

HF4222 - 1E - Land Acq. Provis. Mod.; Sale of Surplus Land Auth.

Chief Author: **David Gottfried**
 Committee: **Ways And Means**
 Date Completed: **4/4/2026 4:31:37 PM**
 Lead Agency: **Natural Resources Dept**
 Other Agencies:
 Attorney General

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Natural Resources Dept						
Land Acquisition	-	-	(474)	-	-	-
State Total						
Land Acquisition	-	-	(474)	-	-	-
Total	-	-	(474)	-	-	-
Biennial Total			(474)			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Natural Resources Dept					
Land Acquisition	-	-	-	-	-
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jordan Peoples **Date:** 4/4/2026 4:31:37 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
Natural Resources Dept						
Land Acquisition		-	-	(474)	-	-
Total		-	-	(474)	-	-
Biennial Total				(474)		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Natural Resources Dept						
Land Acquisition		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Natural Resources Dept						
Land Acquisition		-	-	474	-	-
Total		-	-	474	-	-
Biennial Total				474		-

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 Agency: **Natural Resources Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

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	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Land Acquisition	-	-	(474)	-	-	-
Total	-	-	(474)	-	-	-
Biennial Total			(474)			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Land Acquisition	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jordan Peoples **Date:** 3/31/2026 2:34:47 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Land Acquisition	-	-	(474)	-	-
Total	-	-	(474)	-	-
Biennial Total			(474)		-
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Land Acquisition	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-
2 - Revenues, Transfers In*					
Land Acquisition	-	-	474	-	-
Total	-	-	474	-	-
Biennial Total			474		-

Bill Description

Sec. 1. Amends section 84.0272, subdivision 1 to clarify that DNR pays appraised value when it buys fee title or acquires an easement interest but not when DNR obtains a lease interest.

Sec. 2. Amends section 84.0272, subdivision 2 to establish the price DNR must pay for easements to access trout stream easement areas.

Sec. 3. Amends section 84.96 to establish the price DNR must pay for easements to access native prairie bank easement areas.

Sec. 4, subd. 1. Adds approximately 32 acres to Frontenac State Park, Goodhue County.

Sec. 4, subd. 2. Adds approximately 20 acres to Great River Bluffs State Park, Winona County.

Sec. 5. Removes approximately 19.2 acres from the Mille Lacs Kathio State Park, Mille Lacs County.

Sec. 6. Authorizes the public sale of approximately 4.3 acres of surplus riparian state land in Becker County.

Sec. 7. Authorizes the private sale of up to approximately 19.2 acres of surplus riparian state land in Mille Lacs County to a federally recognized Indian tribe. DNR is continuing negotiations to sell this parcel.

Sec. 8. Authorizes the private sale of approximately .4 acres of surplus riparian state land in Pine County for no consideration.

Sec. 9. Authorizes St. Louis County to sell a parcel of tax-forfeited land by private sale.

Sec. 10. Authorizes St. Louis County to sell certain county owned land by private sale.

Sec. 11. Authorizes the conveyance of approximately 6.2 acres of surplus riparian state land in Wabasha County to a local unit of government for no consideration.

Assumptions

The amendment to section 84.0272, subdivision 1 to clarify that DNR pays appraised value when it buys fee title or acquires an easement interest but not when DNR obtains a lease interest results in an immaterial revenue impact and

immaterial cost to DNR. DNR does not anticipate any new costs or revenues as a result of this change.

Sections 2 and 3 do not result in a direct revenue or cost impact. It is unknown if DNR will acquire such access easements in the future. If DNR acquires such access easements in the future, those acquisitions would be funded through the DNR's typical process for acquiring land.

For Section 4 and 5 as to additions and deletions from certain state parks, this bill has an immaterial fiscal effect.

Fiscal impacts are expected from Sections 6 and 7, which authorize private and public sales of land administered by the DNR.

The revenues for these sales are listed below under Expenditure and/or Revenue Formula below and are based on the following assumptions:

DNR applies the following assumptions to estimating the revenue from land sales. The DNR will offer the surplus state land in Becker County by public sale in FY27. The DNR expects the private sale in Mille Lacs County to be completed in FY27. However, it is unknown if these parcels will sell. The following table shows current estimated values of the public and private sale parcels.

Expenditure and/or Revenue Formula

Estimated Proceeds (Revenues) from Land Sales

Sec. 6. Becker County Public Land Sale	\$222,500*
Sec. 7. Mille Lacs County Sale to Federally Recognized Indian Tribe	\$251,000**
Sec. 8. Pine County Private Land Sale (no consideration)	\$0
Sec. 11. Wabasha County Private Sale to Local Government Unit (no consideration)	\$0
Total Revenue Estimate:	\$473,500

*The estimated value of the Becker County parcel, in Section 6, is based on current county assessed value.

**The Mille Lacs County parcel to be sold in Section 7 is based on a preliminary appraisal, with the low estimate of \$216,000 being a sale of 3.3 acres and the high estimate of \$251,000 being a sale of 19.2 acres; however, the DNR continues its negotiations to sell this parcel so the precise acreage to be sold and the value impact of easement reservations, if any, are yet to be determined and the appraised value may change. For purpose of the revenue formula herein and based on negotiations to date, DNR used the higher estimate of \$251,000 in this fiscal note.

The DNR expects to conduct updated appraisals or updated valuations of these parcels before offering them for sale, which may result in substantial changes to the values.

The revenues from all sales will be deposited in the Land Acquisition Account in the Natural Resources Fund.

No other fiscal impacts are anticipated for the remaining DNR-proposed sections of the Lands Bill.

Long-Term Fiscal Considerations

There will likely be minimal long-term fiscal impacts from the amendments to Minnesota Statutes, sections 84.0272, subd. 1 and subd. 2 and section 84.96.

Local Fiscal Impact

Section 9 authorizes St. Louis County to sell certain tax-forfeited land by private sale, which may result in revenue to St. Louis County of the estimated value of \$1,500.

Section 10 authorizes St. Louis County to sell certain county owned lands by private sale, which may result in revenues to St. Louis County of the estimated values of \$326,000, as determined by third party appraisal.

St. Louis County provided DNR with the estimated values for Section 9 and 10.

References/Sources

None.

Agency Contact: Cheryl Kelley-Dobie

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 Committee: **Ways And Means**
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 Agency: **Attorney General**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 4/2/2026 9:38:58 PM
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Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

HF 4222-E updates Minnesota’s land acquisition laws for the Department of Natural Resources, modifies how stream and access easements are valued, and authorizes specific additions and deletions to state parks. The bill also permits multiple sales or conveyances of surplus state and county lands including public sales, private sales, and no-cost transfers in Becker, Mille Lacs, Pine, St. Louis, and Wabasha counties. These actions address natural resource management needs, tribal land interests, park boundary adjustments, tax-forfeited property issues, and public access improvements for recreation and habitat purposes.

Assumptions

Because DNR does all the legal work on land title/purchase issues, no attorney time, legal assistant time, support staff time, or technical resources will be needed from the AGO to implement the provisions of the bill.

Expenditure and/or Revenue Formula

n/a

Long-Term Fiscal Considerations

n/a

Local Fiscal Impact

n/a

References/Sources

n/a

Agency Contact: Laura Sayles

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