

1.1 A bill for an act  
1.2 relating to state lands; modifying provisions for sales and exchanges of state land;  
1.3 providing for public and private sales of certain state land; amending Minnesota  
1.4 Statutes 2014, sections 92.115, by adding a subdivision; 94.10, subdivision 2;  
1.5 94.3495, subdivisions 2, 3, 7.

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

1.7 Section 1. Minnesota Statutes 2014, section 92.115, is amended by adding a  
1.8 subdivision to read:

1.9 Subd. 3. Closing costs. The purchaser of state land must pay recording fees and  
1.10 the state deed tax.

1.11 Sec. 2. Minnesota Statutes 2014, section 94.10, subdivision 2, is amended to read:

1.12 Subd. 2. **Public sale requirements.** (a) After complying with subdivision 1 and  
1.13 before any public sale of surplus state-owned land is made and at least 30 days before  
1.14 the sale, the commissioner of natural resources shall publish a notice of the sale in a  
1.15 newspaper of general distribution in the county in which the real property to be sold is  
1.16 situated. The notice shall specify the time and place at which the sale will commence, a  
1.17 general description of the lots or tracts to be offered, and a general statement of the terms  
1.18 of sale. The commissioner shall also provide electronic notice of sale.

1.19 (b) The minimum bid for a parcel of land must include the estimated value or  
1.20 appraised value of the land and any improvements and, if any of the land is valuable for  
1.21 merchantable timber, the value of the merchantable timber. The minimum bid may include  
1.22 expenses incurred by the commissioner in rendering the property salable, including  
1.23 survey, appraisal, legal, advertising, and other expenses.

1.24 (c) The purchaser of state land must pay recording fees and the state deed tax.

2.1 (e) (d) Parcels remaining unsold after the offering may be sold to anyone agreeing  
 2.2 to pay the appraised value. The sale shall continue until all parcels are sold or until the  
 2.3 commissioner orders a reappraisal or withdraws the remaining parcels from sale.

2.4 Sec. 3. Minnesota Statutes 2014, section 94.3495, subdivision 2, is amended to read:

2.5 Subd. 2. **Classes of land; definitions.** (a) The classes of public land that may be  
 2.6 involved in an expedited exchange under this section are:

2.7 (1) Class 1 land, which for the purpose of this section is Class A land as defined in  
 2.8 section 94.342, subdivision 1, ~~except for:~~

2.9 (i) ~~school trust land as defined in section 92.025; and~~

2.10 (ii) ~~university land granted to the state by acts of Congress;~~

2.11 (2) Class 2 land, which for the purpose of this section is Class B land as defined in  
 2.12 section 94.342, subdivision 2; and

2.13 (3) Class 3 land, which for the purpose of this section is all land owned in fee by  
 2.14 a governmental subdivision of the state.

2.15 (b) "School trust land" has the meaning given under section 92.025.

2.16 (c) "University land" means land granted to the state by acts of Congress for  
 2.17 university purposes.

2.18 Sec. 4. Minnesota Statutes 2014, section 94.3495, subdivision 3, is amended to read:

2.19 Subd. 3. **Valuation of land.** (a) In an exchange of Class 1 land for Class 2 or 3 land,  
 2.20 the value of all the land shall be determined by the commissioner of natural resources,  
 2.21 but the county board must approve the value determined for the Class 2 land and the  
 2.22 governmental subdivision of the state must approve the value determined for the Class 3  
 2.23 land. In an exchange of Class 2 land for Class 3 land, the value of all the land shall be  
 2.24 determined by the county board of the county in which the land lies, but the governmental  
 2.25 subdivision of the state must approve the value determined for the Class 3 land.

2.26 (b) To determine the value of the land, the parties to the exchange may either (1)  
 2.27 cause the land to be appraised, ~~utilize the valuation process provided under section~~  
 2.28 ~~84.0272, subdivision 3, or obtain a market analysis from a qualified real estate broker or~~  
 2.29 (2) determine the value for each forty or lot, or a portion thereof, using the most current  
 2.30 township or county assessment schedules for similar land types from the county assessor  
 2.31 of the county in which the lands are located. Merchantable timber value ~~must~~ should be  
 2.32 ~~determined and~~ considered in finalizing valuation of the lands.

2.33 (b) ~~At~~ (c) Except for school trust lands and university lands, the lands exchanged  
 2.34 under this section shall be exchanged only for lands of at least substantially equal value.

3.1 For the purposes of this subdivision, "substantially equal value" has the meaning given  
 3.2 under section 94.343, subdivision 3, paragraph (b). No payment is due either party if the  
 3.3 lands, other than school trust lands or university lands, are of substantially equal value but  
 3.4 are not of the same value.

3.5 (d) School trust lands and university lands exchanged under this section must be  
 3.6 exchanged only for lands of equal or greater value.

3.7 Sec. 5. Minnesota Statutes 2014, section 94.3495, subdivision 7, is amended to read:

3.8 ~~Subd. 7. **Reversionary interest; Mineral and water power rights and other**~~  
 3.9 ~~reservations. (a) All deeds conveying land given in an expedited land exchange under~~  
 3.10 ~~this section shall include a reverter that provides that title to the land automatically reverts~~  
 3.11 ~~to the conveying governmental unit if:~~

3.12 ~~(1) the receiving governmental unit sells, exchanges, or otherwise transfers title of~~  
 3.13 ~~the land within 40 years of the date of the deed conveying ownership; and~~

3.14 ~~(2) there is no prior written approval for the transfer from the conveying~~  
 3.15 ~~governmental unit. The authority for granting approval is the commissioner of natural~~  
 3.16 ~~resources for former Class 1 land, the county board for former Class 2 land, and the~~  
 3.17 ~~governing body for former Class 3 land.~~

3.18 ~~(b) Class 1 land given in exchange is subject to the reservation provisions of section~~  
 3.19 ~~94.343, subdivision 4. Class 2 land given in exchange is subject to the reservation~~  
 3.20 ~~provisions of section 94.344, subdivision 4. County fee land given in exchange is subject~~  
 3.21 ~~to the reservation provisions of section 373.01, subdivision 1, paragraph (g).~~

3.22 Sec. 6. **PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC**  
 3.23 **WATER; CASS COUNTY.**

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

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

3.29 (c) The land that may be sold is located in Cass County and is described as: that  
 3.30 part of Government Lot 3, Section 2, Township 141 North, Range 31 West, described as  
 3.31 follows: COMMENCING at the intersection of the north line of said Government Lot 3  
 3.32 with the westerly right-of-way line of the former Northern Pacific Railroad and assuming  
 3.33 said north line bears North 87 degrees 17 minutes 45 seconds West; thence South 38  
 3.34 degrees 42 minutes 33 seconds East along said westerly right-of-way line (also being the

4.1 west line of Lot 8, Block 1, and Outlot G, LODGES OF BLUEWATER, Plat of record,  
4.2 said county) for a distance of 163.98 feet to the point of beginning of the tract to be herein  
4.3 described; thence continue South 38 degrees 42 minutes 33 seconds East, along said  
4.4 westerly right-of-way line 190.84 feet; thence southeasterly 116.26 feet, continuing along  
4.5 said westerly right-of-way line, along a tangential curve concave to the southwest, having  
4.6 a radius of 1,587.28 feet and a central angle of 4 degrees 11 minutes 47 seconds; thence  
4.7 South 51 degrees 17 minutes 27 seconds West 6 feet, more or less, to the ordinary low  
4.8 water line of Leech Lake; thence northwesterly along said ordinary low water line to the  
4.9 intersection with a line bearing South 51 degrees 17 minutes 27 seconds West from the  
4.10 point of beginning; thence North 51 degrees 17 minutes 27 seconds East 8 feet, more or  
4.11 less, to the point of beginning; containing 0.02 acres, more or less.

4.12 (d) The land borders Leech Lake. The Department of Natural Resources has  
4.13 determined that the land is not needed for natural resource purposes and that the state's  
4.14 land management interests would best be served if the land was conveyed to an adjacent  
4.15 landowner who will in turn sell other shoreline to the Department of Natural Resources.

4.16 **Sec. 7. PUBLIC OR PRIVATE SALE OF SURPLUS STATE LAND BORDERING**  
4.17 **PUBLIC WATER; PINE COUNTY.**

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

4.21 (b) The commissioner may sell the land for less than the appraised value of the  
4.22 land. The commissioner may make necessary changes to the legal description to correct  
4.23 errors and ensure accuracy.

4.24 (c) The land that may be sold is located in Pine County and is described as: the  
4.25 Southeast Quarter of Section 28, Township 42 North, Range 17 West of the Fourth Principal  
4.26 Meridian, lying North and East of the Lower Tamarack River; and the Southwest Quarter  
4.27 of the Northwest Quarter of the Southwest Quarter of Section 27, Township 42 North,  
4.28 Range 17 West. Together with a 66-foot road easement for ingress and egress over that  
4.29 part of the Northeast Quarter of Section 28, Township 42 North, Range 17 West, the center  
4.30 line of which is described as commencing at the northeast corner of said Section 28; thence  
4.31 South 89 degrees 29 minutes 23 seconds West bearing assumed along the north line of said  
4.32 Northeast Quarter, also being the center line of County Road No. 25; a distance of 1,314.86  
4.33 feet to the point of beginning of the center line to be described; thence South 1 degree 13  
4.34 minutes 12 seconds East along said center line 256.50 feet; thence along said center line on  
4.35 a tangential curve concave to the northeast, with a delta angle of 14 degrees 31 minutes 5.8

5.1 seconds and a radius of 1,607.75 feet, a distance of 407.80 feet; thence South 15 degrees  
5.2 45 minutes 10 seconds East along said center line 529.02 feet; thence along said center line  
5.3 on a tangential curve concave to the West, with a delta angle of 15 degrees 15 minutes 30  
5.4 seconds and a radius of 2,127.73 feet, a distance of 566.63 feet; thence South 0 degrees 29  
5.5 minutes 40 seconds East along said center line 525.22 feet; thence along said center line on  
5.6 a tangential curve concave to the northwest, with a delta angle of 15 degrees 54 minutes  
5.7 39 seconds and a radius of 1,330.09 feet, a distance of 369.36 feet to intersect the south  
5.8 line of said Northeast Quarter and there terminating. Containing 81.4 acres, more or less.

5.9 (d) The land borders the Lower Tamarack River. The Department of Natural  
5.10 Resources has determined that the land is not needed for natural resource purposes and  
5.11 that the state's land management interests would best be served if the land was returned  
5.12 to private or public ownership.

5.13 **Sec. 8. PRIVATE SALE OF SURPLUS STATE LAND BORDERING PUBLIC**  
5.14 **WATER; TODD COUNTY.**

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

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

5.20 (c) The land that may be sold is located in Todd County and is described as: that  
5.21 part of the Northeast Quarter of the Southwest Quarter of Section 22, Township 129  
5.22 North, Range 35 West, described as follows:

5.23 From the southwest corner of said Northeast Quarter of the Southwest Quarter run  
5.24 North along the west line thereof for a distance of 603 feet to the point of beginning  
5.25 of tract to be described; thence South 70 degrees 00 minutes East 220 feet; thence  
5.26 South 20 degrees 00 minutes West 105 feet; thence North 60 degrees 00 minutes  
5.27 West 173 feet; thence North 18 degrees 40 minutes West 64 feet, more or less, to the  
5.28 west line of said Northeast Quarter of the Southwest Quarter; thence North along  
5.29 said west line for a distance of 27 feet, more or less, to the place of beginning;  
5.30 containing 0.36 acres, more or less. Including all riparian rights to the 0.36 acres,  
5.31 more or less, and subject to existing easements of record.

5.32 (d) The land borders the Long Prairie River. The Department of Natural Resources  
5.33 has determined that the land is not needed for natural resource purposes and that the  
5.34 state's land management interests would best be served if the land was conveyed to an  
5.35 adjacent landowner.

6.1 Sec. 9. **EFFECTIVE DATE.**

6.2 Sections 1 to 8 are effective the day following final enactment.