

**Subject** Tax-forfeited land settlement payment

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## Overview

This bill appropriates \$109,000,000 in fiscal year 2024 for the commissioner of management and budget to make payments for settling litigation related to the retention of tax-forfeited lands, surplus proceeds from the sale of tax-forfeited lands, and mineral rights in those lands. Payment under the terms of the settlement may be made from the appropriation for properties located in participating counties. Participating counties must elect to participate in the settlement, agree to provide the commissioner with necessary property tax data, agree to make a good faith effort to sell any remaining properties that forfeited prior to 2024, and remit to the state a portion of the proceeds from those sales.

## Summary

| Section | Description |
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| 1 | <b>Tax-forfeited lands settlement; appropriation.</b> |
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**Subd. 1. Definitions.** Defines the terms “applicable start date,” “commissioner,” “participating county,” and “settlement.” A participating county means a county that (1) elects to participate in the settlement, (2) agrees to provide the commissioner of management and budget with property tax records necessary to effectuate the settlement agreement, and (3) agrees to make a good faith effort to sell all properties that forfeited prior to 2024. For sales made before June 30, 2027, a participating county must remit to the state 75 percent of the proceeds. For sales made between July 1, 2027, and June 30, 2029, a participating county must remit to the state 85 percent of the proceeds. Any property tax forfeited prior to 2024 that remains unsold after June 30, 2029, may continue to be managed as allowed by law.

**Subd. 2. Receipts.** Requires the commissioner of management and budget to deposit into the general fund any remitted proceeds from the sale of properties that forfeited prior to 2024.

**Section** **Description**

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**Subd. 3. Nonparticipating counties.** States that nonparticipating counties retain all risk and liability for claims related to properties forfeited prior to 2024.

**Subd. 4. Appropriation.** Appropriates \$109,000,000 in fiscal year 2024 from the general fund to the commissioner of management and budget to make payments under the terms of the settlement.

**Subd. 5. Report.** Requires participating counties to submit annual reports to the commissioner of management and budget on properties that forfeited prior to 2024. Each report must include the date each parcel forfeited, a description of the good faith efforts made to list and sell the properties, and if the parcel was sold, the purchase price and the amount remitted to the commissioner. The commissioner must compile this information and issue a report to the legislature.



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