

Lands and Minerals

CHAPTER 92

STATE LANDS; SALES, INVESTMENT OF PROCEEDS

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92.01 STATE PUBLIC LANDS OR STATE LANDS.

"State public lands" or "state lands" means school, swamp, university, internal improvement, and other lands granted to the state by acts of Congress.

History: 1941 c 374 s 1; 1985 c 265 art 3 s 1

92.02 AUTHORITY.

Sales under this chapter must be conducted by the commissioner, a deputy of the commissioner, or a competent person employed by the commissioner and bonded in a sum of at least \$10,000.

History: (6282) 1911 c 123 s 4; 1919 c 199 s 1; 1985 c 265 art 3 s 1

92.025 SCHOOL TRUST LAND DEFINITION.

For purposes of this chapter and chapter 94, "school trust land" means land granted by the United States for use of schools within each township, swampland granted to the state, and internal improvement land that are reserved for permanent school fund purposes under the Minnesota Constitution, article XI, section 8, and land exchanged, purchased, or granted to the permanent school fund.

History: 1988 c 628 s 5

92.03 MINIMUM PRICE OF LANDS.

Subdivision 1. **School lands.** The price of school lands must be at least \$5 an acre, including the value of timber reproduction. Sales of school lands must be within the

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county containing the lands. No more than 100,000 acres of school lands may be sold in one year. If a patent has been issued by the federal government to school land before 1864 and the taxes on it have been paid for at least 35 years, the commissioner of finance may reduce the minimum price of \$5 an acre by the taxes paid to make the land salable.

Subd. 2. University lands. The price of lands donated to the state by the United States by act of Congress entitled "An act donating to the states of Minnesota and Oregon certain lands reserved by Congress for the territories of Minnesota and Oregon, for university purposes," approved March 2, 1861, and by an act of Congress entitled "An act donating public lands to the several states and territories which may provide colleges for the benefit of agriculture and mechanic arts," approved July 2, 1862, must be at least \$5 an acre, including the value of timber reproduction. The director shall appraise these lands or any part of them and sell them in accordance with this chapter.

Subd. 3. [Repealed, 1965 c 45 s 73]

Subd. 4. Internal improvement lands. Lands donated to the state under the eighth section of an act of Congress entitled "An act to appropriate the proceeds of the sales of the public lands, and to grant preemption rights," approved September 4, 1841, must be appraised and sold and the money derived from its sale invested, as provided by the Minnesota Constitution, article XI, section 8.

History: (6261, 6262, 6264, 6265) *RL s 2404,2405,2407,2408; 1917 c 76 s 1; 1919 c 258 s 1; 1961 c 657 s 1; 1963 c 202 s 1,2; 1973 c 492 s 14; 1982 c 424 s 16; 1985 c 265 art 3 s 1*

92.04 MINIMUM PRICE OF CERTAIN STATE LANDS.

Lands selected for state institutions under an act of the legislature entitled "An act to appropriate swamp lands to certain educational and charitable institutions and for the purpose of creating a state prison," approved February 13, 1865, and lands known as state capitol lands, must be appraised and sold as school lands are sold. The price of lands belonging to the state by virtue of the Congressional acts in this section and section 92.03 must be at least \$5 an acre, including the value of timber reproduction. The terms of payment and conditions of sale must be the same as now provided by law. When state lands have been benefited by and assessments paid for drainage, the drainage improvements must be considered by the state land examiner in making appraisals. When the drained lands are sold, the principal and interest paid on it must be credited by the director to the proper fund to which the land belongs.

History: (6266) *RL s 2409; 1907 c 366 s 1; 1909 c 118 s 1; 1963 c 202 s 3; 1985 c 265 art 3 s 1*

92.05 SALT LANDS, BY WHOM SOLD.

The board of regents of the University of Minnesota shall have charge of the state salt lands donated by the United States to aid in the development of the brines in the state. The board of regents may sell these lands. The university may execute, in its name, deeds of conveyance of these lands. The proceeds of the sale of the lands when invested constitute a permanent fund, called the university salt land fund. The university board of regents shall control and manage the university salt land fund.

The university salt land fund is considered a nonstate source for purposes of section 137.022, subdivision 3. The board of regents may use the income from the fund to match income from the permanent university fund for use by the university campuses at Crookston, Duluth, Morris, and Waseca for the purposes set forth in section 137.022, subdivision 3.

History: (6263) *RL s 2406; 1985 c 265 art 3 s 1; 1988 c 703 art 1 s 8*

92.06 PAYMENTS; INTEREST.

Subdivision 1. Terms. The terms of payment on the sale of state public lands must be as follows: The purchaser shall pay in cash at the time of sale the appraised value

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of all timber. At least 15 percent of the purchase price of the land exclusive of timber must be paid in cash at the time of sale. The balance must be paid in no more than 20 equal annual installments. Payments must be made by June 1 each year following the year in which the purchase was made, with interest at the rate in effect at the time under section 549.09 on the unpaid balances. Any installment of principal or interest may be paid in advance, but part payment of an installment will not be accepted. For the purpose of computing interest, any installment of principal not paid on June 1 shall be credited on the following June 1.

Subd. 2. Buildings or improvements. If there are buildings or other improvements upon the land their value must be appraised separately and included in the purchase price. A person must not remove, injure, or destroy a building or other improvement until an amount equal to its appraised value has been paid on the purchase price of the premises, in addition to any payment required for timber. Violation of this provision is a gross misdemeanor.

Subd. 3. Default.* A person who fails to make a payment required under a certificate of sale within 60 days from the date it becomes due is in default. On default, the certificate of sale shall be deemed canceled, and all right, title, and interest of the purchaser or heirs, representatives, or assigns of the purchaser, in the premises shall terminate without the doing by the state of any act or thing. A record of the default must be made in the state land records of the commissioner. The commissioner may prepare a certificate of default and file it with the county treasurer or record it in the office of the county recorder of the county containing the property. The record or certificate is prima facie evidence of the facts stated in it, but the cancellation and termination are effective without it. This subdivision does not apply to a sale made before May 1, 1941.

Subd. 4. Improvements, when payment not necessary. If a person has made improvements to the land and if the commissioner believes that person settled the land in good faith as homestead land under the laws of the United States before it was certified to the state, or if the improvements were lawfully made by that person as a lessee of the state, then the value of the improvements must be separately appraised and, if the settler or lessee purchases the land, the settler or lessee is not required to pay for the improvements. If another person purchases the land, that person must pay the owner of the improvements, in addition to all other required payments, the appraised amount for the improvements. Payment for improvements must be made within 15 days of the auction sale, either in cash or upon terms and conditions agreeable to the owner of the improvements. If payment for improvements is not made in cash, and if there is no agreement between the parties within 15 days of the auction sale, the commissioner may:

(1) sell the property to the second highest qualified bidder if that bidder submitted to the commissioner's representative, at the auction sale, a written request to buy the property at a specified price; or

(2) void the sale and reoffer the property at a subsequent sale.

This subdivision does not apply unless the owner of the improvements makes a verified application to the commissioner showing entitlement to the improvements before the first state public sale at which the land is offered for sale. The applicant must appear at the sale and offer to purchase the land for at least its appraised value including all timber on it, and make the purchase if no higher bid is received. Actions or other proceedings involving the land in question begun before the sale must have been completed.

Subd. 5. Further security. The director may require of the purchaser security for the payment of the deferred installments. The director may recover the money and enforce any security by action brought in the director's name.

History: (6267, 6268) *RL s 2410,2411; 1915 c 13 s 1; 1941 c 374 s 2; 1973 c 492 s 14; 1976 c 181 s 2; 1982 c 531 s 1; 1985 c 265 art 3 s 1; 1986 c 444; 1988 c 718 art 7 s 1*

92.07 SALES BY SUBDIVISIONS.

Sales of land by the commissioner must be made according to the subdivisions by the United States surveys, unless the land has been subdivided into smaller parcels or lots, as provided in this chapter. The land may not be sold in larger quantity than one quarter section.

History: (6269) RL s 2412; 1985 c 265 art 3 s 1

92.08 SURVEYS AND RESURVEYS.

The commissioner may have surveys made to determine the correct boundaries or description of the land or to dispose of it in convenient parcels. When the commissioner believes that an injustice has been done the purchaser because of an incorrect United States survey, the commissioner may have a resurvey made by a competent surveyor. The surveyor shall prepare a plat showing the correct acreage of each subdivision resurveyed and file it with the commissioner and with the county recorder of the proper county. The commissioner may call in the land certificates affected by the resurvey and issue new ones. The certificates must show the correct acreage and give full credit for all payments of principal and interest made.

History: (6274, 6275) RL s 2417; 1917 c 197 s 1; 1976 c 181 s 2; 1985 c 265 art 3 s 1; 1986 c 444

92.09 LAND SUBDIVIDED, APPRAISED, REAPPRAISED.

Subdivision 1. Subdivision into lots. When the commissioner believes that the interest of the state will be promoted, the commissioner may subdivide land controlled by the commissioner into small parcels or city lots. The commissioner shall have the land appraised. At least ten legal voters of the county containing the land described may petition the commissioner to subdivide the land. The commissioner shall grant or refuse the petition. If the request is granted, the commissioner shall subdivide the land accordingly and have it appraised.

Subd. 2. Appraisal of lots. The commissioner shall designate one or more of the regularly appointed and qualified state appraisers to make the appraisal required under subdivision 1. Each appraiser shall sign an oath to faithfully and impartially discharge the duties of appraiser as best able and that the appraiser is not interested directly or indirectly in the lands or improvements on them and has entered into no combination to purchase the land or any part of it. The oath must be attached to the appraisal report given the commissioner.

Subd. 3. Reappraisal. Parcels or lots appraised may be sold like other lands in charge of the commissioner. The lands must be sold for at least the prices at which they were appraised, until a new appraisal is made. The commissioner may have lands appraised as under subdivision 2 and with like effect. Parcels or lots so appraised must be sold for at least the minimum price of the lands established by this chapter.

History: (6270, 6271, 6272) RL s 2413,2414,2415; 1947 c 213 s 1; 1973 c 123 art 5 s 7; 1985 c 265 art 3 s 1; 1986 c 444

92.10 MAPS AND PLATS.

Subdivision 1. Map recorded. When the commissioner subdivides land into small parcels or city lots, a map of the subdivision shall be recorded with the county recorder of the county containing the land.

Subd. 2. Preparation. The commissioner shall prepare suitable maps or plats designating school or other state lands owned by the state which have been appraised and are subject to sale. The maps or plats must be printed and distributed with other printed matter in sufficient quantities to properly advertise the sales provided by this chapter.

History: (6273, 6283) RL s 2416; 1911 c 123 s 5; 1973 c 123 art 5 s 7; 1976 c 181 s 2; 1985 c 265 art 3 s 1; 1986 c 444

92.11 LANDS APPRAISED.

The commissioner may have any real estate under the commissioner's jurisdiction appraised. The appraisal must be made and reported as in the case of school or other state lands. The appraisers must report the value of the lands and the improvements on them, if any, separately; and if any of the lands, are valuable for merchantable timber on them the value of the merchantable timber must also be separately stated. The appraised value is the minimum price for the lands until changed by later appraisal.

History: (6276) *RL s 2418; 1927 c 241 s 1; 1947 c 213 s 2; 1961 c 657 s 2; 1963 c 171 s 1; 1985 c 265 art 3 s 1; 1986 c 444*

92.12 APPRAISAL OF SCHOOL AND OTHER STATE LANDS.

Subdivision 1. Appraisers. The commissioner may have any school or other state lands appraised. The appraisals must be made by regularly appointed and qualified state appraisers. Each appraiser shall take and sign an oath to faithfully and impartially discharge the duties of appraiser as best able and that the appraiser is not interested directly or indirectly in the state lands to be appraised, or the timber or improvements on them or in their purchase. The oath must be attached to the appraisal report.

Subd. 2. Valuation and appraisal. The appraiser shall view and appraise the lands, including the merchantable timber and improvements on them, and make a report to the commissioner. The valuation of the lands and the merchantable timber and improvements on them must each be made and stated separately in the appraisal. The minimum price established by the appraisal is the minimum price for the lands until changed by later appraisal. No school or other state lands may be sold until appraised. The price may not be less than \$5 an acre. In the appraisal the value of the land before the addition of the value of merchantable timber and improvements must include the value of timber reproduction.

Subd. 3. [Repealed, 1961 c 657 s 3]

Subd. 4. Sales. The commissioner shall hold frequent sales of school and other state lands. The time and place of the sales must be publicly posted on the front door of the courthouse in the county where the sale is to take place at least 30 days in advance, in addition to the regular notice of sale provided by law. At this sale the commissioner shall sell lands the commissioner considers best for the public interest.

Subd. 5. Sale of land and timber. When the appraisal and other reports show that the land is mainly valuable for agricultural purposes and contains only small quantities of timber, the commissioner may either sell the timber separately as provided by law for state timber sales or sell the land as agricultural land. If the land is sold as agricultural land the purchaser must pay down as first payment an amount equal to the value of the timber, in addition to the first payment required on the land. If the appraisal and other reports show land should be sold for continuous forest production or other conservation purpose, the commissioner may require that the full appraised value of land and timber must be paid by the purchaser at the time of purchase.

Subd. 6. Drainage. The appraisers must report to the commissioner lands that they believe should be drained. After the state has constructed or has been assessed for a public ditch or drain, the lands assessed or improved must be reappraised before being offered for sale.

History: (6277, 6438) *1911 c 90 s 5; 1911 c 196 s 1; Ex1919 c 17 s 1; 1927 c 332 s 1; Ex1933 c 22 s 1; 1941 c 374 s 3; 1959 c 589 s 1; 1963 c 171 s 2; 1985 c 265 art 3 s 1; 1986 c 444*

NOTE: As to Volstead lands, see Laws 1961, Chapter 472, and Laws 1963, Chapter 390, 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 120.85.

History: 1985 c 116 s 1

92.13 STATE LANDS, DATE OF SALE.

The commissioner shall hold public sales of school and other state lands in counties containing them when it is advantageous to the state and to intending buyers and settlers.

History: (6279) 1911 c 123 s 1; 1913 c 8 s 1; 1923 c 6 s 1; 1985 c 265 art 3 s 1

92.14 SALE, NOTICE.

Subdivision 1. Time. Before any sale is made, the commissioner shall give four weeks' published notice of the time and place of sale at St. Paul and in each county containing land to be sold. The notice must describe each parcel of land to be sold. If there is no newspaper published in the county, four weeks' posted notice must be given. On or before the day of sale, the commissioner may withdraw any lands.

Subd. 2. Contents. The commissioner shall give public notice of each sale referred to in section 92.13 by four publications in a weekly newspaper printed and published at the county seat of the county containing the lands, and by four weekly publications in a daily newspaper published and printed in St. Paul. The notice must contain the following information:

- (1) the time and place for the holding of the sales;
- (2) the limitations and requirements provided by law for purchasers of the lands;
- (3) the terms and conditions of payments required by law; and
- (4) the place where lists of lands to be offered for sale may be obtained.

Subd. 3. Additional advertising of land sales. In addition to posted notice of land sales required by subdivisions 1 and 2, the commissioner shall publicize land sales in Minnesota and elsewhere to the greatest extent possible, consistent with appropriations available for that purpose.

History: (6278, 6280) RL s 2419; 1911 c 123 s 2; 1985 c 265 art 3 s 1; 1988 c 718 art 7 s 2

92.15 APPLICATION.

All other requirements and provisions relating to the sale of school and other state lands apply to sales made under sections 92.02, 92.10, 92.13, and 92.14.

History: (6281) 1911 c 123 s 3; 1985 c 265 art 3 s 1

92.16 CERTIFICATE OF SALE.

Subdivision 1. Contents; default, resale. At the time of the sale the commissioner shall execute, acknowledge, and deliver to the purchaser a certificate of sale, numbered and made assignable, certifying the description of the land sold, its quantity, the price per acre, the consideration paid and to be paid, and the time and terms of payment. A certificate must not be delivered until the sum required by law to be paid at the time of the sale is paid. The sum includes costs determined by the commissioner to be associated with the sale such as survey, appraisal, publication, deed tax, filing fee, and similar costs. If the purchaser fails to pay the sum, the commissioner may immediately reoffer the land for sale, but a bid may not be accepted from the person failing to pay the original offer.

Subd. 2. Default in payment of interest; resale. Upon cancellation of any certificate of sale the commissioner may without notice take possession of the lands described in the certificate and resell them at public auction in the same manner and under the same rules as provided for the first sale. When the commissioner has reappraised, advertised, and publicly offered the lands for sale, the state is deemed to have reentered the lands without any other act, but this is not essential to cancellation

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of the certificate of sale and does not extend any rights of any person claiming under the certificate. The purchaser at the sale is entitled to immediate possession. If the land is not sold after cancellation of a certificate of sale, it is unsold land of the state, free of rights claimed by any person under the certificate whether in actual or constructive possession.

Subd. 3. Application. Mason's Supplement 1940, section 6285, as it existed before the passage of Laws 1941, chapter 374, applies to all state lands of any kind referred to in it sold after the passage of Extra Session Laws 1933-1934, chapter 39, January 5, 1934, and before May 1, 1941. Mason's Minnesota Statutes of 1927, section 6285, as it existed before the passage of chapter 39, applies to all state lands sold before the passage of chapter 39, as if chapter 39 and Laws 1941, chapter 374, had not been enacted. Section 6285, as amended by Laws 1941, chapter 374, applies to all state lands sold after April 30, 1941.

Subd. 4. Lands repossessed or reentered. If state lands sold before the passage of Extra Session Laws 1933-1934, chapter 39, January 5, 1934, have been repossessed or reentered before the passage of Laws 1941, chapter 374, in accordance with Mason's Minnesota Statutes of 1927, section 6285, as it existed before the passage of chapter 39, the reentry or repossession is valid for all purposes.

History: (6284, 6285) *RL s 2420,2421; Ex1934 c 39 s 1; 1941 c 374 s 4; 1985 c 265 art 3 s 1; 1988 c 628 s 6*

92.163 EXTENSION FOR PAYMENT ON STATE LAND CERTIFICATES.

Subdivision 1. Limitation. The time for payment of the principal of any certificate of sale of state public land sold before May 1, 1941, which has expired or will expire, is extended as provided in this section.

Subd. 2. Certificate holder to file application. Before the expiration of the time for the payment of principal specified in the original certificate of sale, or any lawful extension, the holder of the certificate shall file with the commissioner of natural resources an application for an extension of time of payment in the form prescribed by the commissioner. The applicant shall submit to the commissioner the certificate of sale or an affidavit of the circumstances if it has been lost or destroyed, or cannot be produced for any other reason, together with other proof of the applicant's rights required by the commissioner. At least 15 percent of the unpaid principal must be paid with the application, together with all unpaid interest and penalties accrued. The remaining unpaid principal, with interest, is payable as provided by Mason's Minnesota Statutes 1927, section 6267, as amended by Laws 1941, chapter 374. The rights of the certificate holder and all other proceedings in the matter are subject to that section and other applicable laws, as if the land has been sold under them on the date of the filing of the application for extension.

Subd. 3. Certificate of extension. Thereupon the time for payment is extended. The commissioner shall issue a certificate of extension in form approved by the attorney general, and the original certificate shall be deemed modified in accordance with it. The duplicate of the certificate must be attached to the duplicate original certificate of sale on record in the office of the commissioner of natural resources.

Subd. 4. Application of section 92.163. This section does not apply if the certificate of sale has been absolutely terminated and made void, without right of redemption, or if the land has become forfeited to the state for delinquent taxes.

History: *1943 c 469 s 1; 1969 c 1129 art 10 s 2; 1985 c 265 art 3 s 1*

92.165 CERTIFICATE OF RELEASE.

Subdivision 1. Release by commissioner. Whenever it appears (1) that the terms of a certificate of sale of state public lands have been fully complied with entitling the owner to a patent under the terms of the certificate; (2) that the patent has not been issued; and (3) that after compliance, the lands were forfeited to the state for nonpayment of taxes accruing after compliance, the commissioner shall, upon resolution of the

county board of the county in which the lands lie, issue a certificate reciting that there was compliance with the terms of the certificate of sale before the forfeiture, and releasing the lands from the trust attached before their sale as state public lands.

Subd. 2. Delivery of certificate. The certificate must be delivered to the county auditor. The county auditor must record it with the county recorder without payment of any recording fee.

Subd. 3. Status of tax-forfeited lands. From the date of forfeiture, the title and status of the lands is the same as that of other tax-forfeited lands.

History: 1945 c 169 s 1-3; 1976 c 181 s 2; 1985 c 265 art 3 s 1

92.17 EFFECT OF CERTIFICATE; RECORD.

A certificate of sale entitles the holder to possession of the land described in it, but the fee remains in the state until a patent is issued. The certificates, assignments, and patents may be filed for record with the county recorder.

History: (6287) RL s 2423; 1976 c 181 s 2; 1985 c 265 art 3 s 1

92.18 CERTIFICATES, DIVIDED.

When the holder of a certificate surrenders it to the commissioner with a request to divide the land described in it, the commissioner may issue two or more certificates. No new certificate may be issued while any interest is delinquent or if the commissioner believes that the security of the state would be impaired or endangered. An applicant who requests a division by boundaries other than regular government or state subdivisions must file with the application a plat and survey showing the lines of, and the quantity of land in, each subdivision.

History: (6288) RL s 2424; 1985 c 265 art 3 s 1

92.19 ASSIGNMENT; EXTENSIONS OF PAYMENT.

When a certificate is assigned, the assignment must be executed like a deed of land and acknowledged by the assignor. When an extension of time of payment is agreed upon, the agreement must be in writing, executed like a deed, and recorded in the office of the commissioner.

History: (6286) RL s 2422; 1985 c 265 art 3 s 1

92.20 VOID SALES; REFUND.

A sale made by mistake, or not in accordance with law, or obtained by fraud, is void, and the certificate issued on it is void. The holder of a void certificate must surrender it to the commissioner who, except in cases of fraud on the part of the purchaser, shall refund to the holder the money paid on the sale.

History: (6290) RL s 2425; 1985 c 265 art 3 s 1

92.21 REDEMPTION OF FORFEITED STATE LANDS.

Subdivision 1. Conditions of redemption. If the holder of a certificate of sale of state land sold before January 6, 1934, forfeits rights for failure to pay the interest due under the certificate, the holder may redeem the rights as follows. Before resale at public auction of the lands described in the certificate, the holder shall pay the state treasurer the amount of interest then due and payable on the certificate, with interest at four percent from the time when it became due. The payment is a redemption of the rights of the certificate holder, and the certificate is reinstated, if the following conditions are met:

- (1) If the default in payment occurred before July 1, 1941, the amount required for redemption must be paid not later than December 31, 1941.
- (2) If the default in payment occurred on or after July 1, 1941, the amount required for redemption must be paid within six months after the default.
- (3) If the time for payment of the principal specified in the certificate has expired

but an extension of time by law has not expired, the amount due on the principal with interest and all other sums due the state on the land must be paid. After payment, a patent for the land must be issued to the certificate holder as provided by law.

(4) No redemption is permitted if the time for payment of the principal as specified in the certificate and its lawful extensions have expired, or if the certificate of sale has been absolutely terminated and made void without right of redemption under any prior or existing law, or if the land has become absolutely forfeited to the state for delinquent taxes.

(5) This section does not affect any proceedings for the resale of state public land unless redemption is made before sale of the land to an actual purchaser.

Subd. 2. **Certificate void when land not redeemed.** If a certificate of sale of state public land sold before January 6, 1934, is canceled after default by reappraisal and reoffer of the land for sale, and the default is not redeemed and the certificate reinstated as provided by this section, the certificate is absolutely canceled and void, and all right, title, and interest of the purchaser or heirs, representatives, or assigns of the purchaser, in the land terminate without further act of the state. This subdivision does not preclude any other method of termination prescribed by law.

History: (6291) *RL s 2426; Ex1934 c 39 s 2; 1939 c 353 s 1; 1941 c 374 s 5; 1985 c 265 art 3 s 1; 1986 c 444*

92.211 TIME OF PAYMENT EXTENDED.

Subdivision 1. **Extension on certificates expiring before July 1, 1943.** The time for payment of the principal on every certificate of sale of state public land which has expired before July 1, 1943, is extended to December 31, 1943, subject to payment of interest as provided by law and to all other conditions of the certificate. Upon payment of the principal and interest and all other sums due the state upon the land within the extended time, a patent for the land must be issued to the holder of the certificate as provided by law.

Subd. 2. **Extension on certificates expiring after June 30, 1943.** The time for payment of the principal on every certificate of sale of state public land sold before May 1, 1941, which expires after June 30, 1943, is extended for six months after the time specified in the certificate, subject to payment of interest as provided by law and to all other conditions of the certificate. Upon payment of the principal and interest and all other sums due the state upon the land within the extended time, a patent for the land must be issued to the holder of the certificate as provided by law.

Subd. 3. **No extensions on void certificates.** This section does not apply if the certificate of sale has been absolutely terminated and made void without right of redemption under any prior or existing law, or if the land has become absolutely forfeited to the state for delinquent taxes.

Subd. 4. **Failure to pay when due.** If the full amount of principal with interest and all other sums required to obtain a patent under a certificate of sale of state public land sold before May 1, 1941, is not paid before the expiration of the time allowed by law for payment of the principal, the certificate is absolutely canceled and void, and all right, title, and interest of the purchaser or heirs, representatives, or assigns of the purchaser, in the land terminate without further act of the state. This subdivision does not preclude any other method of termination provided by law.

History: 1941 c 374 s 6; 1985 c 265 art 3 s 1; 1986 c 444

92.212 CERTAIN LANDS PRESUMED ABANDONED.

If full payment of the amount due the state for any state public land sold before May 1, 1941, is not made before the expiration of the time prescribed in the certificate for full payment of the principal or any extension of time provided by law, it is presumed that the purchaser and all persons claiming under the purchaser abandoned the land and all right, title, interest in and claim to it, and have released it absolutely to the state and its assigns.

History: 1941 c 374 s 7; 1985 c 265 art 3 s 1

92.213 LIMITATION OF ACTIONS.

If full payment of the amount due the state for any state public land sold before May 1, 1941, is not made before the expiration of the time prescribed in the certificate for full payment of the principal or any lawful extension of time, no action for the recovery or possession of the land or for the enforcement of any right, title, interest in, or claim to it may be maintained by the purchaser or any one claiming under the purchaser unless the action is commenced within one year after the expiration of the time or extension.

History: 1941 c 374 s 8; 1985 c 265 art 3 s 1

92.214 CERTIFICATES DEEMED CANCELED IN CERTAIN CASES.

If the interest of the purchaser of a tract of state public land becomes forfeited to the state for delinquent taxes, the certificates are canceled and terminated, and the land shall be held by the state as unsold public land, free from right, title, interest, or claim of the purchaser or heirs, representatives, or assigns of the purchaser, and free from any trust in favor of a taxing district.

History: 1941 c 374 s 9; 1985 c 265 art 3 s 1; 1986 c 444

92.215 TAXES CANCELED.

If the rights of a purchaser of state public land or heirs, representatives, or assigns of the purchaser, have been absolutely terminated, all unpaid taxes and assessments against the land at the date of the termination are canceled and the county auditor must record the termination.

History: 1941 c 374 s 10; 1985 c 265 art 3 s 1; 1986 c 444

92.22 REFUNDS OF TAX CERTIFICATES ON REFORM SCHOOL LANDS.

If (1) a tax certificate of sale or state assignment certificate describes reform school lands, so-called, or any tract, lot, or subdivision of them, and (2) the certificate was sold by the state upon contract before 1902, to a purchaser who has since defaulted on the contract so that the land is now owned in fee simple by the state, and (3) the holder of the certificate became holder before the adoption of Laws 1902, Extra Session, chapter 2, the holder may petition the county board of the county where the lands are, setting forth fully and fairly the facts pertaining to the certificate. The board shall inquire into the truth of the facts alleged in the petition. If it is satisfied that the facts are fully and fairly stated, it shall so certify to the director.

If the director is satisfied that a refund should be made to the holder for the amount of the certificate without interest, the director shall authorize the refund of the amount paid for it, plus the amount of other subsequent taxes on the property paid by the holder. The refund must not include interest on any of these amounts. Upon the surrender of the proper assignment of these certificates, the county auditor shall draw an order upon the county treasurer for the sum of the refund. The order must be countersigned and paid like other county orders. The state, county, town, city, school, and other funds, shall be charged with their proportions of the amount refunded.

History: (6292) 1909 c 491 s 1; 1973 c 123 art 5 s 7; 1985 c 265 art 3 s 1; 1986 c 444

92.23 PAYMENTS; RECEIPTS.

The holder of a certificate of sale may pay the commissioner any amount due on the certificate. The commissioner shall issue duplicate receipts specifying the date, the name and address of the person making the payment, the amount paid, whether for principal or interest, the fund to which it is applicable, and the number of the certificate. The receipt has the same effect as if given by the state treasurer. The commissioner shall deliver one copy to the holder of the certificate and retain one copy.

History: (6296, 6296-1) RL s 2428; 1929 c 200 s 1; 1941 c 374 s 11; 1985 c 265 art 3 s 1; 1988 c 628 s 7

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92.24 MONEY PAID TO STATE TREASURER.

The commissioner shall pay over all money received on account of certificates of sale to the state treasurer for deposit as required by section 92.28 and other applicable laws.

History: (6298) *RL s 2430; 1945 c 382 s 1; 1985 c 265 art 3 s 1; 1988 c 628 s 8*

92.25 [Repealed, 1988 c 628 s 24]

92.26 STATEMENT OF SALES.

Before May 2 each year the commissioner shall prepare a statement showing the lands sold in each county, the classes to which they belong, the numbers of the certificates of sale, the name of the persons to whom each was issued, and the amount of principal and interest due on each certificate on June 1. The commissioner shall forward copies of the statement to the governor and to the commissioner of finance.

History: (6300) *RL s 2432; 1985 c 265 art 3 s 1; 1988 c 628 s 9*

92.27 COMMISSIONER'S REPORT ON CLOSE OF SALE.

The commissioner or the commissioner's designated agent shall act as clerk of land sales made by the commissioner. Immediately after the close of all sales, the commissioner shall prepare a report describing each tract sold, the amount for which it was sold, and the amount paid.

History: (6301) *RL s 2433; 1985 c 265 art 3 s 1; 1988 c 628 s 10*

92.28 PROCEEDS OF SALES; DISTRIBUTION.

The principal sums accruing from all sales by the commissioner of school, university, internal improvement, or other state lands, or of pine timber upon state lands must be deposited in the several permanent funds to which they, respectively, belong. The sums may not be reduced by any costs or charges of officers, by fees, or any other means. Money received as interest on the funds, as penalties, or as rents of the lands, must be deposited in the current or general funds to which they belong. Interest and penalties on the internal improvement land fund, and rents of the land, must be compounded with the permanent fund.

History: (6302) *RL s 2434; 1985 c 265 art 3 s 1*

92.29 LAND PATENTS.

The commissioner of natural resources shall sign and issue in the name of the state and under the seal of the state a patent for the land described in any certificate of sale when the principal and interest specified in the certificate of sale and all taxes due on the land have been paid. The patent shall be issued to the purchaser named in the certificate of sale, or the purchaser's successor in interest by execution, judicial, mortgage or tax sale, or the assignee, vendee, heir or devisee of the purchaser, as shown by a properly certified abstract of title or other evidence if the purchaser's successor is a person other than the purchaser named in the certificate of sale. If the certificate of sale has become lost or destroyed, an affidavit stating that fact must be submitted by the applicant for a patent.

History: (6295) *RL s 2427; 1935 c 368 s 1; 1963 c 216 s 1; 1985 c 265 art 3 s 1; 1986 c 444; 1988 c 628 s 11*

92.30 STATE TO SELL CERTAIN LANDS.

The department may sell any state-owned lands, including lands set apart as school forests or other state forests, lying within the general boundaries of the Superior National Forest and the Chippewa National Forest as the boundaries now exist or may hereafter be extended, to the United States to be included as a part of either of these forests. The lands must be designated by the executive council, upon the recommenda-

tion of the commissioner, for disposal to the United States for that purpose. The purchase price paid at the sale by the commissioner for the state may not exceed a maximum fixed by the executive council. All laws relating to the sale of state swamp lands and state school lands apply to sales under this section.

History: (6302-1) 1929 c 246 s 1; 1985 c 265 art 3 s 1

92.31 STATE MAY EXCHANGE LAND.

The executive council may exchange lands acquired by the state by purchase, as set forth in section 92.30, for lands of the United States of the same general character and of substantially the same value that in its judgment will promote the best interests of the state. The council may set the terms of the sale. It may accept or pay out of any available funds any cash differences needed to effect an equitable exchange of lands. The executive council may have any lands acquired under this section appraised by competent authority.

History: (6302-2) 1929 c 246 s 2; 1985 c 265 art 3 s 1

92.32 GOVERNOR TO EXECUTE CONVEYANCES.

To carry out sections 92.30 and 92.31 the governor may execute proper instruments of conveyance in the name and under the seal of the state.

History: (6302-3) 1929 c 246 s 3; 1985 c 265 art 3 s 1

92.321 SALE FOR FORESTRY PURPOSES.

Subdivision 1. **Commissioner may sell lands.** The commissioner of natural resources may appraise and sell any unreserved state public land which in the commissioner's opinion is suitable for private forest management.

Subd. 2. **Conditions of sale.** Sales under this section must be public in the same manner as other state land, after approval by the executive council. Land sold under this section must be used exclusively for growing continuous forest crops in accordance with accepted sustained yield practice. Not more than 1,280 acres of land may be offered in one parcel. The sale must be for cash.

History: 1961 c 658 s 1,2; 1969 c 1129 art 10 s 2; 1985 c 265 art 3 s 1; 1986 c 444

92.33 [Repealed, 1969 c 9 s 12]

92.34 COUNTY LAND CLASSIFICATION COMMITTEE.

There must be a land classification committee in each county having 25 percent or more of its land area delinquent for nonpayment of taxes, or where 25 percent or more of its land area is owned by the state or the United States. The committee is composed of the county auditor, the chair of the board of county commissioners, the county treasurer, the county surveyor, and the county superintendent of schools. The chair of the board of county commissioners is chair of the county land classification committee. In any county having a county agricultural agent, the agent shall meet and advise with the committee. The committee must meet at the office of the county auditor upon call of the county auditor.

History: (6302-6) 1933 c 436 s 2; 1985 c 265 art 3 s 1

92.35 DUTIES AND POWERS.

The commissioner of trade and economic development must classify all public and private lands in the state by the use to which the lands are adapted, but principally as to adaptability to present known uses, such as agriculture and forestry. This classification must be based on consideration of the known physical and economic factors affecting use of the land. The commissioner must consult private, state, and federal agencies concerned with land use. The commissioner may appoint advisory committees of residents of the state concerned with and interested in land use. The advisory commit-

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tees shall serve without pay, at the pleasure of the commissioner. The advisory committee must consider and report on land use problems submitted by the commissioner. The classification must be done first in the counties having land classification committees. In determining the land classification, the commissioner must consult and cooperate with the land classification committee. The determination of the land classification committee is final.

History: (6302-7) 1933 c 436 s 3; 1969 c 9 s 13; 1981 c 356 s 110; 1983 c 289 s 115 subd 1; 1985 c 265 art 3 s 1; 1987 c 312 art 1 s 26 subd 2

92.36 LANDS CLASSIFIED.

Upon the basis of all of the facts concerning land use now obtainable and as provided in sections 92.34 to 92.37 the commissioner of trade and economic development shall temporarily classify land areas with reference to the known uses to which the areas are adapted or adaptable. A certified copy of the temporary classification, together with a brief statement of the reasons for it, must be recorded in the office of the county recorder in each county containing the lands classified. No fees need be paid for this recording. After the temporary classification has been adopted by the commissioner, none of the lands classified as nonagricultural may be sold or leased by the state for agricultural purposes.

History: (6302-8) 1933 c 436 s 4; 1969 c 9 s 14; 1976 c 181 s 2; 1981 c 356 s 111; 1Sp1981 c 4 art 1 s 65; 1983 c 289 s 115 subd 1; 1985 c 265 art 3 s 1; 1987 c 312 art 1 s 26 subd 2

92.37 REPORT TO LEGISLATURE.

The commissioner shall report the results of the land classification to the legislature with any recommendations deemed advisable.

History: (6302-9) 1933 c 436 s 5; 1969 c 9 s 15; 1981 c 356 s 112; 1985 c 265 art 3 s 1

- 92.38 [Renumbered 94.341]
- 92.39 [Renumbered 94.342]
- 92.40 [Renumbered 94.343]
- 92.41 [Renumbered 94.344]
- 92.42 [Renumbered 94.345]
- 92.43 [Renumbered 94.346]
- 92.44 [Renumbered 94.347]

92.45 STATE LAND ON MEANDERED LAKES WITHDRAWN FROM SALE.

All state lands bordering on or adjacent to meandered lakes and other public waters and watercourses, with the live timber growing on them, are withdrawn from sale except as provided in this section. The commissioner of natural resources may sell the timber as otherwise provided by law for cutting and removal under conditions the commissioner prescribes. The conditions must be in accordance with approved, sustained-yield forestry practices. The commissioner must reserve the timber and impose other conditions the commissioner deems necessary to protect watersheds, wildlife habitat, shorelines, and scenic features. Within the area in Cook, Lake, and St. Louis counties described in the act of Congress approved July 10, 1930, (Statutes at Large, volume 46, page 1020), the timber on state lands is subject to restrictions like those now imposed by the act on federal lands.

The following land is reserved for public travel: of all land bordering on or adjacent to meandered lakes and other public waters and watercourses and withdrawn from sale, a strip two rods wide, the ordinary high-water mark being its water side boundary, and its landside boundary a line drawn parallel to the ordinary high-water mark and two rods distant landward from it. Wherever the conformation of the shore line or conditions require, the commissioner must reserve a wider strip.

The commissioner may sell state lands bordering on or adjacent to the Mississippi river or any lakes, waters, and watercourses in its bottom lands, desired or needed by the United States government for, or in connection with, any project heretofore authorized by Congress, to improve navigation in the Mississippi River at public sale according to law, as in other cases, upon application by an authorized United States official. The application must describe the land and include a map showing its location with reference to adjoining properties.

History: (6463) 1923 c 430 s 11; 1927 c 330 s 1; 1929 c 21 s 1; 1951 c 20 s 1; 1969 c 1129 art 10 s 2; 1985 c 265 art 3 s 1; 1986 c 444

92.46 LANDS AS CAMPGROUNDS.

Subdivision 1. **Public campgrounds.** (a) The director may designate suitable portions of the state lands withdrawn from sale and not reserved, as provided in section 92.45, as permanent state public campgrounds. The director may have the land surveyed and platted into lots of convenient size, and lease them for cottage and camp purposes under terms and conditions the director prescribes, subject to the provisions of this section.

(b) A lease may not be for a term more than 20 years. The lease may allow renewal, from time to time, for additional terms of no longer than 20 years each. The lease may be canceled by the commissioner 90 days after giving the person leasing the land written notice of violation of lease conditions. The lease rate shall be based on the appraised value of leased land as determined by the commissioner of natural resources. The appraised value shall be the value of the leased land without any private improvements and must be comparable to similar land without any improvements within the same county.

(c) By July 1, 1986, the commissioner of natural resources shall adopt rules under chapter 14 to establish procedures for leasing land under this section. The rules shall be subject to review and approval by the commissioners of revenue and administration prior to the initial publication pursuant to chapter 14 and prior to their final adoption. The rules must address at least the following:

- (1) method of appraising the property;
- (2) determination of lease rates; and
- (3) an appeal procedure for both the appraised values and lease rates.

(d) All money received from these leases must be credited to the fund to which the proceeds of the land belong.

Notwithstanding section 16A.125 or any other law to the contrary, 50 percent of the money received from the lease of permanent school fund lands leased pursuant to this subdivision shall be deposited into the permanent school trust fund. However, in fiscal years 1987, 1988, 1989, 1990, 1991, and 1992, the money received from the lease of permanent school fund lands that would otherwise be deposited into the permanent school fund is hereby appropriated to survey, appraise, and pay associated selling costs of lots as required in section 92.67, subdivision 3. The money appropriated may not be used to pay the cost of surveying lots not scheduled for sale. Any money designated for deposit in the permanent school fund that is not needed to survey, appraise, and pay associated selling costs of lots, as required in section 92.67, shall be deposited in the permanent school fund. The commissioner shall add to the appraised value of any lot offered for sale the costs of surveying, appraising, and selling the lot, and shall first deposit into the permanent school fund an amount equal to the costs of surveying, appraising, and selling any lot paid out of the permanent school fund. Any remaining money shall be deposited into any other contributing funds in proportion to the contribution from each fund. In no case may the commissioner add to the appraised value of any lot offered for sale an amount more than \$700 for the costs of surveying and appraising the lot.

Subd. 1a. **Termination of leasing.** Effective May 22, 1973, no new leases may be made pursuant to subdivision 1. If substantial improvements have been made to land

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leased pursuant to subdivision 1, the commissioner must require the lessee to comply with applicable county ordinances for management of shoreland areas and must cancel any lease for noncompliance with these standards unless the substandard use is authorized by the county ordinance.

Subd. 2. [Repealed, 1975 c 353 s 41]

Subd. 3. **Lease rate increases.** State land leased under subdivision 1, that have increased lease rates effective on or after January 1, 1986, shall phase in the increased lease rates by three equal annual increments, except that the lease rates shall be adjusted to reflect changes in the lease rates resulting from rules adopted under subdivision 1.

Subd. 4. **Road expenditures.** A county where state lands are leased under this section, may spend money raised from the levy of property taxes for the maintenance and upgrading of roads serving the leased property regardless of whether the roads are part of the county highway system.

History: (6464, 6465) 1923 c 430 s 12,13; 1973 c 479 s 3; 1985 c 265 art 3 s 1; 1Sp1985 c 14 art 17 s 1,3,5; 1986 c 444; 1986 c 449 s 1; 1987 c 404 s 110; 1988 c 718 art 7 s 3

NOTE: After December 31, 1993, the provisions of subdivisions 1 and 3 apply only to sales made under subdivision 4, clause (a)(5). See Laws 1988, chapter 718, article 7, section 66.

92.461 PEAT LANDS.

Subdivision 1. **Peat lands withdrawn from sale.** All lands now or hereafter owned by the state which are chiefly valuable by reason of deposits of peat in commercial quantities are withdrawn from sale.

Subd. 2. **Examination by commissioner of natural resources.** Before any state land is offered for sale the commissioner of natural resources must examine it to determine whether the land is chiefly valuable by reason of deposits of peat in commercial quantities.

History: (6433-1, 2) 1935 c 322; 1949 c 453 s 1,2; 1969 c 1129 art 10 s 2; 1985 c 265 art 3 s 1

92.47 [Repealed, 1963 c 567 s 6]

92.48 [Repealed, 1963 c 567 s 6]

92.49 [Repealed, 1963 c 567 s 6]

92.50 UNSOLD LANDS SUBJECT TO SALE MAY BE LEASED.

Subdivision 1. **Lease terms.** (a) The commissioner of natural resources may lease land under the commissioner's jurisdiction and control:

- (1) to remove sand, gravel, clay, rock, marl, peat, and black dirt;
- (2) to store ore, waste materials from mines, or rock and tailings from ore milling plants;
- (3) for roads or railroads; or
- (4) for other uses consistent with the interests of the state.

(b) The commissioner shall offer the lease at public or private sale for an amount and under terms and conditions prescribed by the commissioner. Commercial leases for more than ten years and leases for removal of peat must be approved by the executive council.

(c) The lease term may not exceed ten years except:

- (1) leases of lands for storage sites for ore, waste materials from mines, or rock and tailings from ore milling plants, or for the removal of peat may not exceed a term of 25 years;
- (2) leases for the use of peat lands for agricultural purposes may not exceed 21 years; and
- (3) leases for commercial purposes, including major resort, convention center, or recreational area purposes, may not exceed a term of 40 years.

(d) Leases must be subject to sale and leasing of the land for mineral purposes and contain a provision for cancellation for just cause at any time by the commissioner upon six months' written notice. A longer notice period, not exceeding three years, may be provided in leases for storing ore, waste materials from mines or rock or tailings from ore milling plants. The commissioner may determine the terms and conditions, including the notice period, for cancellation of a lease for the removal of peat and commercial leases.

(e) Money received from leases under this section must be credited to the fund to which the land belongs.

Subd. 2. Leases for tailings deposits. The commissioner may grant leases and licenses to deposit tailings from any iron ore beneficiation plant in any public lake not exceeding 160 acres in area after holding a public hearing in the manner and under the procedure provided in Laws 1937, chapter 468, as amended and finding in pursuance of the hearing:

(a) that such use of each lake is necessary and in the best interests of the public; and

(b) that the proposed use will not result in pollution or sedimentation of any outlet stream.

The lease or license may not exceed a term of 25 years and must be subject to cancellation on three years' notice. The commissioner may further restrict use of the lake to safeguard the public interest, and may require that the lessee or licensee acquire suitable permits or easements from the owners of lands riparian to the lake. Money received from the leases or licenses must be deposited in the permanent school fund.

History: (6328) 1915 c 192 s 1; 1917 c 31; 1919 c 405 s 1; 1945 c 321 s 1; 1947 c 323 s 1; 1953 c 328 s 1; 1959 c 473 s 2; 1969 c 1129 art 10 s 2; 1981 c 328 s 1; 1985 c 265 art 3 s 1; 1986 c 398 art 18 s 1; 1986 c 444; 1988 c 628 s 12

NOTE: As to Volstead lands, see Laws 1961, Chapter 472, and Laws 1963, Chapter 390, Section 1.

92.501 LEASING OF PEAT LANDS FOR WILD RICE FARMING.

Subdivision 1. Authority to lease. The commissioner of natural resources in consultation with the commissioner of agriculture may, at a public or private lease sale and at the prices and under the terms and conditions the commissioners may prescribe, lease any state-owned lands under the commissioner's jurisdiction and control for the purpose of farming of wild rice. Priority must be given to lands which are accessible and adjacent to existing wild rice production areas and requested for leasing by wild rice producers. The term of a lease under this section must be offered for a minimum of 20 years but may be for a shorter period at the option of the lessee. If a lease is issued prior to the adoption of the rules for the implementation of this section and for a period of less than 20 years, the lease must be converted to a minimum 20-year lease after the rules have been adopted, at the option of the lessee. Leases must be accepted or denied within 60 days of application. If a lease is denied, written notice must be given stating reasons for denial. The lease rate must be adjusted every five years to reflect market values. The money received from the leases under this section must be credited to the account that receives the proceeds of a sale of the land.

Subd. 2. Wild rice land designation and development. The commissioner of natural resources and the commissioner of agriculture shall prepare a plan that designates state land for wild rice production including an inventory of the number of acres of land appropriate and suitable for wild rice development and leasing in each county. Proposed mineral exploration does not exempt land from being designated for wild rice development.

Subd. 3. Rules. The commissioner of natural resources may adopt rules to implement this section.

History: 1985 c 276 s 8; 1986 c 398 art 18 s 2,3

92.51 TAXATION; REDEMPTION; SPECIAL CERTIFICATE.

State lands sold by the director become taxable. A description of the tract sold, with the name of the purchaser, must be transmitted to the proper county auditor. The auditor must extend the land for taxation like other land. Only the interest in the land vested by the land sale certificate in its holder may be sold for delinquent taxes. Upon production to the county treasurer of the tax certificate given upon tax sale, in case the lands have not been redeemed, the tax purchaser has the right to pay the principal and interest then in default upon the land sale certificate as its assignee. To redeem from a tax sale, the person redeeming must pay the county treasurer, for the holder and owner of the tax sale certificate, in addition to all sums required to be paid in other cases, all amounts paid by the holder and owner for interest and principal upon the land sale certificate, with interest at 12 percent per year. When the director receives the tax certificate with the county auditor's certificate of the expiration of the time for redemption, and the county treasurer's receipt for all delinquent interest and penalty on the land sale certificate, the director shall issue the holder and owner of the tax certificate a special certificate with the same terms and the same effect as the original land sale certificate.

History: (6323) *RL s 2439; 1909 c 114 s 1; 1985 c 265 art 3 s 1; 1986 c 444*

- 92.52 [Renumbered 94.351]
- 92.53 [Repealed, 1969 c 9 s 95]
- 92.54 [Repealed, 1969 c 9 s 95]
- 92.55 [Repealed, 1969 c 9 s 95]
- 92.56 [Repealed, 1969 c 9 s 95]
- 92.57 [Repealed, 1969 c 9 s 95]
- 92.59 [Repealed, 1969 c 9 s 95]
- 92.62 [Repealed, 1969 c 9 s 95]

92.67 SALE PROCEDURE.

Subdivision 1. Sale requirement. Notwithstanding section 92.45 or any other law, at the request of a lessee or as otherwise provided in this section, the commissioner of natural resources shall sell state property bordering public waters that is leased for the purpose of a private cabin under section 92.46. Requests for sale must be made prior to December 31, 1992, and the commissioner shall complete all requested sales and sales arising from those requests by December 31, 1993, subject to subdivision 3, clause (d). The sale shall be made in accordance with laws providing for the sale of trust fund land except as modified by the provisions of this section.

Subd. 2. Appraisal. An appraisal shall be made in accordance with section 92.12, except as modified by this section. The improvements that are owned by the lessee shall be appraised separately.

Subd. 3. Appraisers; allocation of appraisal and survey costs. (a) For an appraisal conducted before May 7, 1988, a lessee requesting the sale may select a person who meets the minimum appraisal standards established by the federal Farmers Home Administration or the federal Veterans Administration to appraise the property to be sold. If more than one lessee of a cabin site lot leased by the commissioner under section 92.46 within a platted area requests the sale of a leased lot, all requesting lessees may jointly agree upon an appraiser. If the lessee or lessees do not select an appraiser, the commissioner of natural resources shall select the appraiser. An appraisal prepared by a person who meets the minimum appraisal standards established by the Farmers Home Administration or the federal Veterans Administration, but who is not included on the list of appraisers approved by the commissioner of administration for the appraisal of state property, must be reviewed by an appraiser selected by the commissioner of natural resources from the commissioner of administration's list of approved appraisers. If, upon conclusion of this review, the commissioner of natural resources determines that the appraisal under review does not meet state appraisal standards, the

commissioner shall reject the appraisal and have the property reappraised by an appraiser selected from the list approved by the commissioner of administration.

For appraisals conducted on and after May 7, 1988, all appraisals of lots offered for sale shall be performed by persons selected by the commissioner who are included on the list of appraisers approved by the commissioner of administration for the appraisal of state property. A lessee requesting a sale may recommend to the commissioner a person from the approved list to appraise the property to be sold. The commissioner shall supply the approved list to any lessee upon request.

(b) The costs of appraisal shall be allocated by the commissioner to the lots offered for sale and the successful bidder on each lot shall reimburse the commissioner for the appraisal costs allocated to the lot bid upon up to \$700 for each lot appraised. If there are no successful bidders on a lot, the commissioner is responsible for the appraisal cost allocated to that lot.

(c) The commissioner shall survey a lot prior to offering it for sale. The commissioner is responsible for the survey cost.

(d) If a lessee disagrees with the appraised value of the lessee's improvements, the lessee may select an appraiser from the approved list of appraisers to reappraise the improvements. The lessee is responsible for the cost of this reappraisal. If the commissioner and the lessee fail to agree on the value of the improvements within 180 days of the date an appraisal is performed, the commissioner shall offer the lot for sale at a price that incorporates the county assessor's estimated market value of the improvements adjusted by the assessment/sales ratio as determined by the department of revenue.

Subd. 4. Timing of sales. (a) The commissioner shall offer lakeshore cabin site lots for sale pursuant to written request and in accordance with the following schedule:

(1) as to requests received before January 1, 1988, the sale shall be held not later than by October 31, 1988, if possible. However, if a lot is not offered for sale by that date, the lot shall be offered for sale at the next sale in the next year;

(2) as to requests received each calendar year after December 31, 1987, the sale shall be held in June, July, or August of the year after the request is received;

(3) notwithstanding clause (2), the commissioner may offer a lot for sale in the year the request is received if the commissioner will offer for sale in that year other lots platted with the late requested lot;

(4) notwithstanding clause (2), if more than 50 percent of the lessees in a platted area request by December 31 of a calendar year that their lots be offered for sale, the commissioner shall offer for sale at one time during June, July, or August of the following year all lots in a platted area. If a lessee, whose lot is located in a plat where more than 50 percent of the lessees request that their lots be offered for sale, requests in writing that the lessee's lot not be offered for sale, the commissioner may not offer the lot for sale until 1993; and

(5) lots that are unsold for any reason at the end of 1993 shall be offered for sale in increments over a period of five years beginning in 1994. Lots that are unsold for any reason at the end of 1998 shall be offered for sale in 1999 and each year thereafter until sold.

(b) Lots not sold the first year offered may be reoffered in a succeeding year, following reappraisal if it is determined necessary by the commissioner.

(c) If a person other than the lessee purchases the leased lakeshore cabin site, the purchaser must make payment in full to the lessee, in the manner provided in section 92.06, subdivision 4, for the appraised value of any improvements. Failure of a successful bidder to comply with this provision voids the sale and the property may be reoffered for sale as provided in section 92.06, subdivision 4.

Subd. 5. Terms of sale. For the sale of the public lands under this section, the purchaser shall pay the state ten percent of the purchase price at the time of the sale. The balance must be paid in no more than 20 equal annual installments. The interest rate on the remaining balance shall be at the rate in effect at the time of the sale under section 549.09.

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Subd. 5a. **Adding lands; zoning conformance.** Whenever possible, the commissioner may add trust fund lands to the lots offered for sale to provide conformance with zoning requirements. The added lands must be included in the appraised value of the lot.

Subd. 6. [Repealed, 1987 c 404 s 191]

History: 1986 c 449 s 2; 1987 c 158 s 1; 1987 c 404 s 111-114; 1988 c 718 art 7 s 4-7

NOTE: This section, as added by Laws 1986, chapter 449, section 2, is repealed July 1, 1992. See Laws 1986, chapter 449, section 6.

NOTE: After December 31, 1993, the provisions of subdivisions 1 and 3 apply only to sales made under subdivision 4, clause (a)(5). See Laws 1988, chapter 718, article 7, section 66.

92.68 MISCELLANEOUS.

Subdivision 1. **Shoreline included.** Notwithstanding section 92.45, the shoreline of leased sites sold under section 92.67 is not reserved for public travel.

Subd. 2. **Local zoning.** For the purpose of local zoning ordinances, land sold under section 92.67 shall be treated as if purchased at the time the state first leased the sites.

Subd. 3. **Road access.** Rights of access across state property to the lots offered for sale that are in existence at the time of sale, and not included in the sale, may not be terminated by the commissioner without the consent of the purchasers of the lots or their successors in interest. The commissioner may impose a fee for the access rights in the same manner as for other similar accesses except that the commissioner may not impose a fee for access rights where no fee is now being charged.

History: 1986 c 449 s 3

NOTE: This section, as added by Laws 1986, chapter 449, section 3, is repealed July 1, 1992. See Laws 1986, chapter 449, section 6.

92.69 ENDOWMENT ACCOUNT.

Subdivision 1. **Proceeds of land acquisition account.** To ensure educational opportunities provided by Minnesota scientific and natural areas as described in section 86A.05, subdivision 5, are adequately available for present and future generations, the proceeds received under Laws 1986, chapter 449, sections 1 to 3 that are credited to the land acquisition account under section 94.165 must be spent on scientific and natural areas.

Subd. 2. **Account.** (a) A natural areas legacy endowment account is established in the state treasury. The commissioner of natural resources shall accept private contributions for educational opportunities provided by scientific and natural areas and deposit the contributions in the account. The principal deposited in the account shall be retained in the endowment account.

(b) The interest from the principal may be spent by the commissioner of natural resources for the protection, management, and inventory of lands with rare and endangered species or undisturbed plant communities that qualify as state scientific and natural areas under section 86A.05, subdivision 5.

History: 1986 c 449 s 4