

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.

History: (6282) 1911 c 123 s 4; 1919 c 199 s 1; 1985 c 265 art 3 s 1; 2004 c 262 art 1 s 11

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. 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 management and budget 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 commissioner shall sell them in accordance with this chapter.

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 [Repealed, 1965 c 45 s 73]

Subd. 4. **Internal improvement lands.** When 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, are sold, the money derived from its sale must be 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; 1991 c 219 s 1; 2004 c 262 art 1 s 12; 1Sp2005 c 1 art 2 s 75; 2009 c 101 art 2 s 109

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 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 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 commissioner 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; 2004 c 262 art 1 s 13

92.05 SALT LANDS.

(a) 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.

(b) 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 for land sales held before July 1, 2004.** (a) The terms of payment on the sale of state public lands held before July 1, 2004, must be as follows: The purchaser shall pay in cash at the time of sale the appraised value of all timber and costs determined by the commissioner to be associated with the sale including survey, appraisal, publication, deed tax, filing fee, and similar costs. At least 15 percent of the purchase price of the land exclusive of timber and associated costs must be paid in cash at the time of sale. The balance of the purchase price 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 of sale, calculated under this subdivision, 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. The purchaser may pay the balance due on a sale within 30 days of the sale with no interest due.

(b) Interest on unpaid balances must be computed as annual simple interest. The rate of interest must be based on average effective interest rates on mortgage loans as provided in paragraph (c).

(c) On or before December 31 of each year, the commissioner of natural resources shall determine the rate from the average effective interest rate on loans closed using the Office of Thrift Supervision series, formerly the Federal Home Loan Bank Board series, or its successor agency, for the most recent calendar month, reported on a monthly basis in the latest statistical release of the Board of Governors of the Federal Reserve System. This yield, rounded to the nearest quarter of one percent, is the annual interest rate for sales of state land during the succeeding calendar year.

(d) For state land sales in calendar year 1993 after July 1, 1993, the rate is eight percent, which is the September 1992 average from the Office of Thrift Supervision series, rounded to the nearest quarter of one percent.

Subd. 1a. **Terms for land sales after July 1, 2004.** Notwithstanding subdivision 1, for state land sales on or after July 1, 2004, the purchaser must pay at the time of sale ten percent of the total amount bid and

the remainder of the payment is due within 90 days of the sale date. A person who fails to make final payment within 90 days of the sale date is in default. On default, all right, title, and interest of the purchaser or heirs, representatives, or assigns of the purchaser in the premises shall terminate without the state doing any act or thing. A record of the default must be made in the state land records of the commissioner.

Subd. 2. Buildings or improvements. If there are buildings or other improvements upon the land, their value must be determined 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 determined 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. (a) If a person has made improvements to the land and if: (1) 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, (2) the improvements were lawfully made by that person as a lessee of the state, or (3) the commissioner determines, based on clear and convincing evidence provided by the person, that the improvements were made by the person as an inadvertent trespasser, then the value of the improvements must be separately determined and, if the settler, lessee, or inadvertent trespasser purchases the land, the settler, lessee, or inadvertent trespasser 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 determined amount for the improvements.

(b) 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.

(c) 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 determined 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 commissioner may require of the purchaser security for the payment of the deferred installments. The commissioner 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; 1993 c 285 s 6; 1997 c 216 s 71,72; 2004 c 262 art 1 s 14-18*

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.

(a) 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 determines that the interest of the state will be promoted, the commissioner may subdivide land controlled by the commissioner into smaller parcels or city lots.

(b) 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; 2004 c 262 art 1 s 19*

92.09 [Repealed, 2004 c 262 art 1 s 41]

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 that 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; 2004 c 262 art 1 s 20*

92.11 [Repealed, 2004 c 262 art 1 s 41]

92.115 VALUATION OF STATE LANDS; MINIMUM BID.

Subdivision 1. **Land valuation required.** Before offering any state land for sale under this chapter, the commissioner must establish the value of the land. The commissioner shall have the land appraised if the estimated market value is in excess of \$100,000.

Subd. 2. **Minimum bid.** The minimum bid for a parcel of land must include the estimated value or appraised value of the land and any improvements and, if any of the land is valuable for merchantable timber, the value of the merchantable timber. The minimum bid may include expenses incurred by the commissioner in rendering the property salable, including survey, appraisal, legal, advertising, and other expenses.

Subd. 3. **Closing costs.** The purchaser of state land must pay recording fees and the state deed tax.

History: 2004 c 262 art 1 s 21; 2016 c 154 s 3; 1Sp2019 c 4 art 4 s 2

92.12 APPRAISAL OF SCHOOL AND OTHER STATE LANDS.

Subdivision 1. **Appraisers.** The commissioner may have any school trust or other state lands appraised. The appraisals must be made by regularly appointed and qualified state appraisers. To be qualified, an appraiser must hold a state appraiser license issued by the Department of Commerce. The appraisal must be in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.

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. The minimum price established by the appraisal is the minimum price for the lands until changed by later appraisal. The price may not be less than \$5 an acre.

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

Subd. 4. **Sales.** The commissioner shall hold frequent sales of school trust and other state lands. The commissioner shall sell lands the commissioner considers best for the public interest.

Subd. 5. **Sale of land and timber.** When the appraisal or 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; 1991 c 219 s 2; 2004 c 262 art 1 s 22-25

92.121 MS 2018 [Repealed, 1Sp2019 c 4 art 3 s 119]

92.122 COMPENSATING PERMANENT SCHOOL FUND.

Subdivision 1. **Compensation requirements.** (a) When the revenue generated from school trust land and associated resources is diminished by management practices applied to the land and resources as determined by the commissioner of natural resources, the commissioner must compensate the permanent school fund.

(b) When generating revenue from school trust land and associated resources will be prohibited by a policy or designation applied to the land and resources as determined by the commissioner, the commissioner must compensate the permanent school fund before the policy or designation is applied.

Subd. 2. **Compensation methods.** To compensate the permanent school fund under subdivision 1, the commissioner may use compensation methods that include:

(1) exchanging other land that is compatible with the goal of the permanent school fund under section 127A.31, as allowed under sections 94.343, subdivision 1, and 94.3495, and the Minnesota Constitution, article XI, section 10;

(2) leasing under section 92.50 and according to subdivision 3, with rental payments as compensation; and

(3) condemning the land under section 92.83, with payment of the amount of the award and judgment as compensation.

Subd. 3. **Lease terms for compensating fund.** With advice from the school trust lands director according to section 127A.353, subdivision 4, the commissioner may lease school trust land to compensate the permanent school fund. Rental payments received under this subdivision:

(1) must be credited to the forest suspense account as nonqualifying revenue and not subject to cost certification under section 16A.125;

(2) must be paid in full upon executing the lease; and

(3) are determined by the commissioner and subject to review by a licensed appraiser.

History: *1Sp2019 c 4 art 3 s 41*

92.13 STATE LANDS; DATE OF SALE.

The commissioner shall hold public sales of school and other state lands 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; 1991 c 219 s 3*

92.14 SALE; NOTICE.

Subdivision 1. **Time.** At least 30 days before a sale, the commissioner shall give published notice of the sale in each county containing land to be sold, and in the county where the sale will be held. If there is no newspaper published in the county, posted notice in the county courthouse must be given. The commissioner shall also provide electronic notice of sale. On or before the day of sale, the commissioner may withdraw any lands.

Subd. 2. **Contents.** The notice must contain the following information:

(1) the time and place for the holding of the sales;

(2) a general statement of the terms of sale; and

(3) the place where lists of lands to be offered for sale may be obtained.

Subd. 3. **Additional advertising of land sales.** In addition to notice of land sales required by subdivision 1, 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; 1991 c 219 s 4; 1993 c 285 s 7; 2004 c 262 art 1 s 26*

92.145 UNSOLD LANDS.

Except for school trust lands, parcels remaining unsold after the public sale offering may be sold to anyone agreeing to pay the minimum bid established for the public sale. The sale shall continue until all eligible parcels have been sold or the commissioner withdraws the remaining parcels from sale.

History: *2004 c 262 art 1 s 27*

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. If the purchaser fails to pay the sum, the commissioner may reoffer the land for sale, but a bid may not be accepted from the person failing to pay the original offer. If the purchaser pays in full at the time of sale, the commissioner is not required to issue a certificate of sale.

Subd. 2. **Default in paying 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 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.

Subd. 5. **Lands sales after July 1, 2004.** Notwithstanding subdivisions 1 to 4, no certificate of sale shall be issued for land sold on or after July 1, 2004. The terms of payment for land sales on or after July 1, 2004, are as provided in section 92.06, subdivision 1a.

History: (6284, 6285) *RL s 2420,2421; Ex1933 c 39 s 1; 1941 c 374 s 4; 1985 c 265 art 3 s 1; 1988 c 628 s 6; 1997 c 216 s 73; 2004 c 262 art 1 s 28*

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. **Applicability.** 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 recorded with the county recorder.

History: (6287) *RL s 2423; 1976 c 181 s 2; 1985 c 265 art 3 s 1; 2005 c 4 s 19*

92.18 DIVIDED CERTIFICATES.

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.

(a) When a certificate or partial interest in a certificate is assigned, the assignment must be made on a form prescribed by the commissioner, executed by the assignor and assignee, and consented to by the commissioner. An assignment of a partial interest shall recite that payment in full has been made to the commissioner.

(b) When the assignee satisfies the terms of the assignment and corresponding terms of the certificate, the commissioner shall issue a deed or patent to the assignee.

History: (6286) *RL s 2422; 1985 c 265 art 3 s 1; 1989 c 335 art 1 s 79; 1993 c 285 s 8*

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 commissioner of management and budget 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; Ex1933 c 39 s 2; 1939 c 353 s 1; 1941 c 374 s 5; 1985 c 265 art 3 s 1; 1986 c 444; 2003 c 112 art 2 s 50; 2009 c 101 art 2 s 109

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 [Repealed, 1999 c 243 art 13 s 21]

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 commissioner of management and budget. 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; 2003 c 112 art 2 s 50; 2009 c 101 art 2 s 109*

92.24 MONEY PAID TO COMMISSIONER OF MANAGEMENT AND BUDGET.

The commissioner shall pay over all money received on account of certificates of sale to the commissioner of management and budget 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; 2003 c 112 art 2 s 50; 2009 c 101 art 2 s 109*

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 management and budget.

History: (6300) *RL s 2432; 1985 c 265 art 3 s 1; 1988 c 628 s 9; 2009 c 101 art 2 s 109*

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.

(a) A portion of the proceeds from the sale, equal in amount to the survey, appraisal, legal, advertising, and other expenses incurred by the commissioner in rendering the property salable and included in the minimum bid amount, shall be remitted to the account from which the expenses were paid and is appropriated and immediately available for expenditure in the same manner as other money in the account.

(b) The remainder of the proceeds 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.

(c) 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; 2004 c 262 art 1 s 29*

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 delinquent 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 or a certified copy of the certificate must be submitted by the applicant for a patent. When total payment is made within 90 days of the sale, the commissioner shall sign and issue, in the name of the state and under the seal of the state, a patent for the land sold.

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; 1993 c 285 s 9; 2004 c 262 art 1 s 30*

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 recommendation 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 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; 2004 c 262 art 1 s 31*

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 natural resources 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 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; 1993 c 163 art 1 s 9; 2014 c 286 art 2 s 1

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 natural resources 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; 1993 c 163 art 1 s 10

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.

(a) All state lands, excluding school trust 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.

(b) 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 waterside 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.

(c) Except for sales under section 282.018, subdivision 1, when a state agency or any other unit of government requests the legislature to authorize the sale of state lands bordering on or adjacent to meandered lakes and other public waters and watercourses, the commissioner shall evaluate the lands and their public benefits and make recommendations on the proposed dispositions to the committees of the legislature with jurisdiction over natural resources. The commissioner shall include any recommendations of the commissioner for disposition of lands withdrawn from sale under this section over which the commissioner has jurisdiction. The commissioner's recommendations may include a public sale, sale to a private party, acquisition by the commissioner for public purposes, retention of a conservation easement for shoreland preservation by the commissioner under chapter 84C, or a cooperative management agreement with, or transfer to, another unit of government.

(d) 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; 1999 c 231 s 123; 2012 c 249 s 5,12

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 and shall be adjusted by the commissioner at the fifth, tenth, and 15th anniversary of the lease, if the appraised value has increased or decreased. For leases that are renewed in 1991 and following years, the lease rate shall be five percent of the appraised value of the leased land. 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. The minimum appraised value that the commissioner assigns to the leased land must be substantially equal to the county assessor's estimated market value of similar land adjusted by the assessment/sales ratio as determined by the Department of Revenue.

(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; and
- (2) 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.

(e) Notwithstanding section 16A.125 or any other law to the contrary, for fiscal years 1999 and 2000, 100 percent, and thereafter, 50 percent, of the money received from the lease of permanent school fund lands leased pursuant to this subdivision must be credited to the lakeshore leasing and sales account in the permanent school fund and is appropriated for use to survey, appraise, and pay associated selling, leasing, or exchange costs of lots as required in this section and Minnesota Statutes 1992, section 92.67, subdivision 3. Any money designated for deposit in the permanent school fund that is not needed to survey, appraise, and pay associated selling, leasing, or exchange costs of lots, as required in this section, shall be deposited in the permanent school fund. The commissioner shall add to the appraised value of any lot offered for sale or exchange the costs of surveying, appraising, and disposing of the lot, and shall first deposit into the permanent school fund an amount equal to the costs of surveying, appraising, and disposing of 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 or exchange an amount more than the actual contract service costs of surveying, appraising, and disposing of 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 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; 1990 c 452 s 1; 1992 c 363 art 1 s 14; 1993 c 172 s 48; 1995 c 186 s 26; 1995 c 220 s 89; 1997 c 7 art 1 s 21,22; 1999 c 231 s 124

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.** 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;
- (4) to compensate the permanent school fund according to section 92.122; or
- (5) 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 that cover 320 or more acres must be approved by the Executive Council.

(c) The lease term may not exceed 21 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 for nonagricultural purposes may not exceed a term of 25 years; and

(2) 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. (a) 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:

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

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

(b) 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.

Subd. 3. Security requirement. The commissioner may require a performance bond, security deposit, or other form of security for removing any improvements or personal property left on the leased premises by the lessee upon termination or cancellation of the lease.

Subd. 4. Reimbursing costs. In addition to other payments required by this section, the applicant must reimburse the state for costs incurred for cultural resources review, monitoring, or other services provided by the Minnesota Historical Society under contract with the commissioner of natural resources or the State Historic Preservation Office of the Department of Administration in connection with reviewing the lease request, preparing the lease terms, or constructing improvements on the leased premises.

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; 1993 c 113 art 1 s 1; 2012 c 236 s 3; 2018 c 186 s 2; 1Sp2019 c 4 art 3 s 42; 1Sp2021 c 6 art 2 s 46

92.501 LEASING LANDS TO FARM WILD RICE.

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. 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*

92.502 LEASING TAX-FORFEITED AND STATE LANDS.

(a) Notwithstanding section 282.04 or other law to the contrary, St. Louis County may enter a 30-year lease of tax-forfeited land for a wind energy project.

(b) The commissioner of natural resources may enter a 30-year lease of land administered by the commissioner for a wind energy project.

(c) The commissioner of natural resources may enter a 30-year lease of land administered by the commissioner for recreational trails or facilities. The commissioner may assess the lease applicant a monitoring fee to cover the projected reasonable costs of monitoring construction of the recreational trail or facility and preparing special terms and conditions of the license to ensure proper construction. The commissioner must give the applicant an estimate of the monitoring fee before the applicant is required to submit the fee. Upon completion of construction of the trail or facility, the commissioner must refund the unobligated balance from the monitoring fee revenue.

(d) Notwithstanding section 282.04 or other law to the contrary, Lake and St. Louis Counties may enter into 30-year leases of tax-forfeited land for recreational trails and facilities.

History: *2008 c 368 art 1 s 24; 2018 c 186 s 3; 1Sp2021 c 6 art 2 s 47; 2023 c 9 s 4*

92.503 CONSERVATION PLANNING LEASES.

The commissioner of natural resources may lease state-owned lands as defined in section 92.01 for a term not to exceed 21 years for the purpose of investigating, analyzing, and developing conservation easements that provide ecosystem services benefits. Leases granted under this section are not subject to section 92.50, subdivision 1, paragraph (b), with respect to Executive Council approval for commercial leases or section 92.50, subdivision 1, paragraph (d).

History: *1Sp2021 c 6 art 2 s 48*

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.

History: *(6323) RL s 2439; 1909 c 114 s 1; 1985 c 265 art 3 s 1; 1986 c 444; 1999 c 243 art 13 s 1*

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 Subdivision 1. [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

Subd. 1a. [Repealed, 2007 c 13 art 2 s 4]

Subd. 2. [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

Subd. 3. [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

Subd. 4. [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

Subd. 5. [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

Subd. 5a. [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

Subd. 6. [Repealed, 1986 c 449 s 6; 1987 c 404 s 191; 1991 c 219 s 6]

92.68 [Repealed, 1986 c 449 s 6; 1991 c 219 s 6]

92.685 LAND MANAGEMENT ACCOUNT.

The land management account is created in the natural resources fund. Money credited to the account is appropriated annually to the commissioner of natural resources to administer the utility easement program under section 84.415, the easement program under section 84.63, the road easement program under section 84.631, the easement release program under section 84.632, and the trail easement program under section 85.015, subdivision 1b.

History: *1Sp2005 c 1 art 2 s 76; 2009 c 37 art 1 s 26*

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*

92.70 LAND USE TRESPASS.

Subdivision 1. **Public land definition.** "Public land" means publicly owned land or interests in land including land and interests in land that are owned by the state, counties, or road authorities, administered by the commissioner of natural resources, owned by the state as beds of navigable waters, acquired as conservation easements with benefits running to the state, a county, or the public under the reinvest in Minnesota reserve program, water bank program, or other state or county programs.

Subd. 2. **Casual trespass.** (a) A person who uses public land for personal use or personal economic gain where the use is prohibited is guilty of trespass and a petty misdemeanor and shall be subject to a penalty not to exceed \$50 per occurrence and is subject to a civil penalty for twice the amount of actual damages.

(b) A person violating paragraph (a) may be issued a ticket by a sheriff, conservation officer, or personnel of the department designated by the commissioner. The ticket must identify the trespass, where the trespass occurred, and the official observing the trespass. A copy of the ticket must be sent to the public agency responsible for managing the land.

(c) The civil penalty shall be paid to the public agency responsible for managing the public land. A civil penalty paid to the state is appropriated to the state agency responsible for managing the land to restore the damage and improve state land.

(d) Within 60 days after a ticket is issued, the public agency responsible for managing the public land where the trespass occurred must make a determination of whether a civil penalty will be sought for the trespass and notify the person.

Subd. 3. **Willful trespass.** (a) A person who willfully and knowingly uses public land for personal use or personal economic gain where the use is prohibited is guilty of trespass and a misdemeanor and is liable to the state or county for a civil penalty three times the amount of the damage.

(b) A person violating paragraph (a) may be issued a ticket and summons for a court appearance. The prosecuting authority shall prosecute the misdemeanor and shall bring an action for the civil penalty or, on failure to do so, the attorney general at the request of the public agency responsible for managing the land may prosecute the misdemeanor and shall bring an action for the civil penalty.

(c) Damages must be determined as the greater of:

(1) the cost to restore the public land to the condition it was in before the trespass occurred plus an amount to compensate the public for the loss of use; or

(2) the economic gain realized by the person committing the trespass.

(d) The civil penalty shall be paid to the court and the court administrator shall pay:

(1) for a trespass on county land, the entire amount to the county to be used for restoration of the trespass and county land improvement purposes; and

(2) for a trespass on state land, the civil penalty to the state agency responsible for managing the public land which is appropriated for restoration of the trespass and state land improvement purposes.

Subd. 4. **Separate actions.** The prosecution for criminal trespass and the civil penalty are separate criminal and civil actions. If a trespass occurs, an action may be commenced for the criminal penalty, the civil penalty, or the civil penalty and the criminal penalty.

History: 1989 c 353 s 12; 2009 c 176 art 1 s 50; 2023 c 25 s 19

92.71 DIRECT SALE TO DEPARTMENT EMPLOYEE PROHIBITED.

An employee of the Department of Natural Resources is prohibited from purchasing land owned or formerly owned by the state and administered by the department for six months following the transfer of title from the state to an organization or person not an employee of the department.

History: 1991 c 176 s 1

92.72 PAYMENT OF TAXES AND ASSESSMENTS.

Subdivision 1. **Cancellation of certificate of sale.** If the state acquires an interest in real property prior to the cancellation of a certificate of sale or upon completion of the cancellation process by advertisement or court order, the state must make provision to pay all taxes, interests, costs, penalties, and assessments. The commissioner of natural resources must request the certificate of sale vendee to make a good faith attempt to pay the debt. If the commissioner determines that the vendee is unwilling or unable to pay the debt, the commissioner may pay the debt and seek redress against the vendee.

Subd. 2. **Voluntary and involuntary reversions.** (a) If a grantee on a certificate of sale or state deed desires the state to exercise its reversionary interest in real property, the grantee must pay all real estate taxes, costs, interest, penalties, and assessments on the property prior to reversion.

(b) If a grantee on a certificate of sale or state deed breaches the contractual terms of the certificate or deed, the commissioner of natural resources must request the grantee to make a good faith attempt to pay all real estate taxes, costs, interest, penalties, and assessments on the property prior to reversion. If the commissioner determines that the grantee is unwilling or unable to pay the debt, the commissioner may pay the debt and seek redress against the grantee.

History: 1997 c 216 s 74

92.80 EXPEDITED EXCHANGE OF LAND WITHIN BOUNDARY WATERS CANOE AREA WILDERNESS FOR FEDERALLY OWNED LANDS.

Subdivision 1. **Purpose and scope.** (a) The purpose of this section is to expedite the exchange of a portion of the state-owned lands located within the Boundary Waters Canoe Area Wilderness. The state owns 116,559 acres of land within the wilderness area, 86,295 acres of which are school trust land.

(b) Exchange of school trust lands within the Boundary Waters Canoe Area Wilderness for federally owned lands located outside the wilderness area will preserve the spectacular wild areas while producing economic benefits for Minnesota's public schools.

(c) For land exchanges under this section, sections 94.342 to 94.347 apply only to the extent specified in this section.

Subd. 2. **Classes of land; definitions.** The classes of state land that may be involved in an expedited exchange under this section are:

(1) school trust land as defined in section 92.025;

(2) university land granted to the state by acts of Congress;

(3) all other lands acquired by the state in any manner and under the control of the commissioner of natural resources; and

(4) all lands acquired by the state through tax forfeiture, held subject to a trust in favor of the taxing districts, and under the control of county authorities for classification, appraisal, and sale.

Subd. 3. Priority. An exchange of state land under this section shall give priority to exchanges that provide the most opportunity for revenue generation for the permanent school fund, and priority shall be given to lands within the Superior National Forest in the Mesabi Purchase Unit in St. Louis County and in the following townships in St. Louis County:

(1) Township 59 North, Range 14 West;

(2) Township 59 North, Range 13 West;

(3) Township 60 North, Range 13 West; and

(4) Township 60 North, Range 12 West.

Subd. 4. Valuation of land; goals. (a) In an exchange of school trust land, university land, or other land under the control of the commissioner of natural resources for land owned by the United States, the examination and value determination of the land shall be done in a manner as agreed to between the commissioner and the authorized representative of the United States.

(b) In an exchange of tax-forfeited land for land owned by the United States, the examination and value determination shall be done in a manner as agreed to between the county board and the authorized representative of the United States.

(c) All lands exchanged under this section shall be exchanged only for lands of at least substantially equal value. For the purposes of this subdivision, "substantially equal value" has the meaning given under section 94.343, subdivision 3, paragraph (b). No payment is due either party if the lands are of substantially equal value but are not of the same value.

(d) The goals of the exchange shall be:

(1) the state receiving at least as many acres as the number given in exchange by the state; and

(2) reuniting mineral and surface rights.

Subd. 5. Title. Title to the land must be examined to the extent necessary for the parties to determine that the title is good, with any encumbrances identified. The parties to the exchange may use title insurance to aid in the determination.

Subd. 6. Approval by Land Exchange Board. In accordance with the Minnesota Constitution, article XI, section 10, all expedited land exchanges under this section require the unanimous approval of the Land Exchange Board.

Subd. 7. Conveyance. (a) Conveyance of school trust land, university land, or other land under the control of the commissioner of natural resources shall be made by deed executed by the commissioner in the name of the state. Conveyance of tax-forfeited land shall be by a deed executed by the commissioner of revenue in the name of the state.

(b) School trust land, university land, and other land under the control of the commissioner of natural resources and given in exchange is subject to reservations under section 94.343, subdivision 4, and the Minnesota Constitution, article XI, section 10. Tax-forfeited land given in exchange is subject to reservations under section 94.344, subdivision 4, and the Minnesota Constitution, article XI, section 10.

(c) All deeds shall be recorded or registered in the county in which the lands lie.

Subd. 8. **Land status.** Land received in exchange for school trust land, university land, or other land under the control of the commissioner of natural resources is subject to the same trust, if any, and otherwise has the same status as the land given in exchange. Land received in exchange for tax-forfeited land is subject to a trust in favor of the governmental subdivision in which it lies and all laws relating to tax-forfeited land.

History: 2012 c 236 s 4

92.82 PRIVATE SALE OF SURPLUS STATE LAND WITHIN BOUNDARY WATERS CANOE AREA WILDERNESS; COOK, LAKE, AND ST. LOUIS COUNTIES.

(a) Notwithstanding sections 92.06, 92.13, 92.14, 92.45, 94.09, and 94.10, the commissioner of natural resources may sell to the United States by private sale the surplus land, including the land bordering public water, that is described in paragraph (d).

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) Notwithstanding sections 92.115, 92.12, and 94.10, an appraisal of the lands is not required, and the value of the lands shall be determined in the same manner as the exchange with the United States of other state-owned lands within the Boundary Waters Canoe Area Wilderness.

(d) The land that may be sold is state-owned land under the control of the commissioner of natural resources and located within the boundary of the Boundary Waters Canoe Area Wilderness in Cook, Lake, and St. Louis Counties. The state-owned lands may include the state land for which the school trust interest was extinguished through condemnation, university lands granted to the state by acts of Congress, and all other lands acquired by the state in any manner and under the control of the commissioner of natural resources.

(e) Conveyance of state lands within the Boundary Waters Canoe Area Wilderness to the United States will preserve the spectacular wild areas while producing economic benefits for the state.

(f) Payment for state lands for which the school trust interest was extinguished through condemnation shall be used to pay the award under the condemnation action.

History: 2012 c 236 s 5

92.83 CONDEMNATION OF SCHOOL TRUST LAND.

Subdivision 1. **Purpose.** The purpose of this section is to extinguish the school trust interest in school trust lands where long-term economic return is prohibited by designation or policy while producing economic benefits for Minnesota's public schools. For the purposes of satisfying the Minnesota Constitution, article XI, section 8, which limits the sale of school trust lands to a public sale, the commissioner of natural resources shall acquire school trust lands through condemnation, as provided in subdivision 2.

Subd. 2. **Condemnation proceedings.** When the commissioner of natural resources has determined sufficient money is available to acquire any of the lands identified under section 84.027, subdivision 18, paragraph (c), the commissioner shall proceed to extinguish the school trust interest by condemnation action.

When requested by the commissioner, the attorney general shall commence condemnation of the identified school trust lands.

Subd. 3. **Payment.** The portion of the payment of the award and judgment that is for the value of the land shall be deposited into the permanent school fund. The remainder of the award and judgment payment shall first be remitted for reimbursement to the accounts from which expenses were paid, with any remainder deposited into the permanent school fund.

Subd. 4. **Account.** The school trust lands account is created in the state treasury. Money credited to the account is appropriated to the commissioner of natural resources for the purposes of this section.

History: *1Sp2015 c 4 art 4 s 65*