SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 4228

(SENATE AUTHORS: HAUSCHILD and Hawj)

DATE	D-PG	OFFICIAL STATUS
03/09/2026	6563	Introduction and first reading Referred to Environment, Climate, and Legacy
04/07/2026	7212a	Comm report: To pass as amended and re-refer to Finance See SF2077

A bill for an act

relating to state government; modifying acquisition provisions; adding to and deleting from certain state parks; authorizing sales and conveyances of certain state and county lands; amending Minnesota Statutes 2024, sections 84.0272, subdivisions 1, 2; 84.96, by adding a subdivision.

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

Section 1. Minnesota Statutes 2024, section 84.0272, subdivision 1, is amended to read:

Subdivision 1. **Acquisition procedure.** When the commissioner of natural resources is authorized to acquire ~~lands or interests in lands~~ fee title or an easement interest in land, the procedure set forth in this section ~~shall apply~~ applies. The commissioner of natural resources shall first prepare a fact sheet showing the lands to be acquired, the legal authority for their acquisition, and the qualities of the land that make it a desirable acquisition. The commissioner of natural resources shall cause the lands to be appraised. An appraiser shall before entering upon the duties of office take and subscribe an oath to faithfully and impartially discharge the duties as appraiser according to the best of the appraiser's ability and that the appraiser is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the sale thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of the appraisal. The commissioner of natural resources may pay less than the appraised value, but shall not agree to pay more than ten percent above the appraised value, except that if the commissioner pays less than the appraised value for a parcel of land, the difference between the purchase price and the appraised value may be used to apply to purchases at more than the appraised value. The sum of accumulated differences between appraised amounts and purchases for more than the appraised amount may not

exceed the sum of accumulated differences between appraised amounts and purchases for less than the appraised amount. New appraisals may be made at the discretion of the commissioner of natural resources.

Sec. 2. Minnesota Statutes 2024, section 84.0272, subdivision 2, is amended to read:

Subd. 2. **Stream easements.** (a) Notwithstanding subdivision 1, the commissioner may acquire permanent stream easements for angler access, fish management, and habitat work and easements to access permanent stream easements acquired under this subdivision for a onetime payment based on a value attributed to ~~both~~ the stream ~~and~~, the easement corridor, and any access easement. The payment ~~shall equal~~ equals:

(1) the per linear foot of stream within the easement corridor times $5; plus

(2) the easement corridor acres times the estimated market value~~.~~; plus

(3) the access corridor acres times the estimated market value.

(b) The estimated market value is equal to:

(1) the agricultural market value plus the rural vacant market value plus the managed forest market value; divided by

(2) the acres of agricultural land plus the rural vacant land plus the managed forest land.

(c) The agricultural market value, rural vacant market value, and managed forest market value or equivalent are determined from data collected by the Department of Revenue during its annual spring mini abstract survey. If the Department of Revenue changes its property type groups for its annual spring mini abstract survey, the agricultural market value, the rural vacant market value, and the managed forest market value shall be determined by the commissioner from data collected by the Department of Revenue in a manner that provides the most reasonable substitute for the market values as presently reported. The commissioner must use the most recent available data for the city or township within which the easement corridor is located.

(d) The commissioner shall periodically review the easement payment rates under this subdivision to determine whether the stream easement payments reflect current shoreland market values. If the commissioner determines that the easements do not reflect current shoreland market values, the commissioner shall report to the senate and house of representatives natural resources policy committees with recommendations for changes to this subdivision that are necessary for the stream easement payment rates to reflect current

shoreland market values. The recommendations may include an adjustment to the dollar amount in paragraph (a), clause (1).

Sec. 3. Minnesota Statutes 2024, section 84.96, is amended by adding a subdivision to read:

Subd. 10. **Access easement.** The commissioner may acquire easements to access native prairie acquired under this section. The commissioner may pay the landowner or land administrator for access easements an amount equal to or less than 50 percent of the payment rate under subdivision 5.

Sec. 4. **ADDITIONS TO STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 21.] Frontenac State Park, Goodhue County.** The following area is added to Frontenac State Park: Lot 3, Block 1, VILLA MARIA ADDITION, according to the recorded plat thereof, Goodhue County, Minnesota.

Subd. 2. **[85.012] [Subd. 24a.] Great River Bluffs State Park, Winona County.** The following area is added to Great River Bluffs State Park: the West Half of the Southeast Quarter of the Northeast Quarter, Section 33, Township 106 North, Range 5 West, Winona County, Minnesota.

Sec. 5. **DELETION FROM STATE PARK.**

[85.012] [Subd. 42.] Mille Lacs Kathio State Park, Mille Lacs County. The following area is deleted from Mille Lacs Kathio State Park: that part of Government Lot 3, Section 33, Township 43 North, Range 27 West, Mille Lacs County, Minnesota, lying easterly of the easterly right-of-way line of U.S. Trunk Highway 169. Excepting therefrom the following described tract of land: commencing at the northwest corner of said Government Lot 3, said corner being marked by a 2-½-inch aluminum post with brass cap (Bureau of Land Management Monument); thence North 89 degrees 43 minutes 55 seconds East, assumed bearing, along the north line of said Government Lot 3, a distance of 1,076.85 feet to the point of beginning of the land to be described; thence continuing North 89 degrees 43 minutes 55 seconds East, along said north line, a distance of 40.88 feet to a ¾-inch iron rod with disk stamped MN DNR PROPERTY; thence continuing North 89 degrees 43 minutes 55 seconds East, along said north line, a distance of 299.64 feet to a ¾-inch rebar with plastic cap stamped MN DNR LS 47461; thence South 14 degrees 26 minutes 27 seconds East, a distance of 170.18 feet to a ¾-inch iron rod with disk stamped MN DNR PROPERTY; thence South 89 degrees 43 minutes 55 seconds West, a distance of 413.14 feet to a ¾-inch

iron rod; thence continuing South 89 degrees 43 minutes 55 seconds West, a distance of 10.50 feet; thence North 07 degrees 53 minutes 17 seconds East, a distance of 70.68 feet; thence North 18 degrees 01 minute 43 seconds East, a distance of 100.09 feet to the point of beginning.

Sec. 6. **PUBLIC SALE OF SURPLUS LAND BORDERING PUBLIC WATER; BECKER COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

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

(c) The land that may be sold is located in Becker County and is described as: all that part of Government Lot 1, Section 9, Township 138 North, Range 43 West, Becker County, Minnesota, bounded by the water's edge of Rossman Lake and the following described lines: commencing at meander corner No. 17 located at the northwesterly corner of said Government Lot 1; thence North 89 degrees 00 minutes 00 seconds East on an assumed bearing 98.96 feet on and along the north line of said Section 9; thence South 10 degrees 10 minutes 30 seconds East, 233.06 feet to a point on the centerline of a township road and the point of beginning; thence South 10 degrees 10 minutes 30 seconds East, 355.37 feet on and along the centerline of said township road; thence South 87 degrees 05 minutes 10 seconds East, 33.46 feet to the northwesterly corner of Erickson Shores, a plat recorded in the Office of the Register of Deeds, Becker County; thence South 87 degrees 05 minutes 10 seconds East, 443.59 feet on and along the north line of said plat to the northwesterly corner of Lot 1 of Block 1 of said plat; thence North 58 degrees 09 minutes 38 seconds East, 135 feet, more or less, on and along the north line of said Lot 1 of Block 1 to the water's edge of said Rossman Lake and there terminating. And also, from the point of beginning; thence North 88 degrees 40 minutes 54 seconds East, 263 feet, more or less, to the water's edge of Rossman Lake and there terminating. Including all riparian rights to the contained 4.3 acres, more or less, and subject to all existing easements.

(d) The land borders Rossman Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

Sec. 7. **ITASCA COUNTY; PILOT PROGRAM FOR THE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATERS.**

Subdivision 1. **Pilot program established.** Itasca County must develop and operate a pilot program under this section to identify and sell, after review by the commissioner of natural resources, tax-forfeited lands that are in the county's land management interests to return to private ownership.

Subd. 2. **Identification of parcels for sale.** (a) By October 1, 2026, Itasca County must identify all parcels of tax-forfeited land within the county that:

(1) border public waters; and

(2) are accessible by existing transportation infrastructure.

(b) By December 1, 2026, Itasca County must rank the parcels identified under paragraph (a) according to the benefit to the county's land management interests that would be realized if each parcel were returned to private ownership.

Subd. 3. **Sale of priority parcels.** Notwithstanding Minnesota Statutes, section 92.45, or 282.018, subdivision 1, or the public sale provisions of Minnesota Statutes, chapter 282, Itasca County may sell up to ten percent of the tax-forfeited land identified under subdivision 2, paragraph (a), under the remaining provisions of Minnesota Statutes, chapter 282. Itasca County must:

(1) attempt to sell parcels in accordance with the ranking developed under subdivision 2, paragraph (b);

(2) comply with the requirements of Minnesota Statutes, sections 282.012 and 282.0197, relating to repurchase by prior owners and sale of land located within the boundary of an Indian reservation, respectively; and

(3) comply with the public sale provisions of Minnesota Statutes, chapter 282, except that a parcel may be sold by private sale where Itasca County determines that the parcel:

(i) is nonconforming to current zoning or local ordinances;

(ii) is landlocked without legal access; or

(iii) is a parcel of land with physical characteristics that indicate that its best use will be achieved by combining it with an adjoining parcel.

Sec. 8. **PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER; MILLE LACS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c) to a federally recognized Indian Tribe, subject to the state's reservation of access and dam easements over the land described in paragraph (c) if the state elects to reserve such easements.

(b) The land must not be sold for less than the appraised value. The buyer must reimburse the commissioner for all costs and expenses, including staff costs, incurred by the commissioner in making the property salable and in selling the property. The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is all of or a portion of the land located in Mille Lacs County and described as: that part of Government Lot 3, Section 33, Township 43 North, Range 27 West, Mille Lacs County, Minnesota, lying easterly of the easterly right-of-way line of U.S. Trunk Highway 169. Excepting therefrom the following described tract of land: commencing at the northwest corner of said Government Lot 3, said corner being marked by a 2-½-inch aluminum post with brass cap (Bureau of Land Management Monument); thence North 89 degrees 43 minutes 55 seconds East, assumed bearing, along the north line of said Government Lot 3, a distance of 1,076.85 feet to the point of beginning of the land to be described; thence continuing North 89 degrees 43 minutes 55 seconds East, along said north line, a distance of 40.88 feet to a ¾-inch iron rod with disk stamped MN DNR PROPERTY; thence continuing North 89 degrees 43 minutes 55 seconds East, along said north line, a distance of 299.64 feet to a ¾-inch rebar with plastic cap stamped MN DNR LS 47461; thence South 14 degrees 26 minutes 27 seconds East, a distance of 170.18 feet to a ¾-inch iron rod with disk stamped MN DNR PROPERTY; thence South 89 degrees 43 minutes 55 seconds West, a distance of 413.14 feet to a ¾-inch iron rod; thence continuing South 89 degrees 43 minutes 55 seconds West, a distance of 10.50 feet; thence North 07 degrees 53 minutes 17 seconds East, a distance of 70.68 feet; thence North 18 degrees 01 minute 43 seconds East, a distance of 100.09 feet to the point of beginning.

(d) The land to be sold borders on Mille Lacs Lake. The Department of Natural Resources has determined that the state's land management interests would best be served if the land was conveyed to a federally recognized Indian Tribe.

Sec. 9. **PRIVATE CONVEYANCE OF SURPLUS LAND BORDERING PUBLIC WATER; PINE COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may convey by private sale the surplus land bordering public water that is described in paragraph (c) for no consideration, subject to the state's reservation of an access easement over the land described in paragraph (c).

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

(c) The land that may be conveyed is located in Pine County and is described as: that part of the West 105 feet of the West 205 feet of that part of Lot 48, Auditor's Subdivision of Section 24, Township 41, Range 21, Pine County, Minnesota, lying South of a line described as follows: commencing at a point on the west line of said Lot 48, 570 feet South of the northwest corner of said lot; thence southeasterly to a point in the east line of said Lot 48, midway between the northeast corner and the southeast corner of said lot, and lying North of the northerly water's edge of the North Branch of the Grindstone River, including all riparian rights.

(d) The land borders the Grindstone River. The Department of Natural Resources has determined that the conveyance will ensure that the private landowners have continued access to the Grindstone River after the Grindstone River dam is removed and the channel restored to a natural alignment.

Sec. 10. **CONVEYANCE OF SURPLUS STATE LAND; REDWOOD COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.298, or any other law to the contrary, upon approval by the Minnesota Historical Society's Executive Council, the director of the Minnesota Historical Society may convey to the Lower Sioux Indian Community in the state of Minnesota, for no consideration, the surplus land and real property that is described in paragraph (c).

(b) The Minnesota Historical Society may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Redwood County and is described as: TRACT "C" that part of the Northeast Quarter of the Northwest Quarter of Section 8, Township 112, Range 34, Redwood County, Minnesota, lying southerly of the center line of C.S.A.H. NO. 2 as shown on REDWOOD COUNTY RIGHT OF WAY PLAT NO. 3 C.S.A.H. NUMBER 2 as of public record, Redwood County, Minnesota.

(d) The Minnesota Historical Society has determined that the state's land management interests and interpretive program interests would best be served if portions of the Lower Sioux Agency Historic Site were conveyed to the Lower Sioux Indian Community in the state of Minnesota.

Sec. 11. **PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited land described in paragraph (c).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in St. Louis County and is described as:

Government Lot 2, EXCEPT the South 760 feet; AND EXCEPT that part of Government Lot 2, shown as Parcel 75 on Minnesota Department of Transportation Right of Way Plat No. 69-181, Section 18, Township 62 North, Range 20 West.

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership to resolve a structure encroachment.

Sec. 12. **PRIVATE SALE OF LAND; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale and competitive bidding requirements of Minnesota Statutes, chapter 373, or other law to the contrary, St. Louis County may sell by private sale the county fee-owned lands described in paragraph (b).

(b) The lands to be sold are located in St. Louis County, Section 34, Township 51 North, Range 18 West, and are described as:

(1) Lots 1, 2, 3, 10, 11, and 12, Block B, including part of the vacated alley adjacent and including part of vacated 3rd Avenue adjacent, Brookston;

(2) Lots 4 thru 9, Block B, including part of the vacated alley adjacent, and including part of 3rd Street S adjacent to Lots 6 and 7, and including part of 3rd Avenue adjacent to Lots 4 thru 6 tool house, Brookston; and

(3) that part of the South Half of the Northeast Quarter lying southerly of the Brookston Plat and westerly of County State-Aid Highway 31.

(c) St. Louis County has determined that the county's interest would best be served if the lands were sold.

Sec. 13. **PRIVATE CONVEYANCE OF SURPLUS LAND BORDERING PUBLIC WATER; WABASHA COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may convey by private sale the surplus land that is described in paragraph (c) to the city of Elgin for no consideration.

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

(c) The land that may be conveyed is located in Wabasha County and is described as:

(1) OUTLOT A, OUTLOT B, and OUTLOT C of WHITEWATER WAY, according to the plat on file and of record in the Office of the County Recorder in and for Wabasha County, Minnesota; and

(2) that part of the West Half of the Northeast Quarter of Section 27, Township 108 North, Range 12 West, Wabasha County, Minnesota, described as follows: beginning at a point of intersection of the north line of the south 165.00 feet of the Northwest Quarter of the Northeast Quarter of said Section 27, with the east line of the West Half of the Northeast Quarter of said Section 27; thence on an assumed bearing of North 89 degrees 44 minutes 01 second West, along said north line of the south 165.00 feet, a distance of 250 feet, more or less, to the centerline of the North Fork of the White Water River; thence northeasterly along said centerline, to a point of intersection with the east line of the West Half of the Northeast Quarter of said Section 27; thence South 00 degrees 11 minutes 14 seconds East, along said east line to the point of beginning.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was conveyed to and used by the city of Elgin for nonmotorized public recreation and public fishing access.

(e) The conveyance must provide that the lands revert to the state if the city of Elgin:

(1) fails to provide the public use intended on the property;

(2) without the written approval of the commissioner, allows a public use other than the public use agreed to by the commissioner at the time of conveyance; or

(3) abandons the public use of the property.

(f) The commissioner must require that the city of Elgin reimburse the commissioner for all costs and expenses, including staff costs, incurred by the commissioner in making the property salable and in conveying the property.

Sec. 14. **CONVEYANCE OF SURPLUS STATE LAND; WASHINGTON COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.298, or any other law to the contrary, upon approval by the Minnesota Historical Society's Executive Council, the director of the Minnesota Historical Society may convey to the city of Marine on Saint Croix, for no consideration, the surplus land and real property that is described in paragraph (c).

(b) The Minnesota Historical Society may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Washington County and is described as: that part of Block 47 of MARINE, according to the recorded plat thereof, Washington County, Minnesota, described as follows: Commencing at the southwest corner of said Block 47, thence North 24 degrees 18 minutes 37 seconds West, assumed bearing, along the westerly line of said Block 47, a distance of 98.35 feet, to the point of beginning of the tract of land to be described; thence continuing North 24 degrees 18 minutes 37 seconds West, along said westerly line of Block 47, a distance of 61.38 feet; thence North 66 degrees 16 minutes 53 seconds East, 89.81 feet; thence South 24 degrees 27 minutes 39 seconds East, 59.63 feet; thence South 65 degrees 09 minutes 47 seconds West, 89.96 feet, to the point of beginning.

Sec. 15. **EFFECTIVE DATE.**

Sections 4 to 14 are effective the day following final enactment.