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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

EIGHTY-NINTH SESSION

**H. F. No. 3634**

03/29/2016 Authored by Ecklund, Fabian, Metsa, Anzele and Melin

The bill was read for the first time and referred to the Committee on Mining and Outdoor Recreation Policy

04/01/2016 Adoption of Report: Re-referred to the Committee on Environment and Natural Resources Policy and Finance

1.1 A bill for an act  
1.2 relating to state lands; modifying certain boathouse lease terms; amending Laws  
1.3 2000, chapter 486, section 4, as amended.

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

1.5 Section 1. Laws 2000, chapter 486, section 4, as amended by Laws 2001, chapter  
1.6 182, section 2, is amended to read:

1.7 Sec. 4. **[BOATHOUSE LEASES; SOUDAN UNDERGROUND MINE STATE**  
1.8 **PARK.]**

1.9 (a) In 1965, United States Steel Corporation conveyed land to the state of Minnesota  
1.10 that was included in the Soudan underground mine state park, with certain lands at Stuntz  
1.11 Bay subject to leases outstanding for employee boathouse sites.

1.12 (b) Notwithstanding Minnesota Statutes, sections 85.011, 85.012, subdivision 1,  
1.13 and 86A.05, subdivision 2, upon the expiration of a boathouse lease described under  
1.14 paragraph (a), the commissioner of natural resources shall offer a new lease to the party  
1.15 in possession at the time of lease expiration, or, if there has been a miscellaneous lease  
1.16 issued by the Department of Natural Resources due to expiration of a lease described  
1.17 under paragraph (a), upon its expiration to the lessee. The new lease shall be issued  
1.18 under the terms and conditions of Minnesota Statutes, section 92.50, ~~with the following~~  
1.19 ~~limitations~~ except as follows:

1.20 (1) the term of the lease shall be for the lifetime of the party being issued a renewed  
1.21 lease and, if transferred, for the lifetime of the party to whom the lease is transferred;

1.22 (2) the new lease shall provide that the lease may be transferred ~~only once and the~~  
1.23 ~~transfer must be to a person within the third degree of kindred or first cousin according to~~  
1.24 ~~civil law~~ by the lessee to another person at a price agreed upon by both parties; and

2.1 (3) the commissioner shall limit the number of lessees per lease to no more than  
2.2 two persons who have attained legal age;

2.3 (4) the lease amount must not exceed one-third of the average market rate, based on  
2.4 comparable private lease rates; and

2.5 (5) lease payments must be credited to the general fund.

2.6 At the time of the new lease, the commissioner may offer, and after agreement with the  
2.7 leaseholder, lease equivalent alternative sites to the leaseholder.

2.8 (c) The commissioner shall not cancel a boathouse lease described under paragraphs  
2.9 (a) and (b) except for noncompliance with the lease agreement.

2.10 (d) The commissioner must issue a written receipt to the lessee for each lease  
2.11 payment.

2.12 ~~(d)~~ (e) By January 15, 2001, the commissioner of natural resources shall report to  
2.13 the senate and house environment and natural resources policy and finance committees on  
2.14 boathouse leases in state parks. The report shall include information on:

2.15 (1) the number of boathouse leases;

2.16 (2) the number of leases that have forfeited;

2.17 (3) the expiration dates of the leases;

2.18 (4) the historical significance of the boathouses;

2.19 (5) recommendations on the inclusion of the land described in paragraph (d) within  
2.20 the park boundary; and

2.21 (6) any other relevant information on the leases.

2.22 ~~(e)~~ (f) The commissioner of natural resources shall contact U.S.X. Corporation and  
2.23 local units of government regarding the inclusion of the following lands within Soudan  
2.24 underground mine state park:

2.25 (1) all lands located South of Vermillion Lake shoreline in Section 13, Township  
2.26 62 North, Range 15 West;

2.27 (2) all lands located South of Vermillion Lake shoreline in the S1/2-SE1/4 of Section  
2.28 14, Township 62 North, Range 15 West;

2.29 (3) NE1/4-SE1/4 and E1/2-NE1/4 of Section 22, Township 62 North, Range 15 West;

2.30 (4) all lands located South of Vermillion Lake shoreline in Section 23, Township  
2.31 62 North, Range 15 West;

2.32 (5) all of Section 24, Township 62 North, Range 15 West;

2.33 (6) all lands North of trunk highway No. 169 located in Section 25, Township  
2.34 62 North, Range 15 West;

2.35 (7) all lands North of trunk highway No. 169 located in Section 26, Township  
2.36 62 North, Range 15 West;

- 3.1 (8) NE1/4-SE1/4 and SE1/4-NE1/4 of Section 27, Township 62 North, Range 15
- 3.2 West; and
- 3.3 (9) NW1/4 of Section 19, Township 62 North, Range 14 West.

3.4 **EFFECTIVE DATE.** This section is effective the day following final enactment  
3.5 and applies to monthly lease payments made on or after that date.