

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 2207  
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**Subject:** BWCA Land Exchange/Sale

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### Overview

This bill authorizes the state to enter into an agreement with the United States for the sale and exchange of state land located in the Boundary Waters Canoe Area (BWCA) and appropriates an unspecified amount for these purposes.

**1 Expedited exchange of land within Boundary Waters Canoe Area Wilderness for federally owned lands.** Adds § 92.80.

**Subd. 1. Purpose and scope.** States the purpose of the section.

**Subd. 2. Classes of land.** States that lands that may be involved in the expedited exchanges authorized in this section are school trust lands, university lands, other lands under the control of the commissioner of natural resources, and tax-forfeited lands.

**Subd. 3. Valuation of land.** Requires the examination and value of the lands to be determined in a manner agreed to by the commissioner (or the county for tax-forfeited lands) and an authorized representative of the United States. Requires lands exchanged to be at least "substantially equal" in value (which means that when the lands are both over 100 acres, their values do not differ by more than 10 percent, and in other cases, the values of the lands do not differ by more than 20 percent).

**Subd. 4. Title.** Requires the title to be examined to the extent necessary to determine it is good and allows the use of title insurance.

**Subd. 5. Approval by Land Exchange Board.** Requires all exchanges under this section to be approved by the Land Exchange Board.

**Subd. 6. Conveyance.** Requires the commissioner of natural resources to convey, by deed, lands under the control of the commissioner and the commissioner of revenue to convey, by deed, the tax-forfeited lands. Subjects land exchanged under this section to the reservation of mineral and other rights as currently provided by law.

**Subd. 7. Land status.** Subjects lands received in exchange to the same trust, if any, as the

lands given.

**2 Condemnation of school trust land.** Adds § 92.81.

**Subd. 1. Purpose and scope.** States the purpose of the section. Requires school trust land sales to be done at public sale as required by the state Constitution or requires the school trust interest to be extinguished through condemnation for a private sale.

**Subd. 2. Identification of school trust lands.** Requires the commissioner to identify school trust lands that will be sold to the United States rather than exchanged with federal lands.

**Subd. 3. Commencement of condemnation proceedings.** Requires the commissioner to extinguish the school trust interest in lands through condemnation when an agreement with the United States has been reached on the sale of the lands.

**Subd. 4. Valuation.** Exempts the sale of these lands from appraisal requirements.

**Subd. 5. Payment.** States that the awards or judgments required under the condemnation procedure are not due until the United States has submitted payment for the lands and states that the awards or judgments are not subject to interest accrual requirements. Requires the payment of the award and judgment that is for the value of the school trust land to be deposited in the permanent school fund; the remainder is for reimbursement to the accounts that paid for the expenses with any remaining funds deposited in the permanent school fund.

**3 Private sale of surplus state land with the Boundary Waters Canoe Area Wilderness; Cook, Lake, and St. Louis Counties.** Authorizes the sale of surplus state land within the BWCA and specifies that payment for lands that have had the school trust interest extinguished shall be used to pay the award under the condemnation action.

**4 Appropriation.** Provides an unspecified appropriation from the general fund in fiscal year 2013 to the commissioner of natural resources for the purposes of the bill and makes the appropriation available until completion of the exchange and sale of the lands or June 30, 2015, whichever comes first.