

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 1382**

(SENATE AUTHORS: EICHORN, Bakk, Utke, Ruud and Tomassoni)

DATE	D-PG	OFFICIAL STATUS
02/23/2017		Introduction and first reading Referred to Taxes

1.1 A bill for an act  
 1.2 relating to taxation; local government aid; providing for modifications to payments  
 1.3 in lieu of taxes for natural resource land; amending Minnesota Statutes 2016,  
 1.4 section 477A.12, subdivision 1; Laws 2001, First Special Session chapter 5, article  
 1.5 3, section 86.

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

1.7 Section 1. Minnesota Statutes 2016, section 477A.12, subdivision 1, is amended to read:

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

1.13 (1) \$5.133 multiplied by the total number of acres of acquired natural resources land or,  
 1.14 at the county's option three-fourths of one percent of the appraised value of all acquired  
 1.15 natural resources land in the county, whichever is greater;

1.16 (2) \$5.133, multiplied by the total number of acres of transportation wetland or, at the  
 1.17 county's option, three-fourths of one percent of the appraised value of all transportation  
 1.18 wetland in the county, whichever is greater;

1.19 (3) \$5.133, multiplied by the total number of acres of wildlife management land, or, at  
 1.20 the county's option, three-fourths of one percent of the appraised value of all wildlife  
 1.21 management land in the county, whichever is greater;

1.22 (4) 50 percent of the dollar amount as determined under clause (1), multiplied by the  
 1.23 number of acres of military refuge land in the county;

2.1 (5) ~~\$1.50~~ \$2, multiplied by the number of acres of county-administered other natural  
2.2 resources land in the county;

2.3 (6) \$5.133, multiplied by the total number of acres of land utilization project land in the  
2.4 county;

2.5 (7) ~~\$1.50~~ \$2, multiplied by the number of acres of commissioner-administered other  
2.6 natural resources land in the county; ~~and~~

2.7 (8) without regard to acreage, and notwithstanding the rules adopted under section  
2.8 84A.55, \$300,000 for local assessments under section 84A.55, subdivision 9, that shall be  
2.9 divided and distributed to the counties containing state-owned lands within a conservation  
2.10 area in proportion to each county's percentage of the total annual ditch assessments; and

2.11 (9) \$300,000, for aids payable in calendar year 2017 through 2027, shall be divided and  
2.12 distributed to the counties containing state-owned lands within a conservation area in  
2.13 proportion to each county's percentage of the total amount of unpaid property tax on parcels  
2.14 of state-owned lands within a conservation area prior to their conversion. The payments  
2.15 made to counties under this clause shall be considered the final payment for this purpose.

2.16 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2017  
2.17 and thereafter.

2.18 Sec. 2. Laws 2001, First Special Session chapter 5, article 3, section 86, is amended to  
2.19 read:

2.20 Sec. 86. **RED RIVER WATERSHED MANAGEMENT BOARD; PAYMENT IN**  
2.21 **LIEU OF TAXES.**

2.22 (a) The Red River watershed management board may spend money from its general  
2.23 fund to compensate counties and townships for lost tax revenue from land that becomes tax  
2.24 exempt after it is acquired by the board or a member watershed district for flood damage  
2.25 reduction project. The amount that may be paid under this section to a county or township  
2.26 must not exceed the tax that was payable to that taxing jurisdiction on the land in the last  
2.27 taxes payable year before the land became exempt due to the acquisition, not to exceed ~~\$4~~  
2.28 \$5.133 per acre, multiplied by 20. This total amount may be paid in one payment, or in  
2.29 equal annual installments over a period that does not exceed 20 years. A member watershed  
2.30 district of the Red River management board may spend money from its construction fund  
2.31 for the purposes described in this section.

2.32 (b) For the purposes of this section, "Red River watershed management board" refers  
2.33 to the board established by Laws 1976, chapter 162, section 1, as amended by Laws 1982,

3.1 chapter 474, section 1, Laws 1983, chapter 338, section 1, Laws 1989 First Special Session  
3.2 chapter 1, article 5, section 45, Laws 1991, chapter 167, section 1, and Laws 1998, chapter  
3.3 389, article 3, section 29.

3.4 **EFFECTIVE DATE.** This section is effective for aids payable in calendar year 2017  
3.5 and thereafter.