HOUSE RESEARCH

Bill Summary

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This bill would "buy out" the school trust interest in school trust lands identified by the commissioner of natural resources as being under a designation or subject to a policy that prevents the school trust lands from generating long-term economic return. The commissioner was required to identify school trust lands under such a designation or policy as part of legislation passed in 2012.

Under this bill, the commissioner would be required to start a condemnation process (to extinguish the school trust interest) when the commissioner had sufficient money to acquire any of the identified lands. The amount of the award equal to the value of the lands would be deposited in the permanent school fund. The condemnation process is used because otherwise the school trust lands would need to be sold at public auction as required under the state's constitution.

The bill also provides an unspecified appropriation from the bond proceeds fund for these purposes.