

CHAPTER 94

LANDS, STATE FORESTS

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94.05	[Renumbered 92.12 subd 3]		
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94.08	[Inoperative]		

94.09 SALE AND DISPOSITION OF SURPLUS STATE-OWNED LAND.

Subdivision 1. All tracts or lots of real property belonging to the state of Minnesota or that may hereafter accrue to the state, including tracts or lots which have escheated to the state, may be disposed of in accordance with sections 94.09 to 94.16; provided, sections 94.09 to 94.16 shall not apply to school or other trust fund lands, belonging to the state, or that may hereafter accrue to the state, under and by virtue of any act of Congress or to any other state-owned lands the sale or disposition of which is otherwise provided for by law.

Subd. 2. On or before July 1 of each year the head of each department or agency having control and supervision over any state-owned land the sale or disposition of which is not otherwise provided for by law, shall certify in writing to the commissioner of administration whether or not there is any state-owned land under control and supervision of that department or agency which is no longer needed. If the certification discloses lands no longer needed for a department or agency, the head thereof shall include in such certification a description of the lands, and the reasons why such lands are no longer needed. If the certification is by the commissioner of natural resources, the duties prescribed for the commissioner of administration by this section and sections 94.10 to 94.16 shall be performed by the commissioner of natural resources.

Subd. 3. On or before October 1 of each year, the commissioner of administration shall review the certifications of heads of each department or agency provided for in this section.

The commissioner shall send written notice to all state departments, agencies and the university of Minnesota describing any lands or tracts which may be declared surplus. If a department or agency or the university of Minnesota desires custody of the lands or tracts, it shall submit a written request to the commissioner, no later than four calendar weeks after mailing of the notice, setting forth in detail its reasons for desiring to acquire, and its intended use of, the land or tract. The commissioner of administration shall then determine whether any of the lands described in the certifications of the heads of the departments or agencies should be declared surplus and offered for sale or otherwise disposed of by transferring custodial control to other requesting state departments or agencies or to the board of regents of the university of Minnesota for educational purposes, provided however that transfer to the board of regents shall not be determinative of tax exemption or immunity. If the commissioner determines that any of such lands are no longer needed for state purposes, the commissioner shall make findings of fact, describe the lands, declare such lands to be surplus state land, state the reasons for the sale or disposition thereof, and notify the state executive council of such determination.

Subd. 4. Within 60 days after the receipt of the notification from the commissioner of administration, the executive council shall approve or disapprove the commissioner's determinations. If the determinations are approved, the lands shall be offered for sale or otherwise disposed of as provided for in sections 94.09 to 94.16. If the executive council disapproves the determinations, the same determinations in regard thereto may not be resubmitted to the executive council until at least six months from the date of the disapproval have elapsed.

Subd. 5. On or before November 15 of each even numbered year the commissioner of administration shall report to the governor and the legislature for the two-year period immediately preceding the following:

- (a) The lands which state departments and agencies have certified as no longer needed.
- (b) The lands which have been determined to be no longer needed for state purposes, regarding which the executive council has been formally notified.
- (c) The lands which have been publicly sold.
- (d) The trail lands which have been privately sold to adjoining property owners and leaseholders under section 85.015, subdivision 1, paragraph (b).

Subd. 6. The state department or agency holding custodial control shall maintain such state-owned lands until the land is sold or otherwise disposed of as provided for in sections 94.09 to 94.16.

History: (6442) 1909 c 452 s 1; 1957 c 861 s 3; 1969 c 897 s 1; 1974 c 260 s 4; 1974 c 406 s 62; 1975 c 81 s 5; 1986 c 444; 1989 c 335 art 1 s 81; 1994 c 632 art 2 s 22

94.10 SURVEYS, APPRAISALS AND SALE.

Subdivision 1. Before offering any surplus state-owned lands for sale, the commissioner of administration may survey such lands, and if the value thereof is estimated to be \$40,000 or less, may have such lands appraised. The commissioner shall have the lands appraised if the estimated value is in excess of \$40,000. The appraiser shall before entering upon the duties of the office take and subscribe an oath that the appraiser will faithfully and impartially discharge the duties as appraiser according to the best of the appraiser's ability and that the appraiser is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of such appraisal. Before offering such surplus state-owned lands for public sale, such lands shall first be offered to the city, county, town, school district, or other public body corporate or politic in which the lands are situated for public purposes and they may be sold for such public purposes for not less than the appraised value thereof. To determine whether a public body desires to purchase the surplus land, the commissioner of administration shall give a written notice to the governing body of each political subdivision whose jurisdictional boundaries include or are adjacent to the surplus land. If a public body desires to purchase the surplus land it shall submit a written offer to the commissioner not later than two weeks after receipt of notice setting forth in detail its reasons for desiring to acquire and its intended use of the land. In the event that more than one public body tenders an offer, the

commissioner shall determine which party shall receive the property, and shall submit written findings regarding the decision. If lands are offered for sale for such public purposes, and if a public body notifies the commissioner of administration of its desire to acquire such lands, the public body may have not to exceed two years from the date of the accepted offer to commence payment for the lands in the manner provided by law.

Subd. 2. (a) Lands certified as surplus by the head of a department or agency other than the department of natural resources shall be offered for public sale by the commissioner of administration as provided in this paragraph. After complying with subdivision 1 and before any public sale of surplus state-owned land is made, the commissioner of administration shall publish a notice thereof at least once in each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the city or county in which the real property to be sold is situated, which notice shall specify the time and place at which the sale will commence, a general description of the lots or tracts to be offered, and a general statement of the terms of sale. Each tract or lot shall be sold separately and shall be sold for not less than the appraised value thereof. Parcels remaining unsold after the offering may be sold to anyone agreeing to pay the appraised value thereof. The sale shall continue until all parcels are sold or until the commissioner orders a reappraisal or withdraws the remaining parcels from sale.

(b) Lands certified as surplus by the commissioner of natural resources shall be offered for public sale by the commissioner of natural resources in the manner provided in paragraph (a) for sales by the commissioner of administration.

(c) The cost of any survey or appraisal as provided in subdivision 1 shall be added to and made a part of the appraised value of the lands to be sold, whether to any political subdivision of the state or to a private purchaser as provided in this subdivision.

History: (6443) 1909 c 452 s 2; 1957 c 861 s 4; 1969 c 897 s 2; 1971 c 911 s 1; 1973 c 123 art 5 s 7; 1974 c 184 s 7; 1975 c 81 s 6; 1980 c 614 s 79; 1984 c 543 s 4; 1984 c 601 s 1; 1986 c 444; 1993 c 285 s 11

94.11 TERMS OF PAYMENT.

Not less than ten percent of the purchase price shall be paid at the time of sale with the balance payable as follows: If the purchase price of any lot or parcel is \$5,000 or less, the balance shall be paid within 90 days of the date of sale. If the purchase price of any lot or parcel is in excess of \$5,000, the balance shall be paid in equal annual installments for not more than five years, at the option of the purchaser, with principal and interest payable annually in advance at a rate equal to the rate in effect at the time under section 549.09 on the unpaid balance, payable to the state treasury on or before June 1 each year. Any installment of principal or interest may be prepaid. Terms of payment for lands sold by the commissioner of natural resources are the same as those provided for state public lands by section 92.06, subdivision 1.

History: (6444) 1909 c 452 s 3; 1969 c 897 s 3; 1982 c 531 s 2; 1993 c 285 s 12

94.12 CONTRACT FOR DEED AND QUITCLAIM DEED.

In the event a purchaser elects to purchase surplus real property on an installment basis, the commissioner of administration shall enter into a contract for deed with the purchaser thereof in which shall be set forth the description of the real property sold and the price thereof, the consideration paid and to be paid therefor, the rate of interest, and time and terms of payment. This contract for deed shall be made assignable and shall further set forth that in case of the nonpayment of the annual principal or interest payment due by the purchaser, or any person claiming under the purchaser, then the contract for deed, from the time of such failure, will be entirely void and of no effect and the state may be repossessed of the lot or tract and may resell the same as provided in sections 94.09 to 94.16. In the event the terms and conditions of a contract for deed are completely fulfilled or if a purchaser makes a lump sum payment for the subject property in lieu of entering into a contract for deed, the commissioner of administration, shall sign and cause to be issued a quitclaim deed on behalf of the state.

Said quitclaim deed shall be in a form prescribed by the attorney general and shall vest in purchaser all of the state's interest in the subject property except as provided in section 94.14.

History: (6445) 1909 c 452 s 4; 1957 c 861 s 5; 1969 c 897 s 4; 1974 c 260 s 5; 1986 c 444; 1988 c 613 s 19

94.13 RECORD OF CONTRACTS FOR DEED AND ASSIGNMENTS; EFFECT.

(a) A contract for deed issued pursuant to sections 94.09 to 94.16, or any assignment thereof, executed and acknowledged as provided by law for the execution and acknowledgment of deeds may be recorded in the office of the county recorder of any county in the state in the same manner and with like effect as deeds are therein recorded. This contract for deed shall entitle the purchaser thereof, or the heirs and assigns of the purchaser, to the exclusive possession of the land therein described, provided its terms have been in all respects complied with, and the contract for deed and the record thereof shall be conclusive evidence of title in the purchaser, or the heirs and assigns of the purchaser, for all purposes and against all persons, except the state of Minnesota in case of forfeiture.

(b) When a contract for deed or partial interest in a contract for deed is assigned, the assignment must be made on a form provided by the commissioner, executed by the assignor and assignee, and consented to by the commissioner. An assignment of a partial interest must state that payment to date has been made to the commissioner.

(c) When the assignee satisfies the terms of the assignment and corresponding terms of the contract for deed, the commissioner shall issue a deed to the assignee.

History: (6446) 1909 c 452 s 5; 1974 c 260 s 6; 1976 c 181 s 2; 1986 c 444; 1993 c 285 s 13

94.14 RESERVATION OF MINERALS.

The state hereby reserves for its own use all the iron, coal, copper, and other valuable minerals in or upon all lands which may be sold under the provisions of sections 94.09 to 94.16 and any contract for deed or quitclaim deed shall contain a clause reserving all such minerals for the use of the state.

History: (6447) 1909 c 452 s 6; 1974 c 260 s 7

94.15 [Repealed, 1974 c 260 s 9]

94.16 DISPOSITION OF PROCEEDS FROM SURPLUS STATE-OWNED LAND.

Subdivision 1. Payment of expenses. Money received from the sale of surplus state-owned land shall be credited to the general fund except as provided in this section.

Subd. 2. Payment of expenses. A portion of the proceeds from the sale equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner of administration or other state official in rendering the property salable shall be remitted to the account from which the expenses were paid, and are appropriated and immediately available for expenditure in the same manner as other money in the account.

Subd. 3. Proceeds from natural resources land. The remainder of the proceeds from the sale of lands that were under the control and supervision of the commissioner of natural resources shall be credited to the land acquisition account in the natural resources fund.

History: (6449) 1909 c 452 s 8; 1957 c 861 s 7; 1969 c 399 s 1; 1980 c 614 s 80; 1984 c 654 art 2 s 90; 1989 c 335 art 4 s 106; 1996 c 407 s 39

94.165 LAND ACQUISITION ACCOUNT.

There is created in the state treasury a land acquisition account. Money in the account is appropriated to the commissioner of natural resources for the acquisition of natural resource lands or interests in lands within the outdoor recreation system established in chapter 86A. The commissioner must file a report to the house ways and means and the senate finance committees and the environment and natural resources committees of the senate and house of representatives by October 1 of each year indicating all purchases and sales from this account.

History: 1984 c 654 art 2 s 91; 1993 c 172 s 49

94.17 GIFTS TO STATE FOR CAPITOL OR INSTITUTION; ACCEPTANCE.

When any real property or rights or estates therein may be or may have been granted or conveyed or assigned or turned over as a gift by any person or municipality to the state of Minnesota to be owned, held, occupied, or used by the state in connection with the capitol, or any state institution, or the grounds of the same or any of them, the governor shall issue in duplicate under the great seal of the state a certificate of acceptance and cause all the conditions of the gift to be performed and the property so given to be improved, maintained, and ornamented in the method and so far as the legislature may appropriate money therefor.

History: (6450) 1909 c 464 s 1

94.18 LANDS OBTAINED BY CONDEMNATION.

When any corporation, municipal or otherwise, shall convey, assign, or turn over to the state any rights it may have obtained by condemnation, the use of the land in which these rights were obtained by the state in any of the ways or for any of the purposes mentioned in section 94.17 shall not be deemed an abandonment of nor work a forfeiture of the rights obtained by condemnation, but shall be considered a use incidental to and within the purposes of the condemnation.

History: (6451) 1909 c 464 s 2

94.19 CERTIFICATE OF ACCEPTANCE; RECORD.

The certificate of acceptance shall be executed in duplicate and one filed in the office of the secretary of state and the other filed for record in the office of the county recorder of the county in which the land is situated; and, after being recorded, kept with the records of the institution in connection with which the land is used. Upon the certificates of acceptance being so filed, the conveyance and transfer of the rights, interests, and estates involved shall be deemed complete.

History: (6452) 1909 c 464 s 3; 1976 c 181 s 2

94.31 COUNTIES MAY ASSUME BONDS OF TOWNS OR SCHOOL DISTRICTS IN REFORESTATION AREA.

Any county wherein a state reforestation or flood control project or other public state purposes, as created by sections 84A.20 to 84A.30, is located may voluntarily assume the obligation to pay the same ratio or proportion of the principal and interest of bonds now outstanding issued before the approval and acceptance of the project by any school district or town situated in the county lying wholly or partly within the project as the last assessed valuation prior to the acceptance of the project of lands acquired by the state pursuant to sections 84A.20 to 84A.30 on July 1, 1936, bears to the total assessed valuation for the same year of the school district or town, this assumption to be evidenced by the adoption of a resolution by the county board of the county authorizing the issuance of bonds for such purpose or otherwise providing for the payment of the principal and interest of the school or town bonds assumed.

History: (6452-14) Ex1936 c 47 s 1

94.32 ISSUANCE OF COUNTY BONDS; ADJUSTMENT OF DEBT.

The county board of any such county may by resolution provide for the issuance of bonds for the purpose of assuming the principal and interest of the school district or town bonds, whether matured or not matured, in the manner provided by Laws 1935, chapter 119, and the county board is authorized to effect agreements for the adjustment of the debt so assumed and the exchange of such county bonds for the bonds so assumed. Prior to July 1, 1936, such bonds may be issued in an amount not in excess of 50 percent of the estimated amount of the principal and interest of the school district or town bonds which are to be assumed by the county, the balance of such bonds to be issued after July 1, 1936.

History: (6452-15) Ex1936 c 47 s 2

94.33 FAILURE TO ASSUME AND PAY; WITHHOLDING FUNDS.

In the event any such county shall fail or neglect to assume that portion of the school district or town bonds as provided in sections 94.31 and 94.32 and any such bonds remain

unpaid at maturity, upon demand of the governing body of the school district or town or the holder of any such bonds, the commissioner of finance shall withhold from the payments to be made to the county under the provisions of section 84A.23 the sum necessary to pay such portion and pay the same to the treasurer of the school district or town. All money received by any school district or town pursuant to sections 94.31 and 94.32 shall be applied solely to the payment of past due bonds and interest.

History: (6452-17) *Ex1936 c 47 s 4; 1973 c 492 s 14*

94.34 [Renumbered 92.461 subdivision 1]

94.341 MINNESOTA LAND EXCHANGE BOARD.

The board created by the constitution of the state of Minnesota, article XI, section 10, consisting of the governor, the attorney general, and the state auditor, shall be known as the Minnesota land exchange board. The term "board" as used in sections 94.341 to 94.347 refers to such board. The governor shall be chair of the board. The state auditor shall be secretary of the board and keep a record of its proceedings. Approvals of land exchanges and other official acts of the board may be evidenced by the certificate of the state auditor as secretary, under official seal of the auditor. When a land exchange has been approved by the board it shall be presumed that all other pertinent requirements of the law have been complied with, and no exchange shall be invalidated by reason of any defect or omission in respect of any such other requirement.

History: 1941 c 393 s 1; 1965 c 51 s 15; 1975 c 271 s 6; 1976 c 2 s 172; 1986 c 444

94.342 CLASSES OF LAND.

Subdivision 1. **Class A.** All land owned by the state and controlled or administered by the commissioner or by any division or agency of the department of natural resources shall be known as Class A land for the purposes of sections 94.341 to 94.347. Class A land shall include school, swamp, internal improvement, and other land granted to the state by acts of Congress, state forest land, tax-forfeited land held by the state free from any trust in favor of taxing districts, and other land acquired by the state in any manner and controlled or administered as aforesaid; but this enumeration shall not be deemed exclusive.

Subd. 2. **Class B.** All lands heretofore or hereafter acquired by the state through tax-forfeiture, held subject to a trust in favor of taxing districts, and under the control of county authorities for classification, appraisal, and sale shall be known as Class B land for the purposes of sections 94.341 to 94.347.

Subd. 3. **Class C.** Land bordering on or adjacent to any meandered or other public waters and withdrawn from sale by law is Class C land. Class C land may not be given in exchange unless expressly authorized by the legislature or unless through the same exchange the state acquires land on the same or other public waters in the same general vicinity affording at least equal opportunity for access to the waters and other riparian use by the public; provided, that any exchange with the United States or any agency thereof may be made free from this limitation upon condition that the state land given in exchange bordering on public waters shall be subject to reservations by the state for public travel along the shores as provided by section 92.45, unless waived as provided in this subdivision, and that there shall be reserved by the state such additional rights of public use upon suitable portions of such state land as the commissioner of natural resources, with the approval of the land exchange board, may deem necessary or desirable for camping, hunting, fishing, access to the water, and other public uses. In regard to Class B or Class C land that is contained within that portion of the Superior National Forest that is designated as the Boundary Waters Canoe Area Wilderness, the condition that state land given in exchange bordering on public waters must be subject to the public travel reservations provided in section 92.45, may be waived by the land exchange board upon the recommendation of the commissioner of natural resources and, if the land is Class B land, the additional recommendation of the county board in which the land is located.

Subd. 4. **State park land.** Land specifically designated by law as a state park may not be given in exchange unless the land is school trust land that is exchanged for Class A or Class C land located outside a state park.

Subd. 5. School trust land. School trust land may be exchanged with other state land only if the permanent school fund advisory committee is appointed as temporary trustee of the school trust land for purposes of the exchange. The committee shall provide independent legal counsel to review the exchanges.

Subd. 6. Reuniting and severing of surface and mineral interests. (a) When making a land exchange, a goal of the land exchange board shall be to reunite the surface interest with the mineral interest whenever possible.

(b) If mineral interests are severed in an exchange, the land exchange board must consider the impact of severed mineral interests on minerals management.

History: 1941 c 393 s 2; 1949 c 373 s 1; 1969 c 1129 art 10 s 2; 1975 c 271 s 6; 1988 c 492 s 1; 1988 c 628 s 13-16; 1989 c 335 art 1 s 82

94.343 CLASS A LAND EXCHANGED; CONDITIONS.

Subdivision 1. Except as otherwise herein provided, any Class A land may, with the unanimous approval of the board, be exchanged for any publicly held or privately owned land in the manner and subject to the conditions herein prescribed. The commissioner, with the approval of the board, shall formulate general programs of exchange of Class A land designed to serve the best interests of the state in the acquisition, development, and use of lands for purposes within the province of the department of natural resources.

Subd. 2. Except as herein expressly prohibited, Class A land may be exchanged, though devoted to a specific public use, if the use is discretionary and the authority in charge thereof shall approve the exchange, or if the commissioner, with the approval of the board, shall determine that the exchange will not materially curtail the activity or project for which the land is used; provided, that exchanges of land belonging to any state forest, game preserve, conservation area, or other territory designated by law for particular purposes shall be made so as to consolidate or fill out the state's holdings of land therein, and not materially to reduce the same.

Subd. 3. (a) Except as otherwise herein provided, Class A land shall be exchanged only for land of at least substantially equal value to the state, as determined by the commissioner, with the approval of the board. For the purposes of such determination, the commissioner shall cause the state land and the land proposed to be exchanged therefor to be examined and appraised by qualified state appraisers as provided in section 84.0272; provided, that in exchanges with the United States or any agency thereof the examination and appraisal may be made in such manner as the land exchange board may direct. The appraisers shall determine the fair market value of the lands involved, disregarding any minimum value fixed for state land by the state constitution or by law, and shall make a report thereof, together with such other pertinent information respecting the use and value of the lands to the state as they deem pertinent or as the commissioner or the board may require. Such reports shall be filed and preserved in the same manner as other reports of appraisal of state lands. The appraised values shall not be conclusive, but shall be taken into consideration by the commissioner and the board, together with such other matters as they deem material, in determining the values for the purposes of exchange.

(b) For the purposes of this subdivision, "substantially equal value" means:

(1) where the lands being exchanged are both over 100 acres, their values do not differ by more than ten percent; and

(2) in other cases, the values of the exchanged lands do not differ by more than 20 percent.

Subd. 4. There shall be reserved to the state in all Class A land conveyed in exchange all mineral and water power rights and such other rights and easements as the commissioner, with the approval of the board, shall direct. All Class A land which at the time of exchange is subject to the provisions of section 103G.545 shall remain subject thereto as a condition of the exchange, and all land received by the state in exchange for Class A land within the area to which those provisions apply shall become subject thereto. Land may be received in exchange subject to any mineral reservations or other reservations thereon. All such reservations and conditions shall be taken into consideration in determining the value of the lands exchanged.

Subd. 5. Class A land may be exchanged for land of greater value if the other party to the exchange shall waive payment for the difference or if there is an appropriation available for the acquisition of such land from which the difference may be paid.

Subd. 6. Class A land may be exchanged for land of less value in any case where disposal of the state land is not limited by the state constitution to public sale, provided the other party to the exchange shall pay to the state the amount of the difference in value either upon consummation of the exchange or by deferred payment, as the commissioner, with the approval of the board, may direct. In case of deferred payment, a certificate of sale of the state land shall be issued to the other party as in case of sale of state public land, crediting the value of the land received by the state in exchange as an initial payment, and providing for payment of the balance upon like terms and subject to like conditions as in case of such sale; provided, that the commissioner, with the approval of the board, may require a further initial cash payment and may shorten the time for payment of the balance. Money received in such cases shall be credited to the same fund as in case of sale of the land, if such fund exists, otherwise to the special fund, if any, from which the cost of the land was paid, otherwise to the general fund.

Subd. 7. Before giving final approval to any exchange of Class A land, the board shall hold a public hearing thereon at the capital city or at some place which it may designate in the general area where the lands involved are situated; provided, that the board may direct such hearing to be held in its behalf by any of its members or by the commissioner or by a referee appointed by the board. The commissioner shall furnish to the auditor of each county affected a notice of the hearing signed by the state auditor as secretary of the board, together with a list of all the lands proposed to be exchanged and situated in the county, and the county auditor shall post the same in the auditor's office at least two weeks before the hearing. The county auditor shall also cause a copy of the notice, referring to the list of lands posted, to be published at least two weeks before the hearing in a legal newspaper published in the county. The cost of publication of the notice shall be paid by the state out of any moneys appropriated for the expenses of the board.

Subd. 8. The commissioner, with the approval of the board, may submit a proposal for exchange of Class A land to any land owner concerned. Any land owner may submit to the commissioner and the board a proposal for exchange in such form as the commissioner, with the approval of the board, may prescribe.

Subd. 9. No exchange of Class A land shall be consummated unless the attorney general shall have given an opinion in writing that the title to the land proposed to be conveyed to the state is good and marketable, free from all liens and encumbrances except reservations herein authorized. If required by the attorney general, the land owner shall submit an abstract of title and make and file with the commissioner an affidavit as to possession of the land, improvements, liens, and encumbrances thereon, and other matters affecting the title.

Subd. 10. Conveyance of Class A land given in exchange shall be made by deed executed by the commissioner in the name of the state, with a certificate of unanimous approval by the board appended. All such deeds received by the state shall be recorded or registered in the county in which the lands lie, and all recorded deeds and certificates of registered title shall be filed in the office having custody of the state public land records in the department of natural resources.

Subd. 11. Land received in exchange for Class A land shall be subject to the same trust, if any, and shall otherwise have the same status as the state land given in exchange. The commissioner, with the approval of the board, shall determine accordingly the status of each tract of such land received in exchange, and shall make and file a certificate thereof in the office having custody of the state public land records in the department of natural resources.

Subd. 12. When an exchange of Class A tax-forfeited land, which is subject to sale by county authorities is under consideration, the commissioner may notify the county auditor to withdraw the land from sale. Thereupon the land shall be withdrawn from sale until the pro-

posed exchange is consummated or rejected, of which the commissioner shall notify the county auditor.

History: 1941 c 393 s 3; 1949 c 373 s 2; 1961 c 326 s 1; 1969 c 399 s 1; 1969 c 522 s 1; 1969 c 1129 art 10 s 2; 1975 c 271 s 6; 1984 c 643 s 3; 1986 c 444; 1988 c 628 s 17; 1989 c 335 art 1 s 83; 1990 c 391 art 8 s 20; 1993 c 285 s 14

94.344 CLASS B LAND EXCHANGED; CONDITIONS.

Subdivision 1. Except as otherwise provided, Class B land, by resolution of the county board of the county where the land is located and with the unanimous approval of the land exchange board, may be exchanged for any publicly held or privately owned land in the same county.

Subd. 2. No Class B land which is not classified for sale, and no Class B land, however classified, lying within any zone or district which is restricted against any use for which the land may be suitable shall be given in exchange for any privately owned land.

Subd. 3. (a) Except as otherwise provided, Class B land may be exchanged only for land of substantially equal value or greater value to the state, as determined by the county board, with the approval of the commissioner and the land exchange board. For an exchange involving Class B land for Class A or Class C land, the value of the lands shall be determined by the commissioner, with approval of the land exchange board. For purposes of the determination, the commissioner shall appraise the state and tax-forfeited land proposed to be exchanged in the same manner as Class A land. For all other purposes, the county board shall appraise the state land and the land in the proposed exchange in the same manner as tax-forfeited land to be offered for sale. The appraised values shall not be conclusive, but shall be taken into consideration, together with such other matters as may be deemed material, in determining the values for the purposes of exchange.

(b) For the purposes of this subdivision, "substantially equal value" means:

(1) where the lands being exchanged are both over 100 acres, their values do not differ by more than ten percent; and

(2) in other cases, the values of the exchanged lands do not differ by more than 20 percent.

Subd. 4. There shall be reserved to the state in all Class B land conveyed in exchange the same rights and easements as may be required by law in case of sale of tax-forfeited land and such other rights and easements as the county board, with the approval of the commissioner and the board, shall direct. Land may be received in exchange subject to any mineral reservations or other reservations thereon. All such reservations and conditions shall be taken into consideration in determining the value of the lands exchanged.

Subd. 5. Class B land may be exchanged for land of greater value only in case the other party to the exchange shall waive payment for the difference.

Subd. 6. Class B land may be exchanged for land of less value, provided the other party to the exchange shall pay the amount of the difference to the county treasurer either upon consummation of the exchange or by deferred payment, as the county board may direct. In case of deferred payment, a certificate of sale of the state land shall be issued to the other party in like manner as in the case of sale of tax-forfeited land, crediting the value of the land received by the state in exchange as an initial payment, and providing for payment of the balance upon like terms and subject to like conditions as in case of such sale; provided, that the county board may require a further initial cash payment and may shorten the time for payment of the balance. Money received in such cases shall be disposed of in like manner as the proceeds of sale of tax-forfeited land.

Subd. 7. (a) Except for land described in paragraph (b), before giving final approval to any exchange of Class B land, the county board shall hold a public hearing thereon. At least two weeks before the hearing the county auditor shall post in the auditor's office a notice thereof, containing a description of the lands affected.

(b) In an exchange of Class B land for Class A or Class C land, the commissioner is responsible for holding the public hearing.

Subd. 8. By direction of the county board the county auditor may submit a proposal for exchange of Class B land to any land owner concerned. Any land owner may file with the

county auditor a proposal for exchange for consideration by the county board. Forms for such proposals shall be prescribed by the commissioner.

Subd. 9. No exchange of Class B land shall be consummated unless the title to the land proposed to be exchanged therefor shall first be approved by the county attorney in like manner as provided for approval by the attorney general in case of Class A land. The county attorney's opinion on the title shall be subject to approval by the attorney general.

Subd. 10. After approval by the county board, every proposal for the exchange of Class B land shall be transmitted to the commissioner in such form and with such information as the commissioner may prescribe for consideration by the commissioner and by the board. The county attorney's opinion on the title, with the abstract and other evidence of title, if any, shall accompany the proposal. If the proposal be approved by the commissioner and the board and the title be approved by the attorney general, the same shall be certified to the commissioner of revenue, who shall execute a deed in the name of the state conveying the land given in exchange, with a certificate of unanimous approval by the board appended, and transmit the deed to the county auditor to be delivered upon receipt of a deed conveying to the state the land received in exchange, approved by the county attorney; provided, that if any amount is due the state under the terms of the exchange, the deed from the state shall not be executed or delivered until such amount is paid in full and a certificate thereof by the county auditor is filed with the commissioner of revenue. The county auditor shall cause all deeds received by the state in such exchanges to be recorded or registered, and thereafter shall file the deeds or the certificates of registered title in the auditor's office. If the land received by the county in the exchange is either Class A or Class C land, the commissioner of revenue shall deliver the deed for the Class B land to the commissioner of natural resources and following the recording of this deed, the commissioner of natural resources shall deliver to the county auditor a deed conveying the Class A or Class C land to the county auditor to be recorded or registered, and afterwards file the deeds or the certificate of registered title in the auditor's office.

Subd. 11. Forthwith after the consummation of any land exchange the county board shall determine the amount to be paid, if any, to the governmental subdivision wherein the Class B lands were located as full compensation for the trusts said governmental subdivision held in such land, and the amount so determined shall be transferred by the county auditor from the tax-forfeited funds accruing to the governmental subdivision wherein the privately owned lands were situated to the governmental subdivision wherein the Class B lands lay. The lands received shall thereupon become subject to trust in favor of the governmental subdivision wherein they lie and to all laws relating to tax-forfeited lands.

The county board may also make a determination of payment to be made as to land exchanges heretofore made and direct the county auditor to make such transfer; and when such transfer has been made, such lands shall become subject to trust in favor of the governmental subdivision in which they lie.

The maximum which may be fixed as payment for the equity held by any governmental subdivision shall in no case exceed the amount said governmental subdivision would have received if the lands had been sold for the appraised value as determined for the purpose of the exchange.

History: 1941 c 393 s 4; 1949 c 437 s 1; 1973 c 582 s 3; 1975 c 271 s 6; 1984 c 543 s 5; 1986 c 444; 1988 c 628 s 18-21; 1989 c 335 art 1 s 84; 1992 c 405 s 3

94.345 FORMS PRESCRIBED BY ATTORNEY GENERAL.

The attorney general shall prescribe or approve the forms for all deeds, certificates, and other instruments required in these proceedings, and the procedure for delivery thereof.

History: 1941 c 393 s 5

94.346 TITLES.

Subdivision 1. **State may quiet.** The state may bring and maintain an action to quiet or register the title to any land or interest in land which it owns or claims in any capacity and to determine all adverse claims thereto under any law pertaining to such proceedings, whether or not the land is actually in possession of or occupied by the state or any other person or corporation.

Subd. 2. Attorney general may perfect. The attorney general, at the request or with the approval of the board, may commence and carry on any necessary or proper actions to perfect the titles to lands owned by the state and subject to exchange under sections 94.341 to 94.347, and may authorize any county attorney or other attorney to assist in conducting any such action. The expenses of these actions, including such attorneys' fees as the attorney general may allow to county attorneys or other attorneys representing the state, shall be payable out of any appropriations available for the purposes of sections 94.341 to 94.347. Any county attorney performing such service shall be entitled to the fees allowed therefor in addition to regular compensation unless the salary is fixed on a full time basis.

In case an action is necessary to perfect the title to any privately owned land involved in an exchange hereunder, and the owner of the land is unable to bear the expense thereof, the land exchange board may authorize the attorney general to conduct such action and pay the expenses thereof as in case of actions to perfect the title to state lands. The expenses of the action, including attorney's fees, shall be deducted from the value of the land for the purpose of exchange, subject to payment by the owner for any difference in value as herein provided, or shall be repaid by the owner otherwise upon such terms as the board may direct. All money received on account of such expenses shall be remitted to the state treasurer and credited to the fund from which the expenses were paid.

History: 1941 c 393 s 6,7; 1975 c 271 s 6; 1986 c 444

94.347 CERTAIN LAND SUBJECTED TO LIKE TRUSTS.

The lands acquired by the state under Laws 1939, Chapter 343, shall be subject to like trusts as the state lands involved in the actions for damages mentioned therein. The commissioner shall determine to what trusts the several tracts of land so acquired shall be subject according to their location, character, and value, making due allowance for the relative proportions of the different trusts to which the damaged lands were subject, and make and file a certificate thereof in the office having custody of the records of such lands in the department. The determination of the commissioner so certified shall be deemed conclusive as to the trust status of the lands affected unless thereafter changed by act of the legislature.

History: 1941 c 393 s 8

94.348 EXCHANGES OF STATE-OWNED LAND, APPRAISAL FEE.

Subdivision 1. Whenever a private land owner or governmental unit, except the state, presents to the Minnesota land exchange board an offer to exchange private or publicly held land for Class A state-owned land as defined in section 94.342, the private land owner or governmental unit shall pay to the board an appraisal and survey fee of not less than \$25 nor more than one-half of the cost of appraisal and survey determined by the commissioner.

Subd. 2. Appraisal and survey fee. (a) Except as provided in paragraph (b), the appraisal and survey fee shall be credited to the account from which the expenses of appraisal and survey were paid and is appropriated for expenditure in the same manner as other money in the account.

(b) The appraisal and survey fee shall be refunded if:

(1) the land exchange offer is withdrawn by a private land owner or a governmental unit before money is spent for the appraisal and survey; or

(2) the board refuses to accept the land exchange offer.

History: 1957 c 586 s 1,2; 1975 c 271 s 6; 1986 c 444; 1988 c 628 s 22; 1993 c 285 s 15

94.349 TRANSFERS OF TITLE INVOLVING THE STATE AND GOVERNMENTAL SUBDIVISIONS OF THE STATE.

Subdivision 1. For the purpose of consolidating ownership or for any other public purpose, the state, acting through the commissioner of natural resources, or a local unit of government of the state may submit a proposal involving transfer of titles of land of the state and the local unit of government to the land exchange board, for review and recommendation of the board.

Subd. 2. The procedures relating to appraisal, title examination, and hearings set forth in sections 94.341 to 94.348 for land exchanges shall be followed, insofar as applicable, in matters relating to transfers of land titles under this section, subject to such further limitations as may be provided in this section.

Subd. 3. The classes of state land which may be involved in a transfer of title are the same as those which may be exchanged under land exchange laws and are subject to the same limitations as are applied to state lands under land exchange laws.

Subd. 4. For the purposes of this section, lands acquired through tax-forfeiture, held subject to a trust in favor of taxing districts, and under the control of county authorities for classification, appraisal and sale may be considered as land of a local unit of government for the purposes of this section. This land is subject to the same limitations as are applied to the same lands under land exchange laws.

Subd. 5. The land exchange board shall recommend such legislation as may be necessary to complete the transfer of titles under this section.

Subd. 6. Upon satisfaction of the requirements of this section, and upon the unanimous approval of the land exchange board, the commissioner of natural resources, as to the state land involved in the transfer of titles, and the governing body of the local unit of government, as to the local government land involved in the transfer of titles, shall execute deeds in the name of the respective government involved in the transfer, which deeds shall be executed and recorded in the same manner as deeds in land exchanges.

Subd. 7. The commissioner of natural resources, with the approval of the board, shall determine the status of each tract of land received by the state in the transfer of titles. The county board, in a situation where the land given in a transfer is that type of land described in subdivision 4, shall proceed as required in section 94.344, subdivision 11.

Subd. 8. State land involved in a transfer of title shall be subject to the provisions of section 94.343, subdivision 4. Tax-forfeited land under the control of a county involved in a title transfer shall be subject to the provisions of section 94.344, subdivision 4.

Subd. 9. The provisions of this section shall be supplementary to other laws relating to transfer of title of land or interests in land involving the state and local units of government.

History: 1979 c 142 s 1; 1984 c 643 s 4

94.35 [Renumbered 92.461 subd 2]

94.351 ESCHEAT SUBJECT TO ENCUMBRANCE.

When any land has become the property of the state by escheat and is subject to any encumbrance arising from taxes, assessments, or otherwise the commissioner of finance, with the approval of the governor and the attorney general and for a consideration to be determined by them, may execute in the name of the state a deed of the land to the holder of the encumbrance.

History: (6329) *RL* s 2441; 1973 c 492 s 14

94.36 [Repealed, 1975 c 61 s 26]

94.37 [Repealed, 1975 c 61 s 26]

94.38 [Repealed, 1975 c 61 s 26]

94.39 [Repealed, 1975 c 61 s 26]

94.40 [Repealed, 1975 c 61 s 26]

94.41 RELINQUISHMENT OF LANDS TO UNITED STATES.

When any land has been erroneously certified or conveyed to the state by the United States, the governor may execute, under the seal of the state, a relinquishment or reconveyance thereof.

History: (6528) *RL* s 2516

94.44 GRANT BY MUNICIPAL CORPORATION.

When the United States shall desire land for any purpose of the government which is owned by any city, town, county, or other municipal or quasi-municipal corporation or in

which such corporation has any right it shall be lawful for the governing body of such corporation to grant and convey the same to the United States.

History: (6529) *RL s 2517*

94.45 UNITED STATES SURVEY; DAMAGES.

Any person employed pursuant to the laws of the United States in the execution of a survey may enter upon any land in the state for the purpose of doing any act which may be necessary thereto, and may establish permanent station marks, and erect the necessary signals and temporary observatories. If the parties interested cannot agree upon the amount to be paid for damages caused thereby either may petition the district court for the county in which the land is situated to assess the damages. The court shall appoint a time for a hearing as soon as may be, and order at least 20 days' notice thereof to be given to all parties interested, and shall, with or without view of the premises, as the court may determine, hear the parties and assess the damages. The person so entering upon the land may tender to the injured party damages and if, in case of a petition, the damages assessed do not exceed the amount tendered, the person entering shall recover costs; otherwise the other party shall recover costs.

History: (6530) *RL s 2518*

94.46 INJURY TO SIGNAL.

Whoever willfully defaces, injures, or removes any signal, monument, building, or other property of the United States erected or used in the coast and geodetic survey, pursuant to the laws of the United States, shall forfeit not exceeding \$50 for each offense, and shall be liable to the United States for all damages sustained by it in consequence thereof, to be recovered in a civil action.

History: (6531) *RL s 2519*

94.47 COMMISSIONER MAY PURCHASE LANDS FROM UNITED STATES GOVERNMENT.

The commissioner is hereby authorized to purchase, to accept by gift or lease, or by tenure title, any lands owned by the United States government, including timber thereon, within the townships in which state forests, or state parks or game refuges or public shooting grounds have been set apart, or will hereafter be set apart by the legislature. These tracts when the title thereto has become vested in the state shall become and be a part of the state forests, or state parks, or game refuges, or public shooting grounds subject to all laws and rules relating to state forests, or state parks, or game refuges, or public shooting grounds.

History: (6536-1) *1935 c 333 s 1; 1985 c 248 s 70*

94.48 MAY EXPEND MONEY ON LEASED LAND.

When lands are obtained by lease from the United States government under sections 94.47 to 94.51 the commissioner shall be authorized to make expenditures from any funds not otherwise obligated for the management, development, and utilization of such areas; to sell or otherwise dispose of products from such lands and make necessary rules to carry out the purposes of sections 94.47 to 94.51. Unless otherwise provided all incomes derived from such leased lands shall be paid into the state treasury and credited to the state forest fund, and the same is hereby annually reappropriated for the use of the commissioner in the acquisition, management, development, and use of such leased lands until all obligations incurred have been paid in full. Thereafter all revenues received therefrom shall be distributed in accordance with Laws 1933, chapter 313.

History: (6536-2) *1935 c 333 s 2; 1985 c 248 s 70*

94.49 NOT TO CREATE DEBT.

Obligations for the acquisition of lands by lease incurred under the authority of sections 94.47 to 94.51 shall be paid solely and exclusively from revenues derived from such lands and shall not impose any liability under the general credit and taxing power of the state.

History: (6536-3) *1935 c 333 s 3*

94.50 MAY SELL AND EXCHANGE LANDS.

The commissioner, with the approval of the executive council, shall have full power and authority to sell, exchange, or lease lands under jurisdiction of the commissioner when it is deemed advantageous to the state in the interests of the highest development, utilization, and management of state forests. Such sale, lease, or exchange of lands shall not be contrary to the terms of any contract which has been entered into and shall not apply to state trust fund lands.

History: (6536-4) 1935 c 333 s 4; 1986 c 444

94.51 COMMISSIONER TO MAKE RULES.

The commissioner is hereby authorized to make such rules as may be necessary to carry out the purposes of sections 94.47 to 94.51 and is hereby authorized to enter into cooperative agreements with appropriate officials of the United States for and on behalf of the state of Minnesota in order to secure the full benefits to this state of the provisions of an act of Congress introduced March 21, 1935, as H.R. 6914, and all other acts of Congress which have been or may be passed providing for ways and means of authorizing cooperation with the states for the purpose of stimulating the acquisition, development, and management of state lands and coordinating federal and state activities in carrying out a national program of land use and management, and for other similar purposes; that sections 94.47 to 94.51 and all other acts and amendments thereto and all rules and agreements made hereunder shall be liberally construed for the purpose of making possible the complete cooperation of the agencies of this state with the agencies of the federal government.

History: (6536-5) 1935 c 333 s 5; 1985 c 248 s 70

94.52 EXPENDITURE OF STATE'S PERCENTAGE OF PROCEEDS OF SALE OF LAND TO THE UNITED STATES.

Subdivision 1. All sums heretofore or that may hereafter be received from the United States government, on account of an act of Congress approved May 23, 1908 (35 Stat. 260), or any amendments thereof hereafter enacted shall be expended as follows:

One-half for public schools and the remainder for public roads in the counties in which the national forests are situated; provided, that any county coming within the provisions of said act of Congress is hereby authorized to borrow money from the federal government or any of its agencies and to use moneys received pursuant to the provisions of said act of Congress or amendments thereto for the purpose of repaying any loan or loans made to such county by the federal government or any of its agencies. In the case of the Superior National Forest, the counties of Cook, Lake, Koochiching, and St. Louis shall share in the distribution of the sum received from that source in the same proportion that the federally owned lands in each county which are within the boundaries of said forest bear to the total number of acres of federally owned lands in said forest area. In the case of the Chippewa National Forest, the counties of Cass, Itasca, and Beltrami shall share in the distribution of the sum received from that source in the same proportion that the federally owned lands in each county, which are within the boundaries of said forest bear to the total number of acres of federally owned lands in said forest area.

Subd. 2. Any distribution made by the state of moneys received from the United States government on account of said act of Congress is hereby legalized and made valid and effective to the same extent as though the method of distribution used was provided for by the legislative enactment prior to the distribution thereof.

There is hereby appropriated from such moneys in the state treasury not otherwise appropriated to the public schools or the counties as provided by this section, an amount sufficient to make the necessary payments as are provided herein.

History: (6536-11) 1913 c 58 s 1; Ex1936 c 80 s 1; 1943 c 569 s 1; 1959 c 158 s

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94.521 DISTRIBUTION OF FEDERAL AID.

Subdivision 1. All sums of money heretofore or which may hereafter be received from the United States government on account of the act of Congress approved June 28, 1934

(Statutes at Large, volume 48, page 1273), amended by act approved June 26, 1936 (Statutes at Large, volume 49, page 1978), and the act approved June 28, 1938 (Statutes at Large, volume 52, page 1221), or any amendments thereof heretofore or hereafter enacted shall be expended as follows:

One-half for public schools and the remainder for public roads in the counties in which the land producing such money is situated.

Subd. 2. There is hereby appropriated to the public schools or counties entitled to such payment, from such money in the state treasury not otherwise appropriated, an amount sufficient to make the payments as provided herein.

History: 1947 c 336 s 1; 1959 c 158 s 13

94.522 TRANSMISSION OF WARRANTS TO COUNTY TREASURERS; USE OF PROCEEDS.

It shall be the duty of the commissioner of finance to transmit warrants on the state treasury to the county treasurer of the respective counties for the sums that may be due in accordance with section 94.521, which sums are hereby appropriated out of the state treasury from the amounts received from the United States government pursuant to the aforesaid acts of Congress, and such money shall be used by the counties receiving the same for the purposes and in the proportions herein provided.

History: 1947 c 336 s 2; 1973 c 492 s 14

94.53 WARRANT TO COUNTY TREASURERS; FEDERAL LOANS TO COUNTIES.

It shall be the duty of the commissioner of finance to transmit warrants on the state treasury to the county treasurers of the respective counties for the sum that may be due in accordance with sections 94.52 to 94.54, which sum or sums are hereby appropriated out of the state treasury from the amounts received from the United States government pursuant to the aforesaid act of Congress. The commissioner of finance, upon being notified by the federal government or any agencies thereof that a loan has been made to any such county the repayment of which is to be made from such fund, is authorized to transmit a warrant or warrants on the state treasury to the federal government or any agency thereof sufficient to repay such loan out of any money apportioned or due to such county under the provisions of such act of Congress, approved May 23, 1908 (Statutes at Large, volume 35, page 260).

History: (6536-12) 1913 c 58 s 2; Ex1936 c 80 s 2; 1973 c 492 s 14; 1986 c 444

94.54 SCHOOLS AND ROADS NEAR NATIONAL FORESTS.

It shall be the duty of the county board of each county receiving such money to use the portion allotted to public schools to aid in maintaining those school districts that may be situated within or near the national forest, and the portion allotted for public roads shall be used, as far as practicable, in the construction and repair of roads within or near the national forests. This section shall not apply to any such sums of money which may have been allotted or set aside for the purpose of paying loans which may have been made by any county pursuant to the provisions of sections 94.52 and 94.53.

History: (6536-13) 1913 c 58 s 3; Ex1936 c 80 s 3