

**SENATE  
STATE OF MINNESOTA  
EIGHTY-NINTH SESSION**

**S.F. No. 1430**

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DATE	D-PG	OFFICIAL STATUS
03/05/2015	573	Introduction and first reading Referred to Environment and Energy
03/16/2015		Comm report: To pass as amended and re-refer to Judiciary

A bill for an act

relating to natural resources; modifying invasive species provisions; providing for temporary water surface use controls in construction areas; modifying state park permit provisions; regulating wake surfing; modifying life jacket requirements; modifying requirements for fire training; modifying auxiliary forest provisions; modifying forest bough account; modifying recreational vehicle transfer requirements; modifying authority to issue water use permits; providing civil penalties; requiring rulemaking; appropriating money; amending Minnesota Statutes 2014, sections 84.788, subdivision 5, by adding a subdivision; 84.84; 84.922, subdivision 4; 84D.01, subdivisions 13, 15, 17, 18; 84D.03, subdivision 3; 84D.06; 84D.10, subdivision 3; 84D.11, subdivision 1; 84D.12, subdivisions 1, 3; 84D.13, subdivisions 4, 5; 84D.15, subdivision 3; 85.054, subdivision 12; 86B.201, by adding a subdivision; 86B.313, subdivisions 1, 4; 86B.315; 88.17, subdivision 3; 88.49, subdivisions 3, 4, 5, 6, 7, 8, 9, 11; 88.491, subdivision 2; 88.50; 88.51, subdivisions 1, 3; 88.52, subdivisions 2, 3, 4, 5, 6; 88.523; 88.53, subdivisions 1, 2; 88.6435, subdivision 4; 103G.271, subdivision 5; 282.011, subdivision 3; repealing Minnesota Statutes 2014, sections 88.47; 88.48; 88.49, subdivisions 1, 2, 10; 88.491, subdivision 1; 88.51, subdivision 2; 282.013.

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

Section 1. Minnesota Statutes 2014, section 84.788, subdivision 5, is amended to read:

Subd. 5. **Report of ownership transfers; fee.** ~~A person who sells or transfers~~ (a) Application for transfer of ownership of an off-highway motorcycle registered under this section shall report the sale or transfer must be made to the commissioner within 15 days of the date of transfer.

(b) An application for transfer must be executed by the registered owner and the buyer on a form prescribed by the commissioner with the owner's registration certificate, purchaser using a bill of sale, and a \$4 fee that includes the vehicle serial number.

(c) The purchaser is subject to the penalties imposed by section 84.774 if the purchaser fails to apply for transfer of ownership as provided under this subdivision.

**EFFECTIVE DATE.** This section is effective January 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 84.788, is amended by adding a subdivision to read:

**Subd. 5a. Report of registration transfers.** (a) Application for transfer of registration under this section must be made to the commissioner within 15 days of the date of transfer.

(b) An application for transfer must be executed by the registered owner and the purchaser using a bill of sale that includes the vehicle serial number.

(c) The purchaser is subject to the penalties imposed by section 84.774 if the purchaser fails to apply for transfer of registration as provided under this subdivision.

**EFFECTIVE DATE.** This section is effective January 1, 2016.

Sec. 3. Minnesota Statutes 2014, section 84.84, is amended to read:

**84.84 TRANSFER OR TERMINATION OF SNOWMOBILE OWNERSHIP.**

(a) Within 15 days after the transfer of ownership, or any part thereof, other than a security interest, or the destruction or abandonment of any snowmobile, written notice thereof of the transfer or destruction or abandonment shall be given to the commissioner in such form as the commissioner shall prescribe.

(b) An application for transfer must be executed by the registered owner and the purchaser using a bill of sale that includes the vehicle serial number.

(c) The purchaser is subject to the penalties imposed by section 84.88 if the purchaser fails to apply for transfer of ownership as provided under this subdivision. Every owner or part owner of a snowmobile shall, upon failure to give such notice of destruction or abandonment, be subject to the penalties imposed by Laws 1967, chapter 876 section 84.88.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 84.922, subdivision 4, is amended to read:

~~Subd. 4. Report of transfers. A person who sells or transfers ownership of a vehicle registered under this section shall report the sale or~~ (a) Application for transfer of ownership must be made to the commissioner within 15 days of the date of transfer.

(b) An application for transfer must be executed by the registered owner and the purchaser ~~on a form prescribed by the commissioner with the owner's registration certificate, using a bill of sale and a \$4 fee~~ that includes the vehicle serial number.

(c) The purchaser is subject to the penalties imposed by section 84.774 if the purchaser fails to apply for transfer of ownership as provided under this subdivision.

**EFFECTIVE DATE.** This section is effective January 1, 2016.

Sec. 5. Minnesota Statutes 2014, section 84D.01, subdivision 13, is amended to read:

Subd. 13. **Prohibited invasive species.** "Prohibited invasive species" means a nonnative species that has been ~~listed~~ designated as a prohibited invasive species in a rule adopted by the commissioner under section 84D.12.

Sec. 6. Minnesota Statutes 2014, section 84D.01, subdivision 15, is amended to read:

Subd. 15. **Regulated invasive species.** "Regulated invasive species" means a nonnative species that has been ~~listed~~ designated as a regulated invasive species in a rule adopted by the commissioner under section 84D.12.

Sec. 7. Minnesota Statutes 2014, section 84D.01, subdivision 17, is amended to read:

Subd. 17. **Unlisted nonnative species.** "Unlisted nonnative species" means a nonnative species that has not been ~~listed~~ designated as a prohibited invasive species, a regulated invasive species, or an unregulated nonnative species in a rule adopted by the commissioner under section 84D.12.

Sec. 8. Minnesota Statutes 2014, section 84D.01, subdivision 18, is amended to read:

Subd. 18. **Unregulated nonnative species.** "Unregulated nonnative species" means a nonnative species that has been ~~listed~~ designated as an unregulated nonnative species in a rule adopted by the commissioner under section 84D.12.

Sec. 9. Minnesota Statutes 2014, section 84D.03, subdivision 3, is amended to read:

Subd. 3. **Bait harvest from infested waters.** (a) Taking wild animals from infested waters for bait or aquatic farm purposes is prohibited, except as provided in paragraph (b) or (c) and section 97C.341.

(b) In waters that are listed as infested waters, except those listed ~~because they contain~~ as infested with prohibited invasive species of fish or certifiable diseases of fish, as defined under section 17.4982, subdivision 6, taking wild animals may be permitted for:

(1) commercial taking of wild animals for bait and aquatic farm purposes according to a permit issued under section 84D.11, subject to rules adopted by the commissioner; and

(2) bait purposes for noncommercial personal use in waters that contain Eurasian water milfoil, when the infested waters are listed solely because they contain Eurasian

water milfoil and if the equipment for taking is limited to cylindrical minnow traps not exceeding 16 inches in diameter and 32 inches in length; ~~and.~~

~~(3)~~ (c) In streams or rivers that are listed as infested waters, except those listed as infested with certifiable diseases of fish, as defined under section 17.4982, subdivision 6, the harvest of bullheads, goldeyes, mooneyes, sheepshead (freshwater drum), and suckers for bait from streams or rivers listed as infested waters, by hook and line for noncommercial personal use. Other provisions that apply to this clause are is allowed as follows:

(i) (1) fish taken under this clause paragraph must be used on the same body of water where caught and while still on that water body. Where the river or stream is divided by barriers such as dams, the fish must be caught and used on the same section of the river or stream;

(ii) (2) fish taken under this clause paragraph may not be transported live from or off the water body;

(iii) (3) fish harvested under this clause paragraph may only be used in accordance with this section;

(iv) (4) any other use of wild animals used for bait from infested waters is prohibited;

(v) (5) fish taken under this clause paragraph must meet all other size restrictions and requirements as established in rules; and

(vi) (6) all species listed under this clause paragraph shall be included in the person's daily limit as established in rules, if applicable.

(e) (d) Equipment authorized for minnow harvest in a listed infested water by permit issued under paragraph (b) may not be transported to, or used in, any waters other than waters specified in the permit.

Sec. 10. Minnesota Statutes 2014, section 84D.06, is amended to read:

**84D.06 UNLISTED NONNATIVE SPECIES.**

Subdivision 1. **Process.** A person may not introduce an unlisted nonnative aquatic plant or wild animal species unless:

(1) the person has notified the commissioner in a manner and form prescribed by the commissioner;

(2) the commissioner has made the classification determination required in subdivision 2 and ~~listed~~ designated the species as appropriate; and

(3) the introduction is allowed under the applicable provisions of this chapter.

Subd. 2. **Classification.** (a) If the commissioner determines that a species for which a notification is received under subdivision 1 should be classified as a prohibited invasive species, the commissioner shall:

(1) adopt a rule under section 84D.12, subdivision 3, ~~listing~~ designating the species as a prohibited invasive species; and

(2) notify the person from which the notification was received that the species is subject to section 84D.04.

(b) If the commissioner determines that a species for which a notification is received under subdivision 1 should be classified as an unregulated nonnative species, the commissioner shall:

(1) adopt a rule under section 84D.12, subdivision 3, ~~listing~~ designating the species as an unregulated nonnative species; and

(2) notify the person from which the notification was received that the species is not subject to regulation under this chapter.

(c) If the commissioner determines that a species for which a notification is received under subdivision 1 should be classified as a regulated invasive species, the commissioner shall notify the applicant that the species is subject to the requirements in section 84D.07.

Sec. 11. Minnesota Statutes 2014, section 84D.10, subdivision 3, is amended to read:

Subd. 3. **Removal and confinement.** (a) A conservation officer or other licensed peace officer may order:

(1) the removal of aquatic macrophytes or prohibited invasive species from water-related equipment, including decontamination using hot water or high pressure equipment when available on site, before it the water-related equipment is transported or before it is placed into waters of the state;

(2) confinement of the water-related equipment at a mooring, dock, or other location until the water-related equipment is removed from the water;

(3) removal of water-related equipment from waters of the state to remove prohibited invasive species if the water has not been listed by the commissioner as being infested with that species; ~~and~~

(4) a prohibition on placing water-related equipment into waters of the state when the water-related equipment has aquatic macrophytes or prohibited invasive species attached in violation of subdivision 1 or when water has not been drained or the drain plug has not been removed in violation of subdivision 4; and

(5) decontamination of water-related equipment when available on site.

(b) An order for removal of prohibited invasive species under paragraph (a), clause (1), or decontamination of water-related equipment under paragraph (a), clause (5), may include tagging the water-related equipment and issuing a notice that specifies

6.1 a time frame for completing the removal or decontamination and reinspection of the  
6.2 water-related equipment.

6.3 ~~(b)~~ (c) An inspector who is not a licensed peace officer may issue orders under  
6.4 paragraph (a), clauses (1), (3), ~~and (4)~~, and (5).

6.5 Sec. 12. Minnesota Statutes 2014, section 84D.11, subdivision 1, is amended to read:

6.6 Subdivision 1. **Prohibited invasive species.** The commissioner may issue a permit  
6.7 for the propagation, possession, importation, purchase, or transport of a prohibited invasive  
6.8 species for the purposes of disposal, decontamination, control, research, or education.

6.9 Sec. 13. Minnesota Statutes 2014, section 84D.12, subdivision 1, is amended to read:

6.10 Subdivision 1. **Required rules.** The commissioner shall adopt rules:

6.11 (1) ~~listing~~ designating prohibited invasive species, regulated invasive species, and  
6.12 unregulated nonnative species of aquatic plants and wild animals;

6.13 (2) governing the application for and issuance of permits under this chapter, which  
6.14 rules may include a fee schedule; and

6.15 (3) governing notification under section 84D.08.

6.16 Sec. 14. Minnesota Statutes 2014, section 84D.12, subdivision 3, is amended to read:

6.17 Subd. 3. **Expedited rules.** The commissioner may adopt rules under section 84.027,  
6.18 subdivision 13, that ~~list~~ designate:

6.19 (1) prohibited invasive species of aquatic plants and wild animals;

6.20 (2) regulated invasive species of aquatic plants and wild animals; and

6.21 (3) unregulated nonnative species of aquatic plants and wild animals.

6.22 Sec. 15. Minnesota Statutes 2014, section 84D.13, subdivision 4, is amended to read:

6.23 Subd. 4. **Warnings; civil citations.** After appropriate training, conservation  
6.24 officers, other licensed peace officers, and other department personnel designated by the  
6.25 commissioner may issue warnings or citations to a person who:

6.26 (1) unlawfully transports prohibited invasive species or aquatic macrophytes;

6.27 (2) unlawfully places or attempts to place into waters of the state water-related  
6.28 equipment that has aquatic macrophytes or prohibited invasive species attached;

6.29 (3) intentionally damages, moves, removes, or sinks a buoy marking, as prescribed  
6.30 by rule, Eurasian water milfoil;

(4) fails to remove plugs, open valves, and drain water from water-related equipment before leaving waters of the state or when transporting water-related equipment as provided in section 84D.10, subdivision 4; ~~or~~

(5) transports infested water, in violation of rule, off riparian property; or

(6) fails to complete decontamination of water-related equipment or to remove invasive species from water-related equipment by the date specified on a tagging notice and order.

Sec. 16. Minnesota Statutes 2014, section 84D.13, subdivision 5, is amended to read:

Subd. 5. **Civil penalties.** (a) A civil citation issued under this section must impose the following penalty amounts:

(1) for transporting aquatic macrophytes in violation of section 84D.09, \$100;

(2) for placing or attempting to place into waters of the state water-related equipment that has aquatic macrophytes attached, \$200;

(3) for unlawfully possessing or transporting a prohibited invasive species other than an aquatic macrophyte, \$500;

(4) for placing or attempting to place into waters of the state water-related equipment that has prohibited invasive species attached when the waters are not listed by the commissioner as being infested with that invasive species, \$500;

(5) for intentionally damaging, moving, removing, or sinking a buoy marking, as prescribed by rule, Eurasian water milfoil, \$100;

(6) for failing to have drain plugs or similar devices removed or opened while transporting water-related equipment or for failing to remove plugs, open valves, and drain water from water-related equipment, other than marine sanitary systems, before leaving waters of the state, \$100; ~~and~~

(7) for transporting infested water off riparian property without a permit as required by rule, \$200; and

(8) for failing to complete decontamination of water-related equipment or to remove invasive species from water-related equipment by the date specified on a tagging notice and order, \$250.

(b) A civil citation that is issued to a person who has one or more prior convictions or final orders for violations of this chapter is subject to twice the penalty amounts listed in paragraph (a).

Sec. 17. Minnesota Statutes 2014, section 84D.15, subdivision 3, is amended to read:

Subd. 3. **Use of money in account.** Money credited to the invasive species account in subdivision 2 shall be used for management of invasive species and implementation of this chapter as it pertains to invasive species, including control, public awareness, law enforcement, assessment and monitoring, management planning, habitat improvements, and research.

Sec. 18. Minnesota Statutes 2014, section 85.054, subdivision 12, is amended to read:

Subd. 12. **Lake Vermilion-Soudan Underground Mine State Park.** A state park permit is not required and a fee may not be charged for motor vehicle entry or parking at the visitor parking area of Soudan Underground Mine ~~State Park~~ and the Stuntz Bay boat house area.

Sec. 19. Minnesota Statutes 2014, section 86B.201, is amended by adding a subdivision to read:

Subd. 4. **Construction area restrictions.** The commissioner may adopt, by written order, temporary water surface use controls at public construction and maintenance sites that cross or are adjacent to waters of the state for a period of time not to exceed the duration of the construction or maintenance project. Temporary controls adopted under this subdivision are exempt from the rulemaking requirements of chapter 14 and section 14.386 does not apply.

Sec. 20. Minnesota Statutes 2014, section 86B.313, subdivision 1, is amended to read:

Subdivision 1. **General requirements.** (a) In addition to requirements of other laws relating to watercraft, a person may not operate or permit the operation of a personal watercraft:

(1) without each person on board the personal watercraft wearing a United States Coast Guard (USCG) approved ~~Type I, II, III, or V~~ wearable personal flotation device with a USCG label indicating it either is approved for or does not prohibit use with personal watercraft or water skiing;

(2) between one hour before sunset and 9:30 a.m.;

(3) at greater than slow-no wake speed within 150 feet of:

(i) a shoreline;

(ii) a dock;

(iii) a swimmer;

(iv) a raft used for swimming or diving; or

(v) a moored, anchored, or nonmotorized watercraft;



(4) while towing a person on water skis, a kneeboard, an inflatable craft, or any other device unless:

(i) an observer is on board; or

(ii) the personal watercraft is equipped with factory-installed or factory-specified accessory mirrors that give the operator a wide field of vision to the rear;

(5) without the lanyard-type engine cutoff switch being attached to the person, clothing, or personal flotation device of the operator, if the personal watercraft is equipped by the manufacturer with such a device;

(6) if any part of the spring-loaded throttle mechanism has been removed, altered, or tampered with so as to interfere with the return-to-idle system;

(7) to chase or harass wildlife;

(8) through emergent or floating vegetation at other than a slow-no wake speed;

(9) in a manner that unreasonably or unnecessarily endangers life, limb, or property, including weaving through congested watercraft traffic, jumping the wake of another watercraft within 150 feet of the other watercraft, or operating the watercraft while facing backwards;

(10) in any other manner that is not reasonable and prudent; or

(11) without a personal watercraft rules decal, issued by the commissioner, attached to the personal watercraft so as to be in full view of the operator.

(b) Paragraph (a), clause (3), does not apply to a person operating a personal watercraft to launch or land a person on water skis, a kneeboard, or similar device by the most direct route to open water.

Sec. 21. Minnesota Statutes 2014, section 86B.313, subdivision 4, is amended to read:

Subd. 4. **Dealers and rental operations.** (a) A dealer of personal watercraft shall distribute a summary of the laws and rules governing the operation of personal watercraft and, upon request, shall provide instruction to a purchaser regarding:

(1) the laws and rules governing personal watercraft; and

(2) the safe operation of personal watercraft.

(b) A person who offers personal watercraft for rent:

(1) shall provide a summary of the laws and rules governing the operation of personal watercraft and provide instruction regarding the laws and rules and the safe operation of personal watercraft to each person renting a personal watercraft;

(2) shall provide a United States Coast Guard (USCG) approved ~~Type I, II, III, or V~~ wearable personal flotation device with a USCG label indicating it either is approved for

or does not prohibit use with personal watercraft or water skiing and any other required safety equipment to all persons who rent a personal watercraft at no additional cost; and

(3) shall require that a watercraft operator's permit from this state or from the operator's state of residence be shown each time a personal watercraft is rented to any person younger than age 18 and shall record the permit on the form provided by the commissioner.

(c) Each dealer of personal watercraft or person offering personal watercraft for rent shall have the person who purchases or rents a personal watercraft sign a form provided by the commissioner acknowledging that the purchaser or renter has been provided a copy of the laws and rules regarding personal watercraft operation and has read them. The form must be retained by the dealer or person offering personal watercraft for rent for a period of six months following the date of signature and must be made available for inspection by sheriff's deputies or conservation officers during normal business hours.

Sec. 22. Minnesota Statutes 2014, section 86B.315, is amended to read:

**86B.315 TOWING PERSON ON WATER SKIS OR OTHER DEVICE.**

Subdivision 1. **Observer or mirror required.** A person may not operate a watercraft on waters of this state and create a wake for a wake surfer or tow a person on water skis, an aquaplane, a surfboard, a saucer, or a similar device unless:

(1) there is another person in the watercraft in addition to the operator who is in a position to continually observe the person being towed; or

(2) the boat is equipped with a mirror providing the operator a wide field of vision to the rear.

Subd. 2. ~~**Prohibited night skiing or towing prohibited activities.**~~ On waters of this state, from one-half hour after sunset to sunrise of the following day, a person may not:

(1) wake surf;

(2) operate a watercraft creating a wake for a wake surfer;

(3) be towed by a watercraft; or

(4) operate a watercraft towing a person on water skis, an aquaplane, a surfboard, a saucer, or another device ~~on waters of this state from one hour after sunset to sunrise of the following day.~~

Sec. 23. Minnesota Statutes 2014, section 88.17, subdivision 3, is amended to read:

Subd. 3. **Special permits.** The following special permits are required at all times, including when the ground is snow-covered:

11.1 (a) **Fire training.** A permit to start a fire for the instruction and training of  
11.2 firefighters, including liquid fuels training, may be given by the commissioner or agent of  
11.3 the commissioner. Except for owners or operators conducting fire training in specialized  
11.4 industrial settings pursuant to applicable federal, state, or local standards, owners  
11.5 or operators conducting open burning for the purpose of instruction and training of  
11.6 firefighters with regard to structures must ~~follow the techniques described in a document~~  
11.7 ~~entitled: Structural Burn Training Procedures for the Minnesota Technical College System~~  
11.8 use only fuel materials as outlined in the current edition of National Fire Protection  
11.9 Association 1403, Standard on Live Fire Training Evolutions, and obtain the applicable  
11.10 live burn documents in accordance with the current edition of the Board of Firefighter  
11.11 Training and Education's live burn plan established according to section 299N.02,  
11.12 subdivision 3, clause (2).

11.13 (b) **Permanent tree and brush open burning sites.** A permit for the operation of  
11.14 a permanent tree and brush burning site may be given by the commissioner or agent of  
11.15 the commissioner. Applicants for a permanent open burning site permit shall submit a  
11.16 complete application on a form provided by the commissioner. Existing permanent tree  
11.17 and brush open burning sites must submit for a permit within 90 days of the passage of  
11.18 this statute for a burning permit. New site applications must be submitted at least 90  
11.19 days before the date of the proposed operation of the permanent open burning site. The  
11.20 application must be submitted to the commissioner and must contain:

11.21 (1) the name, address, and telephone number of all owners of the site proposed for  
11.22 use as the permanent open burning site;

11.23 (2) if the operator for the proposed permanent open burning site is different from the  
11.24 owner, the name, address, and telephone number of the operator;

11.25 (3) a general description of the materials to be burned, including the source and  
11.26 estimated quantity, dimensions of the site and burn pile areas, hours and dates of operation,  
11.27 and provisions for smoke management; and

11.28 (4) a topographic or similarly detailed map of the site and surrounding area within  
11.29 a one-mile circumference showing all structures that might be affected by the operation  
11.30 of the site.

11.31 Only trees, tree trimmings, or brush that cannot be disposed of by an alternative  
11.32 method such as chipping, composting, or other method shall be permitted to be burned  
11.33 at a permanent open burning site. A permanent tree and brush open burning site must  
11.34 be located and operated so as not to create a nuisance or endanger water quality. The  
11.35 commissioner shall revoke the permit or order actions to mitigate threats to public health,  
11.36 safety, and the environment in the event that permit conditions are violated.

Sec. 24. Minnesota Statutes 2014, section 88.49, subdivision 3, is amended to read:

Subd. 3. **Recording Provisions of auxiliary forest contract to run with the land.**

~~The commissioner shall submit such contract in recordable form to the owner of the land covered thereby. If the owner shall indicate to the commissioner an unwillingness to execute the same, or if the owner or any of the persons having an interest therein or lien thereon fail to execute it within 60 days from the time of its submission to the owner, all proceedings relating to the making of this land into an auxiliary forest shall be at an end.~~

~~When the contract shall have been executed it shall forthwith be recorded in the office of the county recorder at the expense of the owner or, if the title to the land be registered, with the registrar of titles. At the time the contract is recorded with the county recorder for record the owner, at the owner's expense, shall record with the county recorder a certificate from the county attorney to the effect that no change in record title thereof has occurred, that no liens or other encumbrances have been placed thereon, and that no taxes have accrued thereon since the making of the previous certificate. It shall be the duty of the county attorney to furnish this certificate without further compensation.~~

All the provisions of the a recorded contract shall be for an auxiliary forest are deemed covenants running with the land from the date of the filing of the contract for record.

Sec. 25. Minnesota Statutes 2014, section 88.49, subdivision 4, is amended to read:

Subd. 4. **Effect.** Upon the filing of the contract for record, ~~the land therein described in the contract shall become, and, during the life of the contract, remain and be, an~~ auxiliary forest entitled to all the benefits and subject to all the restrictions of sections ~~88.47~~ 88.49 to 88.53, ~~all of which shall be deemed a.~~ These sections are part of the obligation of the contract and ~~shall be~~ are inviolate, subject only to the police power of the state, to the power of eminent domain, and to ~~the right of the parties thereto by mutual agreement to make applicable to the contract any laws of the state enacted subsequent to its~~ the execution and filing. This provision shall not be so construed as to prevent amendatory or supplementary legislation which does of the contract. Laws enacted subsequent to the date of execution of the contract are applicable to the contract, so long as the laws do not impair these the contract rights of the parties thereto, ~~or as to prevent amendatory or supplementary legislation in respect of the culture, care, or management of the lands included in any such contract~~ signatories of the contract or their successors or assigns.

Sec. 26. Minnesota Statutes 2014, section 88.49, subdivision 5, is amended to read:

Subd. 5. **Cancellation.** ~~Upon the failure of (a) If the owner fails to faithfully to fulfill and perform such the contract or, any provision thereof of the contract, or any~~

13.1 requirement of sections ~~88.47~~ 88.49 to 88.53, or any rule ~~adopted by~~ the commissioner  
 13.2 ~~thereunder~~ adopts under those sections, the commissioner may cancel the contract in  
 13.3 ~~the manner herein provided~~. The commissioner shall give to the owner, ~~in the manner~~  
 13.4 ~~prescribed in section 88.48, subdivision 4~~, 60 days' notice of a hearing thereon at which  
 13.5 the owner may appear and show cause, if any, why the contract should not be canceled.  
 13.6 The commissioner shall ~~thereupon~~ then determine whether the contract should be canceled  
 13.7 and make an order to that effect. ~~Notice of the commissioner's determination and the~~  
 13.8 ~~making of the order shall be given to~~ The commissioner shall give the owner in the manner  
 13.9 ~~provided in section 88.48, subdivision 4~~ notice of the commissioner's determination and  
 13.10 order. ~~On determining~~ If the commissioner determines that the contract should be canceled  
 13.11 ~~and no appeal therefrom be taken~~ the owner does not appeal the determination as provided  
 13.12 in subdivision 7, the commissioner shall send notice ~~thereof~~ of the cancellation to the  
 13.13 auditor of the county and to the town clerk of the town affected and file with the recorder a  
 13.14 certified copy of the order, ~~who~~. The recorder shall ~~forthwith~~ note the cancellation upon  
 13.15 the record ~~thereof~~, and ~~thereupon~~ the land ~~therein~~ described in the contract shall cease to  
 13.16 be an auxiliary forest and, together with the timber ~~thereon~~ on the land, become liable  
 13.17 ~~to~~ for all taxes and assessments that ~~otherwise~~ would have been levied against it ~~had it~~  
 13.18 ~~never been an auxiliary forest~~ the land from the time of the making of the contract, ~~any~~  
 13.19 notwithstanding provisions of the statutes of limitation to the contrary ~~notwithstanding~~,  
 13.20 ~~less~~. The amount of taxes paid under ~~the provisions of~~ section 88.51, subdivision 1,  
 13.21 together with interest on such taxes and assessments at six percent per annum, but without  
 13.22 penalties, must be subtracted from the tax owed by the owner.

13.23 (b) The commissioner may ~~in like manner and with like effect~~ cancel the contract  
 13.24 upon written application of the owner.

13.25 (c) The commissioner shall cancel ~~any~~ the contract if the owner has ~~made successful~~  
 13.26 application successfully applied under sections ~~290C.01 to 290C.11~~, the Sustainable Forest  
 13.27 Incentive Act, sections 290C.01 to 290C.11, and has paid to the county treasurer the tax  
 13.28 difference between the amount ~~which~~ that would have been paid had the land under contract  
 13.29 been subject to the Minnesota Tree Growth Tax Law and the Sustainable Forest Incentive  
 13.30 Act from the date of the recording of the contract and the amount actually paid under  
 13.31 section 88.51, ~~subdivisions~~ subdivision 1, and Minnesota Statutes 2014, section 88.51,  
 13.32 subdivision 2. ~~This tax difference must be calculated based on the years the lands would~~  
 13.33 ~~have been taxed under the Tree Growth Tax Law and the Sustainable Forest Incentive Act.~~  
 13.34 The sustainable forest tax difference is net of the incentive payment of section 290C.07.  
 13.35 If the amount ~~which~~ that would have been paid, ~~had~~ if the land under contract had been  
 13.36 under the Minnesota Tree Growth Tax Law and the Sustainable Forest Incentive Act from

14.1 the date ~~of the filing of~~ the contract; was filed is less than the amount actually paid under  
14.2 the contract, the cancellation shall be made without further payment by the owner.

14.3 ~~When (d) If the execution of any the~~ contract creating an auxiliary forest ~~shall have~~  
14.4 ~~been~~ is procured through fraud or deception ~~practiced upon on~~ the county board ~~or,~~ the  
14.5 commissioner, or any other person or body representing the state, it may ~~be canceled~~  
14.6 cancel it upon suit brought by the attorney general at the direction of the commissioner.  
14.7 This cancellation ~~shall have~~ has the same effect as the cancellation of a contract by the  
14.8 commissioner.

14.9 Sec. 27. Minnesota Statutes 2014, section 88.49, subdivision 6, is amended to read:

14.10 Subd. 6. **Assessment after cancellation.** (a) For the purpose of levying ~~such~~ taxes,  
14.11 the county auditor shall, immediately upon ~~receipt of~~ receiving notice of the cancellation  
14.12 of ~~any a~~ contract creating an auxiliary forest, direct the local assessor to assess the lands  
14.13 within the forest, excluding the value of merchantable timber and minerals and other  
14.14 things of value taxed under the provisions of Minnesota Statutes 2014, section 88.51,  
14.15 subdivision 2, ~~as of for~~ each of the years ~~during which~~ the lands ~~have been~~ were included  
14.16 within the auxiliary forest. The local assessor shall ~~forthwith~~ make the assessment and  
14.17 certify the same to the county auditor. The county auditor shall ~~thereupon~~ levy a tax on the  
14.18 assessable value of the land ~~as,~~ fixed by section 273.13, for each of the years ~~during which~~  
14.19 the land ~~has been~~ was within an auxiliary forest, at the rate at which other real estate  
14.20 within the taxing district was taxed in those years. The tax ~~so assessed and levied against~~  
14.21 ~~any land shall be~~ is a first and prior lien upon the land and upon all timber and forest  
14.22 products growing, grown, or cut ~~thereon on the land~~ and removed ~~therefrom from the land~~.  
14.23 These taxes ~~shall~~ must be enforced in the same manner as other taxes on real estate are  
14.24 enforced and, ~~in addition thereto,~~ the lien of the tax on forest products cut or removed  
14.25 from this land ~~shall~~ must be enforced by the seizure and sale of the forest products.

14.26 (b) No person shall, after the mailing by the commissioner, as provided in subdivision  
14.27 5, of notice of hearing on the cancellation of a the contract making ~~any~~ lands an auxiliary  
14.28 forest, cut or remove from these lands any timber or forest products growing, grown, or  
14.29 cut thereon until all taxes levied under this subdivision ~~shall have been~~ are paid, or, ~~in the~~  
14.30 ~~event such if the~~ levy ~~shall~~ is not ~~have been~~ completed, until the owner ~~shall have~~ has given  
14.31 a bond payable to the county, with sureties approved by the county auditor, in ~~such the~~  
14.32 amount ~~as the county auditor shall deem~~ deems ample for the payment of all taxes that may  
14.33 be levied ~~thereon~~ under this subdivision, conditioned for the payment of ~~such the~~ taxes.

14.34 (c) Any person who ~~shall violate any of the provisions of~~ violates this subdivision  
14.35 ~~shall be~~ is guilty of a felony.

15.1 Sec. 28. Minnesota Statutes 2014, section 88.49, subdivision 7, is amended to read:

15.2 Subd. 7. **Appeal.** (a) The owner may appeal from any cancellation order of the  
15.3 commissioner to the district court of the county ~~wherein~~ where the land is ~~situate,~~ located  
15.4 by serving notice of appeal on the commissioner and filing the same with the court  
15.5 administrator of the district court within 30 days after the date of mailing ~~of~~ notice  
15.6 of such order.

15.7 (b) The appeal ~~shall~~ must be tried between the state of Minnesota and the owner by  
15.8 the court as a suit for the rescission of a contract is tried, and the judgment of the court  
15.9 ~~shall be~~ is substituted for the cancellation order of the commissioner, and ~~shall be~~ is final.

15.10 Sec. 29. Minnesota Statutes 2014, section 88.49, subdivision 8, is amended to read:

15.11 Subd. 8. **Proceedings in lieu of cancellation.** If cause for the cancellation of ~~any~~ a  
15.12 contract ~~shall exist~~ exists, the commissioner may, in lieu of canceling ~~such~~ the contract,  
15.13 perform the terms and conditions, ~~other than the payment of~~ that the owner was required  
15.14 to perform, except that the commissioner may not pay any taxes; that the owner was  
15.15 ~~required, by the contract or by law or by the rules of the commissioner, to be performed by~~  
15.16 ~~the owner, and may for that purpose to have paid by law.~~ The commissioner may use any  
15.17 available moneys appropriated for the maintenance of the commissioner's division and  
15.18 any other lawful means to perform all other terms and conditions required to maintain the  
15.19 auxiliary forest status. The commissioner shall, on December 1 each year, certify to the  
15.20 auditor of each county the amount of moneys ~~thus~~ expended on and the value of services  
15.21 ~~thus rendered in respect of any lands therein~~ for land in the county since December 1 of  
15.22 the preceding year. The county auditor shall ~~forthwith~~ assess and levy the amount shown  
15.23 by this certificate against the lands described ~~therein~~. This amount ~~shall bear~~ bears interest  
15.24 at the rate of six percent per annum and ~~shall be~~ is a lien upon the lands described ~~therein~~;  
15.25 ~~and.~~ The collection ~~thereof of the tax must be~~ enforced in the same manner as taxes  
15.26 levied under section 88.52, subdivision 1 $\frac{1}{2}$  and; if ~~such~~ the tax ~~be~~ is not sooner paid, it  
15.27 ~~shall~~ must be added to, and the payment ~~thereof~~ enforced with, the yield tax imposed  
15.28 under section 88.52, subdivision 2.

15.29 Sec. 30. Minnesota Statutes 2014, section 88.49, subdivision 9, is amended to read:

15.30 Subd. 9. **Auxiliary forests; withdrawal of land from.** (a) Land needed for other  
15.31 purposes may be withdrawn from an auxiliary forest ~~as herein provided.~~ The owner may  
15.32 submit a verified application ~~therefor~~ in a form prescribed by the commissioner of natural  
15.33 resources ~~may be made by the owner~~ to the county board of the county in which the land is  
15.34 situated, describing the land and stating the purpose of withdrawal. ~~Like proceedings shall~~

16.1 ~~be had upon the application as upon an application for the establishment of an auxiliary~~  
16.2 ~~forest, except that consideration need be given only to the questions to be determined as~~  
16.3 ~~provided in this subdivision.~~ The county board shall consider the application and hear any  
16.4 matter offered in support of or in opposition to the application. The county board shall  
16.5 make proper record of its action upon the application. If the application is rejected, the  
16.6 county board shall prepare a written statement stating the reasons for the rejection within  
16.7 30 days of the date of rejection. If the application is rejected, the county auditor shall,  
16.8 within 30 days of the rejection, endorse the rejection on the application and return it,  
16.9 together with a copy of the written statement prepared by the county board stating the  
16.10 reasons for rejection to the applicant. The rejected application and written statement must  
16.11 be sent to the owner by certified mail at the address given in the application.

16.12 (b) If the application is disapproved as to only a part of the lands described, the  
16.13 county auditor shall notify the applicant in the same manner as if the application were  
16.14 rejected. The applicant may amend the application within 60 days after the notice is  
16.15 mailed. If it is not amended, the application is deemed rejected.

16.16 (c) If the county board ~~shall determine~~ determines that the land proposed to be  
16.17 withdrawn is needed and is suitable for the purposes set forth in the application, and  
16.18 that the remaining land in the auxiliary forest is suitable and sufficient for the purposes  
16.19 thereof of the auxiliary forest as provided by law, the board may, in its discretion, grant  
16.20 the application, subject to the approval of the commissioner. Upon such approval a  
16.21 supplemental contract evidencing the withdrawal shall be executed, filed, and recorded  
16.22 or registered as the case may require, in like manner as an original auxiliary forest  
16.23 contract. Thereupon by both the county board and the commissioner, the county auditor  
16.24 shall notify the applicant and the commissioner. Upon notice from the county auditor,  
16.25 the commissioner shall cause to be prepared a supplemental contract executed by the  
16.26 commissioner on behalf of the state and by the owner of the fee title or the holder of  
16.27 a state deed and by all other persons having any liens on the land and witnessed and  
16.28 acknowledged as provided by law for the execution of recordable deeds of conveyance.  
16.29 Notices sent by certified mail to the owner in fee at the address given in the application  
16.30 is deemed notice to all persons executing the supplemental contract. The supplemental  
16.31 contract must be prepared by the director of the Division of Forestry on a recordable  
16.32 form approved by an attorney appointed by the commissioner. Every supplemental  
16.33 contract must be approved by the Executive Council. The commissioner shall submit the  
16.34 supplemental contract to the owner of the land. If the owner indicates to the commissioner  
16.35 an unwillingness to execute the supplemental contract, or if the owner or any of the  
16.36 persons with an interest in the land or a lien upon the land fail to execute the contract



17.1 within 60 days from the time of submission of the contract to the owner for execution, all  
 17.2 proceedings relating back to the withdrawal of the land from an auxiliary forest shall be at  
 17.3 an end. When the supplemental contract is executed, it must be recorded in the office of  
 17.4 the county recorder at the expense of the owner or, if the title to the land is registered, the  
 17.5 supplemental contract must be recorded with the registrar of titles. At the time the contract  
 17.6 is recorded with the county recorder, the owner, at the owner's expense, shall record with  
 17.7 the county recorder a certificate from the county attorney to the effect that no change in  
 17.8 record title to the land has occurred, that no liens or other encumbrances have been placed  
 17.9 on the land, and that no taxes have accrued on the land since the making of the previous  
 17.10 certificate. The county attorney must furnish this certificate without further compensation.  
 17.11 Upon execution and recording of the supplemental contract, the land described in the  
 17.12 supplemental contract shall cease that is to be withdrawn from the auxiliary forest ceases  
 17.13 to be part of the auxiliary forest, and, together with the timber thereon, shall be the owner  
 17.14 is liable to taxes and assessments of the withdrawn portion together with the timber on the  
 17.15 withdrawn portion in like manner as upon cancellation of an auxiliary forest contract.

17.16 Sec. 31. Minnesota Statutes 2014, section 88.49, subdivision 11, is amended to read:

17.17 Subd. 11. **Auxiliary forests; transfer of title; procedure on division.** The title to  
 17.18 the land in an auxiliary forest or any part thereof of an auxiliary forest is subject to transfer  
 17.19 in the same manner as the title to other real estate, subject to the auxiliary forest contract  
 17.20 ~~therefor~~ and to applicable provisions of law. ~~In case~~ If the ownership of ~~such a~~ an auxiliary  
 17.21 forest is divided into two or more parts by any transfer or transfers of title and the owners  
 17.22 of all such the parts desire to have the same parts made separate auxiliary forests, they the  
 17.23 owners may join in a verified application therefor to the county board of the county in  
 17.24 which the forest is situated in a form prescribed by the commissioner of natural resources.  
 17.25 If the county board determines that each of the parts into which the forest has been divided  
 17.26 is suitable and sufficient for a separate auxiliary forest as provided by law, it may, in  
 17.27 its discretion, grant the application, subject to the approval of the commissioner. Upon  
 17.28 such approval, the commissioner shall prepare a new auxiliary forest contract for each  
 17.29 part transferred, with like provisions and for the remainder of the same term as the prior  
 17.30 contract in force for the entire forest at the time of the transfer, and shall also prepare a  
 17.31 modification of such the prior contract, eliminating therefrom the part or parts of the land  
 17.32 transferred but otherwise leaving the remaining land subject to all the provisions of such  
 17.33 the contract. The new contract or contracts and modification of the prior contract shall  
 17.34 must be executed and otherwise dealt with in like manner as provided for an original a  
 17.35 supplemental auxiliary forest contract in subdivision 9, but no such instrument shall must

18.1 take effect until all of them, ~~covering together all parts of the forest existing before the~~  
 18.2 ~~transfer~~, have been executed, filed, and recorded or registered, ~~as the case may require.~~  
 18.3 ~~Upon the taking effect of~~ When all such the instruments take effect, the owner of the  
 18.4 forest prior to the transfer ~~shall be~~ is divested of all rights and relieved from all liabilities  
 18.5 under the contract then in force with respect to the parts transferred except ~~such~~ those as  
 18.6 may have existed or accrued at the time of the taking effect of such instruments, and  
 18.7 thereafter the several tracts into which the forest has been divided and the respective  
 18.8 owners thereof ~~shall be~~ are subject to the new contract or contracts or the modified prior  
 18.9 contract relating thereto, as the case may be, as provided for an original auxiliary forest  
 18.10 contract. The provisions of this subdivision shall not supersede or affect the application  
 18.11 of any other provision of law to any auxiliary forest which is divided by transfer of title  
 18.12 unless the procedure herein authorized is fully consummated.

18.13 Sec. 32. Minnesota Statutes 2014, section 88.491, subdivision 2, is amended to read:

18.14 Subd. 2. **Effect of expired contract.** When auxiliary forest contracts expire,  
 18.15 or prior to expiration by mutual agreement between the ~~land owner~~ landowner and the  
 18.16 appropriate county office, the lands previously covered by an auxiliary forest contract  
 18.17 automatically qualify for inclusion under the provisions of the Sustainable Forest Incentive  
 18.18 Act; provided that when such lands are included in the Sustainable Forest Incentive Act  
 18.19 prior to expiration of the auxiliary forest contract, they will be transferred and a tax paid as  
 18.20 provided in section 88.49, subdivision 5, upon application and inclusion in the sustainable  
 18.21 forest incentive program. The ~~land owner~~ landowner shall pay taxes in an amount equal to  
 18.22 the difference between:

18.23 (1) the sum of:

18.24 (i) the amount which would have been paid from the date of the recording of the  
 18.25 contract had the land under contract been subject to the Minnesota Tree Growth Tax  
 18.26 Law; plus

18.27 (ii) beginning with taxes payable in 2003, the taxes that would have been paid if the  
 18.28 land had been enrolled in the sustainable forest incentive program; and

18.29 (2) the amount actually paid under section 88.51, ~~subdivisions~~ subdivision 1, and  
 18.30 Minnesota Statutes 2014, section 88.51, subdivision 2.

18.31 Sec. 33. Minnesota Statutes 2014, section 88.50, is amended to read:

18.32 **88.50 TAXATION.**

18.33 Every auxiliary forest in this state ~~shall~~ must be taxed ~~in the manner and to the extent~~  
 18.34 ~~hereinafter provided~~ according to sections 88.49 to 88.53 and not otherwise. Except as

expressly permitted by sections ~~88.47~~ 88.49 to 88.53, no auxiliary forest shall be taxed for, or ~~in any manner~~, directly or indirectly made to contribute to, or become liable for the payment of, any tax or assessment, general or special, or any bond, certificate of indebtedness, or other public obligation of any name or kind, made, issued, or created subsequent to the filing of the contract creating the auxiliary forest, provided that temporary buildings, structures, or other fixtures ~~of whatsoever kind~~ located upon land within an auxiliary forest shall be valued and assessed as personal property and classified as class 3 under the general system of ad valorem taxation. In any proceeding for the making of a special improvement under the laws of this state by which any auxiliary forest will be benefited, the owner ~~thereof~~ may subject the lands ~~therein~~ to assessment ~~therefor~~ in the manner provided by law, by filing the owner's written consent ~~in writing~~ to the ~~making of the assessment~~ in the tribunal in which the proceeding is pending, ~~whereupon~~. The lands shall for the purposes of the improvement and assessment not be treated as lands ~~not~~ in an auxiliary forest; but the lien of any assessment ~~so~~ levied on lands in any auxiliary forest ~~shall be~~ is subject to the provisions of the contract creating the auxiliary forest and subordinate to the lien of any tax imposed under the provisions of sections ~~88.47~~ 88.49 to 88.53.

Sec. 34. Minnesota Statutes 2014, section 88.51, subdivision 1, is amended to read:

Subdivision 1. **Annual tax, ten cents per acre.** (a) From and after the filing of the contract creating any tract of land an auxiliary forest under sections ~~88.47~~ 88.49 to 88.53 and hereafter upon any tract heretofore created as an auxiliary forest, the surface of the land ~~therein~~, exclusive of mineral or anything of value thereunder, ~~shall~~ must be taxed annually at the rate of 10 cents per acre. This tax ~~shall~~ must be levied and collected, and the payment ~~thereof of the tax~~, with penalties and interest, enforced in the same manner as other taxes on real estate, and ~~shall~~ must be credited to the funds of the taxing districts affected in the proportion of their interest in the taxes on this land if it had not been so made an auxiliary forest; provided, that such tax ~~shall be~~ is due in full on or before May 31, after the levy thereof. Failure to pay when due any tax so levied ~~shall be~~ is cause for cancellation of the contract.

(b) The levy upon the land of the taxes provided for by section 88.49, subdivision 5, upon the cancellation of a contract, ~~shall discharge and annul~~ discharges and annuls all unpaid taxes levied or assessed ~~thereon~~ on the land.

Sec. 35. Minnesota Statutes 2014, section 88.51, subdivision 3, is amended to read:

Subd. 3. **Determination of estimated market value.** In determining the net tax capacity of property within any taxing district, the value of the surface of lands within any

20.1 auxiliary forest ~~therein~~ in the taxing district, as determined by the county board ~~under the~~  
20.2 ~~provisions of section 88.48, subdivision 3~~, shall, for all purposes except the levying of  
20.3 taxes on lands within any such forest, be deemed the estimated market value ~~thereof~~ of  
20.4 those surface lands.

20.5 Sec. 36. Minnesota Statutes 2014, section 88.52, subdivision 2, is amended to read:

20.6 Subd. 2. **Examination, report.** When any timber growing or standing in any  
20.7 auxiliary forest ~~shall have become~~ is suitable for merchantable forest products, the  
20.8 commissioner shall, at the written request of the owner, a copy of which shall at the time be  
20.9 filed in the office of the county auditor, make an examination of the timber and designate  
20.10 for the owner the kind and number of trees most suitable to be cut ~~if in the judgment of~~  
20.11 ~~the commissioner there be any, and~~. The cutting and removal of ~~these~~ designated trees so  
20.12 ~~designated shall~~ must be in accordance with the instructions of the commissioner. The  
20.13 commissioner shall inspect the cutting or removal and determine whether it or the manner  
20.14 of its performance constitute a violation of the terms of the contract creating the auxiliary  
20.15 forest or of the ~~laws applicable thereto~~ laws, or of the instructions of the commissioner  
20.16 relative to the cutting and removal. Any such violation ~~shall be~~ is ground for cancellation  
20.17 of the contract by the commissioner; otherwise the contract ~~shall continue~~ continues in  
20.18 force for the remainder of the period ~~therein~~ stated in the contract, regardless of the cutting  
20.19 and removal. Within 90 days after the completion of any cutting or removal operation,  
20.20 the commissioner shall make a report of findings ~~thereon~~ and transmit copies of ~~such~~ the  
20.21 report to the county auditor and the surveyor general.

20.22 Sec. 37. Minnesota Statutes 2014, section 88.52, subdivision 3, is amended to read:

20.23 Subd. 3. **Kinds, permit, scale report, assessment and payment of tax.** (a) Upon  
20.24 ~~the filing of the~~ owner's written request of the owner as provided in subdivision 2, the  
20.25 director of ~~lands and~~ forestry, with the county board or the county land commissioner,  
20.26 shall determine within 30 days the kinds, quantities, and value on the stump of the timber  
20.27 proposed to be cut.

20.28 Before the cutting is to begin, the director of ~~lands and~~ forestry shall file with the  
20.29 county auditor a report showing the kinds, quantities, and value of the timber proposed to  
20.30 be cut or removed and approved by the director of ~~lands and~~ forestry for cutting within  
20.31 two years after the date of approval of the report by the director of ~~lands and~~ forestry. The  
20.32 county auditor shall assess and levy the estimated yield tax thereon, make proper record  
20.33 of this assessment and levy in the auditor's office, and notify the owner of the auxiliary  
20.34 forest of the tax amount ~~thereof~~. The owner shall, before any timber in the forest is cut or

21.1 removed, give a bond payable to the state of Minnesota, or ~~in lieu thereof~~, a deposit in  
21.2 cash with the county treasurer, in the amount required by the report, ~~which shall be~~ and not  
21.3 less than 150 percent of the amount of the levy, conditioned for the payment of all taxes on  
21.4 the timber to be cut or removed. Upon receipt of notification from the county auditor that  
21.5 the bond or cash requirement has been deposited, the director of ~~lands and~~ forestry will  
21.6 issue a cutting permit in accordance with the report. The owner shall keep an accurate  
21.7 count or scale of all timber cut. On or before ~~the fifteenth day of April 15~~ following  
21.8 issuance of ~~such~~ the cutting permit, and on or before ~~the fifteenth day of April 15~~ of each  
21.9 succeeding year in which any merchantable wood products were cut on auxiliary forest  
21.10 lands prior to the termination of ~~such~~ the permit, the owner of the timber covered by the  
21.11 permit shall file with the director of ~~lands and~~ forestry a sworn statement, submitted in  
21.12 duplicate, on a form prepared by the director of ~~lands and~~ forestry, one copy of which  
21.13 ~~shall~~ must be transmitted to the county auditor, specifying the quantity and value of each  
21.14 variety of timber and kind of product cut during the preceding year ending on March 31,  
21.15 as shown by the scale or measurement ~~thereof~~ made on the ground as cut, skidded, or  
21.16 loaded as the case may be. If no such scale or measurement ~~shall have been~~ was made on  
21.17 the ground, an estimate ~~thereof shall~~ must be made and ~~such estimate~~ corrected by the first  
21.18 scale or measurement, made in the due course of business, ~~and such~~. The correction must  
21.19 at once be filed with the director of ~~lands and~~ forestry who shall immediately transmit it to  
21.20 the county auditor. On or before ~~the fifteenth day of May 15~~ following the filing of the  
21.21 sworn statement covering the quantity and value of timber cut under an authorized permit,  
21.22 the auditor shall assess and levy a yield (severance) tax, according to Minnesota Statutes  
21.23 2014, section 88.51, subdivision 2, of the timber cut during the year ending on ~~the March~~  
21.24 ~~31st~~ 31 preceding the date of assessing and levying this tax. This tax is payable and must  
21.25 be paid to the county treasurer on or before the following May 31 ~~next following~~. Copies  
21.26 of the yield (severance) tax assessment and of the yield (severance) tax payment ~~shall~~ must  
21.27 be filed with the director of ~~lands and~~ forestry and the county auditor. Except as otherwise  
21.28 provided, all yield (severance) taxes herein provided for ~~shall~~ must be levied and collected,  
21.29 and payment ~~thereof~~, with penalties and interest, enforced in the same manner as taxes  
21.30 imposed under ~~the provisions of~~ section 88.51, subdivision 1, and ~~shall~~ must be credited to  
21.31 the funds of the taxing districts affected in the proportion of their interests in the taxes on  
21.32 the land producing the yield (severance) tax. ~~At any time~~ On deeming it necessary, the  
21.33 director of ~~lands and~~ forestry may order an inspection of any or all cutting areas within  
21.34 an auxiliary forest and ~~also~~ may require the owner of the auxiliary forest to produce for  
21.35 inspection by the director of ~~lands and~~ forestry of any or all cutting records pertaining to  
21.36 timber cutting operations within an auxiliary forest for the purpose of determining the

22.1 accuracy of scale or measurement reports, and if intentional error in scale or measurement  
 22.2 reports is found to exist, shall levy and assess a tax triple the yield (severance) tax on the  
 22.3 stumpage value of the timber cut in excess of the quantity and value reported.

22.4 (b) The following alternative method of assessing and paying annually the yield tax  
 22.5 on an auxiliary forest is to be available to an auxiliary forest owner upon application and  
 22.6 upon approval of the county board of the county within which the auxiliary forest is located.

22.7 For auxiliary forests entered under this ~~subdivision~~ paragraph, the county auditor  
 22.8 shall assess and levy the yield tax by multiplying the acreage of each legal description  
 22.9 included within the auxiliary forest by the acre quantity of the annual growth by species,  
 22.10 calculated in cords, or in thousands of feet board measure Minnesota standard log scale  
 22.11 rule, whichever is more reasonably usable, for the major species found in each type by  
 22.12 the from year-to-year appraised stumpage prices for each of these species, used by the  
 22.13 Division of ~~Lands and~~ Forestry, Department of Natural Resources, in selling trust fund  
 22.14 timber located within the district in which the auxiliary forest is located. The assessed  
 22.15 value of the annual growth of the auxiliary forest, thus determined, ~~shall be~~ is subject to  
 22.16 a ten percent of stumpage value yield tax, payable annually on or before May 31. In all  
 22.17 other respects the assessment, levying and collection of the yield tax, as provided for in  
 22.18 this subdivision ~~shall~~ must follow the procedures specified in ~~clause~~ paragraph (a).

22.19 Forest owners operating under this ~~subdivision~~ paragraph ~~shall be~~ are subject to all  
 22.20 other provisions of the auxiliary forest law except ~~such~~ the provisions of ~~clause~~ paragraph  
 22.21 (a) ~~as that~~ are in conflict with this ~~subdivision~~ paragraph. Penalties for intentional failure  
 22.22 by the owner to report properly the quantity and value of the annual growth upon an  
 22.23 auxiliary forest entered under this ~~subdivision~~ paragraph and for failure to pay the yield  
 22.24 tax when due ~~shall be~~ are the same as the penalties specified in other subdivisions of this  
 22.25 law for like failure to abide by its provisions.

22.26 To qualify for the assessment and levying of the yield tax by this method, the  
 22.27 owner of the forest requesting this method of taxation must submit a map or maps  
 22.28 and a tabulation in acres and in quantity of growth by legal descriptions showing the  
 22.29 division of the area covered by the auxiliary forest for which this method of taxation is  
 22.30 requested into the following forest types, namely: white and ~~Norway~~ red pine; jack pine;  
 22.31 aspen-birch; spruce-balsam fir; ~~swamp~~ black spruce; tamarack; cedar; upland hardwoods;  
 22.32 lowland hardwoods; upland brush and grass (temporarily nonproductive); lowland brush  
 22.33 (temporarily nonproductive); and permanently nonproductive (open bogs, stagnant  
 22.34 swamps, rock outcrops, flowage, etc.). Definition of these types and determination of the  
 22.35 average rate or rates of growth (in cords or thousand feet, board measure, Minnesota  
 22.36 standard log scale rule, ~~which ever~~ whichever is more logically applicable for each of

them) ~~shall~~ must be made by the director of the Division of ~~Lands and~~ Forestry, Minnesota Department of Natural Resources, with the advice and assistance of the land commissioner of the county in which the auxiliary forest is located; the director of the United States Forest Service's North Central Forest Experiment Station; and the director of the School of Forestry, University of Minnesota. Before the approval of the application of the owner of an auxiliary forest to have the auxiliary ~~or proposed auxiliary~~ forest taxed under provisions of this ~~subdivision~~ paragraph is submitted to the county board, the distribution between types of the area as shown on the maps and in the tabulations submitted by the owner of the auxiliary ~~or proposed auxiliary~~ forest ~~shall~~ must be examined and their accuracy determined by the director of the Division of ~~Lands and~~ Forestry, Department of Natural Resources, with the assistance of the county board of the county in which the auxiliary forest is located.

During the life of the auxiliary forest, contract timber cutting operations within the various types shown upon the type map accepted as a part of the approved auxiliary forest application ~~shall~~ do not bring about a reclassification of the forest types shown upon that map or those maps until after the passage of ten years following the termination of ~~said~~ the timber cutting operations and then only upon proof of a change in type.

Sec. 38. Minnesota Statutes 2014, section 88.52, subdivision 4, is amended to read:

Subd. 4. **Hearing, procedure.** The owner of any land or timber upon which a yield tax is assessed and levied as provided in this section may, within 15 days after mailing of notice of the amount of the tax, file with the county auditor a demand for hearing ~~thereon on the tax~~ before the county board. The county auditor shall thereupon fix a date of hearing, which ~~shall~~ must be held within 30 days after the filing of the demand, and mail to the owner notice of the time and place of the hearing. The owner may appear at the meeting and present evidence and argument as to the amount of the tax and as to any related matter relating thereto. The county board shall ~~thereupon~~ determine whether the tax as levied is proper in amount and make its order ~~thereon~~. The county auditor shall ~~forthwith~~ mail to the owner a notice of the order. If the amount of the tax is increased or reduced by the order, the county auditor shall make a supplemental assessment and levy ~~thereof~~, as in this subdivision provided.

Sec. 39. Minnesota Statutes 2014, section 88.52, subdivision 5, is amended to read:

Subd. 5. **Yield tax, a prior lien.** Throughout the life of any ~~such~~ auxiliary forest, ~~the yield tax accruing thereon shall constitute and be~~ yield tax constitutes and is a first and prior lien upon all the merchantable timber and forest products growing or grown thereon; and, if not paid when due, this yield tax, together with penalties and interest ~~thereon~~ as

24.1 otherwise provided by law and all expenses of collecting same, ~~shall continue~~ continues to  
24.2 be a lien upon the timber and forest products ~~and every part and parcel thereof wherever~~  
24.3 ~~the same may be or~~ however much changed in form or otherwise improved until the yield  
24.4 tax is fully paid. ~~Such~~ The lien may be foreclosed and the property subject ~~thereto~~ to  
24.5 the lien dealt with by action in the name of the state, brought by the county attorney at  
24.6 the request of the county auditor.

24.7 Sec. 40. Minnesota Statutes 2014, section 88.52, subdivision 6, is amended to read:

24.8 Subd. 6. **Timber held exempt from yield tax.** Timber cut from an auxiliary forest  
24.9 by an owner and used by the owner for fuel, fencing, or building on land occupied by the  
24.10 owner which is within or contiguous to the auxiliary forest where cut ~~shall be~~ is exempt  
24.11 from the yield tax, and, as to timber so cut and used, the requirements of subdivisions  
24.12 1 and 2 ~~shall do not be applicable and in lieu thereof apply.~~ The owner shall, prior to  
24.13 cutting, file with the county auditor, on a form prepared by the commissioner, a statement  
24.14 showing the quantity of each kind of forest products proposed to be cut and the purposes  
24.15 for which the ~~same~~ the products will be used.

24.16 Sec. 41. Minnesota Statutes 2014, section 88.523, is amended to read:

24.17 **88.523 AUXILIARY FOREST CONTRACTS; SUPPLEMENTAL**  
24.18 **AGREEMENTS.**

24.19 Upon application of the owner, any auxiliary forest contract ~~heretofore or hereafter~~  
24.20 ~~executed~~ may be made subject to any provisions of law enacted subsequent to the execution  
24.21 of the contract and in force at the time of application, so far as not already applicable, with  
24.22 the approval of the county board and the commissioner of natural resources. ~~As evidence~~  
24.23 ~~thereof~~ A supplemental agreement in a form prescribed by the commissioner and approved  
24.24 by the attorney general ~~shall~~ must be executed by the commissioner in behalf of the state  
24.25 and by the owner. ~~Such~~ The supplemental agreement ~~shall~~ must be filed and recorded in  
24.26 like manner as the ~~original~~ supplemental contract under section 88.49, subdivision 9, and  
24.27 ~~shall thereupon take~~ takes effect upon filing and recording.

24.28 Sec. 42. Minnesota Statutes 2014, section 88.53, subdivision 1, is amended to read:

24.29 Subdivision 1. **Time for disposal.** ~~Any corporation, association, or organization~~  
24.30 ~~may acquire and hold any amount of land without restriction and without limit as to~~  
24.31 ~~acreage or quantity for the purpose of including same within and holding same as an~~  
24.32 ~~auxiliary forest under the provisions of sections 88.47 to 88.53.~~ When the same shall



25.1 ~~ease~~ land ceases to be an auxiliary forest, the owners ~~shall~~ have five years within which  
25.2 to dispose of the land, any provisions of general law to the contrary notwithstanding.

25.3 Sec. 43. Minnesota Statutes 2014, section 88.53, subdivision 2, is amended to read:

25.4 Subd. 2. **Rules.** The director shall make rules and adopt and prescribe such forms  
25.5 and procedure as ~~shall be~~ is necessary in carrying out the provisions of sections ~~88.47~~  
25.6 88.49 to 88.53; and the director and every county board, county recorder, registrar of titles,  
25.7 assessor, tax collector, and every other person in official authority having any duties to  
25.8 perform under or growing out of sections ~~88.47~~ 88.49 to 88.53 are hereby severally vested  
25.9 with full power and authority to enforce such rules, employ help and assistance, acquire  
25.10 and use equipment and supplies, or do any other act or thing reasonably necessary to the  
25.11 proper performance of duties under or arising from the administration and enforcement of  
25.12 sections ~~88.47~~ 88.49 to 88.53. ~~It shall be the duty of~~ The director ~~to~~ must cause periodic  
25.13 inspections to be made of all auxiliary forests for the purpose of determining whether  
25.14 relative contract and statutory provisions ~~relative thereto~~ are being complied with.

25.15 Sec. 44. Minnesota Statutes 2014, section 88.6435, subdivision 4, is amended to read:

25.16 Subd. 4. **Forest bough account; disposition of fees.** (a) The forest bough account  
25.17 is established in the state treasury within the natural resources fund.

25.18 (b) Fees for permits issued under this section ~~shall~~ must be deposited in the state  
25.19 treasury and credited to the forest bough account and, except for the electronic licensing  
25.20 system commission established by the commissioner under section 84.027, subdivision  
25.21 15, are annually appropriated to the commissioner of natural resources for costs associated  
25.22 with ~~balsam bough educational~~ special forest product information and education programs  
25.23 for harvesters and buyers.

25.24 Sec. 45. Minnesota Statutes 2014, section 103G.271, subdivision 5, is amended to read:

25.25 Subd. 5. **Prohibition on once-through water use permits.** (a) Except as provided  
25.26 in paragraph (c), the commissioner may not issue a water use permit to increase the  
25.27 volume of appropriation from a groundwater source for a once-through cooling system.

25.28 (b) Except as provided in paragraph (c), once-through system water use permits  
25.29 using in excess of 5,000,000 gallons annually must be terminated by the commissioner,  
25.30 unless the discharge is into a public water basin within a nature preserve approved by the  
25.31 commissioner and established prior to January 1, 2001. The commissioner may issue a  
25.32 permit for a system in existence prior to January 1, 2015, for up to 5,000,000 gallons

26.1 annually. Existing once-through systems must not be expanded and are required to convert  
26.2 to water efficient alternatives within the design life of existing equipment.

26.3 (c) Notwithstanding paragraphs (a) and (b), the commissioner, with the approval of  
26.4 the commissioners of health and the Pollution Control Agency, may issue once-through  
26.5 system water use permits on an annual basis for aquifer storage and recovery systems that  
26.6 return all once-through system water to the source aquifer. Water use permit processing  
26.7 fees in subdivision 6, paragraph (a), apply to all water withdrawals under this paragraph,  
26.8 including any reuse of water returned to the source aquifer.

26.9 Sec. 46. Minnesota Statutes 2014, section 282.011, subdivision 3, is amended to read:

26.10 Subd. 3. **Title examination.** The commissioner of revenue shall, if requested by the  
26.11 purchaser or the county attorney of the county where all or a portion of the land is situated,  
26.12 deliver the deed to the county attorney for use under Minnesota Statutes 2014, section  
26.13 88.48, subdivision 5, but such delivery shall not be considered delivery to the purchaser.  
26.14 The county attorney shall be instructed when taking the transferral of the deed that said  
26.15 deed shall not be delivered to the purchaser unless the land involved is accepted as and  
26.16 placed into an auxiliary forest.

26.17 Sec. 47. **RULEMAKING; WATER SURFACE USE RESTRICTIONS.**

26.18 (a) The commissioner of natural resources shall amend Minnesota Rules, part  
26.19 6110.3700, subpart 9, to allow a longer period of temporary special controls in situations  
26.20 of local emergency by deleting "five" and inserting "30" and deleting "five-day" and  
26.21 inserting "30-day."

26.22 (b) The commissioner may use the good-cause exemption under Minnesota Statutes,  
26.23 section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota  
26.24 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes,  
26.25 section 14.388.

26.26 Sec. 48. **RULEMAKING; PERSONAL FLOTATION DEVICES.**

26.27 (a) To conform with changes in federal regulation, the commissioner of natural  
26.28 resources shall amend Minnesota Rules, part 6110.1200, subpart 3, as follows:

26.29 (1) delete the term "Type I, II, or III" and insert "wearable";

26.30 (2) delete the term "Type IV" and insert "throwable";

26.31 (3) delete items B and D and reletter the remaining items; and

26.32 (4) insert a new item that reads:

26.33 "C. All personal flotation devices required by this subpart must be:

27.1 (1) approved by the U.S. Coast Guard;  
27.2 (2) legibly marked with any requirements and the approval number issued by the  
27.3 U.S. Coast Guard;  
27.4 (3) in serviceable condition free of tears, rot, punctures, or waterlogging, and with  
27.5 all straps and fasteners present and in good condition;  
27.6 (4) of the appropriate size for the intended wearer, if the device is designed to be worn,  
27.7 and in compliance with any requirements listed on the U.S. Coast Guard approval label;  
27.8 (5) for wearable devices, either readily accessible or worn, except when:  
27.9 (a) devices are required to be worn to be accepted as U.S. Coast Guard-approved; or  
27.10 (b) wearing a U.S. Coast Guard-approved wearable personal flotation device is  
27.11 mandatory; and  
27.12 (6) for throwable devices, immediately available.  
27.13 "Readily accessible" means easily retrievable within a reasonable amount of time  
27.14 in an emergency. "Immediately available" means easily reached in time of emergency.  
27.15 Personal flotation devices located in locked containers, under heavy objects, or left in  
27.16 shipping bags are not considered readily accessible or immediately available."  
27.17 (b) The commissioner may use the good cause exemption under Minnesota Statutes,  
27.18 section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota  
27.19 Statutes, section 14.386, does not apply except as provided under Minnesota Statutes,  
27.20 section 14.388.

27.21 Sec. 49. **REVISOR'S INSTRUCTION.**

27.22 The revisor of statutes shall delete the range reference "88.47 to 88.53" wherever it  
27.23 appears in Minnesota Statutes and Minnesota Rules and insert "88.49 to 88.53."

27.24 Sec. 50. **REPEALER.**

27.25 Minnesota Statutes 2014, sections 88.47; 88.48; 88.49, subdivisions 1, 2, and 10;  
27.26 88.491, subdivision 1; 88.51, subdivision 2; and 282.013, are repealed.

**88.47 AUXILIARY FORESTS; TAXATION.**

Subdivision 1. **Created.** Any tract of land in this state containing not less than 35 acres, generally suitable for the planting, culture, and growth of trees for the production of timber or forest products may be made an auxiliary forest, subject to taxation only in accordance with the provisions of sections 88.47 to 88.53.

Subd. 2. **Wood lots.** Any tract of land in this state containing not less than five nor more than 40 acres generally suitable for the planting, culture, and growth of trees for the production of timber or forest products, being in the nature of wood lots guarded or protected by the owners or their tenants actually living on the land or immediately adjacent thereto, may, regardless of value be made an auxiliary forest, subject to limited and special taxation only in accordance with the provisions of sections 88.47 to 88.53.

Subd. 3. **Form and contents of application.** The owner of, the owner of an option to buy, or the owner of a contract to buy any tract or contiguous tract of land who deems the tract suitable for an auxiliary forest may make written application to the county board of the county in which such land is situate, setting forth the description thereof by governmental subdivisions or other proper survey, the estimated value per acre thereof, a brief statement of the facts showing its suitability for production of timber or forest products, a statement of the kinds of timber growing and proposed to be grown thereon and the kind and quantity of merchantable timber thereon, the methods of timber culture proposed to be followed, and a request that such land be made an auxiliary forest under and subject to the provisions of sections 88.47 to 88.53.

Subd. 4. **Verification.** The application shall be upon a form prescribed by the director and shall be verified by the applicant.

**88.48 APPLICATION.**

Subdivision 1. **Filing.** Such application shall be filed with the auditor of the county in which the land described therein is situate, who shall present the same to the county board at its first meeting held after the lapse of a period of ten days after such filing.

Subd. 2. **Notice.** The county auditor shall, upon receipt of the application and prior to the meeting of the county board at which it is presented, mail notice to the clerk of the town in which lies the land therein described.

Subd. 3. **Hearing, determination.** Upon the presentation to it of the application, the county board shall consider the same and hear any matter that may be offered in support of or in opposition to the application. It shall then determine whether the land covered by the application is suitable for the planting, culture, and growth of trees for the production of timber or forest products, the actual or market value thereof, exclusive of timber thereon and of minerals or anything under the surface thereof, and the amount of annual tax provided for in section 88.51, subdivision 1.

Subd. 4. **Action of county board.** The county board shall make proper record of its action upon the application including, if the application be rejected, a written statement, prepared within 30 days of the date of rejection, covering the reason or reasons for such rejection.

If the application be rejected, the county auditor shall endorse the rejection on the application and return it, together with a copy of the written statement prepared by the county board giving the reason or reasons for rejection, to the applicant within 30 days by certified mail at the address given in the application; or, if the application is disapproved as to a part only of the lands described therein, the county auditor shall in like manner notify the applicant, who may within 60 days after the mailing of the notice amend the application accordingly. If it be not so amended the application shall be deemed rejected.

If the application be accepted, the county auditor shall in like manner notify the applicant thereof and transmit the application, with the record of the approval thereof, to the director. It shall be the duty of the commissioner to approve or disapprove the application within 90 days from receipt thereof, to make proper record of the action and to give notice thereof to the applicant in the manner hereinbefore provided and to the county board.

Subd. 5. **Abstract of title.** Within 60 days after the mailing of notice of acceptance by the commissioner, the applicant shall furnish to the county attorney of the county in which the lands described in the contract lie an abstract of title to these lands, or a certificate of title, if the same be registered, including certificates by the county auditor and county treasurer that there are no unpaid taxes thereon, and a certificate of judgment search by the court administrator of the district court. In case of land conveyed to the applicant by the state of Minnesota under the provisions of section 282.01, subdivision 2, or sections 282.011 to 282.015, the furnishing of the recorded state deed and a certificate of judgment search to the county attorney in lieu of an abstract of title

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shall constitute satisfactory compliance with this subdivision. The county attorney shall make such examination as may be required by the commissioner and certify to the director the name of the owner of the fee title or the holder of a state deed issued pursuant to Minnesota Statutes, as amended, section 282.01, subdivision 2, or sections 282.011 to 282.015, thereto, and the names of all other persons having any liens thereon, and such other information as may be required by the commissioner. The applicant shall pay the county attorney a reasonable fee for the examination, not exceeding \$10 for each 640 acres, or fraction thereof, of contiguous lands included in any one abstract, certificate of title or state deed.

### **88.49 CONTRACTS.**

Subdivision 1. **Execution.** When it shall have been determined that any lands may be made into an auxiliary forest, the commissioner shall prepare a contract therefor, which contract shall be executed by the commissioner in behalf of the state of Minnesota and by the owner of the fee title or the holder of a state deed and by all other persons having any liens thereon and witnessed and acknowledged as provided by law for the execution of recordable deeds of conveyance. Notices sent by certified mail to the owner in fee at the address given in the application shall be deemed notice to all persons executing such contract.

Subd. 2. **Preparation, form, approval.** The contract shall be prepared by the director of the Division of Lands and Forestry on a recordable form approved by the attorney general and prescribe such terms and conditions as will reasonably tend to produce merchantable timber upon the lands described therein and specify the kind or species of seeds to be planted or seedlings to be set out and the quantity or number thereof, or other acts or steps that the commissioner shall deem necessary in respect to afforestation or reforestation of the lands; the time or times when the same shall be done; the kind and amount, if any, of culture or other attention to be given in aid of the growth of timber thereon; the uses, if any, which may be made of the land while the same remains an auxiliary forest; the period of time, not exceeding 50 years, during which the land may continue to be an auxiliary forest, with privilege of renewal by mutual agreement between the owner and the state acting through the commissioner, with the approval of the county board and the Executive Council, for an additional period not exceeding 50 years; the rate of taxation which may be levied annually on the land, exclusive of merchantable timber growing thereon at the time of the making of the contract and exclusive of mineral or other things of value thereunder, the rate to be determined as hereinafter provided; the keeping open to the public, as public hunting and fishing grounds, of all approved auxiliary forest lands, except when such lands are closed to public hunting or fishing by order of the director of the Division of Lands and Forestry in order to protect such lands from fire, loss of life or property provided, however, that the term keeping open shall not apply to private roads or improvements should the owner desire to close same; and such other conditions, provisions, and stipulations, as the commissioner, in the exercise of scientific knowledge and business judgment, may deem necessary or proper. Every such contract shall be approved by the Executive Council.

As far as practicable all contracts shall be uniform and equal in respect to all lands or classes of lands substantially similar in capacity for, or adaptability to, any particular kind or species of tree culture or forest growth.

Subd. 10. **Auxiliary forest contracts; consolidation thereof.** For the purpose of the simplification of operations thereunder, two or more auxiliary forest contracts held by one owner in any county may be consolidated into a single contract, establishing the initial yield tax in the consolidated contract to such a percentage of market value as will represent a reasonable average of the various levels of the yield taxes payable under the contracts so consolidated at the time of consolidation, as may be determined by the commissioner with the approval of the board of county commissioners. The yield tax payable after consolidation shall be subject to the schedule provided by section 88.51, subdivision 2. The period of time of a consolidated contract shall be the average of the periods remaining of the contracts consolidated. Consolidation of contracts shall be effected in the manner a new contract is established as provided in section 88.48, subdivisions 1, 2, 3, and 4 and subdivisions 1, 2, 3, and 4 of this section but no consolidation shall be effected without the consent of both the county board of county commissioners in any county affected as well as the commissioner of natural resources and no such approval shall be given if the board or the commissioner shall be of the opinion the total taxes that have been paid to date under the separate parcels and are estimated will be paid under the consolidated contract during

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the period thereof would be less than the aggregate total of the taxes that would be paid under the separate contracts on the parcels sought to be consolidated.

### **88.491 RESTRICTIONS ON NEW AUXILIARY FORESTS, EXTENSIONS OF EXISTING CONTRACTS.**

Subdivision 1. **New or extended auxiliary forest contracts.** After June 30, 1974, no application for an auxiliary forest contract may be accepted or approved by a county board under section 88.48, and no auxiliary forest contract may be executed by the commissioner of natural resources under section 88.49, subdivision 1. After June 30, 1974, no extension of an auxiliary forest contract may be agreed upon by the commissioner of natural resources or approved by a county board or the Executive Council under section 88.49, subdivision 2.

### **88.51 AUXILIARY FORESTS; TAX RATE, SPECIAL TAXES.**

Subd. 2. **Merchantable timber taxed separately.** Timber which is merchantable at the time of filing of an auxiliary forest contract or which may become merchantable thereafter may be cut or otherwise removed from the land in accordance with applicable provisions of law and of the auxiliary forest contract, and shall be taxed in the following manner. The owner shall, in the event the timber is cut or removed within one year after March 31 following the date of filing the auxiliary forest contract, pay a special tax thereon, which is hereby designated as a yield tax, equal to 40 percent of the market value of the merchantable timber on the stump at the time of the cutting or removal. The aforesaid yield tax rate shall be reduced by two percent on each April 1st following until it shall become ten percent after which it shall remain constant. Minerals, mineral reservations, or any other thing of value under the surface of the land in any auxiliary forest shall not be included within the terms of sections 88.47 to 88.53 and shall be taxed separately in the same manner as mineral interests or minerals separately owned are taxed.

### **282.013 PLACED IN AUXILIARY FOREST BY PURCHASER.**

Any purchaser under the provisions of section 282.012 or this section of lands sold upon condition that they be placed in an auxiliary forest shall furnish the county board, within six months from the date of purchase, satisfactory proof of having complied with the provisions of section 88.48, pertaining to auxiliary forests, and that the application thereunder, including such lands, has been finally approved, provided that such six-month period may be extended by resolution of the county board for good cause shown for an additional six-month period. If such proof is not so furnished, the sale shall be deemed canceled and the purchase price or portion thereof paid shall be refunded.