

1.1 moves to amend H.F. No. 844, the delete everything amendment
1.2 (A15-0458), as follows:

1.3 Page 12, after line 32, insert:

1.4 "Sec. 22. Minnesota Statutes 2014, section 127A.353, is amended to read:

1.5 **127A.353 SCHOOL TRUST LANDS DIRECTOR.**

1.6 Subdivision 1. **Appointment.** The school trust lands director shall be appointed
1.7 by the governor. The commissioner of administration shall provide office space for the
1.8 director, unless the director and the commissioner of natural resources mutually agree to
1.9 provide that office space at the Department of Natural Resources. The commissioner
1.10 shall provide human resources, payroll, accounting, procurement, and other similar
1.11 administrative services to the school trust lands director. The director's appointment is
1.12 subject to the advice and consent of the senate.

1.13 Subd. 2. **Qualifications.** The governor shall select the school trust lands director on
1.14 the basis of outstanding professional qualifications and knowledge of finance, business
1.15 practices, minerals, forest and real estate management, and the fiduciary responsibilities
1.16 of a trustee to the beneficiaries of a trust. The school trust lands director serves in the
1.17 unclassified service for a term of four years. The first term shall end on ~~December 31,~~
1.18 2016 June 30, 2019. The governor may remove the school trust lands director for cause.
1.19 If a director resigns or is removed for cause, the governor shall appoint a director for
1.20 the remainder of the term.

1.21 Subd. 3. **Compensation.** Compensation of the school trust lands director shall be
1.22 established under chapter 15A.

1.23 Subd. 4. **Duties; powers.** (a) The school trust lands director shall:

1.24 (1) take an oath of office before assuming any duties as the director;

1.25 (2) evaluate the school trust land asset position;

1.26 (3) determine the estimated current and potential market value of school trust lands;

2.1 (4) advise the governor, Executive Council, commissioner of natural resources,
2.2 and the Legislative Permanent School Fund Commission on the management of school
2.3 trust lands, including:

2.4 (i) Department of Natural Resources school trust land management plans;

2.5 (ii) leases of school trust lands;

2.6 (iii) royalty agreements on school trust lands;

2.7 (iv) land sales and exchanges;

2.8 (v) cost certification; and

2.9 (vi) revenue generating options;

2.10 (5) propose to the Legislative Permanent School Fund Commission legislative
2.11 changes that will improve the asset allocation of the school trust lands;

2.12 (6) develop a ten-year strategic plan and a 25-year framework for management of
2.13 school trust lands, in conjunction with the commissioner of natural resources, that is
2.14 updated every five years and implemented by the commissioner, with goals to:

2.15 (i) retain core real estate assets;

2.16 (ii) increase the value of the real estate assets and the cash flow from those assets;

2.17 (iii) rebalance the portfolio in assets with high performance potential and the
2.18 strategic disposal of selected assets;

2.19 (iv) establish priorities for management actions; and

2.20 (v) balance revenue enhancement and resource stewardship;

2.21 (7) submit to the Legislative Permanent School Fund Commission for review an
2.22 annual budget and management plan for the director; and

2.23 (8) keep the beneficiaries, governor, legislature, and the public informed about the
2.24 work of the director by reporting to the Legislative Permanent School Fund Commission
2.25 in a public meeting at least once during each calendar quarter.

2.26 (b) In carrying out the duties under paragraph (a), the school trust lands director
2.27 shall have the authority to:

2.28 (1) direct and control money appropriated to the director;

2.29 (2) establish job descriptions and employ up to five employees in the unclassified
2.30 service, within the limitations of money appropriated to the director;

2.31 (3) enter into ~~interdepartmental~~ agreements with any other state agency, local unit
2.32 of government, or private contractor; and

2.33 (4) submit recommendations on strategies for school trust land leases, sales, or
2.34 exchanges to the commissioner of natural resources and the Legislative Permanent School
2.35 Fund Commission.

2.36 **EFFECTIVE DATE.** This section is effective the day following final enactment."