

accidents, fatal or otherwise, the cause of such accidents, and such other information in relation to the subject of mines and mining inspection as the inspector may deem of proper interest and beneficial to the mining interests of the state.

Presented to the governor March 6, 2002

Signed by the governor March 7, 2002, 2:24 p.m.

CHAPTER 225—H.F.No. 3116

An act relating to natural resources; modifying certain responsibilities of the advisory committee and the legislative commission on Minnesota resources regarding the environmental and natural resources trust fund; modifying availability of funds for disbursement; providing a penalty for failure to comply with restrictions on certain state-funded acquisitions of land; requiring recipients of certain state funding for acquisitions of interests in land to record a notice of funding agreement regarding the interests; amending Minnesota Statutes 2000, sections 116P.06, subdivision 2; 116P.07; 116P.11; Minnesota Statutes 2001 Supplement, section 116P.15.

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

Section 1. Minnesota Statutes 2000, section 116P.06, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** (a) The advisory committee shall:

(1) prepare and submit to the commission a draft strategic plan to guide expenditures from the trust fund;

(2) review the reinvest in Minnesota program during development of the draft strategic plan;

(3) gather public input from the resources congress during development of the draft strategic plan;

(4) advise the commission on project proposals to receive funding from the trust fund; and

(5) advise the commission on development of the budget plan.

(b) The advisory committee may review all project proposals for funding and may make recommendations to the commission on whether the projects:

(1) meet the standards and funding categories set forth in sections 116P.01 to 116P.12;

(2) duplicate existing federal, state, or local projects being conducted within the state; and

(3) are consistent with the most recent strategic plan adopted by the commission.

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

Sec. 2. Minnesota Statutes 2000, section 116P.07, is amended to read:

116P.07 RESOURCES CONGRESS INFORMATION GATHERING.

The commission ~~must~~ may convene a resources congress at least once every biennium and shall develop procedures for the congress public forums to gather information for establishing priorities for funding. The congress must be open to all interested individuals. The purpose of the congress is to collect public input necessary to allow the commission, with the advice of the advisory committee, to develop a strategic plan to guide expenditures from the trust fund. The congress also may be convened to receive and review reports on trust fund projects. The congress shall also review the reinvest in Minnesota program.

Sec. 3. Minnesota Statutes 2000, section 116P.11, is amended to read:

116P.11 AVAILABILITY OF FUNDS FOR DISBURSEMENT.

(a) The amount biennially available from the trust fund for the budget plan developed by the commission consists of the earnings generated from the trust fund is as defined in the Minnesota Constitution, article XI, section 14. Earnings generated from the trust fund shall equal the amount of interest on debt securities and dividends on equity securities. Gains and losses arising from the sale of securities shall be apportioned as follows:

(1) if the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b), it shall be added to the principal of the fund; and

(2) if the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered from the gains in paragraph (a) apportioned to that fiscal year. If such gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.

(b) For funding projects until fiscal year 1997, the following additional amounts are available from the trust fund for the budget plans developed by the commission:

(1) for the 1991-1993 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1990 and 1991;

(2) for the 1993-1995 biennium, up to 20 percent of the revenue deposited in the trust fund in fiscal year 1992 and up to 15 percent of the revenue deposited in the fund in fiscal year 1993;

(3) for the 1993-1995 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1994 and 1995, to be expended only for capital investments in parks and trails; and

(4) for the 1995-1997 biennium, up to 25 percent of the revenue deposited in the fund in fiscal year 1996, to be expended only for capital investments in parks and trails.

(e) (b) Any appropriated funds not encumbered in the biennium in which they are appropriated cancel and must be credited to the principal of the trust fund.

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

Sec. 4. Minnesota Statutes 2001 Supplement, section 116P.15, is amended to read:
116P.15 LAND ACQUISITION RESTRICTIONS.

Subdivision 1. **SCOPE.** A recipient of an appropriation from the trust fund or the Minnesota future resources fund who acquires an interest in real property with the appropriation must comply with this section. If the recipient fails to comply with the terms of this section, ownership of the interest in real property transfers to the state. For the purposes of this section, "interest in real property" includes, but is not limited to, an easement or fee title to property.

Subd. 2. **RESTRICTIONS; MODIFICATION PROCEDURE.** (a) An interest in real property acquired with an appropriation from the trust fund or the Minnesota future resources fund must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made.

(b) A recipient of funding who acquires an interest in real property subject to this section may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the commission. The commission shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:

(1) the interest is at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

(2) the interest is in a reasonably equivalent location, and has a reasonably equivalent usefulness compared to the interest being replaced.

(c) An interest in real property acquired with an appropriation from the trust fund or the Minnesota future resources fund to be held by an entity other than this state shall include the following restrictive covenant on the conveyance instrument used to acquire the real property interests: A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:

(1) a legal description of the interest in real property covered by the funding agreement;

(2) a reference to the underlying funding agreement;

(3) a reference to this section; and

(4) the following statement:

"The above described This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement or work program controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written

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approval of the legislative commission on Minnesota resources or its successor. If the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or work program, ownership of the interest in real property shall revert transfer to this state."

Sec. 5. EFFECTIVE DATE.

Sections 1 to 4 are effective the day following final enactment.

Presented to the governor March 6, 2002

Signed by the governor March 7, 2002, 2:24 p.m.

CHAPTER 226—H.F.No. 2624

An act relating to the city of Shakopee; increasing its public utilities commission from three to five members.

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

Section 1. SHAKOPEE UTILITIES COMMISSION INCREASED TO FIVE MEMBERS.

(a) Notwithstanding Minnesota Statutes, sections 412.331 and 412.341, subdivision 1:

(1) the public utilities commission of the city of Shakopee is increased from three to five members;

(2) the additional members have three-year terms except that the first appointee to the fourth seat has an initial term expiring April 1, 2004, and the first appointee to the fifth seat has an initial term expiring April 1, 2005; and

(3) no more than one city council member may serve on the commission at any time.

(b) The provisions of sections 412.331 to 412.391 that do not conflict with paragraph (a) apply to the additional members to the same extent that they apply to the other members of the commission.

Sec. 2. EFFECTIVE DATE; LOCAL APPROVAL.

Section 1 is effective the day after the governing body of the city of Shakopee and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Presented to the governor March 6, 2002

Signed by the governor March 7, 2002, 2:26 p.m.

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