

1.1 moves to amend H.F. No. 5247, the third engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1
1.4 INDIVIDUAL INCOME TAXES

1.5 Section 1. Minnesota Statutes 2022, section 289A.08, subdivision 1, is amended to read:

1.6 Subdivision 1. **Generally; individuals.** (a) A taxpayer must file a return for each taxable
1.7 year the taxpayer is required to file a return under section 6012 of the Internal Revenue
1.8 Code or meets the requirements under paragraph (d) to file a return, except that:

1.9 (1) an individual who is not a Minnesota resident for any part of the year is not required
1.10 to file a Minnesota income tax return if the individual's gross income derived from Minnesota
1.11 sources as determined under sections 290.081, paragraph (a), and 290.17, is less than the
1.12 filing requirements for a single individual who is a full year resident of Minnesota;

1.13 (2) an individual who is a Minnesota resident is not required to file a Minnesota income
1.14 tax return if the individual's gross income derived from Minnesota sources as determined
1.15 under section 290.17, less the subtractions allowed under section 290.0132, subdivisions
1.16 12 and 15, is less than the filing requirements for a single individual who is a full-year
1.17 resident of Minnesota.

1.18 (b) The decedent's final income tax return, and other income tax returns for prior years
1.19 where the decedent had gross income in excess of the minimum amount at which an
1.20 individual is required to file and did not file, must be filed by the decedent's personal
1.21 representative, if any. If there is no personal representative, the return or returns must be
1.22 filed by the transferees, as defined in section 270C.58, subdivision 3, who receive property
1.23 of the decedent.

2.1 (c) The term "gross income," as it is used in this section, has the same meaning given it
2.2 in section 290.01, subdivision 20.

2.3 (d) The commissioner of revenue must annually determine the gross income levels at
2.4 which individuals are required to file a return for each taxable year based on the amounts
2.5 allowed as a deduction under section 290.0123.

2.6 (e) Notwithstanding paragraph (a), an individual must file a Minnesota income tax return
2.7 for each taxable year that the taxpayer has made an election to receive advance payments
2.8 of the child tax credit under section 290.0661, subdivision 8.

2.9 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.10 31, 2024.

2.11 Sec. 2. Minnesota Statutes 2023 Supplement, section 290.0661, subdivision 4, is amended
2.12 to read:

2.13 Subd. 4. **Phaseout.** The credits under ~~this section~~ subdivision 2 and section 290.0671
2.14 are phased down jointly. The combined amount of the credits is reduced by 12 percent of
2.15 earned income or adjusted gross income, whichever is greater, in excess of the phaseout
2.16 threshold. The phaseout threshold equals:

2.17 (1) \$35,000 for a married taxpayer filing a joint return; or

2.18 (2) \$29,500 for all other filers.

2.19 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.20 31, 2024.

2.21 Sec. 3. Minnesota Statutes 2023 Supplement, section 290.0661, subdivision 8, is amended
2.22 to read:

2.23 Subd. 8. **Advance payment of credits.** (a) The commissioner of revenue ~~may~~ must
2.24 establish a process to allow taxpayers to elect to receive one or more advance payments of
2.25 the credit under this section. The amount of advance payments must be based on the taxpayer
2.26 and commissioner's estimate of the amount of credits for which the taxpayer would be
2.27 eligible in the taxable year beginning in the calendar year in which the payments were made.
2.28 The commissioner must not distribute advance payments to a taxpayer who does not elect
2.29 to receive advance payments.

2.30 (b) The amount of a taxpayer's credit under this section for the taxable year is reduced
2.31 by the amount of advance payments received by the taxpayer in the calendar year during

3.1 which the taxable year began. If a taxpayer's advance payments exceeded the credit the
3.2 taxpayer was eligible to receive for the taxable year, the taxpayer's liability for tax is increased
3.3 by the difference between the amount of advance payments received and the credit amount.

3.4 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
3.5 31, 2024.

3.6 Sec. 4. Minnesota Statutes 2023 Supplement, section 290.0661, is amended by adding a
3.7 subdivision to read:

3.8 Subd. 9. **Minimum credit.** (a) An eligible taxpayer is allowed the greater of the credit
3.9 allowed under subdivision 2 or the minimum credit described in this subdivision. A taxpayer
3.10 is eligible for the minimum credit under this subdivision if:

3.11 (1) the taxpayer received an advance payment of the credit under subdivision 8; and

3.12 (2) the combined amount of the taxpayer's credits under subdivision 2 and section
3.13 290.0671, after the phaseout in subdivision 4, is greater than \$0.

3.14 (b) The credit allowed under this subdivision is equal to 50 percent of the credit received
3.15 under subdivision 2 in the prior taxable year, unless paragraph (c) applies.

3.16 (c) If a taxpayer is claiming fewer qualifying children in the current taxable year than
3.17 in the prior taxable year, the minimum credit allowed under this subdivision is equal to 50
3.18 percent of credit received under this section in the prior taxable year multiplied by a fraction
3.19 in which:

3.20 (1) the numerator is the number of qualifying children in the current taxable year; and

3.21 (2) the denominator is the number of qualifying children in the prior taxable year.

3.22 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
3.23 31, 2024.

3.24 **ARTICLE 2**
3.25 **MINERALS TAXES**

3.26 Section 1. Minnesota Statutes 2022, section 123B.53, subdivision 1, is amended to read:

3.27 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service
3.28 revenue of a district is defined as follows:

3.29 (1) the amount needed to produce between five and six percent in excess of the amount
3.30 needed to meet when due the principal and interest payments on the obligations of the district

4.1 for eligible projects according to subdivision 2, excluding the amounts listed in paragraph
4.2 (b), minus

4.3 (2) the amount of debt service excess levy reduction for that school year calculated
4.4 according to the procedure established by the commissioner.

4.5 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

4.6 (1) obligations under section 123B.61;

4.7 (2) the part of debt service principal and interest paid from the taconite environmental
4.8 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of
4.9 taconite payments from the Iron Range ~~school consolidation and cooperatively operated~~
4.10 ~~school~~ schools and community development account under section 298.28, subdivision 7a;

4.11 (3) obligations for long-term facilities maintenance under section 123B.595;

4.12 (4) obligations under section 123B.62; and

4.13 (5) obligations equalized under section 123B.535.

4.14 (c) For purposes of this section, if a preexisting school district reorganized under sections
4.15 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement of the
4.16 preexisting district's bonded indebtedness or capital loans, debt service equalization aid
4.17 must be computed separately for each of the preexisting districts.

4.18 (d) For purposes of this section, the adjusted net tax capacity determined according to
4.19 sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property
4.20 generally exempted from ad valorem taxes under section 272.02, subdivision 64.

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

4.22 Sec. 2. Minnesota Statutes 2022, section 273.135, subdivision 2, is amended to read:

4.23 Subd. 2. **Reduction amount.** The amount of the reduction authorized by subdivision 1
4.24 shall be:

4.25 (a) In the case of property located within a municipality as defined under section 273.134,
4.26 paragraph (a), 66 percent of the tax, provided that the reduction shall not exceed the
4.27 maximum amounts specified in paragraph (c).

4.28 (b) In the case of property located within the boundaries of a school district which
4.29 qualifies as a tax relief area under section 273.134, paragraph (b), but which is outside the
4.30 boundaries of a municipality which meets the qualifications prescribed in section 273.134,

5.1 paragraph (a), 57 percent of the tax, provided that the reduction shall not exceed the
5.2 maximum amounts specified in paragraph (c).

5.3 (c) The maximum reduction of the tax is ~~\$315.10~~ \$515 on property described in paragraph
5.4 (a) and ~~\$289.80~~ on property described in paragraph (b).

5.5 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
5.6 in 2025.

5.7 Sec. 3. Minnesota Statutes 2022, section 275.065, is amended by adding a subdivision to
5.8 read:

5.9 **Subd. 3c. Notice of proposed taxes; property subject to chapter 276A.** In the case of
5.10 property subject to the areawide tax under section 276A.06, subdivision 7, for both the
5.11 current year taxes and the proposed tax amounts, the net tax capacity portion of the taxes
5.12 shown for each taxing jurisdiction must be based on the property's total net tax capacity
5.13 multiplied by the jurisdiction's actual or proposed net tax capacity tax rate. In addition to
5.14 the tax amounts shown for each jurisdiction, the statement must include a line showing the
5.15 "fiscal disparities adjustment" equal to the total gross tax payable minus the sum of the tax
5.16 amounts shown for the individual taxing jurisdictions. The fiscal disparities adjustment may
5.17 be a negative number. If the fiscal disparities adjustment for either the current year taxes
5.18 or the proposed tax amount is a negative number, the percentage change must not be shown.
5.19 In all other respects the statement must fulfill the requirements of subdivision 3.

5.20 **EFFECTIVE DATE.** This section is effective beginning with proposed notices for
5.21 property taxes payable in 2025.

5.22 Sec. 4. Minnesota Statutes 2022, section 276.04, is amended by adding a subdivision to
5.23 read:

5.24 **Subd. 2a. Contents of tax statements; property subject to chapter 276A.** In the case
5.25 of property subject to the areawide tax under section 276A.06, subdivision 7, for both the
5.26 current year taxes and the previous year tax amounts, the net tax capacity portion of the tax
5.27 shown for each taxing jurisdiction must be based on the property's total net tax capacity
5.28 multiplied by the jurisdiction's net tax capacity tax rate. In addition to the tax amounts shown
5.29 for each jurisdiction, the statement must include a line showing the "fiscal disparities
5.30 adjustment" equal to the total gross tax payable minus the sum of the tax amounts shown
5.31 for the individual taxing jurisdictions for each year. The fiscal disparities adjustment may
5.32 be a negative number. In all other respects the statement must fulfill the requirements of
5.33 subdivision 2.

6.1 **EFFECTIVE DATE.** This section is effective beginning with proposed notices for
 6.2 property taxes payable in 2025.

6.3 Sec. 5. Minnesota Statutes 2022, section 276A.01, subdivision 17, is amended to read:

6.4 Subd. 17. **School fund allocation.** (a) "School fund allocation" means an amount up to
 6.5 25 percent of the areawide levy certified by the commissioner of Iron Range resources and
 6.6 rehabilitation, after consultation with the Iron Range Resources and Rehabilitation Board,
 6.7 to be used for the purposes of the Iron Range ~~school consolidation and cooperatively operated~~
 6.8 ~~school~~ schools and community development account under section 298.28, subdivision 7a.

6.9 (b) The allocation under paragraph (a) shall only be made after the commissioner of
 6.10 Iron Range resources and rehabilitation, after consultation with the Iron Range Resources
 6.11 and Rehabilitation Board, has certified by June 30 that the Iron Range ~~school consolidation~~
 6.12 ~~and cooperatively operated~~ schools and community development account has insufficient
 6.13 funds to make payments as authorized under section 298.28, subdivision 7a.

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

6.15 Sec. 6. Minnesota Statutes 2022, section 276A.06, subdivision 8, is amended to read:

6.16 Subd. 8. **Certification of values; payment.** The administrative auditor shall determine
 6.17 for each county the difference between the total levy on distribution value pursuant to
 6.18 subdivision 3, clause (1), including the school fund allocation within the county and the
 6.19 total tax on contribution value pursuant to subdivision 7, within the county. On or before
 6.20 May 16 of each year, the administrative auditor shall certify the differences so determined
 6.21 and the county's portion of the school fund allocation to each county auditor. In addition,
 6.22 the administrative auditor shall certify to those county auditors for whose county the total
 6.23 tax on contribution value exceeds the total levy on distribution value the settlement the
 6.24 county is to make to the other counties of the excess of the total tax on contribution value
 6.25 over the total levy on distribution value in the county. On or before June 15 and November
 6.26 15 of each year, each county treasurer in a county having a total tax on contribution value
 6.27 in excess of the total levy on distribution value shall pay one-half of the excess to the other
 6.28 counties in accordance with the administrative auditor's certification. On or before June 15
 6.29 and November 15 of each year, each county treasurer shall pay to the administrative auditor
 6.30 that county's share of the school fund allocation. On or before December 1 of each year,
 6.31 the administrative auditor shall pay the school fund allocation to the commissioner of Iron
 6.32 Range resources and rehabilitation for deposit in the Iron Range ~~school consolidation and~~
 6.33 ~~cooperatively operated~~ schools and community development account.

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

7.2 Sec. 7. Minnesota Statutes 2023 Supplement, section 298.018, subdivision 1, is amended
7.3 to read:

7.4 Subdivision 1. **Within taconite assistance area.** (a) The proceeds of the tax paid under
7.5 sections 298.015 and 298.016 on ores, metals, or minerals mined or extracted within the
7.6 taconite assistance area defined in section 273.1341, shall be allocated as follows:

7.7 (1) except as provided under paragraph (b), five percent to the city or town within which
7.8 the minerals or energy resources are mined or extracted, or within which the concentrate
7.9 was produced. If the mining and concentration, or different steps in either process, are
7.10 carried on in more than one taxing district, the commissioner shall apportion equitably the
7.11 proceeds among the cities and towns by attributing 50 percent of the proceeds of the tax to
7.12 the operation of mining or extraction, and the remainder to the concentrating plant and to
7.13 the processes of concentration, and with respect to each thereof giving due consideration
7.14 to the relative extent of the respective operations performed in each taxing district;

7.15 (2) ten percent to the taconite municipal aid account to be distributed as provided in
7.16 section 298.282, subdivisions 1 and 2, on the dates provided under this section;

7.17 (3) ten percent to the school district within which the minerals or energy resources are
7.18 mined or extracted, or within which the concentrate was produced. If the mining and
7.19 concentration, or different steps in either process, are carried on in more than one school
7.20 district, distribution among the school districts must be based on the apportionment formula
7.21 prescribed in clause (1);

7.22 (4) 20 percent to a group of school districts comprised of those school districts wherein
7.23 the mineral or energy resource was mined or extracted or in which there is a qualifying
7.24 municipality as defined by section 273.134, paragraph (b), in direct proportion to school
7.25 district indexes as follows: for each school district, its pupil units determined under section
7.26 126C.05 for the prior school year shall be multiplied by the ratio of the average adjusted
7.27 net tax capacity per pupil unit for school districts receiving aid under this clause as calculated
7.28 pursuant to chapters 122A, 126C, and 127A for the school year ending prior to distribution
7.29 to the adjusted net tax capacity per pupil unit of the district. Each district shall receive that
7.30 portion of the distribution which its index bears to the sum of the indices for all school
7.31 districts that receive the distributions;

7.32 (5) ten percent to the county within which the minerals or energy resources are mined
7.33 or extracted, or within which the concentrate was produced. If the mining and concentration,

8.1 or different steps in either process, are carried on in more than one county, distribution
 8.2 among the counties must be based on the apportionment formula prescribed in clause (1),
 8.3 provided that any county receiving distributions under this clause shall pay one percent of
 8.4 its proceeds to the Range Association of Municipalities and Schools;

8.5 (6) five percent to St. Louis County acting as the counties' fiscal agent to be distributed
 8.6 as provided in sections 273.134 to 273.136;

8.7 (7) 20 percent to the commissioner of Iron Range resources and rehabilitation for the
 8.8 purposes of section 298.22;

8.9 (8) three percent to the Douglas J. Johnson economic protection trust fund;

8.10 (9) seven percent to the taconite environmental protection fund; and

8.11 (10) ten percent to the commissioner of Iron Range resources and rehabilitation for
 8.12 capital improvements to Giants Ridge Recreation Area.

8.13 (b) If the materials or energy resources are mined, extracted, or concentrated in School
 8.14 District No. 2711, Mesabi East, then the amount under paragraph (a), clause (1), must instead
 8.15 be distributed pursuant to this paragraph. The cities of Aurora, Babbitt, Ely, and Hoyt Lakes
 8.16 must each receive 20 percent of the amount. The city of Biwabik and Embarrass Township
 8.17 must each receive ten percent of the amount.

8.18 (c) For the first five years that tax paid under section 298.015, subdivisions 1 and 2, is
 8.19 distributed under this subdivision, ten percent of the total proceeds distributed in each year
 8.20 must first be distributed pursuant to this paragraph. The remaining 90 percent of the total
 8.21 proceeds distributed in each of those years must be distributed as outlined in paragraph (a).
 8.22 Of the amount available under this paragraph, the cities of Aurora, Babbitt, Ely, and Hoyt
 8.23 Lakes must each receive 20 percent. Of the amount available under this paragraph, the city
 8.24 of Biwabik and Embarrass Township must each receive ten percent. This paragraph applies
 8.25 only to tax paid by a person engaged in the business of mining within the area described in
 8.26 section 273.1341, clauses (1) and (2).

8.27 **EFFECTIVE DATE.** This section is effective beginning with the 2025 distribution.

8.28 Sec. 8. Minnesota Statutes 2022, section 298.17, is amended to read:

8.29 **298.17 OCCUPATION TAXES TO BE APPORTIONED.**

8.30 (a) All occupation taxes paid by persons, copartnerships, companies, joint stock
 8.31 companies, corporations, and associations, however or for whatever purpose organized,
 8.32 engaged in the business of mining or producing iron ore or other ores, when collected shall

9.1 be apportioned and distributed in accordance with the Constitution of the state of Minnesota,
9.2 article X, section 3, in the manner following: 90 percent shall be deposited in the state
9.3 treasury and credited to the general fund of which four-ninths shall be used for the support
9.4 of elementary and secondary schools; and ten percent of the proceeds of the tax imposed
9.5 by this section shall be deposited in the state treasury and credited to the general fund for
9.6 the general support of the university.

9.7 (b) Of the money apportioned to the general fund by this section: (1) there is annually
9.8 appropriated and credited to the mining environmental and regulatory account in the special
9.9 revenue fund an amount equal to that which would have been generated by a 2-1/2 cent tax
9.10 imposed by section 298.24 on each taxable ton produced in the preceding calendar year.
9.11 Money in the mining environmental and regulatory account is appropriated annually to the
9.12 commissioner of natural resources to fund agency staff to work on environmental issues
9.13 and provide regulatory services for ferrous and nonferrous mining operations in this state.
9.14 Payment to the mining environmental and regulatory account shall be made by July 1
9.15 annually. The commissioner of natural resources shall execute an interagency agreement
9.16 with the Pollution Control Agency to assist with the provision of environmental regulatory
9.17 services such as monitoring and permitting required for ferrous and nonferrous mining
9.18 operations; (2) there is annually appropriated and credited to the Iron Range resources and
9.19 rehabilitation account in the special revenue fund an amount equal to that which would have
9.20 been generated by a 1.5 cent tax imposed by section 298.24 on each taxable ton produced
9.21 in the preceding calendar year, to be expended for the purposes of section 298.22; and (3)
9.22 there is annually appropriated and credited to the Iron Range resources and rehabilitation
9.23 account in the special revenue fund for transfer to the Iron Range ~~school consolidation and~~
9.24 ~~cooperatively operated school~~ schools and community development account under section
9.25 298.28, subdivision 7a, an amount equal to that which would have been generated by a six
9.26 cent tax imposed by section 298.24 on each taxable ton produced in the preceding calendar
9.27 year. Payment to the Iron Range resources and rehabilitation account shall be made by May
9.28 15 annually.

9.29 (c) The money appropriated pursuant to paragraph (b), clause (2), shall be used (i) to
9.30 provide environmental development grants to local governments located within any county
9.31 in region 3 as defined in governor's executive order number 60, issued on June 12, 1970,
9.32 which does not contain a municipality qualifying pursuant to section 273.134, paragraph
9.33 (b), or (ii) to provide economic development loans or grants to businesses located within
9.34 any such county, provided that the county board or an advisory group appointed by the
9.35 county board to provide recommendations on economic development shall make

10.1 recommendations to the commissioner of Iron Range resources and rehabilitation regarding
 10.2 the loans. Payment to the Iron Range resources and rehabilitation account shall be made by
 10.3 May 15 annually.

10.4 (d) Of the money allocated to Koochiching County, one-third must be paid to the
 10.5 Koochiching County Economic Development Commission.

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

10.7 Sec. 9. Minnesota Statutes 2022, section 298.2215, subdivision 1, is amended to read:

10.8 Subdivision 1. **Establishment.** A county may establish a scholarship fund from any
 10.9 unencumbered revenue received pursuant to section 93.22, 298.018, 298.28, 298.39, 298.396,
 10.10 or 298.405 or any law imposing a tax upon severed mineral values. Scholarships must be
 10.11 used at a two-year Minnesota State Colleges and Universities institution, or an accredited
 10.12 skilled trades program, within the county. The county shall establish procedures for applying
 10.13 for and distributing the scholarships.

10.14 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2017.

10.15 Sec. 10. Minnesota Statutes 2023 Supplement, section 298.28, subdivision 7a, is amended
 10.16 to read:

10.17 Subd. 7a. **Iron Range school consolidation and cooperatively operated school schools**
 10.18 **and community development account.** (a) The following amounts must be allocated to
 10.19 the commissioner of Iron Range resources and rehabilitation to be deposited in the Iron
 10.20 Range ~~school consolidation and cooperatively operated school~~ schools and community
 10.21 development account that is hereby created:

10.22 (1) (i) for distributions ~~beginning in 2015~~ in 2024 through 2032, ten 24 cents per taxable
 10.23 ton of the tax imposed under section 298.24, (ii) for distributions beginning in 2033, ten
 10.24 cents per taxable ton of the tax imposed under section 298.24;

10.25 (2) the amount as determined under section 298.17, paragraph (b), clause (3); and

10.26 (3) any other amount as provided by law.

10.27 (b) Expenditures from this account may be approved as ongoing annual expenditures
 10.28 and shall be made only to provide disbursements to assist school districts with the payment
 10.29 of bonds that were issued for qualified school projects, or for any other school disbursement
 10.30 as approved by the commissioner of Iron Range resources and rehabilitation after consultation
 10.31 with the Iron Range Resources and Rehabilitation Board. For purposes of this section,

11.1 "qualified school projects" means school projects within the taconite assistance area as
 11.2 defined in section 273.1341, that were (1) approved, by referendum, after April 3, 2006;
 11.3 and (2) approved by the commissioner of education pursuant to section 123B.71.

11.4 (c) Beginning in fiscal year 2019, the disbursement to school districts for payments for
 11.5 bonds issued under section 123A.482, subdivision 9, must be increased each year to offset
 11.6 any reduction in debt service equalization aid that the school district qualifies for in that
 11.7 year, under section 123B.53, subdivision 6, compared with the amount the school district
 11.8 qualified for in fiscal year 2018.

11.9 (d) No expenditure under this section shall be made unless approved by the commissioner
 11.10 of Iron Range resources and rehabilitation after consultation with the Iron Range Resources
 11.11 and Rehabilitation Board.

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

11.13 Sec. 11. Minnesota Statutes 2022, section 298.28, subdivision 8, is amended to read:

11.14 Subd. 8. **Range Association of Municipalities and Schools.** ~~30~~ 0.50 cent per taxable
 11.15 ton shall be paid to the Range Association of Municipalities and Schools, for the purpose
 11.16 of providing an areawide approach to problems which demand coordinated and cooperative
 11.17 actions and which are common to those areas of northeast Minnesota affected by operations
 11.18 involved in mining iron ore and taconite and producing concentrate therefrom, and for the
 11.19 purpose of promoting the general welfare and economic development of the cities, towns,
 11.20 and school districts within the Iron Range area of northeast Minnesota.

11.21 **EFFECTIVE DATE.** This section is effective beginning with the 2024 distribution.

11.22 Sec. 12. Minnesota Statutes 2023 Supplement, section 298.28, subdivision 16, is amended
 11.23 to read:

11.24 Subd. 16. **Transfer.** Of the amount annually distributed to the Douglas J. Johnson
 11.25 Economic Protection Trust Fund under this section, \$3,500,000 shall be transferred to the
 11.26 Iron Range school consolidation and cooperatively operated school schools and community
 11.27 development account under subdivision 7a. Any remaining amount of the amount annually
 11.28 distributed to the Douglas J. Johnson Economic Protection Trust Fund shall be transferred
 11.29 to the Iron Range resources and rehabilitation account under subdivision 7. The transfers
 11.30 under this subdivision must be made within ten days of the August payment.

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

12.1 Sec. 13. Minnesota Statutes 2022, section 298.282, subdivision 1, is amended to read:

12.2 Subdivision 1. **Distribution of taconite municipal aid account.** (a) The amount
 12.3 deposited with the county as provided in section 298.28, subdivision 3, must be distributed
 12.4 as provided by this section among: (1) the municipalities located within a taconite assistance
 12.5 area under section 273.1341 that meet the criteria of section 273.1341, clause (1) or (2); (2)
 12.6 a township that contains a state park consisting primarily of an underground iron ore mine;
 12.7 (3) a city located within five miles of that state park; and (4) Breitung Township in St. Louis
 12.8 County, each being referred to in this section as a qualifying municipality. The distribution
 12.9 to Breitung Township under this subdivision shall be ~~\$15,000~~ \$25,000 annually.

12.10 (b) The amount deposited in the state general fund as provided in section 298.018,
 12.11 subdivision 1, must be distributed in the same manner as provided under paragraph (a),
 12.12 except that subdivisions 3, 4, and 5 do not apply, and the distributions shall be made on the
 12.13 dates provided under section 298.018, subdivision 1a.

12.14 **EFFECTIVE DATE.** This section is effective beginning with the 2024 distribution.

12.15 Sec. 14. Minnesota Statutes 2022, section 298.292, subdivision 2, is amended to read:

12.16 Subd. 2. **Use of money.** (a) Money in the Douglas J. Johnson economic protection trust
 12.17 fund may be used for the following purposes:

12.18 (1) to provide loans, loan guarantees, interest buy-downs and other forms of participation
 12.19 with private sources of financing, but a loan to a private enterprise shall be for a principal
 12.20 amount not to exceed one-half of the cost of the project for which financing is sought, and
 12.21 the rate of interest on a loan to a private enterprise shall be no less than the lesser of eight
 12.22 percent or an interest rate three percentage points less than a full faith and credit obligation
 12.23 of the United States government of comparable maturity, at the time that the loan is approved;

12.24 (2) to fund reserve accounts established to secure the payment when due of the principal
 12.25 of and interest on bonds issued pursuant to section 298.2211, including bonds authorized
 12.26 by the legislature to be repaid from the distributions under section 298.28, subdivision 7a;

12.27 (3) to pay in periodic payments or in a lump-sum payment any or all of the interest on
 12.28 bonds issued pursuant to chapter 474 for the purpose of constructing, converting, or
 12.29 retrofitting heating facilities in connection with district heating systems or systems utilizing
 12.30 alternative energy sources;

12.31 (4) to invest in a venture capital fund or enterprise that will provide capital to other
 12.32 entities that are engaging in, or that will engage in, projects or programs that have the
 12.33 purposes set forth in subdivision 1. No investments may be made in a venture capital fund

13.1 or enterprise unless at least two other unrelated investors make investments of at least
 13.2 \$500,000 in the venture capital fund or enterprise, and the investment by the Douglas J.
 13.3 Johnson economic protection trust fund may not exceed the amount of the largest investment
 13.4 by an unrelated investor in the venture capital fund or enterprise. For purposes of this
 13.5 subdivision, an "unrelated investor" is a person or entity that is not related to the entity in
 13.6 which the investment is made or to any individual who owns more than 40 percent of the
 13.7 value of the entity, in any of the following relationships: spouse, parent, child, sibling,
 13.8 employee, or owner of an interest in the entity that exceeds ten percent of the value of all
 13.9 interests in it. For purposes of determining the limitations under this clause, the amount of
 13.10 investments made by an investor other than the Douglas J. Johnson economic protection
 13.11 trust fund is the sum of all investments made in the venture capital fund or enterprise during
 13.12 the period beginning one year before the date of the investment by the Douglas J. Johnson
 13.13 economic protection trust fund; and

13.14 (5) to purchase forest land in the taconite assistance area defined in section 273.1341 to
 13.15 be held and managed as a public trust for the benefit of the area for the purposes authorized
 13.16 in section 298.22, subdivision 5a. Property purchased under this section may be sold by the
 13.17 commissioner, after consultation with the advisory board. The net proceeds must be deposited
 13.18 in the trust fund for the purposes and uses of this section.

13.19 (b) Money from the trust fund shall be expended only in ~~or for the benefit of~~ the taconite
 13.20 assistance area defined in section 273.1341.

13.21 (c) Money devoted to the trust fund under this section shall not be expended, appropriated,
 13.22 or transferred from the trust fund for any purpose except as provided in this section.

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

13.24 **Sec. 15. IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER;**
 13.25 **BONDS AUTHORIZED IN 2024.**

13.26 **Subdivision 1. Issuance; purpose.** (a) Notwithstanding any provision of Minnesota
 13.27 Statutes, chapter 298, to the contrary, the commissioner of Iron Range resources and
 13.28 rehabilitation shall, by March 31, 2025, issue revenue bonds in one or more series in a
 13.29 principal amount of up to \$49,000,000 plus an amount sufficient to pay costs of issuance
 13.30 and fund a debt service reserve fund for the bonds if determined by the commissioner to be
 13.31 necessary, and thereafter may issue bonds to refund those bonds. The proceeds of the bonds
 13.32 must be used to pay the costs of issuance, fund a debt service reserve fund if determined
 13.33 by the commissioner to be necessary, and make distributions pursuant to this section. The
 13.34 commissioner may establish a debt service reserve fund from funds available under Minnesota

14.1 Statutes, section 298.291 to 298.297, or from the proceeds of the bonds. The commissioner
14.2 of Iron Range resources and rehabilitation must distribute these transferred funds as outlined
14.3 in this section. In order to receive a distribution, a recipient must submit to the commissioner
14.4 a plan of how the distribution will be spent and the commissioner must ensure that the plan
14.5 matches the intended use outlined in this section. The plan must be submitted in a form and
14.6 manner determined by the commissioner. The uses listed are not subject to review or
14.7 recommendation by the Iron Range Resources and Rehabilitation Board. For all distributions
14.8 equal to or greater than \$1,000,000, a recipient must appear and present and provide a copy
14.9 of the plan to the Iron Range Resources and Rehabilitation Board. By December 31, 2025,
14.10 each recipient must report to the commissioner how the distribution received under this
14.11 section was spent. If a recipient's plan is submitted and approved, the commissioner must
14.12 distribute the funds for the uses outlined in subdivision 3. The bonds issued under this
14.13 section do not constitute public debt as that term is defined in article XI, section 4 of the
14.14 Minnesota Constitution, and as such are not subject to its provisions.

14.15 (b) The bonds issued under this section are debt obligations and the commissioner of
14.16 Iron Range resources and rehabilitation is a district for purposes of Minnesota Statutes,
14.17 section 126C.55, except that payments made under Minnesota Statutes, section 126C.55,
14.18 subdivision 2, are not subject to Minnesota Statutes, section 126C.55, subdivisions 4 to 7.

14.19 (c) If the commissioner of Iron Range resources and rehabilitation determines that
14.20 available funds, other than through the issuance of bonds pursuant to subdivision 1, shall
14.21 be used to make grants as provided in subdivision 3, the requirements of subdivision 1,
14.22 relating to the submission of a plan and report to the commissioner of Iron Range resources
14.23 and rehabilitation and the Iron Range Resources and Rehabilitation Board, and subdivision
14.24 3, relating to the grant amount and identified purpose, shall apply.

14.25 (d) Funds under this section are available for 30 months from the date the bonds are
14.26 issued. Any unexpended funds after that date cancel to the Iron Range resources and
14.27 rehabilitation account under Minnesota Statutes, section 298.28, subdivision 7, and must
14.28 be used by the commissioner of Iron Range resources and rehabilitation for publicly owned
14.29 capital investments located within the taconite tax relief area as defined in Minnesota
14.30 Statutes, section 273.134.

14.31 Subd. 2. **Appropriation.** (a) Notwithstanding Minnesota Statutes, section 298.28,
14.32 subdivision 7a, paragraph (b), there is annually appropriated from the allocation of the
14.33 revenues under Minnesota Statutes, section 298.28, subdivision 7a, from the taconite
14.34 assistance area prior to the calculation of any amount remaining, an amount sufficient to
14.35 pay when due the principal and interest on the bonds issued pursuant to subdivision 1.

15.1 Notwithstanding the foregoing and Minnesota Statutes, section 298.28, subdivisions 7a to
15.2 11, to the extent bonds authorized by subdivision 1 are paid from taconite production tax
15.3 revenues, any outstanding bonds payable from distributions of taconite production tax
15.4 revenues shall be paid pro rata based on debt service when due.

15.5 (b) If in any year the amount available under paragraph (a) is insufficient to pay principal
15.6 and interest due on the bonds in that year, an additional amount is appropriated from the
15.7 Douglas J. Johnson economic protection trust fund to make up the deficiency.

15.8 (c) The appropriation under this subdivision terminates upon payment or maturity of
15.9 the last of the bonds issued under this section.

15.10 Subd. 3. **Grants.** (a) The commissioner of Iron Range resources and rehabilitation must
15.11 distribute funds available for distribution under subdivision 1 for the following uses:

15.12 (1) \$160,000 to the Grand Portage Band of Lake Superior Chippewa to construct a
15.13 playground;

15.14 (2) \$3,600,000 to the Mesabi Fit Coalition for the renovation, reconstruction, and
15.15 expansion of the former Mesabi Family YMCA in the city of Mountain Iron;

15.16 (3) \$950,000 to the Buyck Volunteer Fire Department for design, engineering, and
15.17 construction of a new fire and training hall and related equipment;

15.18 (4) \$750,000 to the Voyageur Trail Society for a joint maintenance facility with Voyageur
15.19 Country ATV in the city of Orr;

15.20 (5) \$2,250,000 to Cook County, of which \$250,000 must be spent to preserve affordable
15.21 housing units for seniors in the city of Grand Marais and \$2,000,000 must be used to
15.22 construct, furnish, and equip a solid waste transfer station in the county;

15.23 (6) \$1,000,000 to the Northland Learning Center for construction costs;

15.24 (7) \$2,720,000 to the city of Chisholm, of which \$1,520,000 must be used for the
15.25 renovation of the Chisholm Ice Arena facility and parking and the remaining amount must
15.26 be used for the public works facility;

15.27 (8) \$1,000,000 to the city of Gilbert for the Gilbert Community Center;

15.28 (9) \$360,000 to the city of Biwabik for housing infrastructure;

15.29 (10) \$3,000,000 to the city of Tower for water management infrastructure projects;

15.30 (11) \$3,000,000 to the city of Silver Bay to design, engineer, construct, and reconstruct
15.31 publicly owned infrastructure including sewers, water systems, utility extensions, street

16.1 construction, wastewater treatment, stormwater management systems, sidewalks, and
16.2 compliance with the Americans with Disabilities Act;

16.3 (12) \$2,100,000 to St. Louis County for the development of the Canyon Integrated Solid
16.4 Waste Management Campus;

16.5 (13) \$3,640,000 to the city of Eveleth to design, engineer, and construct public utilities
16.6 in its business park and construction of the Hat Trick Avenue slip ramp;

16.7 (14) \$700,000 to the city of Meadowlands for costs related to park improvements and
16.8 a community center;

16.9 (15) \$600,000 to School District No. 2142, St. Louis County, of which \$400,000 must
16.10 be used for septic system upgrades at South Ridge School and \$200,000 must be used for
16.11 cafeteria renovations at Northeast Range School in Babbitt and Tower Elementary School
16.12 in Tower;

16.13 (16) \$250,000 to the city of Two Harbors for band stand repairs and Odegard Park and
16.14 Trail restoration;

16.15 (17) \$850,000 to the Central Iron Range Sanitary Sewer District for infrastructure
16.16 projects;

16.17 (18) \$2,420,000 to the Minnesota Discovery Center, of which \$200,000 may, at the
16.18 discretion of the director of the Minnesota Discovery Center, be used for operating expenses,
16.19 and \$2,220,000 must be used to design, construct, renovate, furnish, and repair facilities,
16.20 including HVAC upgrades, demolition, and compliance with the Americans with Disabilities
16.21 Act, at the Minnesota Discovery Center in the city of Chisholm, and for historical research
16.22 funding;

16.23 (19) \$5,200,000 to the commissioner of Iron Range resources and rehabilitation for the
16.24 design, engineering, and upgrades or replacement of chair lifts or an irrigation system, and
16.25 for the design, engineering, demolition, and construction of a nordic and welcome center
16.26 at the Giants Ridge Recreation Area;

16.27 (20) \$250,000 to Independent School District No. 696, Ely, for baseball field renovation;

16.28 (21) \$500,000 to the city of Mountain Iron for the Outdoor Recreation Center;

16.29 (22) \$200,000 to Cook County Higher Education Board for costs to bring commercial
16.30 drivers' licenses and trades training to the region along with educational training and academic
16.31 support to remote populations;

16.32 (23) \$200,000 to Save Our Ship, Inc., for renovation costs;

- 17.1 (24) \$3,000,000 to Hibbing Public Utilities for water infrastructure projects;
- 17.2 (25) \$400,000 to Veterans On The Lake for demolition of existing structures and the
17.3 building of a triplex that is compliant with the Americans with Disabilities Act;
- 17.4 (26) \$350,000 to the city of Eveleth for the Hippodrome renovation;
- 17.5 (27) \$225,000 to the Minnesota Forest Zone Trappers Association to plan, engineer,
17.6 purchase land, and develop the Sportsman Training and Development Center;
- 17.7 (28) \$200,000 to the Sturgeon Chain Lake Association to update the engineering and
17.8 hydrology study of the lakes, for regulatory and community outreach, and for preparing
17.9 recommendations to the commissioner of natural resources related to bank stabilization and
17.10 maintenance;
- 17.11 (29) \$300,000 to the Northern Lights Music Festival to support programs, of this amount
17.12 \$100,000 is available each year in calendar years 2025, 2026, and 2027;
- 17.13 (30) \$250,000 to Cherry Township for recreational facilities upgrades and lights;
- 17.14 (31) \$350,000 to the East Range Developmental Achievement Center for building
17.15 renovations;
- 17.16 (32) \$500,000 to the Department of Iron Range Resources and Rehabilitation for grants
17.17 or loans to (i) businesses or resorts that were economically damaged by floods that occurred
17.18 in 2022 or 2023 and which are eligible under article 5 of the Canadian border counties
17.19 economic relief program, or (ii) outfitters in the border region who experienced either more
17.20 than a 50 percent reduction in Boundary Waters Canoe Area Wilderness permits obtained
17.21 by their customers between 2019 and 2021, or a 50 percent reduction between 2019 and
17.22 2021 in trips across the fee-based mechanical portages into the Boundary Waters Canoe
17.23 Area Wilderness or Quetico Provincial Park. Businesses may be awarded a maximum grant
17.24 under this clause of up to \$50,000, must be located within the taconite assistance area, as
17.25 defined under Minnesota Statutes, section 273.1341, and must not have received a grant
17.26 under the Canadian border counties economic relief program;
- 17.27 (33) \$100,000 to Crystal Bay Township for a septic project at the Clair Nelson
17.28 Community Center;
- 17.29 (34) \$25,000 to the Northwoods Friends of the Arts in the city of Cook for facility
17.30 upgrades and programs;
- 17.31 (35) \$50,000 to the Bois Forte Band of Chippewa for food shelf expenses;

18.1 (36) \$100,000 to the Lake Vermilion Cultural Center to improve and renovate the facility
18.2 and its displays in Tower;

18.3 (37) \$50,000 to the Lyric Center for the Arts in Virginia for repairs and renovation;

18.4 (38) \$50,000 to the Pioneer Mine historical site for maintenance and displays in Ely;

18.5 (39) \$150,000 to the Lake Superior School District to support an emergency preparedness
18.6 career introduction program;

18.7 (40) \$200,000 to the city of Babbitt for ADA compliance and renovations to the city's
18.8 parks;

18.9 (41) \$75,000 to the Vermilion Penguins Snowmobile Club and \$75,000 to the Cook
18.10 Timberwolves Snowmobile Club, to update maintenance equipment and trail programs;

18.11 (42) \$3,000,000 to Lone Pine Township to design, engineer, and begin construction for
18.12 its sewage treatment plan in partnership with the city of Nashwauk;

18.13 (43) \$50,000 to Essentia Health-Virginia Regional Foundation for the development of
18.14 a substance use disorder community education and awareness program;

18.15 (44) \$3,300,00 to the city of Virginia for a grant to be used by Essentia Health-Virginia
18.16 for:

18.17 (i) modernization, renovation, and expansion of the hospital's emergency room complex
18.18 to 12 emergency rooms;

18.19 (ii) construction of an emergency behavior health suite for adults and children within
18.20 the hospital; and

18.21 (iii) security and safety upgrades to the hospital. The grant must be transferred by the
18.22 city to the hospital within 30 days of receipt; and

18.23 (45) \$500,000 for grants of \$25,000 distributed pursuant to paragraph (b).

18.24 (b) Of the amount under paragraph (a), clause (45), grants of \$25,000 to be used for trail
18.25 grooming costs or equipment must be made available to the following entities:

18.26 (1) Alborn Dirt Devils ATV Club;

18.27 (2) Wild Country ATV Club;

18.28 (3) Ely Igloo Snowmobile Club;

18.29 (4) CC Riders Snowmobile Club;

18.30 (5) PathBlazers Snowmobile Club;

- 19.1 (6) Cook Timberwolves Snowmobile Club;
- 19.2 (7) Crane Lake Voyageurs Club;
- 19.3 (8) Pequaywan Area Trail Blazers Snowmobile Club;
- 19.4 (9) Eveleth Trail Hawks Snowmobile Club;
- 19.5 (10) Ranger Snowmobile/ATV Club;
- 19.6 (11) Silver Trail Riders Snowmobile and ATV Club;
- 19.7 (12) Voyageur Snowmobile Club;
- 19.8 (13) Mesabi Sno Voyageurs;
- 19.9 (14) Quad Cities ATV Club;
- 19.10 (15) Prospector ATV Club;
- 19.11 (16) Northern Traxx ATV Club;
- 19.12 (17) Finland Snowmobile and ATV Club;
- 19.13 (18) Babbitt ATV and Snowmobile Club;
- 19.14 (19) Cook County ATV Club; and
- 19.15 (20) Vermilion Penguins Snowmobile Club.
- 19.16 (c) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, of the money
- 19.17 distributed under this subdivision, the commissioner of Iron Range resources and
- 19.18 rehabilitation must not use any amount for administrative uses.

19.19 **EFFECTIVE DATE.** This section is effective the day following final enactment and

19.20 applies beginning with the 2024 distribution under Minnesota Statutes, section 298.28.

19.21 **Sec. 16. IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER;**

19.22 **BONDS AUTHORIZED IN 2025.**

19.23 Subdivision 1. **Issuance; purpose.** (a) Notwithstanding any provision of Minnesota

19.24 Statutes, chapter 298, to the contrary, the commissioner of Iron Range resources and

19.25 rehabilitation shall, in 2025, issue revenue bonds in one or more series in a principal amount

19.26 of up to \$31,000,000 plus an amount sufficient to pay costs of issuance and fund a debt

19.27 service reserve fund for the bonds if determined by the commissioner to be necessary, and

19.28 thereafter may issue bonds to refund those bonds. The proceeds of the bonds must be used

19.29 to pay the costs of issuance, fund a debt service reserve fund if determined by the

19.30 commissioner to be necessary, and make distributions pursuant to this section. The

20.1 commissioner may establish a debt service reserve fund from funds available under Minnesota
20.2 Statutes, section 298.291 to 298.297, or from the proceeds of the bonds. The commissioner
20.3 of Iron Range resources and rehabilitation must distribute these transferred funds as outlined
20.4 in this section. In order to receive a distribution, a recipient must submit to the commissioner
20.5 a plan of how the distribution will be spent and the commissioner must ensure that the plan
20.6 matches the intended use outlined in this section. The plan must be submitted in a form and
20.7 manner determined by the commissioner. The uses listed are not subject to review or
20.8 recommendation by the Iron Range Resources and Rehabilitation Board. For all distributions
20.9 equal to or greater than \$1,000,000, a recipient must appear and present and provide a copy
20.10 of the plan to the Iron Range Resources and Rehabilitation Board. By December 31, 2026,
20.11 each recipient must report to the commissioner how the distribution received under this
20.12 section was spent. If a recipient's plan is submitted and approved, the commissioner must
20.13 distribute the funds for the uses outlined in subdivision 3. The bonds issued under this
20.14 section do not constitute public debt as that term is defined in Article XI, section 4 of the
20.15 Minnesota Constitution, and as such are not subject to its provisions.

20.16 (b) The bonds issued under this section are debt obligations and the commissioner of
20.17 Iron Range resources and rehabilitation is a district for purposes of Minnesota Statutes,
20.18 section 126C.55, except that payments made under Minnesota Statutes, section 126C.55,
20.19 subdivision 2, are not subject to Minnesota Statutes, section 126C.55, subdivisions 4 to 7.

20.20 (c) If the commissioner of Iron Range resources and rehabilitation determines that
20.21 available funds, other than through the issuance of bonds pursuant to subdivision 1, shall
20.22 be used to make grants as provided in subdivision 3, the requirements of subdivision 1,
20.23 relating to the submission of a plan and report to the commissioner of Iron Range resources
20.24 and rehabilitation and the Iron Range Resources and Rehabilitation Board, and subdivision
20.25 3, relating to the grant amount and identified purpose, shall apply.

20.26 (d) Funds under this section are available for 30 months from the date the bonds are
20.27 issued. Any unexpended funds after that date cancel to the Iron Range resources and
20.28 rehabilitation account under Minnesota Statutes, section 298.28, subdivision 7, and must
20.29 be used by the commissioner of Iron Range resources and rehabilitation for publicly owned
20.30 capital investments located within the taconite tax relief area as defined in Minnesota
20.31 Statutes, section 273.134.

20.32 Subd. 2. **Appropriation.** (a) Notwithstanding Minnesota Statutes, section 298.28,
20.33 subdivision 7a, paragraph (b), there is annually appropriated from the allocation of the
20.34 revenues under Minnesota Statutes, section 298.28, subdivision 7a, from the taconite
20.35 assistance area prior to the calculation of any amount remaining, an amount sufficient to

21.1 pay when due the principal and interest on the bonds issued pursuant to subdivision 1.
21.2 Notwithstanding the foregoing and Minnesota Statutes, section 298.28, subdivisions 7a to
21.3 11, to the extent bonds authorized by subdivision 1 are paid from taconite production tax
21.4 revenues, any outstanding bonds payable from distributions of taconite production tax
21.5 revenues shall be paid pro rata based on debt service when due.

21.6 (b) If in any year the amount available under paragraph (a) is insufficient to pay principal
21.7 and interest due on the bonds in that year, an additional amount is appropriated from the
21.8 Douglas J. Johnson economic protection trust fund to make up the deficiency.

21.9 (c) The appropriation under this subdivision terminates upon payment or maturity of
21.10 the last of the bonds issued under this section.

21.11 Subd. 3. **Grants.** (a) The commissioner of Iron Range resources and rehabilitation must
21.12 distribute funds available for distribution under subdivision 1 for the following uses:

21.13 (1) \$3,200,000 to the Minnesota Discovery Center, of which \$200,000 may, at the
21.14 discretion of the director of the Minnesota Discovery Center, be used for operating expenses
21.15 and \$3,000,000 must be used to design, construct, renovate, furnish, and repair facilities,
21.16 including HVAC upgrades, demolition, and compliance with the Americans with Disabilities
21.17 Act, at the Minnesota Discovery Center in the city of Chisholm, and for historical research
21.18 funding;

21.19 (2) \$7,600,000 to the commissioner of Iron Range resources and rehabilitation for the
21.20 design, engineering, and upgrades or replacement of chair lifts or an irrigation system, and
21.21 for the design, engineering, demolition, and construction of a nordic and welcome center
21.22 at the Giants Ridge Recreation Area;

21.23 (3) \$350,000 to the Central Iron Range Sanitary Sewer District for infrastructure projects;

21.24 (4) \$1,000,000 to Independent School District No. 2909, Rock Ridge, for demolition of
21.25 the James Madison Elementary School in Virginia;

21.26 (5) \$500,000 to the city of Buhl for infrastructure projects;

21.27 (6) \$500,000 to St. Louis and Lake Counties Regional Railroad Authority to design,
21.28 engineer, acquire right-of-way, and begin construction on the Mesabi Trail Spur from Aurora
21.29 to Hoyt Lakes;

21.30 (7) \$2,000,000 to the city of Mountain Iron for infrastructure projects including but not
21.31 limited to Enterprise Drive North East infrastructure development, water main and other
21.32 infrastructure in the city, waste water plant improvements to comply with new permits,
21.33 supervisory control and data acquisition on lift stations, and recreation projects;

22.1 (8) \$3,000,000 to the city of Silver Bay to design, engineer, construct, and reconstruct
 22.2 publicly owned infrastructure including sewers, water systems, utility extensions, street
 22.3 construction, wastewater treatment, stormwater management systems, sidewalks, and
 22.4 compliance with the Americans with Disabilities Act;

22.5 (9) \$5,000,000 to Independent School District No. 696, Ely, for planning, design,
 22.6 engineering, demolition, and construction related to the district's athletic complex;

22.7 (10) \$1,080,000 to the Northland Learning Center to construct the Alternative Learning
 22.8 Center on the campus in the city of Mountain Iron;

22.9 (11) \$1,000,000 for the city of Biwabik for a public safety facility;

22.10 (12) \$1,770,000 to Hibbing Public Utilities for water infrastructure projects;

22.11 (13) \$300,000 to Independent School District No. 701, Hibbing, to be used for long term
 22.12 maintenance needs;

22.13 (14) \$1,150,000 to the city of Hibbing for housing development;

22.14 (15) \$550,000 to the city of Hibbing to develop the Hull Rust Mine historic site;

22.15 (16) \$500,000 to St. Louis County for the demolition of the public school in Hoyt Lakes;
 22.16 and

22.17 (17) \$1,500,000 to the city of Babbitt for renovations to the ice arena.

22.18 (b) Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, of the money
 22.19 distributed under this subdivision, the commissioner of Iron Range resources and
 22.20 rehabilitation must not use any amount for administrative uses.

22.21 **EFFECTIVE DATE.** This section is effective the day following final enactment and
 22.22 applies beginning with the 2025 distribution under Minnesota Statutes, section 298.28.

22.23 Sec. 17. **TRANSFER 2024 DISTRIBUTION ONLY; TACONITE ECONOMIC**
 22.24 **DEVELOPMENT FUND.**

22.25 Of the funds distributed to the taconite economic development fund under Minnesota
 22.26 Statutes, section 298.28, subdivision 9a, for the 2024 distribution only, an amount equal to
 22.27 \$300,000 shall be transferred from the taconite economic development fund to the city of
 22.28 Chisholm for the Senator David Tomassoni Bridge of Peace. The transfer must be made
 22.29 within ten days of the August 2024 payment. If less than \$300,000 is distributed to the
 22.30 taconite economic development fund in 2024, distributions to the fund in future years must

23.1 be transferred to the city of Chisholm, pursuant to this paragraph, until the total amount
23.2 transferred equals \$300,000.

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

23.4 **ARTICLE 3**
23.5 **TAX-FORFEITED PROPERTY**

23.6 Section 1. **[16A.287] TRANSFER; HOUSING SUPPORT.**

23.7 In fiscal year 2025 and each year thereafter, the commissioner of management and budget
23.8 must transfer \$450,000 from the general fund to the housing support account, under section
23.9 462A.43.

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

23.11 Sec. 2. Minnesota Statutes 2022, section 279.06, subdivision 1, is amended to read:

23.12 Subdivision 1. **List and notice.** Within five days after the filing of such list, the court
23.13 administrator shall return a copy thereof to the county auditor, with a notice prepared and
23.14 signed by the court administrator, and attached thereto, which may be substantially in the
23.15 following form:

23.16 State of Minnesota)

23.17) ss.

23.18 County of)

23.19 District Court
23.20 Judicial District.

23.21 The state of Minnesota, to all persons, companies, or corporations who have or claim
23.22 any estate, right, title, or interest in, claim to, or lien upon, any of the several parcels of land
23.23 described in the list hereto attached:

23.24 The list of taxes and penalties on real property for the county of
23.25 remaining delinquent on the first Monday in January,, has been filed in the office of
23.26 the court administrator of the district court of said county, of which that hereto attached is
23.27 a copy. Therefore, you, and each of you, are hereby required to file in the office of said
23.28 court administrator, on or before the 20th day after the publication of this notice and list,
23.29 your answer, in writing, setting forth any objection or defense you may have to the taxes,
23.30 or any part thereof, upon any parcel of land described in the list, in, to, or on which you
23.31 have or claim any estate, right, title, interest, claim, or lien, and, in default thereof, judgment
23.32 will be entered against such parcel of land for the taxes on such list appearing against it,

24.1 and for all penalties, interest, and costs. Based upon said judgment, the land shall be sold
24.2 to the state of Minnesota on the second Monday in May,

24.3 Inquiries as to the proceedings set forth above can be made to the county auditor of....
24.4 county whose address is

24.5 (Signed) ,
24.6 Court Administrator of the District Court of
24.7 the
24.8 County of
24.9 (Here insert list.)

24.10 The notice must contain a narrative description of the various periods to redeem, specified
24.11 in sections 281.17, 281.173, and 281.174, information about property tax relief programs
24.12 that the property owner may be eligible for, including the property tax refund program under
24.13 chapter 290A and the senior citizens' property tax deferral program under chapter 290B,
24.14 and where further information about unencumbered interest in the property may be obtained.
24.15 The notice must be made in the manner prescribed by the commissioner of revenue under
24.16 subdivision 2. The commissioner of revenue must make the form available in multiple
24.17 languages on the Department of Revenue's website. Counties must post these forms on their
24.18 county website.

24.19 The list referred to in the notice shall be substantially in the following form:

24.20 List of real property for the county of, on which taxes remain delinquent
24.21 on the first Monday in January,

24.22 Town of (Fairfield),
24.23 Township (40), Range (20),

24.24 Names (and Current Filed
24.25 Addresses) for the
24.26 Taxpayers and Fee
24.27 Owners and in Addition
24.28 Those Parties Who Have
24.29 Filed Their Addresses

24.30 Pursuant to section	Subdivision of		Tax Parcel	Total Tax
24.31 276.041	Section	Section	Number	and Penalty
24.32				\$ cts.
24.33 John Jones (825 Fremont 24.34 Fairfield, MN 55000)	S.E. 1/4 of S.W. 1/4	10	23101	2.20
24.35 Bruce Smith (2059 Hand 24.36 Fairfield, MN 55000) and 24.37 Fairfield State Bank (100 24.38 Main Street Fairfield, 24.39 MN 55000)	That part of N.E. 1/4 of S.W. 1/4 desc. as follows: Beg. at the S.E. corner of said N.E. 1/4 of S.W. 1/4; thence N. along the E.	21	33211	3.15

25.1 line of said N.E. 1/4 of
 25.2 S.W. 1/4 a distance of
 25.3 600 ft.; thence W. parallel
 25.4 with the S. line of said
 25.5 N.E. 1/4 of S.W. 1/4 a
 25.6 distance of 600 ft.; thence
 25.7 S. parallel with said E.
 25.8 line a distance of 600 ft.
 25.9 to S. line of said N.E. 1/4
 25.10 of S.W. 1/4; thence E.
 25.11 along said S. line a
 25.12 distance of 600 ft. to the
 25.13 point of beg.

25.14 As to platted property, the form of heading shall conform to circumstances and be
 25.15 substantially in the following form:

25.16 City of (Smithtown)

25.17 Brown's Addition, or Subdivision

25.18 Names (and Current Filed
 25.19 Addresses) for the
 25.20 Taxpayers and Fee
 25.21 Owners and in Addition
 25.22 Those Parties Who Have
 25.23 Filed Their Addresses
 25.24 Pursuant to section

25.25	276.041	Lot	Block	Tax Parcel Number	Total Tax and Penalty
25.26					\$ cts.
25.27	John Jones (825 Fremont	15	9	58243	2.20
25.28	Fairfield, MN 55000)				
25.29	Bruce Smith (2059 Hand	16	9	58244	3.15
25.30	Fairfield, MN 55000) and				
25.31	Fairfield State Bank (100				
25.32	Main Street Fairfield,				
25.33	MN 55000)				

25.34 The names, descriptions, and figures employed in parentheses in the above forms are
 25.35 merely for purposes of illustration.

25.36 The name of the town, township, range or city, and addition or subdivision, as the case
 25.37 may be, shall be repeated at the head of each column of the printed lists as brought forward
 25.38 from the preceding column.

25.39 Errors in the list shall not be deemed to be a material defect to affect the validity of the
 25.40 judgment and sale.

26.1 Sec. 3. Minnesota Statutes 2022, section 281.23, subdivision 2, is amended to read:

26.2 Subd. 2. **Form.** The notice of expiration of redemption must contain the tax parcel
26.3 identification numbers and legal descriptions of parcels subject to notice of expiration of
26.4 redemption provisions prescribed under subdivision 1. The notice must also indicate the
26.5 names of taxpayers and fee owners of record in the office of the county auditor at the time
26.6 the notice is prepared and names of those parties who have filed their addresses according
26.7 to section 276.041 and the amount of payment necessary to redeem as of the date of the
26.8 notice. At the option of the county auditor, the current filed addresses of affected persons
26.9 may be included on the notice. The notice is sufficient if substantially in the following form:

26.10 "NOTICE OF EXPIRATION OF REDEMPTION

26.11 Office of the County Auditor

26.12 County of, State of Minnesota.

26.13 To all persons having an interest in lands described in this notice:

26.14 You are notified that the parcels of land described in this notice and located in the county
26.15 of, state of Minnesota, are subject to forfeiture to the state of Minnesota
26.16 because of nonpayment of delinquent property taxes, special assessments, penalties, interest,
26.17 and costs levied on those parcels. The time for redemption from forfeiture expires if a
26.18 redemption is not made by the later of (1) 60 days after service of this notice on all persons
26.19 having an interest in the lands of record at the office of the county recorder or registrar of
26.20 titles, or (2) by the second Monday in May. The redemption must be made in my office.

26.21 IMPORTANT: If the parcels forfeit, they will be sold. If the proceeds from the sale
26.22 exceed the total amount of the delinquent taxes, special assessments, penalties, interest, and
26.23 costs assigned to those parcels, you may be entitled to the excess proceeds from the sale.
26.24 If there are excess proceeds, you will be notified and must submit the claim form included
26.25 with the notification in order to receive the proceeds.

26.26 Names (and Current
26.27 Filed Addresses) for
26.28 the Taxpayers and
26.29 Fee Owners and
26.30 Those Parties Who
26.31 Have Filed Their
26.32 Addresses Pursuant
26.33 to section 276.041

Legal
Description

Tax
Parcel
Number

Amount Necessary to
Redeem as of Date of
Notice

26.34
26.35

26.36 FAILURE TO REDEEM THE LANDS PRIOR TO THE EXPIRATION

27.1 OF REDEMPTION WILL RESULT IN THE LOSS OF THE LAND AND
27.2 FORFEITURE TO THE STATE OF MINNESOTA.

27.3 Inquiries as to these proceedings can be made to the County Auditor for County,
27.4 whose address is set forth below.

27.5 Witness my hand and official seal this day of,

27.6

27.7 County Auditor

27.8 (OFFICIAL SEAL)

27.9

27.10 (Address)

27.11

27.12 (Telephone)."

27.13 The notice must be posted by the auditor in the auditor's office, subject to public
27.14 inspection, and must remain so posted until at least one week after the date of the last
27.15 publication of notice, as provided in this section. Proof of posting must be made by the
27.16 certificate of the auditor, filed in the auditor's office.

27.17 Sec. 4. 282.005 TAX-FORFEITED LAND; INITIAL SALE.

27.18 Subdivision 1. Public auction required. Prior to managing tax-forfeited lands as
27.19 otherwise provided in this chapter, a county must first offer tax-forfeited parcels for sale
27.20 pursuant to this section, except that any interests in iron-bearing stockpiles, minerals, or
27.21 mineral interests are reserved for the state as provided under subdivision 8, and any parcel
27.22 withdrawn from sale by the commissioner of natural resources under section 282.007 must
27.23 be managed as provided in section 282.007. If a property cannot be sold under this section
27.24 for more than the minimum bid, the state is deemed to have purchased the property through
27.25 a credit bid and the parcels may be disposed of as otherwise provided in this chapter.

27.26 Subd. 2. Definitions. For the purposes of this section, the following terms have the
27.27 meanings given:

27.28 (1) "interested party" means any party with an interest in the real estate including but
27.29 not limited to an owner of the property, a lienholder, or any other party who has filed their
27.30 name according to section 276.041;

27.31 (2) "mineral interest" means an interest in any minerals, including but not limited to
27.32 iron, gas, coal, oil, copper, gold, or other valuable minerals; and

28.1 (3) "minimum bid" means the sum of delinquent taxes, special assessments, penalties,
28.2 interests, and costs assigned to the parcel.

28.3 Subd. 3. **Repurchase.** Prior to the public sale required under this section, an interested
28.4 party may repurchase the property by payment of the sum of all delinquent taxes and
28.5 assessments computed under section 282.251, together with penalties, interest, and costs,
28.6 that accrued or would have accrued if the parcel of land had not forfeited. A property
28.7 repurchased under this subdivision is no longer subject to the requirements of this section.
28.8 All rights and interests of all interested parties remain unaffected if a property is repurchased
28.9 under this subdivision.

28.10 Subd. 4. **Public auction.** (a) The county auditor must sell the property at a public auction
28.11 to the highest bidder in a manner reasonably calculated to facilitate public participation,
28.12 including by online auction. The sale under this section must occur within six months of
28.13 either the filing of the certificate of forfeiture pursuant to section 281.23, subdivision 9, or
28.14 the date the property is vacated by the occupant, whichever is later. Notice of the sale under
28.15 this subdivision must be provided by publication in newspapers, websites, and other forums
28.16 that serve diverse communities in the county where the property is located at least 30 days
28.17 before the commencement of the sale.

28.18 (b) At auction, the county auditor must calculate the minimum bid and make the figure
28.19 available to those participating in the auction. The county auditor must also calculate and
28.20 make available the initial price of the property, which is equal to the estimated market value,
28.21 as determined by the most recent assessment. The property must not be sold for less than
28.22 the initial price for 30 days after it is initially made available at auction. If no buyer is willing
28.23 to pay the initial price, the price for the property must be reduced to the minimum bid. If
28.24 no buyer is willing to pay the minimum bid, the state is deemed to have purchased the
28.25 property through a credit bid and the parcels may be disposed of as otherwise provided in
28.26 this chapter.

28.27 Subd. 5. **Sale proceeds.** The auction proceeds must be collected by the county auditor.
28.28 The amount of the minimum bid shall be deposited into a county's forfeited tax sale fund.
28.29 The proceeds in excess of the minimum bid shall be available for distribution pursuant to
28.30 subdivision 6.

28.31 Subd. 6. **Claims for surplus proceeds.** (a) If a sale under this section results in a surplus,
28.32 within 60 days of the sale, the county auditor must notify interested parties, in a manner
28.33 described in subdivision 7, of the surplus by sending notice of the surplus and a claim form
28.34 to the interested parties. The commissioner of revenue must prescribe the form and manner

29.1 of the claim form. The notice must indicate that the sale of the property resulted in a surplus,
29.2 the amount of the surplus, that parties with an interest in the property are entitled to the
29.3 surplus amount, and that interested parties have an obligation to submit a claim for the
29.4 surplus. Interested parties are entitled to make a claim for surplus proceeds under this
29.5 subdivision if they file a claim within six months from the date the notice is first mailed to
29.6 the interested parties.

29.7 (b) Unless disputed by the county auditor, if a single claim is filed, the county auditor
29.8 must pay the surplus to the interested party filing the claim. A county must not pay any
29.9 claimant until after the period of time in which to file a claim has expired.

29.10 (c) If there are multiple claims for a given property, the county must divide payments
29.11 under this subdivision among the claimants according to each claimant's interest in proportion
29.12 to the interest of all claimants. If the county auditor disputes a claim, or if there is a dispute
29.13 as to how to divide the surplus among multiple claimants, the county auditor may deposit
29.14 the surplus funds in district court and file a petition pursuant to Rule 67 of the Minnesota
29.15 Rules of Civil Procedure, asking the court to determine claimants' rights to the funds
29.16 deposited. The county auditor is entitled to recover the costs it reasonably incurs in
29.17 commencing and maintaining this action from the amount of funds submitted to the court
29.18 in the action. If the court determines that no claimant is entitled to the surplus, the surplus
29.19 must be returned to the county and deposited into the county's forfeited tax sale fund.

29.20 (d) The county and the county auditor are entitled to absolute immunity related to any
29.21 claim predicated on distribution of surplus if the county auditor distributed proceeds
29.22 consistent with this subdivision.

29.23 Subd. 7. **Manner of service.** (a) A notice provided under subdivision 6 or 8 must be
29.24 served as follows:

29.25 (1) by certified mail to all interested parties of record within 60 days of the sale;

29.26 (2) if an interested party of record has not filed a claim, a second notice must be sent by
29.27 first class mail to all interested parties between 90 and 120 days after the sale;

29.28 (3) unless the property is vacant land, within 60 days of the sale, by first class mail to
29.29 the property addressed to the attention of the occupants of the property; and

29.30 (4) within 60 days of the sale, by publishing a list of property sales with surplus with
29.31 unexpired claims periods to the county's website.

30.1 (b) In addition, solely at the discretion of the county, a list of property sales with surplus
30.2 with unexpired claims periods may be published in the county's designated newspaper for
30.3 publication of required public notices.

30.4 Subd. 8. **Claims for mineral interests; payments; appropriation.** (a) Upon forfeiture,
30.5 any iron-bearing stockpiles, minerals, and mineral interests shall be sold to the state for \$50.
30.6 The county auditor must notify interested parties within 60 days of the sale by sending
30.7 notice and a claim form. The commissioner of revenue must prescribe the form and manner
30.8 of the claim form. Notice must be provided in a manner described in subdivision 7. An
30.9 interested party may submit a claim alleging that the value of the iron-bearing stockpiles,
30.10 minerals, or mineral interests in the property exceeds the minimum bid. Claims must be
30.11 submitted within six months from the date the notice under this subdivision is first mailed
30.12 to the interested parties.

30.13 (b) If a claim is filed under this subdivision, the commissioner of natural resources must
30.14 determine the value of the forfeited iron-bearing stockpiles, minerals, and mineral interests.
30.15 If the value of the iron-bearing stockpiles, minerals, and mineral interests does not exceed
30.16 the minimum bid, the claimant is not entitled to any payment under this subdivision. If the
30.17 value of the iron-bearing stockpiles, minerals, and mineral interests exceeds the minimum
30.18 bid, the claimant is entitled to a payment from the commissioner of natural resources equal
30.19 to this excess amount.

30.20 (c) If there are multiple claims, the county must divide payments under this subdivision
30.21 among the claimants according to each claimant's ownership interest in proportion to the
30.22 ownership interest of all claimants. If the county auditor disputes a claim, or if there is a
30.23 dispute as to how to divide the surplus among multiple claimants, the commissioner of
30.24 natural resources must transfer the amount due to the claimants under this subdivision to
30.25 the county auditor. The county auditor must then deposit the transferred amount in district
30.26 court and file a petition pursuant to Rule 67 of the Minnesota Rules of Civil Procedure,
30.27 asking the court to determine claimants' rights to the funds deposited. The county auditor
30.28 is entitled to recover the costs it reasonably incurs in commencing and maintaining this
30.29 action from the amount of funds submitted to the court in the action. If the court determines
30.30 that no party that filed a claim is entitled to the surplus, the payment must be returned to
30.31 the commissioner of natural resources and is canceled to the general fund.

30.32 (d) An amount necessary to make payments under this subdivision is annually
30.33 appropriated from the general fund to the commissioner of natural resources.

31.1 Subd. 9. **Expiration of surplus.** If a sale under this section results in a surplus and either
 31.2 (1) no interested party makes a claim for the proceeds within the time allowed under
 31.3 subdivision 6, or (2) it is determined that no claimant was entitled to the surplus proceeds,
 31.4 then interested parties are no longer eligible to receive payment of any surplus. Once
 31.5 interested parties are no longer eligible to receive payment of any surplus, the proceeds
 31.6 must be returned to the county's forfeited tax sale fund.

31.7 Subd. 10. **Rights affected by forfeiture.** The forfeiture of the property extinguishes all
 31.8 liens, claims, and encumbrances other than:

31.9 (1) the rights of interested parties to surplus proceeds under this section;

31.10 (2) rights of redemption provided under federal law;

31.11 (3) easements and rights-of-way holders who are not interested parties; and

31.12 (4) benefits or burdens of any real covenants filed of record as of the date of forfeiture.

31.13 Subd. 11. **Property bought by the state.** Property deemed to be purchased by the state
 31.14 pursuant to this section shall be held in trust for the benefit of the taxing districts. All land
 31.15 becoming property of the state pursuant to this chapter shall be managed in accordance with
 31.16 chapters 93 and 282 and other applicable law.

31.17 Sec. 5. **[282.007] LAND WITHDRAWN FROM INITIAL SALE.**

31.18 Subdivision 1. **Property withdrawn from sale.** The commissioner of natural resources
 31.19 may withhold or withdraw from the sale required under section 282.005 any property allowed
 31.20 to be withheld or withdrawn from sale in section 85.012, 85.013, 282.01, subdivision 8, or
 31.21 282.018. The commissioner of natural resources must condemn parcels withheld or
 31.22 withdrawn from sale under this section according to procedures set forth in chapter 117.
 31.23 Notwithstanding section 282.005, subdivision 1, any interests in iron-bearing stockpiles,
 31.24 minerals, or mineral interests in property withheld or withdrawn from sale under this section
 31.25 are not severed from the property and are not subject to section 282.005, subdivision 8.

31.26 Subd. 2. **Notice.** The county auditor must provide notice to the commissioner of natural
 31.27 resources of the forfeiture of any lands eligible to be withheld or withdrawn from sale under
 31.28 this section. Notice must be provided within 30 days of either the filing of the certificate of
 31.29 forfeiture pursuant to section 281.23, subdivision 9, or the date the property is vacated by
 31.30 the occupant, whichever is later. Within 30 days of this notice, the commissioner of natural
 31.31 resources must notify the county auditor of a decision to withhold or withdraw a property
 31.32 from the sale under section 282.005. If no such notice is given, the county auditor must sell
 31.33 the property pursuant to section 282.005.

32.1 Subd. 3. **Repurchase.** Prior to the initiation of the condemnation proceedings of a
 32.2 property withheld or withdrawn from sale under this section, an interested party may
 32.3 repurchase the property by payment of the sum of all delinquent taxes and assessments
 32.4 computed under section 282.251, together with penalties, interest, and costs that accrued
 32.5 or would have accrued if the parcel of land had not forfeited. The county auditor must notify
 32.6 the commissioner of natural resources if a property is repurchased under this subdivision.
 32.7 A property repurchased under this subdivision is no longer subject to the requirements of
 32.8 this section or section 282.005. All rights and interests of all interested parties remain
 32.9 unaffected if a property is repurchased under this subdivision. For the purposes of this
 32.10 section, "interested party" has the meaning given in section 282.005, subdivision 2.

32.11 Subd. 4. **Proceeds.** Notwithstanding any law to the contrary in chapter 117, all proceeds
 32.12 from the condemnation proceedings of a property withheld or withdrawn from sale under
 32.13 this section must be transferred from the commissioner of natural resources to the county
 32.14 auditor. Any proceeds up to the value of the minimum bid are transferred to the county's
 32.15 forfeited tax sale fund. Any proceeds in excess of the minimum bid must be made available
 32.16 for claims pursuant to section 282.005, subdivision 6. For the purposes of this section,
 32.17 "minimum bid" has the meaning given in section 282.005, subdivision 2.

32.18 Sec. 6. Minnesota Statutes 2022, section 282.01, subdivision 6, is amended to read:

32.19 **Subd. 6. Duties of commissioner after sale.** (a) When any sale has been made by the
 32.20 county auditor under sections ~~282.01~~ 282.005 to 282.13, the auditor shall immediately
 32.21 certify to the commissioner of revenue such information relating to such sale, on such forms
 32.22 as the commissioner of revenue may prescribe as will enable the commissioner of revenue
 32.23 to prepare an appropriate deed if the sale is for cash, or keep necessary records if the sale
 32.24 is on terms; and not later than October 31 of each year the county auditor shall submit to
 32.25 the commissioner of revenue a statement of all instances wherein any payment of principal,
 32.26 interest, or current taxes on lands held under certificate, due or to be paid during the preceding
 32.27 calendar years, are still outstanding at the time such certificate is made. When such statement
 32.28 shows that a purchaser or the purchaser's assignee is in default, the commissioner of revenue
 32.29 may instruct the county board of the county in which the land is located to cancel said
 32.30 certificate of sale in the manner provided by subdivision 5, provided that upon
 32.31 recommendation of the county board, and where the circumstances are such that the
 32.32 commissioner of revenue after investigation is satisfied that the purchaser has made every
 32.33 effort reasonable to make payment of both the annual installment and said taxes, and that
 32.34 there has been no willful neglect on the part of the purchaser in meeting these obligations,
 32.35 then the commissioner of revenue may extend the time for the payment for such period as

33.1 the commissioner may deem warranted, not to exceed one year. On payment in full of the
33.2 purchase price, appropriate conveyance in fee, in such form as may be prescribed by the
33.3 attorney general, shall be issued by the commissioner of revenue, which conveyance must
33.4 be recorded by the county and shall have the force and effect of a patent from the state
33.5 subject to easements and restrictions of record at the date of the tax judgment sale, including,
33.6 but without limitation, permits for telephone and electric power lines either by underground
33.7 cable or conduit or otherwise, sewer and water lines, highways, railroads, and pipe lines for
33.8 gas, liquids, or solids in suspension.

33.9 (b) The commissioner of revenue shall issue an appropriate conveyance in fee when
33.10 approval from the county auditor is given based upon written confirmation from a licensed
33.11 closing agent, title insurer, or title insurance agent as specified in section 82.641. For purposes
33.12 of this paragraph, "written confirmation" means a written commitment or approval that the
33.13 funding for the conveyance is held in an escrow account available for disbursement upon
33.14 delivery of a conveyance. The county recorder or registrar of titles must not record or file
33.15 a conveyance issued under this paragraph unless the conveyance contains a certification
33.16 signed by the county auditor where the land is located stating that the recorder or registrar
33.17 of titles can accept the conveyance for recording or filing. The conveyance issued by the
33.18 commissioner of revenue shall not be effective as a conveyance until it is recorded. The
33.19 conveyance shall be issued to the county auditor where the land is located. Upon receipt of
33.20 the conveyance, the county auditor shall hold the conveyance until the conveyance is
33.21 requested from a licensed closing agent, title insurer, or title insurance agent to settle and
33.22 close on the conveyance. If a request for the conveyance is not made within 30 days of the
33.23 date the conveyance is issued by the commissioner of revenue, the county auditor shall
33.24 return the conveyance to the commissioner. If the conveyance is delivered to the licensed
33.25 closing agent, title insurer, or title insurance agent and the closing does not occur within
33.26 ten days of the request, the licensed closing agent, title insurer, or title insurance agent shall
33.27 immediately return the conveyance to the county auditor and, upon receipt, the county
33.28 auditor shall return the conveyance to the commissioner of revenue. The commissioner of
33.29 revenue shall cancel and destroy all conveyances returned by the county auditor pursuant
33.30 to this subdivision. The licensed closing agent, title insurer, or title insurance agent must
33.31 promptly record the conveyance after the closing and must deliver an attested or certified
33.32 copy to the county auditor and to the grantee or grantees named on the conveyance.

33.33 Sec. 7. Minnesota Statutes 2022, section 282.241, subdivision 1, is amended to read:

33.34 Subdivision 1. **Repurchase requirements.** The owner at the time of forfeiture, or the
33.35 owner's heirs, devisees, or representatives, or any person to whom the right to pay taxes

34.1 was given by statute, mortgage, or other agreement, may repurchase any parcel of land
 34.2 claimed by the state to be forfeited to the state for taxes unless before the time repurchase
 34.3 is made the parcel is sold under installment payments, or otherwise, by the state as provided
 34.4 by law, or is under mineral prospecting permit or lease, or proceedings have been commenced
 34.5 by the state or any of its political subdivisions or by the United States to condemn the parcel
 34.6 of land. The parcel of land may be repurchased for the sum of all delinquent taxes and
 34.7 assessments computed under section 282.251, together with penalties, interest, and costs,
 34.8 that accrued or would have accrued if the parcel of land had not forfeited to the state. Except
 34.9 for property which was homesteaded on the date of forfeiture, repurchase is permitted during
 34.10 six months only from the date of forfeiture, and in any case only after the adoption of a
 34.11 resolution by the board of county commissioners determining that by repurchase undue
 34.12 hardship or injustice resulting from the forfeiture will be corrected, or that permitting the
 34.13 repurchase will promote the use of the lands that will best serve the public interest. If the
 34.14 county board has good cause to believe that a repurchase installment payment plan for a
 34.15 particular parcel is unnecessary and not in the public interest, the county board may require
 34.16 as a condition of repurchase that the entire repurchase price be paid at the time of repurchase.
 34.17 A repurchase is subject to any easement, lease, or other encumbrance granted by the state
 34.18 before the repurchase, and if the land is located within a restricted area established by any
 34.19 county under Laws 1939, chapter 340, the repurchase must not be permitted unless the
 34.20 resolution approving the repurchase is adopted by the unanimous vote of the board of county
 34.21 commissioners. Notwithstanding the foregoing, any application to repurchase a property
 34.22 that is made available for sale pursuant to section 282.005 must be made before the date of
 34.23 that sale.

34.24 The person seeking to repurchase under this section shall pay all maintenance costs
 34.25 incurred by the county auditor during the time the property was tax-forfeited.

34.26 Sec. 8. Minnesota Statutes 2022, section 282.301, is amended to read:

34.27 **282.301 RECEIPTS FOR PAYMENTS; CERTIFICATION BY COUNTY**
 34.28 **AUDITOR.**

34.29 When any sale has been made under sections 282.005, 282.012, and 282.241 to 282.324,
 34.30 the purchaser shall receive from the county auditor at the time of repurchase a receipt, in
 34.31 such form as may be prescribed by the attorney general. When the purchase price of a parcel
 34.32 of land shall be paid in full, the following facts shall be certified by the county auditor to
 34.33 the commissioner of revenue of the state of Minnesota: the description of land and the date
 34.34 when the final installment of the purchase price was paid.

35.1 Sec. 9. **[462A.43] HOUSING SUPPORT ACCOUNT.**

35.2 The commissioner of management and budget shall establish the housing support account
 35.3 in the special revenue fund for the deposit of certain funds provided by law. Money
 35.4 appropriated from the account by law must provide housing support for Minnesotans.

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

35.6 Sec. 10. Laws 2024, chapter 113, section 1, subdivision 2, is amended to read:

35.7 Subd. 2. **Requirements of participating counties.** (a) If a county elects to participate
 35.8 in the settlement, or is deemed to elect to participate in the settlement under subdivision 4,
 35.9 the county must agree:

35.10 (1) to provide the claims administrator administering the settlement with all public
 35.11 property tax records reasonably necessary to effectuate the settlement agreement by August
 35.12 1, 2024;

35.13 (2) to make a good faith effort to sell all properties that forfeited between the applicable
 35.14 start date and December 31, 2023, other than those that are classified as conservation lands,
 35.15 those that are part of a rehabilitation program, and those in which title is no longer held in
 35.16 trust by the state of Minnesota for taxing districts;

35.17 (3) that for any sale made under clause (2):

35.18 (i) the county will conduct an auction of the property, either in person or online; list the
 35.19 property through a private broker; or, if the property meets the criteria in Minnesota Statutes,
 35.20 section 282.01, subdivision 7a, sell the property pursuant to that subdivision;

35.21 (ii) the sale will be for no less than its appraised value;

35.22 (iii) the sale will be for cash only and not on terms; ~~and~~

35.23 (iv) notwithstanding any provision of Minnesota Statutes, chapter 282, to the contrary,
 35.24 for any property sold on or after the effective date of this section, 75 percent of the proceeds
 35.25 of any sale on or before June 30, 2027, and 85 percent of the proceeds of any sale on or
 35.26 after July 1, 2027, and on or before June 30, 2029, will be remitted to the commissioner for
 35.27 deposit in the general fund and the remaining proceeds will be retained by the county to be
 35.28 used for any permissible purpose; ~~and~~

35.29 (v) if the property is a residential property with four or fewer residential units or a
 35.30 property that is unimproved with a structure, the property will first be offered for a period
 35.31 of 30 days to persons who intend to own and occupy the property as a residence or who
 35.32 intend to use the property for a noncommercial personal use; and

36.1 (vi) the sale will be advertised for 30 days by publication in newspapers, websites, and
 36.2 other forums that serve diverse communities in the county where the property is located;

36.3 (4) that any properties subject to sale under clause (2) that remain unsold on June 30,
 36.4 2029, must continue to be managed under the laws governing tax-forfeited lands until they
 36.5 are disposed of under those laws.

36.6 (b) The commissioner of revenue must create the form for a person purchasing a property
 36.7 described under paragraph (a), clause (3), item (v), to certify that they intend to use the
 36.8 property accordingly.

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

36.10 Sec. 11. **DEPARTMENT OF NATURAL RESOURCES; APPROPRIATION.**

36.11 \$1,537,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
 36.12 of natural resources to perform the duties required under Minnesota Statutes, section 282.005.
 36.13 The base for this appropriation is \$1,537,000 in fiscal year 2026 and each fiscal year
 36.14 thereafter.

36.15 Sec. 12. **EFFECTIVE DATE.**

36.16 Section 2 is effective beginning January 1, 2025. Section 3 is effective for notices
 36.17 provided after the day following final enactment. Sections 4 to 8 are effective for forfeitures
 36.18 occurring after December 31, 2023.

36.19 **ARTICLE 4**

36.20 **MISCELLANEOUS**

36.21 Section 1. Minnesota Statutes 2022, section 270C.21, is amended to read:

36.22 **270C.21 TAXPAYER ASSISTANCE GRANTS; TAX CREDIT OUTREACH**
 36.23 **GRANTS.**

36.24 Subdivision 1. **Taxpayer assistance.** When the commissioner awards grants to ~~eligible~~
 36.25 ~~organizations to coordinate, facilitate, encourage, and aid in the provision of taxpayer~~
 36.26 ~~assistance services~~ under this section, the commissioner must provide public notice of the
 36.27 grants in a timely manner so that the grant process is completed and grants are awarded by
 36.28 October 1, in order for recipient ~~eligible~~ organizations to adequately plan expenditures for
 36.29 the filing season. At the time the commissioner provides public notice, the commissioner
 36.30 must also notify ~~eligible~~ organizations that received grants in the previous biennium. Amounts

37.1 appropriated for grants under this section are not subject to retention of administrative costs
 37.2 under section 16B.98, subdivision 14.

37.3 Subd. 2. **Eligible organization Definitions.** ~~"Eligible organization" means an organization~~
 37.4 ~~that meets the definition of eligible organization provided in section 7526A(e)(2)(B) of the~~
 37.5 ~~Internal Revenue Code.~~

37.6 (a) For the purposes of this section, the following terms have the meanings given.

37.7 (b) "Eligible credit" means a credit, refund, or other tax preference targeting low-income
 37.8 taxpayers, including but not limited to the credits under sections 290.0661, 290.0671,
 37.9 290.0674, and 290.0693, and chapter 290A.

37.10 (c) "Tax outreach organization" means a nonprofit organization or federally recognized
 37.11 Indian Tribe with experience serving demographic groups or geographic regions that have
 37.12 historically had low rates of participation in eligible credits.

37.13 (d) "Taxpayer assistance services" means accounting and tax preparation services
 37.14 provided by volunteers to low-income, elderly, and disadvantaged Minnesota residents to
 37.15 help them file federal and state income tax returns and Minnesota property tax refund claims
 37.16 and to provide personal representation before the Department of Revenue and Internal
 37.17 Revenue Service.

37.18 (e) "Volunteer taxpayer assistance organization" means an eligible organization qualifying
 37.19 under section 7526A(e)(2)(B) of the Internal Revenue Code of 1986.

37.20 Subd. 3. **Taxpayer assistance grants.** The commissioner must make grants to one or
 37.21 more volunteer taxpayer assistance organizations to coordinate, facilitate, encourage, and
 37.22 aid in the provision of taxpayer assistance services.

37.23 Subd. 4. **Tax credit outreach grants.** The commissioner must make one or more grants
 37.24 to tax outreach organizations and volunteer assistance organizations. Grants provided under
 37.25 this subdivision must be used to:

37.26 (1) publicize and promote the availability of eligible credits to taxpayers likely to be
 37.27 eligible for those credits; or

37.28 (2) provide taxpayer assistance services.

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

38.1 Sec. 2. Minnesota Statutes 2022, section 297F.01, subdivision 10b, is amended to read:

38.2 Subd. 10b. **Moist snuff.** "Moist snuff" means any finely cut, ground, or powdered
 38.3 smokeless tobacco, or similar product containing nicotine, that is intended to be placed or
 38.4 dipped in the mouth.

38.5 **EFFECTIVE DATE.** This section is effective July 1, 2024.

38.6 Sec. 3. Minnesota Statutes 2022, section 297F.01, subdivision 19, is amended to read:

38.7 Subd. 19. **Tobacco products.** (a) "Tobacco products" means any product containing,
 38.8 made, or derived from tobacco that is intended for human consumption, whether chewed,
 38.9 smoked, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, or
 38.10 any component, part, or accessory of a tobacco product, including, but not limited to, cigars;
 38.11 cheroots; stogies; periques; granulated, plug cut, crimp cut, ready rubbed, and other smoking
 38.12 tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; fine-cut and other chewing
 38.13 tobacco; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco, and other kinds
 38.14 and forms of tobacco; but does not include cigarettes as defined in this section. Tobacco
 38.15 products includes nicotine solution products and moist snuff. Tobacco products excludes
 38.16 any tobacco product that has been approved by the United States Food and Drug
 38.17 Administration for sale as a tobacco cessation product, as a tobacco dependence product,
 38.18 or for other medical purposes, and is being marketed and sold solely for such an approved
 38.19 purpose.

38.20 (b) Except for the imposition of tax under section 297F.05, subdivisions 3 and 4, tobacco
 38.21 products includes a premium cigar, as defined in subdivision 13a.

38.22 **EFFECTIVE DATE.** This section is effective July 1, 2024.

38.23 Sec. 4. **APPROPRIATION; TAX CREDIT OUTREACH GRANTS; TAXPAYER**
 38.24 **ASSISTANCE GRANTS.**

38.25 (a) \$1,000,000 in fiscal year 2025 is appropriated from the general fund to the
 38.26 commissioner of revenue for tax credit outreach grants under Minnesota Statutes, section
 38.27 270C.21, subdivision 4. This appropriation is in addition to the amount appropriated in
 38.28 Laws 2023, chapter 64, article 7, section 30.

38.29 (b) The base for the \$1,000,000 appropriation in paragraph (a) is \$500,000 in fiscal year
 38.30 2026 and \$500,000 in fiscal year 2027.

38.31 (c) \$1,000,000 in fiscal year 2025 is appropriated from the general fund to the
 38.32 commissioner of revenue for taxpayer assistance grants under Minnesota Statutes, section

39.1 270C.21, subdivision 3. This appropriation is in addition to the amount appropriated for
 39.2 taxpayer assistance in Laws 2023, chapter 62, article 1, section 14, subdivision 2.

39.3 (d) The base for the \$1,000,000 appropriation in paragraph (c) is \$500,000 in fiscal year
 39.4 2026 and \$500,000 in fiscal year 2027.

39.5 **Sec. 5. DEPARTMENT OF REVENUE; ADMINISTRATIVE APPROPRIATION.**

39.6 \$4,000,000 in fiscal year 2025 is appropriated from the general fund to the commissioner
 39.7 of revenue to administer this act. This is a onetime appropriation and is available until June
 39.8 30, 2027."

39.9 Delete the title and insert:

39.10 "A bill for an act

39.11 relating to taxation; modifying individual income taxes, minerals taxes, tobacco
 39.12 taxes, and other various tax and tax-related provisions; modifying the Minnesota
 39.13 child tax credit and providing for a minimum credit; increasing the maximum
 39.14 taconite homestead credit; modifying Iron Range fiscal disparities provisions;
 39.15 providing for transfers and distributions of proceeds and other modifications to
 39.16 minerals tax provisions; modifying provisions for tax-forfeited property; providing
 39.17 for issuance of revenue bonds; providing for taxpayer assistance and outreach
 39.18 grants; modifying moist snuff provisions for tobacco taxes; requiring reports;
 39.19 providing for transfers; appropriating money; amending Minnesota Statutes 2022,
 39.20 sections 123B.53, subdivision 1; 270C.21; 273.135, subdivision 2; 275.065, by
 39.21 adding a subdivision; 276.04, by adding a subdivision; 276A.01, subdivision 17;
 39.22 276A.06, subdivision 8; 279.06, subdivision 1; 281.23, subdivision 2; 282.01,
 39.23 subdivision 6; 282.241, subdivision 1; 282.301; 289A.08, subdivision 1; 297F.01,
 39.24 subdivisions 10b, 19; 298.17; 298.2215, subdivision 1; 298.28, subdivision 8;
 39.25 298.282, subdivision 1; 298.292, subdivision 2; Minnesota Statutes 2023
 39.26 Supplement, sections 290.0661, subdivisions 4, 8, by adding a subdivision; 298.018,
 39.27 subdivision 1; 298.28, subdivisions 7a, 16; Laws 2024, chapter 113, section 1,
 39.28 subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 16A;
 39.29 282; 462A."