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State of Minnesota

HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2301

02/25/2014 Authored by Erickson, R., The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy

1.1 A bill for an act
1.2 relating to state lands; modifying disposition of certain land and revenue;
1.3 modifying requirement for commissioner's approval of certain land sales; adding
1.4 to and deleting from state forests and recreation areas; authorizing public and
1.5 private sales and exchanges of certain state lands; merging certain state parks;
1.6 amending Minnesota Statutes 2012, sections 89.022; 282.01, subdivision 3;
1.7 282.011, subdivision 1; 282.018, subdivision 1; 282.02; 459.06, subdivisions 1,
1.8 3; 477A.17; Minnesota Statutes 2013 Supplement, section 85.012, subdivision
1.9 38a; repealing Minnesota Statutes 2012, section 85.012, subdivision 53a.

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

1.11 Section 1. Minnesota Statutes 2013 Supplement, section 85.012, subdivision 38a,
1.12 is amended to read:

1.13 Subd. 38a. Lake Vermilion-Soudan Underground Mine State Park, St. Louis County.

1.14 Sec. 2. Minnesota Statutes 2012, section 89.022, is amended to read:

1.15 89.022 DISPOSAL OF TILLABLE LAND IN MEMORIAL HARDWOOD
1.16 FOREST.

1.17 Subdivision 1. Exchange or sale required. If any parcel acquired for the Memorial
1.18 Hardwood Forest after July 1, 1977 contains more than ten contiguous acres of tillable
1.19 land adjacent to other tillable land or to a maintained public road or a farm homestead
1.20 consisting of a residence and farm buildings abutting a maintained public road, the
1.21 commissioner of natural resources shall either exchange the land for other land suitable for
1.22 forest purposes or declare the land as surplus land to the commissioner of administration.
1.23 The commissioner of administration shall offer the land for sale in the manner provided
1.24 by law not less than six months after acquisition by the state and once thereafter in each
1.25 of the next two years. Tillable land is land classified as class 1, 2, or 3 as defined by the

2.1 United States Soil Conservation Service. Notwithstanding any law to the contrary neither
 2.2 the state nor any of its subdivisions shall be required to construct or maintain any street,
 2.3 highway or other road to provide access to any parcel of land sold or exchanged pursuant
 2.4 to this section. The commissioner of natural resources may retain easements over parcels
 2.5 sold or exchanged pursuant to this section as are required for purposes of providing access
 2.6 to public waters or forest lands or access to insure stream bank stabilization and protection.

2.7 Subd. 2. **Exemption.** The commissioner of natural resources may apply to the
 2.8 ~~Legislative-Citizen Commission on Minnesota Resources~~ county board for an exemption
 2.9 from the exchange or sale requirements of subdivision 1 in instances where it can be
 2.10 demonstrated that ~~unique recreational, historical or scientific values would be destroyed~~
 2.11 ~~by the exchange or sale of tillable land or a farm homestead~~ has been or will be acquired
 2.12 for natural resource and public access purposes. ~~Exemptions shall be decided by the~~
 2.13 ~~commission on an individual basis.~~ The county board may approve or disapprove the
 2.14 exemption. If the application for exemption is not decided by the ~~commission~~ county
 2.15 board within 90 days, the application shall be deemed to have been ~~denied~~ approved.

2.16 Subd. 3. **Disposition.** Money collected pursuant to this section ~~89.022~~ shall be
 2.17 deposited in the ~~general fund~~ natural resources fund established under section 16A.531,
 2.18 subdivision 2.

2.19 Sec. 3. Minnesota Statutes 2012, section 282.01, subdivision 3, is amended to read:

2.20 Subd. 3. **Nonconservation lands; appraisal and sale.** (a) All parcels of land
 2.21 classified as nonconservation, except those which may be reserved, shall be sold as
 2.22 provided, if it is determined, by the county board of the county in which the parcels lie,
 2.23 that it is advisable to do so, having in mind their accessibility, their proximity to existing
 2.24 public improvements, and the effect of their sale and occupancy on the public burdens.
 2.25 Any parcels of land proposed to be sold shall be first appraised by the county board of
 2.26 the county in which the parcels lie. The parcels may be reappraised whenever the county
 2.27 board deems it necessary to carry out the intent of sections 282.01 to 282.13.

2.28 (b) In an appraisal the value of the land and any standing timber on it shall be
 2.29 separately determined. No parcel of land containing any standing timber may be sold
 2.30 until the appraised value of the timber on it and the sale of the land have been approved
 2.31 by the ~~commissioner of natural resources~~ county board. ~~The commissioner shall base~~
 2.32 ~~review of a proposed sale on the policy and considerations specified in subdivision 1. The~~
 2.33 ~~decision of the commissioner shall be in writing and shall state the reasons for it. The~~
 2.34 ~~commissioner's decision is exempt from the rulemaking provisions of chapter 14 and~~

3.1 ~~section 14.386 does not apply. The county may appeal the decision of the commissioner~~
 3.2 ~~in accordance with chapter 14.~~

3.3 ~~(e) In any county in which a state forest or any part of it is located, the county~~
 3.4 ~~auditor shall submit to the commissioner at least 60 days before the first publication of the~~
 3.5 ~~list of lands to be offered for sale a list of all lands included on the list which are situated~~
 3.6 ~~outside of any incorporated municipality. If, at any time before the opening of the sale,~~
 3.7 ~~the commissioner notifies the county auditor in writing that there is standing timber on~~
 3.8 ~~any parcel of land, the parcel shall not be sold unless the requirements of this section~~
 3.9 ~~respecting the separate appraisal of the timber and the approval of the appraisal by the~~
 3.10 ~~commissioner have been complied with. The commissioner may waive the requirement~~
 3.11 ~~of the 60-day notice as to any parcel of land which has been examined and the timber~~
 3.12 ~~value approved as required by this section.~~

3.13 ~~(d)~~ (c) If any public improvement is made by a municipality after any parcel of land
 3.14 has been forfeited to the state for the nonpayment of taxes, and the improvement is assessed
 3.15 in whole or in part against the property benefited by it, the clerk of the municipality shall
 3.16 certify to the county auditor, immediately upon the determination of the assessments for
 3.17 the improvement, the total amount that would have been assessed against the parcel of land
 3.18 if it had been subject to assessment; or if the public improvement is made, petitioned for,
 3.19 ordered in or assessed, whether the improvement is completed in whole or in part, at any
 3.20 time between the appraisal and the sale of the parcel of land, the cost of the improvement
 3.21 shall be included as a separate item and added to the appraised value of the parcel of land
 3.22 at the time it is sold. No sale of a parcel of land shall discharge or free the parcel of land
 3.23 from lien for the special benefit conferred upon it by reason of the public improvement
 3.24 until the cost of it, including penalties, if any, is paid. The county board shall determine
 3.25 the amount, if any, by which the value of the parcel was enhanced by the improvement and
 3.26 include the amount as a separate item in fixing the appraised value for the purpose of sale.

3.27 Sec. 4. Minnesota Statutes 2012, section 282.011, subdivision 1, is amended to read:

3.28 Subdivision 1. **Classification, sale, procedures and conditions.** Any lands which
 3.29 have become the absolute property of the state through forfeiture for nonpayment of
 3.30 taxes and which have been classified by the county board as conservation lands under the
 3.31 provisions of section 282.01, or have been classified as nonagricultural lands under the
 3.32 provisions of section 282.14, or any such lands which shall hereafter be so classified, may
 3.33 be designated by the county board of the county in which such lands lie, by resolution duly
 3.34 adopted, as appropriate and primarily suitable for either specific conservation purposes
 3.35 or for auxiliary forest lands. Any resolution so adopted, together with a list of the lands

4.1 involved shall be forwarded to the ~~commissioner of natural resources who shall promptly~~
4.2 ~~approve or disapprove the whole or any part thereof.~~ The commissioner shall thereupon
4.3 ~~make a certificate showing the lands approved,~~ transmit the same to the county auditor
4.4 who shall record the same. Lands so designated and so approved shall thereupon be
4.5 appraised and the whole, or any part thereof, may be offered for sale and sold in the same
4.6 manner as provided for the sale of lands classified as nonconservation lands under section
4.7 282.01, or as agricultural lands under section 282.14, as the case may be, according to the
4.8 status of such lands upon forfeiture. The right to a deed of conveyance to such property
4.9 accorded the purchaser at any such sale shall be conditioned upon the lands being placed
4.10 in an auxiliary forest or used for designated conservation purposes as designated by the
4.11 resolution of the county board.

4.12 Sec. 5. Minnesota Statutes 2012, section 282.018, subdivision 1, is amended to read:

4.13 Subdivision 1. **Land on or adjacent to public waters.** (a) All land which is the
4.14 property of the state as a result of forfeiture to the state for nonpayment of taxes, regardless
4.15 of whether the land is held in trust for taxing districts, and which borders on or is adjacent to
4.16 meandered lakes and other public waters and watercourses, and the live timber growing or
4.17 being thereon, is hereby withdrawn from sale except as hereinafter provided. The authority
4.18 having jurisdiction over the timber on any such lands may sell the timber as otherwise
4.19 provided by law for cutting and removal under such conditions as the authority may
4.20 prescribe in accordance with approved, sustained yield forestry practices. The authority
4.21 having jurisdiction over the timber shall reserve such timber and impose such conditions as
4.22 the authority deems necessary for the protection of watersheds, wildlife habitat, shorelines,
4.23 and scenic features. Within the area in Cook, Lake, and St. Louis counties described in the
4.24 Act of Congress approved July 10, 1930 (46 Stat. 1020), the timber on tax-forfeited lands
4.25 shall be subject to like restrictions as are now imposed by that act on federal lands.

4.26 (b) Of all tax-forfeited land bordering on or adjacent to meandered lakes and other
4.27 public waters and watercourses and so withdrawn from sale, a strip two rods in width,
4.28 the ordinary high-water mark being the waterside boundary thereof, and the land side
4.29 boundary thereof being a line drawn parallel to the ordinary high-water mark and two rods
4.30 distant landward therefrom, hereby is reserved for public travel thereon, and whatever the
4.31 conformation of the shore line or conditions require, the authority having jurisdiction over
4.32 such lands shall reserve a wider strip for such purposes.

4.33 (c) Any tract or parcel of land which has 150 feet or less of waterfront may be sold
4.34 by the authority having jurisdiction over the land, in the manner otherwise provided by
4.35 law for the sale of such lands, if the authority determines that it is in the public interest

5.1 to do so. ~~If the authority having jurisdiction over the land is not the commissioner of~~
 5.2 ~~natural resources, the land may not be offered for sale without the prior approval of the~~
 5.3 ~~commissioner of natural resources.~~

5.4 (d) ~~Where the authority having jurisdiction over lands withdrawn from sale under~~
 5.5 ~~this section is not the commissioner of natural resources, the authority may submit~~
 5.6 ~~proposals for disposition of the lands to the commissioner. The commissioner of natural~~
 5.7 ~~resources shall evaluate the lands and their public benefits and make recommendations on~~
 5.8 ~~the proposed dispositions to the committees of the legislature with jurisdiction over natural~~
 5.9 ~~resources. The commissioner shall include any recommendations of the commissioner for~~
 5.10 ~~disposition of lands withdrawn from sale under this section over which the commissioner~~
 5.11 ~~has jurisdiction. The commissioner's recommendations may include a public sale, sale to a~~
 5.12 ~~private party, acquisition by the Department of Natural Resources for public purposes, or a~~
 5.13 ~~cooperative management agreement with, or transfer to, another unit of government.~~

5.14 Sec. 6. Minnesota Statutes 2012, section 282.02, is amended to read:

5.15 **282.02 LIST OF LANDS FOR SALE; NOTICE.**

5.16 Immediately after classification and appraisal of the land, ~~and after approval by the~~
 5.17 ~~commissioner of natural resources when required pursuant to section 282.01, subdivision~~
 5.18 ~~3,~~ the county board shall provide and file with the county auditor a list of parcels of land
 5.19 to be offered for sale. This list shall contain a description of the parcels of land and the
 5.20 appraised value thereof. The auditor shall publish a notice of the intended public sale of
 5.21 such parcels of land and a copy of the resolution of the county board fixing the terms of
 5.22 the sale, if other than for cash only, by publication once a week for two weeks in the
 5.23 official newspaper of the county, the last publication to be not less than ten days previous
 5.24 to the commencement of the sale.

5.25 The notice shall include the parcel's description and appraised value. The notice
 5.26 shall also indicate the amount of any special assessments which may be the subject of a
 5.27 reassessment or new assessment or which may result in the imposition of a fee or charge
 5.28 pursuant to sections 429.071, subdivision 4, 435.23, and 444.076. The county auditor shall
 5.29 also mail notice to the owners of land adjoining the parcel to be sold. For purposes of this
 5.30 section, "owner" means the taxpayer as listed in the records of the county auditor.

5.31 If the county board of St. Louis or Koochiching Counties determines that the sale
 5.32 shall take place in a county facility other than the courthouse, the notice shall specify the
 5.33 facility and its location.

5.34 Sec. 7. Minnesota Statutes 2012, section 459.06, subdivision 1, is amended to read:

6.1 Subdivision 1. **Accept donations.** Any county, city, or town may by resolution of
 6.2 its governing body accept donations of land that the governing body deems to be better
 6.3 adapted for the production of timber and wood than for any other purpose, for a forest, and
 6.4 may manage it on forestry principles. The donor of not less than 100 acres of any such
 6.5 land shall be entitled to have the land perpetually bear the donor's name. The governing
 6.6 body of any city or town, when funds are available or have been levied therefor, may,
 6.7 when authorized by a majority vote by ballot of the voters voting at any general or special
 6.8 city election or town meeting where the question is properly submitted, purchase or
 6.9 obtain by condemnation proceedings, and preferably at the sources of streams, any tract
 6.10 of land for a forest which is better adapted for the production of timber and wood than
 6.11 for any other purpose, and which is conveniently located for the purpose, and manage it
 6.12 on forestry principles. ~~The selection of the lands and the plan of management must be~~
 6.13 ~~approved by the director of lands and forestry.~~ The city or town may annually levy a tax
 6.14 on all taxable property within its boundaries to procure and maintain such forests.

6.15 Sec. 8. Minnesota Statutes 2012, section 459.06, subdivision 3, is amended to read:

6.16 Subd. 3. **Withdrawal of tax-forfeited lands.** Any tax-forfeited land which has
 6.17 been included in a memorial forest established in any county under the provisions of
 6.18 subdivision 2, and which is found more suitable for other purposes may by resolution of
 6.19 the county board be withdrawn from the forest for disposal as tax-forfeited land ~~if the~~
 6.20 ~~commissioner of natural resources approves the sale of such land.~~

6.21 Sec. 9. Minnesota Statutes 2012, section 477A.17, is amended to read:

6.22 ~~477A.17 LAKE VERMILION STATE PARK AND SOUDAN~~
 6.23 ~~VERMILION-SOUDAN UNDERGROUND MINE STATE PARK; ANNUAL~~
 6.24 ~~PAYMENTS.~~

6.25 (a) ~~Beginning in fiscal year 2012,~~ In lieu of the payment amount provided under
 6.26 section 477A.12, subdivision 1, clause (1), the county shall receive an annual payment
 6.27 for state-owned land acquired for within the boundary of Lake Vermilion-Soudan
 6.28 Underground Mine State Park, established in section 85.012, subdivision 38a, ~~and land~~
 6.29 ~~within the boundary of Soudan Underground Mine State Park, established in section~~
 6.30 ~~85.012, subdivision 53a,~~ equal to 1.5 percent of the appraised value of the state-owned land.

6.31 (b) For the purposes of this section, the appraised value of the land acquired for
 6.32 Lake Vermilion-Soudan Underground Mine State Park for the first five years after
 6.33 acquisition shall be the purchase price of the land, plus the value of any portion of the land
 6.34 that is acquired by donation. ~~The appraised value must be redetermined by the county~~

7.1 ~~assessor every five years after the land is acquired.~~ Thereafter, the appraised value of the
 7.2 state-owned land shall be as determined under section 477A.12, subdivision 3.

7.3 (c) The annual payments under this section shall be distributed to the taxing
 7.4 jurisdictions containing the property as follows: one-third to the school districts; one-third
 7.5 to the town; and one-third to the county. The payment to school districts is not a county
 7.6 apportionment under section 127A.34 and is not subject to aid recapture. Each of those
 7.7 taxing jurisdictions may use the payments for their general purposes.

7.8 (d) Except as provided in this section, the payments shall be made as provided
 7.9 in sections 477A.11 to 477A.13.

7.10 Sec. 10. **DELETIONS FROM STATE RECREATION AREA.**

7.11 **[85.013][Subd. 11b.] Greenleaf Lake State Recreation Area, Meeker County.**

7.12 The following areas are deleted from the Greenleaf Lake State Recreation Area:

7.13 (1) the West Half of the Southwest Quarter of Section 29, Township 118 North,
 7.14 Range 30 West;

7.15 (2) the Southeast Quarter of the Southeast Quarter, the Northeast Quarter of the
 7.16 Southeast Quarter, the Southeast Quarter of the Northeast Quarter, and the South 15
 7.17 acres of the Northeast Quarter of the Northeast Quarter, all in Section 30, Township
 7.18 118 North, Range 30 West; and

7.19 (3) the West 15 acres of the Northwest Quarter of the Northwest Quarter of Section
 7.20 32, Township 118 North, Range 30 West.

7.21 Sec. 11. **ADDITION TO STATE FOREST.**

7.22 **[89.021][Subd. 48a.] Snake River State Forest.** The following area is added to the
 7.23 Snake River State Forest: Sections 15 and 16, Township 42 North, Range 23 West.

7.24 Sec. 12. **PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC**
 7.25 **WATER; BECKER COUNTY.**

7.26 (a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the
 7.27 commissioner of natural resources may sell by private sale the surplus land bordering
 7.28 public water that is described in paragraph (c).

7.29 (b) The commissioner may sell the land to a local unit of government for less than
 7.30 the value of the land as determined by the commissioner, but the conveyance must provide
 7.31 that the land described in paragraph (c) be used for the public and reverts to the state if
 7.32 the local unit of government fails to provide for public use or abandons the public use

8.1 of the land. The commissioner may make necessary changes to the legal description to
 8.2 correct errors and ensure accuracy.

8.3 (c) The land that may be sold is located in Becker County and is described as: that
 8.4 part of the Northwest Quarter of the Northeast Quarter of Section 29, Township 140
 8.5 North, Range 36 West, described as follows:

8.6 Commencing at the northwest corner of said Northwest Quarter of the Northeast
 8.7 Quarter; thence on an assumed bearing of South 89 degrees 36 minutes 26 seconds
 8.8 East, a distance of 1,020.56 feet along the north line of said Northwest Quarter of
 8.9 the Northeast Quarter to the point of beginning; thence South 00 degrees 01 minutes
 8.10 30 seconds West, a distance of 222.19 feet; thence North 73 degrees 06 minutes 43
 8.11 seconds East, a distance of 222.99 feet; thence North 12 degrees 38 minutes 24
 8.12 seconds East, a distance of 159.58 feet to the north line of said Northwest Quarter
 8.13 of the Northeast Quarter; thence North 89 degrees 36 minutes 26 seconds West, a
 8.14 distance of 248.21 feet along said north line to the point of beginning, excepting the
 8.15 right-of-way of Minnesota Trunk Highway 34.

8.16 Containing approximately 0.5 acres, more or less.

8.17 (d) The land described in paragraph (c) borders the Straight River. The Department
 8.18 of Natural Resources has determined that the land is not needed for natural resource
 8.19 purposes and that the state's land management interests would best be served if the land
 8.20 were conveyed to a local unit of government for public use.

8.21 **Sec. 13. EXCHANGE OF STATE LAND; KANABEC COUNTY.**

8.22 (a) Notwithstanding the riparian restrictions in Minnesota Statutes, section 94.342,
 8.23 subdivision 3, the commissioner of natural resources may, with the approval of the Land
 8.24 Exchange Board as required under the Minnesota Constitution, article XI, section 10, and
 8.25 according to the remaining provisions of Minnesota Statutes, sections 94.342 to 94.347,
 8.26 exchange the riparian land described in paragraph (b).

8.27 (b) The state land that may be exchanged is located in Kanabec County and is
 8.28 described as:

8.29 (1) the Northeast Quarter, Northwest Quarter, and Northwest Quarter of the
 8.30 Southeast Quarter, all in Section 16, Township 42 North, Range 24 West; and

8.31 (2) the East Half of the Northeast Quarter, North Half of the Southeast Quarter, and
 8.32 South Half of the Southeast Quarter, all in Section 9, Township 42 North, Range 23 West.

8.33 (c) The state land administered by the commissioner of natural resources borders
 8.34 the Snake River. The state land administered by the county borders Hay Creek. While
 8.35 those lands do not provide at least equal opportunity for access to the waters by the public,

9.1 the land to be acquired by the commissioner in the exchange will improve access to
 9.2 adjacent state forest lands.

9.3 **Sec. 14. PUBLIC SALE OF SURPLUS STATE LAND WITHIN STATE PARK;**
 9.4 **KITTSON COUNTY.**

9.5 (a) Notwithstanding Minnesota Statutes, section 85.012, subdivision 1, the
 9.6 commissioner of natural resources may sell by public sale the surplus land within Lake
 9.7 Bronson State Park described in paragraph (c).

9.8 (b) The commissioner may make necessary changes to the legal description to
 9.9 correct errors and ensure accuracy.

9.10 (c) The land that may be sold is located in Kittson County and is described as: the
 9.11 following lots located in the Lakeside Subdivision Plat, located within the Southeast
 9.12 Quarter of the Northwest Quarter, Section 33, Township 161 North, Range 46 West:

9.13 (1) Lots 3 and 4, Block 1;

9.14 (2) Lots 4, 5, 7 to 9, and 13 to 15, Block 4; and

9.15 (3) Lots 1 to 7 and 12 to 15, Block 5.

9.16 Containing 2.15 acres, more or less.

9.17 (d) The Department of Natural Resources has determined that the land is not needed
 9.18 for natural resource purposes.

9.19 **Sec. 15. MERGER OF SOUDAN UNDERGROUND MINE STATE PARK, ST.**
 9.20 **LOUIS COUNTY, INTO LAKE VERMILION STATE PARK, ST. LOUIS COUNTY.**

9.21 Soudan Underground Mine State Park is merged into Lake Vermilion State Park. The
 9.22 merged park shall be known as Lake Vermilion-Soudan Underground Mine State Park.

9.23 **Sec. 16. REVISOR'S INSTRUCTIONS.**

9.24 (a) In Minnesota Statutes, the revisor of statutes shall combine the legislative history
 9.25 of Soudan Underground Mine State Park with the legislative history of Lake Vermilion
 9.26 State Park.

9.27 (b) In Minnesota Statutes, the revisor of statutes shall renumber section 84.157 as
 9.28 section 94.3435 and make necessary cross-reference changes in Minnesota Statutes and
 9.29 Minnesota Rules consistent with the renumbering.

9.30 **Sec. 17. REPEALER.**

9.31 Minnesota Statutes 2012, section 85.012, subdivision 53a, is repealed.

10.1 Sec. 18. **EFFECTIVE DATE.**

10.2 Sections 1 to 17 are effective the day following final enactment.

APPENDIX
Repealed Minnesota Statutes: 14-3568

85.012 STATE PARKS.
Subd. 53a. Soudan Underground Mine State Park, St. Louis County.