

CHAPTER 115 — S.F.No. 1308

An act relating to Olmsted county; providing for sales, leases, and conveyances; providing certain exceptions to public bidding requirements.

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

Section 1. **PROPERTY ACQUISITION.**

Notwithstanding Minnesota Statutes, section 373.01, any real property of Olmsted county may be conveyed and reacquired together with improvements financed under an installment purchase contract or lease-purchase agreement in accordance with section 2, and used for county purposes or leased in part to any government unit, agency, or instrumentality of the state or the United States, without advertisement for bids or proposals.

Taxes for any payments under the installment purchase contract or lease-purchase agreement which are attributable to the acquisition, equipping, or improvement of property to be used for county or regional jail purposes or properties to be leased to a governmental unit, agency, or instrumentality of the state or the United States for law enforcement purposes must be levied as provided in Minnesota Statutes, section 641.264, subdivision 2.

Sec. 2. **CONDITIONS.**

Olmsted county may purchase real or personal property under an installment contract, or lease personal property with an option to purchase under a lease-purchase agreement, by which contract or agreement title is retained by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any, but the purchases are subject to statutory provisions applicable to the purchase of real or personal property. For purposes of the bid requirements contained in Minnesota Statutes, section 471.345, "the amount of the contract" shall include the total of all lease payments for the entire term of the lease under a lease-purchase agreement. The obligation created by an installment contract or a lease-purchase agreement shall not be included in the calculation of net debt for purposes of Minnesota Statutes, section 475.53, and shall not constitute debt under any other statutory provision. No election shall be required in connection with the execution of an installment contract or a lease-purchase agreement authorized by this section. The county shall have the right to terminate a lease-purchase agreement at the end of any fiscal year during its term. To finance improvements or provide funds for its governmental purposes, the county may convey real or personal property to a private entity, without advertising for bids or proposals, at a price equal to either the price at which the property was acquired by the county or at its appraised market value, as determined by the governing body, provided that, immediately following the conveyance, the county enters into an installment contract or lease-purchase agreement complying with this section with respect to the property so conveyed

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and any improvements constructed or to be constructed on it. Any and all properties acquired and used, whether under lease-purchase agreement or installment contract, by the county for the purposes authorized and contemplated in this section shall be deemed and are declared to be public property exclusively used for a public purpose and exempt from taxation, so long as and to the extent that the property is devoted to the public purposes and is not subleased to any private individual, association, or corporation in connection with a business conducted for a profit, for a term of three or more years.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment.

Approved May 14, 1985

CHAPTER 116 — H.F.No. 399

An act relating to education; requiring exchange of permanent school fund land in state parks and waysides; requiring an inventory of other permanent school fund lands; stating the goal of the permanent school fund; proposing coding for new law in Minnesota Statutes, chapters 92 and 120.

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

Section 1. [92.121] PERMANENT SCHOOL FUND LANDS.

The commissioner of natural resources shall exchange permanent school fund land as defined in the Minnesota Constitution, article XI, section 8, located in state parks or state waysides for other lands as allowed by the Minnesota Constitution, article XI, section 10, and section 94.343, subdivision 1, that are compatible with the goal of the permanent school fund lands in section 2.

Sec. 2. [120.85] GOAL OF THE PERMANENT SCHOOL FUND.

The legislature intends that it is the goal of the permanent school fund to secure the maximum long-term economic return from the school trust lands consistent with the fiduciary responsibilities imposed by the trust relationship established in the Minnesota Constitution, with sound natural resource conservation and management principles, and with other specific policy provided in state law.

Sec. 3. INVENTORY.

The commissioner of natural resources shall inventory the permanent school fund land located in state parks or state waysides that are not exchanged under section 1, and other permanent school fund lands that are not presently

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