and any improvements constructed or to be constructed on it. Any and all properties acquired and used, whether under lease-purchase agreement or installment contract, by the county for the purposes authorized and contemplated in this section shall be deemed and are declared to be public property exclusively used for a public purpose and exempt from taxation, so long as and to the extent that the property is devoted to the public purposes and is not subleased to any private individual, association, or corporation in connection with a business conducted for a profit, for a term of three or more years.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment.

Approved May 14, 1985

CHAPTER 116 - H.F.No. 399

An act relating to education; requiring exchange of permanent school fund land in state parks and waysides; requiring an inventory of other permanent school fund lands; stating the goal of the permanent school fund; proposing coding for new law in Minnesota Statutes, chapters 92 and 120.

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

Section 1. [92.121] PERMANENT SCHOOL FUND LANDS.

The commissioner of natural resources shall exchange permanent school fund land as defined in the Minnesota Constitution, article XI, section 8, located in state parks or state waysides for other lands as allowed by the Minnesota Constitution, article XI, section 10, and section 94.343, subdivision 1, that are compatible with the goal of the permanent school fund lands in section 2.

Sec. 2. [120.85] GOAL OF THE PERMANENT SCHOOL FUND.

The legislature intends that it is the goal of the permanent school fund to secure the maximum long-term economic return from the school trust lands consistent with the fiduciary responsibilities imposed by the trust relationship established in the Minnesota Constitution, with sound natural resource conservation and management principles, and with other specific policy provided in state law.

Sec. 3. INVENTORY.

The commissioner of natural resources shall inventory the permanent school fund land located in state parks or state waysides that are not exchanged under section 1, and other permanent school fund lands that are not presently

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used in a manner compatible with the goal of permanent school fund lands in section 2. By January 15, 1986, the commissioner shall prepare a report containing the inventory and recommendations to use the permanent school fund land in a manner that is compatible with the goal of the permanent school fund land. The report must be submitted to the education, agriculture and natural resources, and finance committees of the senate and the education, environment and natural resources, and appropriations committees of the house.

Approved May 14, 1985

CHAPTER 117 — H.F.No. 603

An act relating to non-intoxicating malt liquor; permitting holders of on-sale and off-sale intoxicating liquor licenses to sell non-intoxicating malt liquor without further license; defining low alcohol malt liquor and prescribing labeling; amending Minnesota Statutes 1984, sections 340.02, subdivisions 2 and 3; and 340.07, by adding a subdivision.

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

- Section 1. Minnesota Statutes 1984, section 340.02, subdivision 2, is amended to read:
- Subd. 2. "ON-SALE" FEES. Retail "on-sale" licenses shall permit the licensee to sell such non-intoxicating malt liquors for consumption on the licensed premises, and the license fee therefor shall be fixed by and paid to the county or municipality wherein the premises are situated. "On-sale" licenses shall be granted only to drug stores, restaurants, hotels, bona fide clubs, and establishments for the sale of non-intoxicating malt beverages, cigars, cigarettes, all forms of tobacco, beverages, and soft drinks at retail. Any person licensed to sell intoxicating liquor at on-sale shall not be required to obtain an on-sale license under this subdivision, and may sell non-intoxicating malt beverages at on-sale without further license. A club or charitable, religious, or non-profit organization may be issued a temporary "on-sale" license for the sale of non-intoxicating malt liquor on and off school grounds, and in and out of schoolhouses and school buildings. The temporary licenses shall be subject to such terms, including a license fee, as the issuing county or municipality shall prescribe.
- Sec. 2. Minnesota Statutes 1984, section 340.02, subdivision 3, is amended to read:
- Subd. 3. "OFF-SALE"; FEES. Retail "off-sale" licenses shall permit the licensee to sell non-intoxicating malt liquors in original packages for consumption off the premises only, and the license fee therefor shall be fixed by and paid to the county or municipality wherein the premises are situated. Any

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