

HOUSE RESEARCH

Bill Summary

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Authors: Dill

Subject: Clair A. Nelson Memorial Forest; tax-forfeited proceeds

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Overview

Provides a temporary suspension of the apportionment of proceeds from tax-forfeited lands in Lake County to reimburse the county for the purchase of 6,085 acres of forest land named the Clair A. Nelson Memorial Forest. Revenue derived from the forest land is also subject to this same tax-forfeited apportionment. Effective retroactive to January 1, 2006.

Section

1 Clair A. Nelson Memorial Forest; Lake County; temporary suspension of apportionment of tax-forfeited land proceeds. (a) Provides that upon approval of an affected political subdivision within Lake County, the Lake County Board may suspend the apportionment of the balance of net proceeds from the tax-forfeited lands within those subdivisions and retain those proceeds until Lake County is reimbursed for the purchase in 2006 of 6,085 acres of forest land named the Clair A. Nelson Memorial Forest. The amount is \$2,200,000 plus any interest costs incurred by the county.

The county auditor is to make annual settlements and distributions of the "net revenue" in the county's tax forfeited sale fund as part of the regular May settlement of property tax receipts. (This apportionment is after certain authorized expenditures have been taken out of the fund.) The law specifies the distribution as follows:

(1) to reimburse municipalities for any special assessments levied after the parcel's

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forfeiture;

(2) to pay for Minnesota Pollution Control Agency or Department of Agriculture costs of response actions for the control of hazardous waste;

(3) to reimburse municipalities for any special assessments levied before the parcel's forfeiture;

(4) set aside up to 30 percent of the remaining balance for forest development;

(5) set aside up to 20 percent of the remaining balance for acquisition and maintenance of county parks or recreational areas; and

(6) any remaining balance is apportioned 40 percent to the county, 20 percent to the city or town, and 40 percent to the school district. (The amount received by the school district is an offset against its school aid)

H.F. 719 suspends the amount in the above apportionment in clause (6) and uses that amount to reimburse Lake County for its costs.

(b) Provides that any revenue derived from the 6,085 acres of forest land under paragraph (a) is subject to the above apportionment.

Effective retroactively to January 1, 2006.