquisitions together with the execution of temporary construction easements for all those parcels indicated as temporary easements subject only to a reservation of any minerals or mineral rights in the state of Minnesota. The form of the quitclaim deed and temporary construction easement shall be subject to the approval of the attorney general.

The term of the temporary easements granted to the city by the state shall run concurrently with the term of the city's construction project and shall automatically terminate upon completion of the city's construction project, or on December 31, 1987, whichever date is earliest.

Sec. 2. EFFECTIVE DATE.

This act shall be effective the day following final enactment.

Approved April 19, 1983

CHAPTER 46 — S.F.No. 96

An act relating to the northeast Minnesota economic protection trust fund; abolishing the trust board; authorizing increased current expenditures; providing for administration of the fund; appropriating money; amending Minnesota Statutes 1982, sections 298.292; 298.293; 298.294; 298.296; 298.297; and 298.298; and Laws 1982, Second Special Session, chapter 2, section 14; repealing Minnesota Statutes 1982, section 298.295.

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

Section 1. Minnesota Statutes 1982, 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 encourage diversification of the economy and 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, but a loan to a private enterprise shall be for a principal amount not to exceed one-half of the cost of the project for which financing is sought, and the rate of interest on a loan shall be no less than eight percent.

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. 2. Minnesota Statutes 1982, section 298.293, is amended to read: 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 Laws 1982, Second Special Session, Chapter 2, 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 (c) authorization of expenditure of the funds by the legislature, provided that the funds to be expended shall only in an amount that does not exceed the amount sum of the net interest, dividends, and earnings arising from the investment of the trust for the preceding 12 calendar months from the date of the authorization plus, for fiscal year 1983, \$10,000,000 from the corpus of the fund. 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 may be spent only in or for the benefit of those areas that are tax relief areas as defined in section 273.134. 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. 3. Minnesota Statutes 1982, section 298.294, 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, dividends, and other earnings arising from the 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 July 13, 1982, together with the additional amount of \$10,000,000 for fiscal year 1983, which is appropriated the day following final enactment, are appropriated from the trust fund to the board of trustees of the northeast Minnesota economic protection trust commissioner of iron range resources and rehabilitation for deposit in a separate account for expenditure for the purposes set forth in section 298.292. Amounts appropriated pursuant to this section shall not cancel but shall remain available unless expended.

Sec. 4. Minnesota Statutes 1982, section 298.296, is amended to read:

298.296 POWERS AND DUTIES OF THE BOARD OPERATION OF FUND.

Subdivision 1. PROJECT APPROVAL. 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 eight iron range resources and rehabilitation board members and the commissioner of iron range resources and rehabilitation. 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.

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.

Subd. 2. EXPENDITURE OF FUNDS. 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 298.295, 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 July 13, 1982, plus \$10,000,000 made available for use in fiscal year 1983, 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 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 298.298.

- Subd. 3. ADMINISTRATION. The commissioner and staff of the iron range resources and rehabilitation board shall administer the program under which funds are expended pursuant to sections 298.292 to 298.298.
 - Sec. 5. Minnesota Statutes 1982, section 298.297, is amended to read:

298.297 ADVISORY COMMITTEES.

Subject to the provisions of section 15.059, subdivisions 1 to 4, the governor, with the advice of the trust board, Before submission of a project to the board, the commissioner of iron range resources and rehabilitation shall appoint a technical advisory committee consisting of no one or 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 contained in sections 298.292 and 298.296 related to the objectives of the proposal. Members of the committees shall be compensated as provided in section 15.059, subdivision 3. The board shall not act on a proposal until it has received the evaluation and recommendations of the technical advisory committee or until 15 days have elapsed since the proposal was transmitted to the advisory committee, whichever occurs first.

Sec. 6. Minnesota Statutes 1982, section 298.298, is amended to read: 298.298 LONG RANGE PLAN.

Consistent with the policy established in sections 298.291 to 298.298, the trust iron range resources and rehabilitation 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 iron range resources and rehabilitation 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 iron range resources and rehabilitation board's progress on those matters assigned to it by law. After January 1, 1984, no project shall be approved by the iron range resources and rehabilitation board which is not consistent with the goals and objectives established in the long range plan.

Sec. 7. Laws 1982, Second Special Session, chapter 2, section 14, is amended to read:

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 iron range resources and rehabilitation board. 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. 8. REPEALER.

Minnesota Statutes 1982, section 298.295 is repealed.

Sec. 9. EFFECTIVE DATE.

Sections 1 to 8 are effective the day following final enactment.

Approved April 20, 1983

CHAPTER 47 — S.F.No. 101

An act relating to the city of St. Paul; providing for the reinstatement of St. Paul policeman's pension fund benefits in certain circumstances; amending Laws 1955, chapter 151, section 13, as amended.

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

Section 1. Laws 1955, chapter 151, section 13, as amended by Láws 1963, chapter 271, section 7; Laws 1971, chapter 549, section 2; and Laws 1980, chapter 600, section 14, is amended to read:

Sec. 13. The association shall pay a pension to the surviving spouse or any child under 18 years of age of any pensioned and retired member, or to the surviving spouse or any child under 18 years of age of any member who dies while in the service of the city police department, or to the surviving spouse or any child under 18 years of age of any member who, after being a member of the city police department for not less than 20 years, severs his or her connection with the department, and dies before attaining the age of 50 years. association shall pay to any such surviving spouse a pension of 20 units per month. The association shall pay to any such child under 18 years of age a pension of five units per month until the child attains the age of 18 years, provided, however, that if such child is married at the time of the death of the member or marries or becomes legally adopted after the death of the member, the child shall not be entitled to such benefits. If the surviving spouse and children reside together, the pension payable to the children shall be paid to the surviving spouse and shall be used for the support of the children. If a surviving spouse remarries, the pension immediately ceases and the association shall not make any further pension payments; provided further that if the remarriage terminates for any reason, the surviving spouse, whose benefit terminated solely because of remarriage, shall be entitled upon reapplication to a surviving spouse's benefit; provided, however, that such person shall not be entitled to retroactive payments for any period of time, prior to the effective date of this act or reapplication, whichever is later. For the purposes of this section, all provisions governing a child under 18 shall be extended to include a full time student under the age of 23.