

Be it enacted by the Legislature of the State of Minnesota:

Section 1. **State mining leases extended.**—The Commissioner of Conservation, by and with the approval of the Conservation Commission and the Executive Council, may grant extensions of the terms of state mining contracts and leases in force on the date of the passage and approval of this act for the removal of iron ore from state-owned trust fund lands, heretofore entered into under the authority of Laws 1889, Chapter 22, and acts amendatory thereof, which extensions shall include, among other covenants, the following conditions and provisions, and may include such additional terms and conditions as shall be agreed upon:

- (a) Any such extension shall be for a term not to exceed 25 years beyond the 1st day of January, 1940.
- (b) The royalty to be paid the state on iron ore mined and removed from the property during the term of such extension shall be not less than 50 cents per gross ton.
- (c) Ores not merchantable when mined may under suitable regulations be treated or beneficiated and the royalty be computed on the weight of the concentrates.
- (d) Stockpiles of non-merchantable ore heretofore removed from the demised premises, whether stocked thereon or upon other lands leased for that purpose, may be included in such lease extension and subject to the terms and conditions of such extended lease.
- (e) The annual minimum payments to be made when no ore is mined or shipped from the property shall be not less than \$3,000.00, payable quarterly; such minimum payments shall be construed as ground rental and not advance royalty.

Section 2. **Applications.**—All applications for the extension of the terms of such state mining contracts or leases must be made to the Commissioner of Conservation within eighteen months after the date of the passage and approval of this act. Such applications shall be in the form and contain such information as the Commissioner of Conservation may prescribe and require.

Approved April 26, 1937.

CHAPTER 489—H. F. No. 1383

An act appropriating money for the purpose of enabling the state agency to carry out certain provisions of Extra Session Laws 1935, Chapter 95, relating to a state wide system of old age assistance;

providing for a tax levy and the issuance of certificates of indebtedness in anticipation of the collection of such taxes; authorizing the state board of investment to invest the state trust funds in such tax levy certificates, and authorizing the board of investment to purchase said certificates of indebtedness.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. **Appropriations for old age assistance.**—There is hereby appropriated out of the Old Age Assistance fund, and from moneys not otherwise appropriated, the sum of \$1,100,000 to be immediately available for the purpose of enabling the State Agency as defined in Chapter 95 of the Extra Session Laws of 1935 to pay the state's share of payments to recipients of Old Age Assistance and also for the cost of supervision of said act by said State Agency.

Section 2. **Appropriation—tax levy.**—For the purpose of providing funds with which to discharge the obligations provided by the terms of this act, the State Auditor is hereby authorized and directed to levy upon all taxable property in the state in the same manner in which other state taxes are levied the sum of \$1,375,000 of which the sum of \$775,000 shall be levied in the taxable year 1937 and the sum of \$600,000 shall be levied in the taxable year 1938, and to levy and collect such additional sum as may be needed to meet the interest on the certificates of indebtedness hereinafter authorized.

Section 3. **Disposition of proceeds.**—The proceeds of such tax levy shall be credited to the Old Age Assistance Fund, and the same are hereby appropriated for the purpose of paying the certificates of indebtedness authorized by this act, together with the interest thereon.

Section 4. **May sell certificates of indebtedness.**—Pending the levy and collection of said taxes, the State Auditor is hereby authorized and empowered to issue and sell, at not less than par, as funds are needed for the purpose of this act, certificates of indebtedness of the state in an aggregate amount not exceeding \$1,100,000, exclusive of those to be levied for the payment of interest. The certificates shall mature at such time as the Auditor may determine, not exceeding, however, the time when funds shall be available for the payment thereof from the tax levy herein authorized. Such certificates shall bear such rate of interest, not exceeding three per cent per annum, payable semi-annually, and shall be in such form as the State Auditor may determine, and shall be signed by the State Treasurer and attested by the State Auditor under their official seals, and the Auditor and the Treasurer shall keep due record of each thereof. The proceeds of the sale of said

certificates shall be credited to the Old Age Assistance Fund, and said certificates, and the interest thereon, shall be paid from said fund, provided that such interest as may become due on said certificates, until said taxes have been collected to meet the same, shall be paid out of the Revenue Fund, and the amount necessary therefor for such purposes is hereby appropriated.

Section 5. State Board of Investment may purchase certificates.—The State Board of Investment is hereby authorized to invest the State trust funds in said tax levy certificates, and said State Board of Investment is hereby authorized to purchase said certificates of indebtedness at the rate of not less than three per cent interest, in such sums and amounts as said Board may from time to time have available funds for that purpose, and said State Investment Board, for this purpose, is authorized to purchase said certificates of indebtedness at a rate of three per cent, any law to the contrary notwithstanding, but this rate of interest shall not apply to the State Investment Board for other loans.

Section 6. This act shall take effect and be in force from and after its passage.

Approved April 26, 1937.

CHAPTER 490—H. F. No. 1695

An act to amend Mason's Minnesota Statutes of 1927, Section 2554, Subdivision 6, relating to public highways, the commissioner of highways and his powers.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Powers of commissioner of highways.—Mason's Minnesota Statutes of 1927, Section 2554, Subdivision 6 is hereby amended to read as follows:

Subdivision (6). The commissioner of highways may conduct the work or any part thereof, incidental to the construction and maintenance of the trunk highways by labor employed therefor or by contract. In cases of construction work, the commissioner of highways shall first advertise for bids for contracts and if no satisfactory bids are received, he shall have the right to reject all bids and re-advertise or do the work by labor employed therefor. When work is to be let under contract he shall publish a notice to that effect, for three successive weeks prior to the date such bids are to