

clause does not prohibit an insurer from recommending a vendor to the insured or from agreeing with a vendor to perform work at an agreed-upon price, provided, however, that before recommending a vendor, the insurer shall offer its insured the opportunity to choose the vendor. If the insurer recommends a vendor, the insurer must also provide the following advisory:

“Minnesota law gives you the right to go to any glass vendor you choose, and prohibits me from pressuring you to choose a particular vendor.”;

(15) requiring that the repair or replacement of motor vehicle glass and related products and services be made in a particular place or shop or by a particular entity, or by otherwise limiting the ability of the insured to select the place, shop, or entity to repair or replace the motor vehicle glass and related products and services; or

(16) engaging in any act or practice of intimidation, coercion, threat, incentive, or inducement for or against an insured to use a particular company or location to provide the motor vehicle glass repair or replacement services or products. For purposes of this section, a warranty shall not be considered an inducement or incentive.

Presented to the governor May 31, 2005

Signed by the governor June 2, 2005, 2:45 p.m.

CHAPTER 141—H.F.No. 823

An act relating to natural resources; modifying the State Timber Act; modifying timber sale requirements on tax-forfeited land; clarifying state forest road designation; modifying standard measurements for wood; amending Minnesota Statutes 2004, sections 89.71, subdivision 1; 90.01, by adding subdivisions; 90.041, subdivision 5; 90.042; 90.101, subdivision 2; 90.121; 90.172; 90.173; 90.211; 90.301, subdivision 4; 239.33; 282.04, subdivision 1; repealing Minnesota Statutes 2004, sections 90.01, subdivision 9; 90.041, subdivisions 3, 4.

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

Section 1. Minnesota Statutes 2004, section 89.71, subdivision 1, is amended to read:

Subdivision 1. **DESIGNATION, INVENTORY, RECORDING.** ~~Forest roads, bridges, and other improvements administered under section 89.002, subdivision 3, are designated as state forest roads to the width of the actual use including ditches, backslopes, fills, and maintained right-of-way, unless otherwise specified in a prior easement of record. The commissioner may shall designate forest roads by written order published in the State Register. Designated forest roads, bridges, and other improvements administered under section 89.002, subdivision 3, are designated to the width of the actual use including ditches, backslopes, fills, and maintained right-of-~~

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way, unless otherwise specified in a prior easement of record. The commissioner may undesignate, by written order published in the State Register, all or part of a state forest road that is not needed to carry out forest resource management policy. Designations and undesignations are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The commissioner shall maintain and keep current an inventory listing and describing roads in which the state claims a right or property interest for state forest road purposes. The commissioner may file for record with a county recorder or registrar of titles appropriate documents setting forth the state's interest in all or part of any state forest road.

Sec. 2. Minnesota Statutes 2004, section 90.01, is amended by adding a subdivision to read:

Subd. 11. **EFFECTIVE PERMIT.** "Effective permit" means a permit for which the commissioner has on file full or partial surety as required by section 90.161, 90.162, 90.163, or 90.173 or, in the case of permits issued according to section 90.191 or 90.195, the commissioner has received a down payment equal to the full appraised value.

Sec. 3. Minnesota Statutes 2004, section 90.01, is amended by adding a subdivision to read:

Subd. 12. **RESPONSIBLE BIDDER.** "Responsible bidder" means a person who is financially responsible; demonstrates the judgment, skill, ability, capacity, and integrity requisite and necessary to perform according to the terms of a permit issued under this chapter; and is not currently debarred by another government entity for any cause.

Sec. 4. Minnesota Statutes 2004, section 90.041, subdivision 5, is amended to read:

Subd. 5. **FOREST IMPROVEMENT CONTRACTS.** The commissioner may contract as part of the timber sale with the purchaser of state timber at either informal or auction sale for the following forest improvement work to be done on the land included within the sale area: preparation of the site for seeding or planting of seedlings or trees, seeding or planting of seedlings or trees, and other activities relating to forest regeneration. A contract issued under this subdivision is not subject to the competitive bidding provisions of chapter 16C and is exempt from the contract approval provisions of section 16C.05, subdivision 2.

Sec. 5. Minnesota Statutes 2004, section 90.042, is amended to read:

90.042 PUBLIC INVOLVEMENT PROCESS.

Subdivision 1. **REPORT TO LEGISLATURE.** By July 1 each year, the commissioner must provide a complete description of the public involvement process for timber harvest plans to the chairs of the legislative committees with jurisdiction over natural resources policy and finance. The process must provide public notice and public input in affected areas of proposed annual harvest plans.

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Subd. 2. PUBLIC MEETINGS. By May 1 each year, the commissioner shall hold one or more public meetings in the forested area of the state to inform the public of the manner in which the proposed annual harvest plan for the next fiscal year is proposed to be allocated between informal, intermediate, and regular auction sales. The public shall be afforded an opportunity to provide written and oral comments concerning the proposed allocation.

Sec. 6. Minnesota Statutes 2004, section 90.101, subdivision 2, is amended to read:

Subd. 2. **SALE LIST AND NOTICE.** At least 30 days before the date of sale, the commissioner shall compile a list containing a description of each tract of land upon which any timber to be offered is situated and a statement of the estimated quantity of timber and of the appraised price of each kind of timber thereon as shown by the report of the state appraiser. ~~The commissioner may also list the estimated quantity of timber of doubtful market value and the appraised price of each kind of such timber within the permit area that may be cut at the discretion of the purchaser. Optional timber will not be considered a part of the sale contract until the permit holder has advised the commissioner in writing of an intent to cut such timber.~~ No description shall be added after the list is posted and no timber shall be sold from land not described in the list. Copies of the list shall be furnished to all interested applicants. A copy of the list shall be conspicuously posted in the forest office or other public facility most accessible to potential bidders at least 30 days prior to the date of sale. The commissioner shall cause a notice to be published once not less than one week before the date of sale in a legal newspaper in the county or counties where the land is situated. The notice shall state the time and place of the sale and the location at which further information regarding the sale may be obtained. The commissioner may give other published or posted notice as the commissioner deems proper to reach prospective bidders.

Sec. 7. Minnesota Statutes 2004, section 90.121, is amended to read:

90.121 INTERMEDIATE AUCTION SALES; MAXIMUM LOTS OF 3,000 CORDS.

(a) The commissioner may sell the timber on any tract of state land in lots not exceeding 3,000 cords in volume, in the same manner as timber sold at public auction under section 90.101, and related laws, subject to the following special exceptions and limitations:

(1) the commissioner shall offer all tracts authorized for sale by this section separately from the sale of tracts of state timber made pursuant to section 90.101;

(2) no bidder may be awarded more than 25 percent of the total tracts offered at the first round of bidding unless fewer than four tracts are offered, in which case not more than one tract shall be awarded to one bidder. Any tract not sold at public auction may be offered for private sale as authorized by section 90.101, subdivision 1, to persons eligible under this section at the appraised value; and

(3) no sale may be made to a person having more than 20 employees. For the purposes of this subdivision, "employee" means an individual working for salary or wages on a full-time or part-time basis.

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(b) The auction sale procedure set forth in this section constitutes an additional alternative timber sale procedure available to the commissioner and is not intended to replace other authority possessed by the commissioner to sell timber in lots of 3,000 cords or less.

Sec. 8. Minnesota Statutes 2004, section 90.172, is amended to read:

90.172 ANNUAL REPORT REPORTS.

Subdivision 1. REPORT TO LEGISLATURE. The commissioner shall file an annual report on or before September 30 of each year with the Legislative Reference Library providing detailed information on all auctions and informal sales made in the previous fiscal year. The report shall include but not be limited to the names and addresses of all purchasers, volumes of timber purchased, species, appraised value and sale price. The commissioner shall make copies of the report available to the public upon request.

Subd. 2. REPORT TO EXECUTIVE COUNCIL. The commissioner shall report on or before September 30 of each year or more frequently, as required, to the state Executive Council concerning the status of the state timber sales and timber management program, including any special problems or changes occurring since the previous report.

Sec. 9. Minnesota Statutes 2004, section 90.173, is amended to read:

90.173 PURCHASER'S OR ASSIGNEE'S CASH DEPOSIT IN LIEU OF BOND.

(a) In lieu of filing the bond required by section 90.161 or 90.171, as security for the issuance or assignment of a timber permit, the person required to file the bond may deposit with the commissioner of ~~finanee cash;~~ a certified check; a cashier's check; a personal check; a postal, bank, or express money order, ~~assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate;~~ or an irrevocable bank letter of credit, in the same amount as would be required for a bond. ~~If securities listed in this section are deposited, the par value of the securities shall be not less than the amount required for the timber sale bond, and the person required to file the timber sale bond shall submit an agreement authorizing the commissioner to sell or otherwise take possession of the security in the event of default under the timber sale.~~ All of the conditions of the timber sale bond shall equally apply to the deposit with the commissioner of finanee the alternatives in lieu of bond. In the event of a default the state may take from the deposit the sum of money to which it is entitled; the remainder, if any, shall be returned to the person making the deposit. When cash is deposited for a bond, it shall be applied to the amount due when a statement is prepared and transmitted to the permit holder pursuant to section 90.181. Any balance due to the state shall be shown on the statement and shall be paid as provided in section 90.181. Any amount of the deposit in excess of the amount determined to be due pursuant to section 90.181 shall be returned to the permit holder when a final statement is transmitted pursuant to that section. All or part of a cash bond may be withheld from application to an amount due on a nonfinal statement if it appears that

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the total amount due on the permit will exceed the bid price.

(b) If an irrevocable bank letter of credit is provided as security under paragraph (a), at the written request of the permittee the state shall annually allow the amount of the bank letter of credit to be reduced by an amount proportionate to the value of timber that has been harvested and for which the state has received payment under the timber permit. The remaining amount of the bank letter of credit after a reduction under this paragraph must not be less than the value of the timber remaining to be harvested under the timber permit.

(c) If cash; a certified check; a cashier's check; a personal check; or a postal, bank, or express money order is provided as security under paragraph (a) and no cutting of state timber has taken place on the permit, the commissioner may credit the security provided, less any deposit required by sections 90.14 and 90.163, to any other permit to which the permit holder requests in writing that it be credited.

Sec. 10. Minnesota Statutes 2004, section 90.211, is amended to read:

90.211 PURCHASE MONEY, WHEN FORFEITED.

If the purchaser of any timber or the purchaser's assignee holder of an effective permit fails to cut any part thereof before the expiration of the permit, the purchaser or assignee permit holder shall nevertheless pay the price therefor; but under no circumstances shall timber be cut after the expiration of the permit or extension thereof.

Sec. 11. Minnesota Statutes 2004, section 90.301, subdivision 4, is amended to read:

Subd. 4. **APPREHENSION OF TRESPASSERS; REWARD.** ~~The following rewards shall commissioner may offer a reward to be paid to any a person giving to the proper authorities any information which shall lead that leads to the detection and conviction of any persons a person violating any of the provisions of this chapter: \$25 reward, if the value of the timber so unlawfully cut or removed shall not exceed the sum of \$25; \$50 reward, if the value of the timber shall not exceed \$50; and \$100 reward, if the value of the timber shall exceed the sum of \$100; and the court before whom the person so violating the provisions of this chapter shall have been tried, shall, upon application of any person claiming to be entitled to such reward, examine the claim in a summary manner and determine whether or not the person claiming the reward is entitled to the same and, if it should appear to the satisfaction of the court that the person claiming the reward is entitled to the same, a certificate of such facts shall be made by the court and delivered to the person, which shall be deemed evidence of a right to the reward. The reward is limited to the greater of \$100 or ten percent of the single stumpage value of any timber unlawfully cut or removed. The Executive Council commissioner shall pay the same reward from any funds appropriated for its expenses that purpose or from receipts from the sale of state timber. A reward shall not be paid to salaried forest officers, conservation officers, or licensed peace officers.~~

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Sec. 12. Minnesota Statutes 2004, section 239.33, is amended to read:

239.33 STANDARD MEASUREMENTS OF WOOD.

In all contracts for sale of wood the term "cord" shall mean 128 cubic feet of wood, bark, and air, if cut in four-foot lengths; and if the sale is of "sawed wood," a cord shall mean 110 cubic feet when ranked, or 160 cubic feet when thrown irregularly or loosely into a conveyance for delivery to the purchaser; and if the sale is of "sawed and split wood," a cord shall mean 120 cubic feet, when ranked, and 175 cubic feet when thrown irregularly and loosely into a conveyance for delivery. If a measurement is made by weight, the term "cord" or any other term used to describe freshly cut green aspen in 100-inch or pole lengths containing ~~133-1/3~~ 133-1/3 cubic feet of loosely or irregularly piled wood for transportation constitutes ~~4,300~~ 4,300 pounds during the period of ~~May 1 through October 31~~ May 1 through October 31 and ~~4,500~~ 4,500 pounds during the period of ~~November 1 through April 30~~ November 1 through April 30. Specified weights are wood shall be based on 74 79 cubic feet of solid wood content per cord. The weight per cord may vary by species or species group. In case of any dispute when the parties have not otherwise agreed in writing to the weight per cord by species or species group, the weight most recently established by the commissioner of natural resources prevails.

In all contracts for sale of wood, the term "board foot" means 144 cubic inches of wood measured in any combination of length, thickness, and width. If a measurement or scale is made of logs, Scribner's decimal C rule is the standard rule for determining board feet log scale. When measuring or scaling logs, each log must be scaled individually by the largest number of even feet in its length above eight and under 24 feet. All logs of 24 feet or more in length must be scaled as two or more logs. This section does not apply to finished lumber measured in nominal dimensions.

Sec. 13. Minnesota Statutes 2004, section 282.04, subdivision 1, is amended to read:

Subdivision 1. **TIMBER SALES; LAND LEASES AND USES.** (a) The county auditor may sell timber upon any tract that may be approved by the natural resources commissioner. The sale of timber shall be made for cash at not less than the appraised value determined by the county board to the highest bidder after not less than one week's published notice in an official paper within the county. Any timber offered at the public sale and not sold may thereafter be sold at private sale by the county auditor at not less than the appraised value thereof, until the time as the county board may withdraw the timber from sale. The appraised value of the timber and the forestry practices to be followed in the cutting of said timber shall be approved by the commissioner of natural resources.

(b) Payment of the full sale price of all timber sold on tax-forfeited lands shall be made in cash at the time of the timber sale, except in the case of oral or sealed bid auction sales, the down payment shall be no less than 15 percent of the appraised value, and the balance shall be paid prior to entry. In the case of auction sales that are partitioned and sold as a single sale with predetermined cutting blocks, the down payment shall be no less than 15 percent of the appraised price of the entire timber sale which may be held until the satisfactory completion of the sale or applied in whole or in part to the final cutting block. The value of each separate block must be paid in full

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before any cutting may begin in that block. With the permission of the county contract administrator the purchaser may enter unpaid blocks and cut necessary timber incidental to developing logging roads as may be needed to log other blocks provided that no timber may be removed from an unpaid block until separately scaled and paid for. If payment is provided as specified in this paragraph as security under paragraph (a) and no cutting has taken place on the contract, the county auditor may credit the security provided, less any down payment required for an auction sale under this paragraph, to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited, provided the request and transfer is made within the same calendar year as the security was received.

(c) The county board may require final settlement on the basis of a scale of cut products. Any parcels of land from which timber is to be sold by scale of cut products shall be so designated in the published notice of sale under paragraph (a), in which case the notice shall contain a description of the parcels, a statement of the estimated quantity of each species of timber, and the appraised price of each species of timber for 1,000 feet, per cord or per piece, as the case may be. In those cases any bids offered over and above the appraised prices shall be by percentage, the percent bid to be added to the appraised price of each of the different species of timber advertised on the land. The purchaser of timber from the parcels shall pay in cash at the time of sale at the rate bid for all of the timber shown in the notice of sale as estimated to be standing on the land, and in addition shall pay at the same rate for any additional amounts which the final scale shows to have been cut or was available for cutting on the land at the time of sale under the terms of the sale. Where the final scale of cut products shows that less timber was cut or was available for cutting under terms of the sale than was originally paid for, the excess payment shall be refunded from the forfeited tax sale fund upon the claim of the purchaser, to be audited and allowed by the county board as in case of other claims against the county. No timber, except hardwood pulpwood, may be removed from the parcels of land or other designated landings until scaled by a person or persons designated by the county board and approved by the commissioner of natural resources. Landings other than the parcel of land from which timber is cut may be designated for scaling by the county board by written agreement with the purchaser of the timber. The county board may, by written agreement with the purchaser and with a consumer designated by the purchaser when the timber is sold by the county auditor, and with the approval of the commissioner of natural resources, accept the consumer's scale of cut products delivered at the consumer's landing. No timber shall be removed until fully paid for in cash. Small amounts of timber not exceeding \$3,000 in appraised valuation may be sold for not less than the full appraised value at private sale to individual persons without first publishing notice of sale or calling for bids, provided that in case of a sale involving a total appraised value of more than \$200 the sale shall be made subject to final settlement on the basis of a scale of cut products in the manner above provided and not more than two of the sales, directly or indirectly to any individual shall be in effect at one time.

(d) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations or organized subdivisions of the state at public or private sale, and at the prices and under the terms as the county board may prescribe,

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for use as cottage and camp sites and for agricultural purposes and for the purpose of taking and removing of hay, stumpage, sand, gravel, clay, rock, marl, and black dirt from the land, and for garden sites and other temporary uses provided that no leases shall be for a period to exceed ten years; provided, further that any leases involving a consideration of more than \$12,000 per year, except to an organized subdivision of the state shall first be offered at public sale in the manner provided herein for sale of timber. Upon the sale of any leased land, it shall remain subject to the lease for not to exceed one year from the beginning of the term of the lease. Any rent paid by the lessee for the portion of the term cut off by the cancellation shall be refunded from the forfeited tax sale fund upon the claim of the lessee, to be audited and allowed by the county board as in case of other claims against the county.

(e) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations, or organized subdivisions of the state at public or private sale, at the prices and under the terms as the county board may prescribe, for the purpose of taking and removing for use for road construction and other purposes tax-forfeited stockpiled iron-bearing material. The county auditor must determine that the material is needed and suitable for use in the construction or maintenance of a road, tailings basin, settling basin, dike, dam, bank fill, or other works on public or private property, and that the use would be in the best interests of the public. No lease shall exceed ten years. The use of a stockpile for these purposes must first be approved by the commissioner of natural resources. The request shall be deemed approved unless the requesting county is notified to the contrary by the commissioner of natural resources within six months after receipt of a request for approval for use of a stockpile. Once use of a stockpile has been approved, the county may continue to lease it for these purposes until approval is withdrawn by the commissioner of natural resources.

(f) The county auditor, with the approval of the county board is authorized to grant permits, licenses, and leases to tax-forfeited lands for the depositing of stripping, lean ores, tailings, or waste products from mines or ore milling plants, upon the conditions and for the consideration and for the period of time, not exceeding 15 years, as the county board may determine. The permits, licenses, or leases are subject to approval by the commissioner of natural resources.

(g) Any person who removes any timber from tax-forfeited land before said timber has been scaled and fully paid for as provided in this subdivision is guilty of a misdemeanor.

(h) The county auditor may, with the approval of the county board, and without first offering at public sale, grant leases, for a term not exceeding 25 years, for the removal of peat from tax-forfeited lands upon the terms and conditions as the county board may prescribe. Any lease for the removal of peat from tax-forfeited lands must first be reviewed and approved by the commissioner of natural resources if the lease covers 320 or more acres. No lease for the removal of peat shall be made by the county auditor pursuant to this section without first holding a public hearing on the auditor's intention to lease. One printed notice in a legal newspaper in the county at least ten

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days before the hearing, and posted notice in the courthouse at least 20 days before the hearing shall be given of the hearing.

(i) Notwithstanding any provision of paragraph (c) to the contrary, the St. Louis County auditor may, at the discretion of the county board, sell timber to the party who bids the highest price for all the several kinds of timber, as provided for sales by the commissioner of natural resources under section 90.14. Bids offered over and above the appraised price need not be applied proportionately to the appraised price of each of the different species of timber.

(j) In lieu of any payment or deposit required in paragraph (b), as directed by the county board and under terms set by the county board, the county auditor may accept an irrevocable bank letter of credit in the amount equal to the amount otherwise determined in paragraph (b); ~~exclusive of the down payment required for an auction sale in paragraph (b).~~ If an irrevocable bank letter of credit is provided under this paragraph, at the written request of the purchaser, the county may periodically allow the bank letter of credit to be reduced by an amount proportionate to the value of timber that has been harvested and for which the county has received payment. The remaining amount of the bank letter of credit after a reduction under this paragraph must not be less than 20 percent of the value of the timber purchased. If an irrevocable bank letter of credit or cash deposit is provided for the down payment required in paragraph (b), and no cutting of timber has taken place on the contract for which a letter of credit has been provided, the county may allow the transfer of the letter of credit to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited.

Sec. 14. REPEALER.

Minnesota Statutes 2004, sections 90.01, subdivision 9; and 90.041, subdivisions 3 and 4, are repealed.

Sec. 15. EFFECTIVE DATE.

This act is effective July 1, 2005.

Presented to the governor May 31, 2005

Signed by the governor June 3, 2005, 8:25 a.m.

CHAPTER 142—H.F.No. 986

An act relating to economic development; redefining low-income area for the purpose of the urban initiative program; amending Minnesota Statutes 2004, section 116M.14, subdivision 4.

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

Section 1. Minnesota Statutes 2004, section 116M.14, subdivision 4, is amended to read:

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