(5) unlicensed sales of alcoholic beverages committed within the building in violation of section 340A.401; or

(6) unlawful sales or gifts of alcoholic beverages by an unlicensed person committed within the building in violation of section 340A.503, subdivision 2, clause (1)-; or

(7) unlawful use or possession of a firearm in violation of section 609.66, subdivision 1a, 609.67, or 624.713, committed within the building.

(b) A second or subsequent conviction under paragraph (a) may be used to prove the existence of a nuisance if the conduct on which the second or subsequent conviction is based occurred within two years following the first conviction, regardless of the date of the conviction for the second or subsequent offense.

Sec. 7. Minnesota Statutes 1990, section 617.81, is amended by adding a subdivision to read:

Subd. 2a. SEIZURES AND ARRESTS CONSTITUTING A NUISANCE. For purposes of sections 617.80 to 617.87, a public nuisance exists upon proof of three qualifying events that occurred on different days within the previous two months. For purposes of this section, "qualifying event" means a lawful seizure of controlled substances within the building or a lawful arrest within the building for the possession or sale of controlled substances within the building or on the building's curtilage.

Sec. 8. Minnesota Statutes 1990, section 617.81, subdivision 3, is amended to read:

Subd. 3. NOTICE. Notice of a conviction described in subdivision 2, or ofa <u>qualifying event described in subdivision 2a</u>, must be mailed by the court administrator to the owner of the building where the offense was committed and all other interested parties and must be filed with the county recorder's office. This notice is considered sufficient to inform all interested parties that the building or a portion of it is being used for purposes constituting a public nuisance.

Presented to the governor May 23, 1991

Signed by the governor May 27, 1991, 10:20 p.m.

CHAPTER 194-S.F.No. 962

An act relating to natural resources; revising certain provisions regarding the leasing of state-owned iron ore and related minerals; amending Minnesota Statutes 1990, sections 93.16; 93.17, subdivisions 1 and 3; and 93.20, by adding a subdivision; repealing Minnesota Statutes 1990, section 93.20, subdivision 9.

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

Section 1. Minnesota Statutes 1990, section 93.16, is amended to read:

93.16 PERMITS; SALE, NOTICE.

Except as otherwise expressly provided by law, prospecting permits for iron ore or other minerals belonging to the state shall be issued only upon public sale as herein provided. The sale of permits may be held annually, at the discretion of at such times and places as designated by the commissioner, on the second Monday in August. The commissioner shall give public notice of each sale by publication for four three successive weeks in a daily newspaper printed and published in each of the cities of St. Paul, Minneapolis, Duluth, Hibbing, and Virginia. The last publication shall be not less than seven days nor more than 30 days before August 4 next preceding the date of sale. Like notice may be published in not to exceed two additional newspapers and two trade magazines, as the commissioner may direct.

Each notice shall contain the following information:

(1) Time and place of holding the sale;

(2) The general requirements of law affecting bidders and purchasers of permits;

(3) The place or places where the list of mining units, to be offered for sale will be available for inspection and where forms for bids and applications for prospecting permits may be obtained;

(4) Such other information as the commissioner may direct.

Sec. 2. Minnesota Statutes 1990, section 93.17, subdivision 1, is amended to read:

Subdivision 1. Applications for permits to prospect for iron ore shall be presented to the commissioner in writing in such form as the commissioner may prescribe at any time prior to the time of opening the bids as hereinafter provided before 4:30 p.m., St. Paul, Minnesota time, on the last business day before the day specified for the opening of bids, and no bids submitted after that time shall be considered. The application shall be accompanied by a certified check payable to the state treasurer in the sum of \$50 for each mining unit as set out above. Each application shall be accompanied also by a sealed bid setting forth the amount of royalty per gross ton of crude ore based upon the iron content of the ore when dried at 212 degrees Fahrenheit, in its natural condition or when concentrated, as set out in detail hereafter, that the applicant proposes to pay to the state of Minnesota in case the permit shall be awarded.

Sec. 3. Minnesota Statutes 1990, section 93.17, subdivision 3, is amended to read:

Subd. 3. On the date At the time and place fixed for the sale at 11 o'clock in the forenoon in the office of the governor in the state capitol in St. Paul, the commissioner shall publicly announce the number of applications and bids received- and none received thereafter shall be considered. The commissioner, together with at least one member of the executive council as designated by the council, shall then publicly open the bids, and announce the amount of each bid separately, and. Thereafter, the commissioner, together with the executive council, shall award the permits to the highest bidders for the respective mining units, but no bids shall be accepted that shall not equal or exceed the minimum amounts provided for in section 93.20, nor shall any bid be accepted that shall not comply with the law and be accompanied by a certified check for the faithful performance of the terms of each permit as hereinbefore set out. The right is reserved to the state to reject any and all bids. All applications for permits and bids not accepted at such sale shall become void at the close of the sale and the checks accompanying the applications and bids shall be returned to the applicants entitled to them. Upon the award of a permit, the certified check submitted with the application as provided by subdivision 1, shall be deposited with the state treasurer as a fee for the permit, to be credited to the same fund as the rental or royalty from the mining unit affected, and the certified check submitted with the bid as provided by subdivision 2, shall be deposited with the state treasurer and held for further disposition as provided by law.

Sec. 4. Minnesota Statutes 1990, section 93.20, is amended by adding a subdivision to read:

Subd. 9a. (1) The royalties to be paid by the part... of the second part to the party of the first part on ore removed in each calendar quarter that the lease remains in force as hereinbefore specified shall be subject to increase by fifty percent (50%) of the sum of the amounts determined in accordance with sub-paragraphs (a) and (b) below:

(a) Reference shall be made to the Producer Price Index for Iron Ores (December 1984=100) (Industry Code No. 1011), as originally published (unrevised) by the Bureau of Labor Statistics of the United States Department of Labor, or any succeeding federal agency publishing such index, for the first month in the calendar quarter for which royalty payment is to be made. If the Producer Price Index for Iron Ores exceeds, which was the level of such index for the month in which this lease was issued (hereafter called the "PPI -IO Base Index"), the excess shall be computed and this excess shall become the numerator of a fraction, the denominator of which shall be the PPI - IO Base Index, and the resulting fraction shall be multiplied by the royalty rate per ton payable on the ore mined and removed during any such quarter.

For example, if the PPI - IO Base Index under this lease was 119.2, and if the Producer Price Index for Iron Ores for January, 19... was 125.3, the additional amount for the calendar quarter of January, February, and March 19... would be computed as follows:

[(125.3-119.2)/119.2] x base royalty rate = additional amount

(b) Reference shall be made to the Producer Price Index for the Iron and Steel Subgroup of the Metals and Metal Products Group (1982=100) (Commodity Code No. 101), as originally published (unrevised) by the Bureau of Labor Statistics of the United States Department of Labor, or any succeeding federal agency publishing such index, for the first month in the calendar quarter for which royalty payment is to be made. If the Producer Price Index for the Iron and Steel Subgroup of the Metals and Metal Products Group exceeds, which was the level of such index for the month in which this lease was issued (hereafter called the "PPI - I&S Base Index)", the excess shall be computed and this excess shall become the numerator of a fraction, the denominator of which shall be the PPI - I&S Base Index, and the resulting fraction shall be multiplied by the royalty rate per ton payable on the ore mined and removed during any such quarter.

For example, if the PPI - I&S Base Index under this lease was 129.5, and if the Producer Price Index for the Iron and Steel Subgroup of the Metals and Metal Products Group for January, 19., was 139.5, the additional amount for the calendar quarter of January, February, and March 19., would be computed as follows:

 $\frac{1}{139.5-129.5}$ x base royalty rate = additional amount

(2) In the event some other period than December 1984 is used as a base of 100 in determining the Producer Price Index for Iron Ores or some other period than 1982 is used as a base of 100 in determining the Producer Price Index for the Iron and Steel Subgroup of the Metals and Metal Products Group, for the purposes of this lease these indexes shall be adjusted so as to be in correct relationship to the appropriate base. In the event either such index is not published by any federal agency, the index to be used as aforesaid shall be that index independently published, which, after necessary adjustments, if any, provides the most reasonable substitute for the appropriate index during any period subsequent to the month in which this lease is issued; it being intended to substitute for the Producer Price Index for Iron Ores and index that most accurately reflects fluctuations in the prices of Great Lakes iron ores in the manner presently reported by the Producer Price Index for Iron Ores (December 1984=100), as originally published (unrevised) by the Bureau of Labor Statistics of the United States Department of Labor, and it being intended to substitute for the Producer Price Index for the Iron and Steel Subgroup of the Metals and Metal Products Group an index that most accurately reflects fluctuations in the prices of iron and steel in the manner presently reported by the Producer Price Index for the Iron and Steel Subgroup of the Metals and Metal Products Group (1982=100), as originally published (unrevised) by the Bureau of Labor Statistics of the United States Department of Labor.

If the parties to this lease cannot agree upon substitute indexes which accomplish these purposes, each shall choose an arbitrator and the two thus selected shall choose a third. The decision of the arbitrators or any two of them

shall be final and binding on the parties in interest. The agreement or the decision of the arbitrators shall be attached as a supplement to the lease. Each party to the arbitration shall bear their representative share of the costs for the arbitration.

Sec. 5. REPEALER.

Minnesota Statutes 1990, section 93.20, subdivision 9, is repealed.

Sec. 6. EFFECTIVE DATE.

This act is effective the day following its final enactment.

Presented to the governor May 23, 1991

Signed by the governor May 27, 1991, 10:22 p.m.

CHAPTER 195-S.F.No. 274

An act relating to regulation of dangerous dogs; providing for designation of a warning symbol to inform children of the presence of a dangerous dog; amending Minnesota Statutes 1990, section 347.51, by adding a subdivision.

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

Section 1. Minnesota Statutes 1990, section 347.51, is amended by adding a subdivision to read:

<u>Subd. 2a.</u> WARNING SYMBOL. If a county issues a certificate of registration to the owner of a dangerous dog pursuant to subdivision 2, the county must provide, for posting on the owner's property, a copy of a warning symbol to inform children that there is a dangerous dog on the property. The design of the warning symbol must be uniform and specified by the commissioner of public safety, after consultation with animal control professionals. The design specification process is exempt from rulemaking under chapter 14 and is exempt from section 14.38. The commissioner shall provide the number of copies of the warning symbol requested by each county and shall charge the county the actual cost of the warning symbols received. The county may charge the registrant a reasonable fee to cover its administrative costs and the cost of the warning symbol.

Sec. 2. EFFECTIVE DATE; APPLICATION.

<u>The symbol design provisions of section 1 are effective the day following</u> <u>enactment. On and after August 1, 1991, a copy of the dangerous dog symbol</u> <u>must be distributed to each owner of a dangerous dog who has registered or reg-</u> <u>isters a dog pursuant to section 347.51, subdivision 2, before, on, or after that</u> <u>date.</u>