

Minnesota Statutes, Sections 92.12 to 92.16, any lands acquired pursuant to Laws 1941, Chapter 511, regardless if they are determined to be surplus state lands, which are located within the site which the state of Minnesota and Reserve Mining Company agree is suitable for disposal of the latter's taconite tailings if the executive council by an affirmative vote of four members authorizes the commissioner to convey such lands. The public meeting of the executive council shall be based only on the commissioner's record of the proceedings concerning permits issued by the commissioner pursuant to Minnesota Statutes, Section 105.42.

Sec. 2. Before February 1, 1978, and after the issuance of all necessary permits for the construction and operation of a taconite tailings disposal facility for Reserve Mining Company, the boards of commissioners of Lake and St. Louis counties may, with the prior approval of the commissioner of natural resources, sell at public auction pursuant to Minnesota Statutes, Section 282.01, Subdivision 3, any conservation or non-conservation tax forfeited lands within their respective jurisdiction and supervision, including lands bordering on or adjacent to meandered lakes and other public waters and watercourses, located within the site which the state of Minnesota and Reserve Mining Company agree is suitable for disposal of the latter's taconite tailings.

Sec. 3. This act is effective the day following its final enactment.

Approved June 2, 1977.

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CHAPTER 394—H.F.No.772

[Coded in Part]

*An act relating to state contracts; regulating bid and performance bonds for small businesses and minority small businesses; appropriating money; amending Minnesota Statutes 1976, Chapter 574, by adding a section.*

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

Section 1. Minnesota Statutes 1976, Chapter 574, is amended by adding a section to read:

**[574.262] SMALL BUSINESS; STATE CONTRACTS. Subdivision 1. BONDS.** To carry out the programs, established elsewhere by law, for awarding certain portions of state construction and procurement contracts and subcontracts to small businesses and small businesses owned by economically and socially disadvantaged persons, the commissioners of administration and transportation may, when deemed appropriate, arrange, through competitive bidding or negotiation, to partially indemnify bonding companies which provide bid and performance bonds covering all or any part of the construction and procurement contracts or subcontracts which are designated for award to small businesses and small businesses owned by economically and socially disadvantaged persons. The amount of the indemnity on each contract shall not exceed \$100,000. Bonds which are subject to indemnity shall be provided to contractors at a cost

**Changes or additions indicated by underline deletions by strikeout**

which shall not exceed the cost of bid and performance bonds if purchased in the usual manner by other businesses for similar contract work or procurement.

Subd. 2. PARTICIPATION LIMIT. No small business or small business owned and operated by economically and socially disadvantaged persons shall be eligible for bonding pursuant to this section for a period of more than five years from the date that the small business or small business owned and operated by economically and socially disadvantaged persons received its first bond pursuant to this section.

Subd. 3. QUALIFICATIONS. The commissioners of administration and transportation shall each establish standards to determine the eligibility of small businesses and small businesses owned by economically and socially disadvantaged persons for the use of bid and performance bonds subject to indemnity under this section. The rule making provisions of chapter 15 shall not apply to the establishment of these standards. Until January 1, 1978, each commissioner may adopt emergency rules pursuant to section 15.0412, subdivision 5, to implement the provisions of this section.

Subd. 4. ENCUMBRANCE NOT APPLICABLE. Agreements of indemnity entered into pursuant to subdivision 1 shall not be subject to encumbrance requirements imposed by other provisions of law.

Sec. 2. APPROPRIATION. Subdivision 1. Any moneys required by the department of administration for payment of claims pursuant to this act shall be made available from the general contingent account.

Subd. 2. Any moneys required by the department of transportation for payment of claims pursuant to this act shall be paid from the unobligated balance of appropriations made to the department for highway development.

Subd. 3. This section is effective for indemnification agreements entered into in the biennium beginning July 1, 1977. The money provided by this act shall not be used for agreements executed after June 30, 1979. The total amount indemnified shall not exceed \$4,500,000.

Approved June 2, 1977.

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CHAPTER 395—H.F.No.789

[Coded in Part]

*An act relating to elections; establishing voter registration in all counties; changing required voter registration information; providing for reports of changes; delaying the availability of registration lists; requiring proof of residence; permitting applications for absentee ballots; providing for delivery and return of election ballots; appropriating money; amending Minnesota Statutes 1976, Sections 201.061, Subdivisions 3 and 6; 201.071; 201.091, Subdivisions 2 and 6 and by adding a subdivision; 201.14; 204A.37, Subdivision 1; 207.03; 207.05, Subdivision 1; 207.10; 207.101; Chapter 201, by adding a section; and*

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