

This Document can be made available  
in alternative formats upon request

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **1073**

03/04/2013 Authored by Hausman

The bill was read for the first time and referred to the Committee on Civil Law

1.1 A bill for an act  
1.2 relating to damages; requiring mutual agreement for damages arising from state  
1.3 mineral leases; amending Minnesota Statutes 2012, sections 93.05, subdivision  
1.4 2; 93.55, subdivision 3; repealing Minnesota Statutes 2012, section 93.05,  
1.5 subdivision 3.

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

1.7 Section 1. Minnesota Statutes 2012, section 93.05, subdivision 2, is amended to read:

1.8 Subd. 2. **Security for damages; condemnation.** Before entering upon lands  
1.9 described in subdivision 1, the lease holder shall pay or secure to the owner of the lands  
1.10 all damages which may arise ~~therefrom and the same may be~~ as determined either by  
1.11 mutual agreement ~~or, if the interested parties cannot agree, then the holder of the mineral~~  
1.12 ~~lease may, in the name of the state of Minnesota, institute proceedings to condemn the~~  
1.13 ~~same according to chapter 117; provided, that the state shall bear no part of the cost of~~  
1.14 ~~these proceedings, nor pay any part of the damages awarded in the proceedings. The~~  
1.15 owner of lands may file an action against a lease holder in district court for an order to  
1.16 compel compliance with this subdivision. Either party may file a request for court-ordered  
1.17 mediation if a dispute arises because the parties are unable to mutually agree upon an  
1.18 amount of damages that must be paid or secured.

1.19 Sec. 2. Minnesota Statutes 2012, section 93.55, subdivision 3, is amended to read:

1.20 Subd. 3. **Terms of lease.** The commissioner may lease severed mineral interests  
1.21 described in subdivision 1 in the same manner as provided in section 93.335, for the  
1.22 lease of minerals and mineral rights becoming the absolute property of the state under  
1.23 the tax laws, ~~except that no permit or lease issued pursuant to this section shall afford the~~

2.1 ~~permittee or lessee any of the rights of condemnation provided in section 93.05, as to~~  
2.2 ~~overlying surface interests.~~

2.3 Sec. 3. **REPEALER.**

2.4 Minnesota Statutes 2012, section 93.05, subdivision 3, is repealed.

APPENDIX  
Repealed Minnesota Statutes: 13-2052

**93.05 HOLDER OF LEASE.**

Subd. 3. **Attorney general to institute condemnation.** (a) Upon written request of the holder of any mineral lease from the state, not in default, with the approval of the commissioner of natural resources, the attorney general shall institute, in the name of the state, proceedings to acquire by condemnation any lands, rights-of-way, drainage or flowage rights, easements or other interests necessary in connection with prospecting for or mining the ore covered by the lease. All costs and expenses of the proceedings and all damages awarded therein shall be paid by the holder of the lease.

(b) In any eminent domain proceedings under this section, any value which the land taken may have by reason of its location or availability for the depositing of stripping, tailings or other wastes from general mining operations in its vicinity, or for the erection of buildings or structures thereon in connection with such operations, shall be considered in determining the damages to be awarded the owner of the land.