

CHAPTER 93

MINERAL LANDS

93.0015	Mineral Coordinating Committee.	93.20	Rentals, royalties, form of lease.
93.003	Iron mining; conditions.	93.22	Disposition of payments.
93.17	Application for leases; bids; awards.	93.223	Mineral lease suspense accounts.

93.0015 MINERAL COORDINATING COMMITTEE.

Subdivision 1. **Establishment; membership.** The Mineral Coordinating Committee is established to plan for diversified mineral development. The Mineral Coordinating Committee consists of:

- (1) the commissioner of natural resources;
- (2) the deputy commissioner of the Minnesota Pollution Control Agency;
- (3) the director of United Steelworkers of America, District 11, or the director's designee;
- (4) the commissioner of Iron Range Resources and Rehabilitation;
- (5) the director of the Minnesota Geological Survey;
- (6) the dean of the University of Minnesota Institute of Technology;
- (7) the director of the Natural Resources Research Institute; and
- (8) three individuals appointed by the governor for a four-year term, one each representing the iron ore and taconite, nonferrous metallic minerals, and industrial minerals industries within the state.

Subd. 2. **Staffing.** The commissioner of natural resources shall serve as chair of the committee. A member of the committee may designate another person of the member's organization to act in the member's place. The commissioner shall provide staff and administrative services necessary for the committee's activities.

Subd. 3. **Expiration.** Notwithstanding section 15.059, subdivision 5, or other law to the contrary, the committee expires June 30, 2007.

Subd. 4. **Advice.** The Mineral Coordinating Committee is encouraged to solicit and receive advice from representatives of the United States Geological Survey, United States Environmental Protection Agency, and United States Department of Energy.

History: *1Sp2003 c 13 s 5*

93.003 IRON MINING; CONDITIONS.

Subdivision 1. **Duty to maintain mine.** Legal authority to mine and process iron ore, a basic irreplaceable natural resource of the people of the state of Minnesota, is subject to the conditions of this section. When the owner or operator of an iron mine or related production or beneficiation facilities determines to discontinue the operation of the mine or facilities for any reason it shall maintain the mine or facilities in salable operating condition for at least two years after it discontinues operation in order to allow the state of Minnesota and other interested public and private bodies to seek a new owner and operator. The requirement imposed by this section is a preliminary and permanent requirement on the right of an owner to commence or continue the operation of an iron mine or related facilities. This requirement is enforceable on all owners and operators and successors of owners and operators and shall be enforced by the state in any action in bankruptcy or other litigation that may affect it.

Subd. 2. **Temporary maintenance plan.** At least 60 days before the owner or operator of an iron mine or related production or beneficiation facilities determines to discontinue the operation of the mine or facilities, it shall submit a temporary maintenance plan to the state for approval. The plan must provide for:

- (1) the orderly shutdown of the mine and facilities, including:
 - (i) movement of all mobile equipment to an area above the high water mark;

(ii) drainage of water from all bins, mills, thickeners, storage tanks, water lines, and slurry lines; and

(iii) the emptying and cleaning of all tailings handling equipment, including thickeners, pipes, belts, and bins;

(2) health, safety, and security, including:

(i) security of any blasting materials and hazardous materials;

(ii) provisions for fire prevention; and

(iii) staffing for security;

(3) maintenance of mine, plant facilities, and tailing basins, including:

(i) supplying heat or cooling where needed;

(ii) maintenance of utility lines needed to support the property;

(iii) maintenance of mills, grates, kilns, coolers, and other machinery in running condition;

(iv) taking dust prevention measures; and

(v) maintenance of tailings dikes, water level controls, water run-off control structures, and erosion controls;

(4) compliance with all permit requirements; and

(5) a schedule for reporting periodically to the state on all maintenance activities and any plans to liquidate assets.

History: 2003 c 113 s 1

93.17 APPLICATION FOR LEASES; BIDS; AWARDS.

[For text of subds 1 and 2, see M.S.2002]

Subd. 3. **Bid acceptance.** (a) At the time and place fixed for the sale, the commissioner shall publicly announce the number of applications and bids received. The commissioner shall then publicly open the bids and announce the amount of each bid separately. Thereafter, the commissioner, together with the Executive Council, shall award the leases to the highest bidders for the respective mining units, but no bids shall be accepted that do not equal or exceed the minimum amounts provided for in section 93.20, nor shall any bid be accepted that does not comply with the law. The right is reserved to the state to reject any and all bids.

(b) All applications for leases and bids not accepted at the sale shall become void at the close of the sale and the payment accompanying the applications and bids shall be returned to the applicants entitled to them.

(c) Upon the award of a lease, the payment submitted with the application as provided by subdivision 1 shall be deposited with the commissioner of finance as a fee for the lease.

History: 2003 c 112 art 2 s 50

93.20 RENTALS, ROYALTIES, FORM OF LEASE.

[For text of subds 1 to 6, see M.S.2002]

Subd. 7. **Rental rate.** The part.... of the second part covenants and agrees to pay to the commissioner of finance of said state rental for said premises at the rate of \$1,250 for the first year after the date of this lease and \$5,000 per year for the remainder of the term hereof; provided, that in case and so long as this lease is designated as a taconite iron ore mining lease the rate for the first five years after the date hereof shall be \$400 per year and the rate for the remainder of the term hereof shall be \$1,600 per year. Such rental shall be payable quarterly on or before the 20th day of April, July, October, and January each year during the term hereof. Each quarterly payment shall cover the rental at the rates hereinbefore specified for the calendar quarter or fraction thereof ending on the last day of the calendar month next preceding the due date for such payment. The rental for any fraction of a quarter shall

be computed proportionately at the applicable rate. Any amount paid for rental accrued during any calendar year shall be credited on any royalty that may become due for iron ore removed hereunder during the same calendar year but no further, and any amount paid for such royalty in excess of such credit during such year shall be credited on rental, if any, subsequently accruing during such year but no further.

[For text of subds 8 to 18, see M.S.2002]

Subd. 19. **Quarterly payment.** The part..... of the second part covenant and agree to pay to the commissioner of finance of said state, on or before the twentieth day of April, July, October, and January in each year during the period this lease continues in force royalty at the rates hereinbefore specified for all the iron ore mined and removed from said land during the three months preceding the first day of the month in which such payment is due as hereinbefore provided.

[For text of subds 20 to 30, see M.S.2002]

Subd. 31. **Remittances.** All remittances by the part..... of the second part hereunder shall be made payable to the commissioner of finance and shall be transmitted to the commissioner of natural resources, who shall audit the same, take such action as may be necessary on account of any error or discrepancy discovered, and deposit all remittances found due with the commissioner of finance.

[For text of subds 32 to 39, see M.S.2002]

History: 2003 c 112 art 2 s 50

93.22 DISPOSITION OF PAYMENTS.

[For text of subd 1, see M.S.2002]

Subd. 2. [Repealed, 1Sp2003 c 9 art 5 s 37]

93.223 MINERAL LEASE SUSPENSE ACCOUNTS.

Subdivision 1. [Repealed, 1Sp2003 c 9 art 5 s 37]

[For text of subd 2, see M.S.2002]