

HF1250 - 0 - Land-Transaction Cost Reimbursement

Chief Author: **Jamie Becker-Finn**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **3/1/2021 7:10:47 PM**
 Lead Agency: **Natural Resources Dept**
 Other Agencies:
 Administration Dept

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

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

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
State Total						
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-

Lead LBO Analyst's Comment

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

LBO Signature: Jim Carlson **Date:** 3/1/2021 7:10:47 PM
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State Cost (Savings) Calculation Details

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

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

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

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Fee/Departmental Earnings		X
Tax Revenue		X
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Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Total	-	-	-	-	-

LBO Analyst's Comment

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

LBO Signature: Jim Carlson **Date:** 3/1/2021 5:03:14 PM
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Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This is the DNR's Lands Bill with provisions authorizing land transaction cost reimbursements, authorizing the addition and deletion of lands from state park boundaries, designating existing DNR-managed lands as a new state forest, and authorizing the private sale of a parcel of surplus riparian state land to a local unit of government.

Sec. 1. Amends Minn. Stat. §84.415 to require reimbursement by the applicant for costs incurred for review, monitoring or other services provided by the State Historic Preservation Office in connection with utility licenses and permits.

Sec. 2. Amends Minn. Stat. §84.63 to require reimbursement by the applicant for costs incurred for review, monitoring or other services provided by the State Historic Preservation Office in connection with easements to state and federal governments.

Sec. 3. Amends Minn. Stat. §84.631 to require reimbursement by the applicant for costs incurred for review, monitoring or other services provided by the State Historic Preservation Office in connection with road easements to private persons.

Sec. 4. Designates the Riverlands State Forest in Carlton and St. Louis counties along the St. Louis, Whiteface and Cloquet rivers.

Sec. 5. Amends Minn. Stat. §89.17 to require reimbursement by the applicant for costs incurred for review, monitoring or other services provided by the State Historic Preservation Office in connection with leases and permits involving forest lands.

Sec. 6. Amends Minn. Stat. §92.50 to require reimbursement by the applicant for costs incurred for review, monitoring or other services provided by the State Historic Preservation Office in connection with leasing state lands.

Sec. 7. Adds 474 acres to Lake Vermilion-Soudan Underground Mine State Park, St. Louis County.

Sec. 8. Deletes 0.26 acres from Minneopa State Park, Blue Earth County.

Sec. 9. Establishes the boundaries of the approximately 22,500 acre Riverlands State Forest in St. Louis and Carlton counties.

Sec. 10. Authorizes the private sale of 0.71 acres of surplus riparian state land in Sherburne County to the City of Big Lake for less than market value, resulting in a negligible fiscal revenue.

Assumptions

This bill would authorize reimbursement for these costs and we assume this authorization would result in an immaterial

revenue in any given fund in any given year.

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

Expenditure and/or Revenue Formula

None.

Long-Term Fiscal Considerations

None.

Local Fiscal Impact

None.

References/Sources

N/A

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Chief Author: **Jamie Becker-Finn**
 Committee: **Environment And Natural Resources Finance And Policy**
 Date Completed: **3/1/2021 7:10:47 PM**
 Agency: **Administration Dept**

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

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Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
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Total	-	-	-	-	-

LBO Analyst's Comment

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

LBO Signature: Joe Harney **Date:** 3/1/2021 6:50:46 PM
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State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This is the Department of Natural Resources (DNR) Lands Bill with provisions authorizing land transaction cost reimbursements and several other provisions.

Sections 1-3 and 5-6 of the bill require an applicant to reimburse the DNR for costs incurred for review, monitoring, or other services provided by the State Historic Preservation Office (SHPO) of the Department of Administration (Admin) in connection with various licenses, easement applications, and lease requests.

Other sections of the bill specify additions to and deletions from state parks, the establishment of a new state park, and a provision for the private sale of specific surplus land.

Assumptions

There is a technical defect in Sections 1-3 and 5-6. Those sections require an applicant to reimburse DNR for costs incurred for services provided by Admin’s SHPO. Those services are actually provided to the DNR by the Minnesota Historical Society. The DNR has contracted with the Minnesota Historical Society for many years to carry out their responsibilities under state historic preservation statutes. These responsibilities include consideration of how their state actions - whether DNR undertakings for state park or trail projects or in response to non-DNR applicants needing to cross or use state lands (land transactions described in the bill) - may affect known or suspected archaeological sites on public lands or waters under DNR control (M.S. 138.40, subd. 3), or National or State Register of Historic Places designated historic properties (M.S. 138.665, subd. 2).

How the DNR achieves their compliance with the statute is a process internal to the agency, but would likely include a submission of materials (project description, identification of historic/archaeological properties, etc) to the SHPO and the Office of the State Archaeologist (OSA) for review and comment prior to state approval or implementation of the state action per the statute referenced above.

Also, for state DNR land transaction projects that include submitting materials to the SHPO for review, there is often a requirement to consult with the SHPO per the National Historic Preservation Act of 1966, as amended (NHPA) (54 U.S.C. § 306108). The SHPO receives federal Historic Preservation Funds to carry out mandated responsibilities under the NHPA and therefore, cannot be reimbursed for state activities that also require consultation with the SHPO per the NHPA.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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