

1.1 A bill for an act

1.2 relating to natural resources; requiring increase in appraised estimates for timber
1.3 sales; requiring forest lease pilot project and reports.

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

1.5 Section 1. **APPRAISED VOLUME TIMBER SALES; FISCAL YEARS 2010**
1.6 **AND 2011.**

1.7 (a) During fiscal years 2010 and 2011, the commissioner of natural resources shall
1.8 increase the amount of timber products sold from state lands under permits based solely
1.9 on the appraiser's estimate of the timber volume described in the permit, as provided in
1.10 Minnesota Statutes, section 90.14, paragraph (c).

1.11 (b) The commissioner shall evaluate sales of timber under paragraph (a) and other
1.12 methods used to sell timber from state lands to identify the method, or combination of
1.13 methods, that is most efficient and effective in protecting the fiduciary interest of the
1.14 state, including the permanent school fund.

1.15 (c) By January 15, 2011, the commissioner shall report to the house of representatives
1.16 and senate natural resources policy and finance committees and divisions on the findings
1.17 of the evaluation process completed under paragraph (b).

1.18 Sec. 2. **FOREST MANAGEMENT LEASE PILOT PROJECT.**

1.19 (a) Notwithstanding the permit procedures of Minnesota Statutes, chapter 90, the
1.20 commissioner of natural resources may on a pilot basis lease state-owned forest lands for
1.21 forest management purposes. The lease shall:

2.1 (1) require that the lessee comply with timber harvesting and forest management
2.2 guidelines developed under Minnesota Statutes, section 89A.05, adopted by the Minnesota
2.3 Forest Resources Council, and in effect at the time that the lease is issued; and

2.4 (2) provide for public access for hunting, fishing, and motorized and nonmotorized
2.5 recreation to the leased land that is the same as would be available under state management.

2.6 (b) For the purposes of this section, the term "state-owned forest lands" may include
2.7 school trust lands as defined in Minnesota Statutes, section 92.025, or university land
2.8 granted to the state by Acts of Congress.

2.9 (c) By December 15, 2009, the commissioner of natural resources shall provide a
2.10 report to the house or representatives and senate natural resources policy and finance
2.11 committees and divisions on the pilot project. The report must detail a plan for
2.12 implementation of the pilot project with a starting date that is no later than July 1, 2010.

2.13 (d) Upon implementation of the pilot project, the commissioner shall provide an
2.14 annual report to the house of representatives and senate natural resources policy and
2.15 finance committees and divisions on the progress of the project, including the acres leased,
2.16 a breakdown of the types of forest land, and amounts harvested by species. The report
2.17 shall include a net revenue analysis comparing the lease revenue with the estimated net
2.18 revenue that would be obtained through state management and silvicultural practices cost
2.19 savings the state realizes through leasing.