

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2108

(SENATE AUTHORS: HAUSCHILD, Rarick, Johnson, Farnsworth and McEwen)

DATE	D-PG	OFFICIAL STATUS
03/03/2025	618	Introduction and first reading Referred to Taxes

1.1

A bill for an act

1.2

relating to taxation; payment in lieu of taxation; establishing definitions;

1.3

establishing payments for other lakeshore land; amending Minnesota Statutes

1.4

2024, sections 477A.11, subdivision 4, by adding a subdivision; 477A.12,

1.5

subdivision 1; 477A.14, subdivision 1.

1.6

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7

Section 1. Minnesota Statutes 2024, section 477A.11, subdivision 4, is amended to read:

1.8

Subd. 4. **Other natural resources land.** "Other natural resources land" means any land,

1.9

other than acquired natural resource land or wildlife management land, presently owned in

1.10

fee title by the state and administered by the commissioner, or any tax-forfeited land, other

1.11

than platted lots within a city or those lands described under subdivision 3, clause (2), which

1.12

is owned by the state and administered by the commissioner or by the county in which it is

1.13

located. Other natural resources land excludes other lakeshore land defined in subdivision

1.14

9.

1.15

EFFECTIVE DATE. This section is effective for aids payable in 2026 and thereafter.

1.16

Sec. 2. Minnesota Statutes 2024, section 477A.11, is amended by adding a subdivision to

1.17

read:

1.18

Subd. 9. **Other lakeshore land.** "Other lakeshore land" means parcels of other natural

1.19

resources land under subdivision 4 abutting lakes identified by a Department of Natural

1.20

Resources Division of Waters Lake Number.

1.21

EFFECTIVE DATE. This section is effective for aids payable in 2026 and thereafter.

2.1 Sec. 3. Minnesota Statutes 2024, section 477A.12, subdivision 1, is amended to read:

2.2 Subdivision 1. **Types of land; payments.** The following amounts are annually
2.3 appropriated to the commissioner of natural resources from the general fund for transfer to
2.4 the commissioner of revenue. The commissioner of revenue shall pay the transferred funds
2.5 to counties as required by sections 477A.11 to 477A.14. The amounts, based on the acreage
2.6 as of July 1 of each year prior to the payment year, are:

2.7 (1) \$5.133 multiplied by the total number of acres of acquired natural resources land or,
2.8 at the county's option three-fourths of one percent of the appraised value of all acquired
2.9 natural resources land in the county, whichever is greater;

2.10 (2) \$5.133, multiplied by the total number of acres of transportation wetland or, at the
2.11 county's option, three-fourths of one percent of the appraised value of all transportation
2.12 wetland in the county, whichever is greater;

2.13 (3) \$5.133, multiplied by the total number of acres of wildlife management land, or, at
2.14 the county's option, three-fourths of one percent of the appraised value of all wildlife
2.15 management land in the county, whichever is greater;

2.16 (4) 50 percent of the dollar amount as determined under clause (1), multiplied by the
2.17 number of acres of military refuge land in the county;

2.18 (5) \$3, multiplied by the number of acres of county-administered other natural resources
2.19 land in the county;

2.20 (6) \$5.133, multiplied by the total number of acres of land utilization project land in the
2.21 county;

2.22 (7) \$3, multiplied by the number of acres of commissioner-administered other natural
2.23 resources land in the county;

2.24 (8) \$0.18, multiplied by the total number of acres in the county eligible for payment
2.25 under clauses (1) to (7), provided that the total number of acres in the county eligible for
2.26 payment under clauses (1) to (7) is equal to or greater than 25 percent of the total acreage
2.27 in the county;

2.28 (9) \$0.08, multiplied by the total number of acres in the county eligible for payment
2.29 under clauses (1) to (7), provided that the total number of acres in the county eligible for
2.30 payment under clauses (1) to (7) is equal to or greater than ten percent, but less than 25
2.31 percent of the total acreage in the county; ~~and~~

(10) \$5.133, multiplied by the total number of acres of other lakeshore land or three-fourths of one percent of the appraised value of other lakeshore land in the county, whichever is greater; and

~~(10)~~ (11) without regard to acreage, and notwithstanding the rules adopted under section 84A.55, \$300,000 for local assessments under section 84A.55, subdivision 9, that shall be divided and distributed to the counties containing state-owned lands within a conservation area in proportion to each county's percentage of the total annual ditch assessments.

EFFECTIVE DATE. This section is effective for aids payable in 2026.

Sec. 4. Minnesota Statutes 2024, section 477A.14, subdivision 1, is amended to read:

Subdivision 1. **General distribution.** Except as provided in subdivisions 2 and 3, 40 percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

(1) 64.2 cents, for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(2) within 30 days of receipt of the payment to the county, the county treasurer shall pay a township with land that qualifies for payment under section 477A.12, subdivision 1, clauses (1), (2), ~~and (5)~~ to (7), and (10), ten percent of the payment the county received for such land within that township. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction, except that of the payments for natural resources lands not located in an organized township, the county may allocate the amount determined to be necessary for maintenance of roads in unorganized townships; and

(3) any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

EFFECTIVE DATE. This section is effective for aids payable in 2026.