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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2439

02/27/2014 Authored by Sawatzky; Ward, J.A.; Persell and Ward, J.E.,

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy

03/21/2014 Adoption of Report: Re-referred to the Committee on Environment, Natural Resources and Agriculture Finance

1.1 A bill for an act
1.2 relating to natural resources; dedicating unclaimed lottery prize money for
1.3 acquisition of certain school trust lands; providing for condemnation of school
1.4 trust lands to be acquired; appropriating money; amending Minnesota Statutes
1.5 2012, section 349A.08, subdivision 5; Minnesota Statutes 2013 Supplement,
1.6 section 94.165, subdivision 2; proposing coding for new law in Minnesota
1.7 Statutes, chapter 92.

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

1.9 Section 1. **[92.83] CONDEMNATION OF SCHOOL TRUST LAND.**

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

1.16 Subd. 2. **Commencement of condemnation proceedings.** When the commissioner
1.17 of natural resources has determined sufficient money is available to acquire any of the
1.18 lands identified under section 84.027, subdivision 18, paragraph (c), the commissioner
1.19 shall proceed to extinguish the school trust interest by condemnation action. When
1.20 requested by the commissioner, the attorney general shall commence condemnation of
1.21 the identified school trust lands.

1.22 Subd. 3. **Payment.** The portion of the payment of the award and judgment that
1.23 is for the value of the land shall be deposited into the permanent school fund. The
1.24 remainder of the award and judgment payment shall first be remitted for reimbursement

2.1 to the accounts from which expenses were paid, with any remainder deposited into the
2.2 permanent school fund.

2.3 Sec. 2. Minnesota Statutes 2013 Supplement, section 94.165, subdivision 2, is
2.4 amended to read:

2.5 Subd. 2. **Appropriation.** (a) Except as provided in paragraph (b), money in the
2.6 account is appropriated to the commissioner of natural resources for:

2.7 (1) the acquisition of natural resource lands or interests in lands within the outdoor
2.8 recreation system established in chapter 86A;

2.9 (2) payment of expenses incurred by the commissioner in rendering saleable any
2.10 state-owned property administered by the commissioner; and

2.11 (3) payment of expenses incurred by the commissioner in exchanging any
2.12 state-owned property administered by the commissioner.

2.13 (b) Money deposited in the account from the lottery cash flow account under section
2.14 349A.08, subdivision 5, is appropriated to the commissioner of natural resources to
2.15 extinguish the school trust interest in school trust lands identified under section 84.027,
2.16 subdivision 18, paragraph (c).

2.17 Sec. 3. Minnesota Statutes 2012, section 349A.08, subdivision 5, is amended to read:

2.18 Subd. 5. **Payment; unclaimed prizes.** A prize in the state lottery must be claimed
2.19 by the winner within one year of the date of the drawing at which the prize was awarded
2.20 or the last day sales were authorized for a game where a prize was determined in a manner
2.21 other than by means of a drawing. If a valid claim is not made for a prize payable directly
2.22 by the lottery by the end of this period, the prize money is considered unclaimed and the
2.23 winner of the prize shall have no further claim to the prize. A prize won by a person
2.24 who purchased the winning ticket in violation of section 349A.12, subdivision 1, or won
2.25 by a person ineligible to be awarded a prize under subdivision 7 must be treated as an
2.26 unclaimed prize under this section. The director must transfer all unclaimed prize money
2.27 at the end of each fiscal year from the lottery cash flow account to the ~~general fund~~ land
2.28 acquisition account in the natural resources fund to extinguish the school trust interest in
2.29 school trust lands, under section 94.165, subdivision 2, paragraph (b).