

CHAPTER 222

RAILWAYS; GENERAL PROVISIONS

222.63 Abandoned right-of-way; state rail bank.
 222.632 Right of first refusal.

222.633 Repealed.

222.63 ABANDONED RIGHT-OF-WAY; STATE RAIL BANK.

[For text of subds 1 to 3, see M.S.2000]

Subd. 4. **Disposition permitted.** (a) The commissioner may lease any rail line or right-of-way held in the state rail bank or enter into an agreement with any person for the operation of any rail line or right-of-way for any of the purposes set forth in subdivision 2 in accordance with a fee schedule to be developed by the commissioner.

(b) The commissioner may convey any rail line or right-of-way, for consideration or for no consideration and upon other terms as the commissioner may determine to be in the public interest, to any other state agency or to a governmental subdivision of the state having power by law to utilize it for any of the purposes set forth in subdivision 2.

(c) The commissioner may convey a portion of previously acquired rail bank right-of-way to a state agency or governmental subdivision when the commissioner determines that:

(1) the portion to be conveyed is in excess of that needed for the purposes stated in subdivision 2;

(2) the conveyance is upon terms and conditions agreed upon by both the commissioner and the state agency or governmental subdivision;

(3) after the sale, the rail bank corridor will continue to meet the future public and commercial transportation and transmission needs of the state; and

(4) the conveyance will not reduce the width of the rail bank corridor to less than 50 feet.

(d) The commissioner may lease previously acquired state rail bank right-of-way to a state agency or governmental subdivision or to a private entity for nontransportation purposes when:

(1) the portion to be leased is in excess of that needed for the purposes stated in subdivision 2;

(2) the lease will not reduce the useable width of the rail bank corridor to less than 50 feet;

(3) the cost of the lease is based on the fair market value of the portion to be leased, as determined by appraisal;

(4) the lease allows the commissioner to terminate the lease on 90 days' written notice to the lessee; and

(5) the lease prohibits the construction or erection of any permanent structure within the 50-foot rail bank corridor and requires any structure erected on the leased property to be removed and the land restored to its original condition on 90 days' written notice to the lessee.

(e) Proceeds from a sale or lease must be deposited in the rail bank maintenance account described in subdivision 8.

[For text of subds 6 to 8, see M.S.2000]

History: 1Sp2001 c 8 art 2 s 60

222.632 RIGHT OF FIRST REFUSAL.

A railroad interest that is in bankruptcy proceedings may not sell or offer for sale an interest in real property that is within the right-of-way, a railroad interest that is abandoning a railroad line may not sell or offer for sale an interest in real property within the right-of-way to be abandoned, and a nonrailroad lessor may not sell or offer for sale an interest in real property within the right-of-way with respect to which it is a nonrailroad lessor, unless it first extends a written offer to sell that interest at a fair market value price to each person who is a leaseholder with respect to the property. Leaseholders must respond to the offer within 60 days of receipt of the notice and the railroad interest must negotiate in good faith with an interested leaseholder for a period of 90 days following the leaseholder's response. The property may not be sold to a party other than the leaseholder during the response and negotiation periods. This section does not apply to a sale of an entire operating railroad line by one operating railroad to another for the purpose of operating a railroad.

History: 2001 c 213 s 27

222.633 [Repealed, 2001 c 213 s 31]