

**Minerals Management Subcommittee
Permanent School Fund Advisory Committee
Thursday, June 18, 2009
1:00 PM, Room 125, Capitol**

Minutes

Present: Jim Swearingen - Chair, Representative Loren Solberg, Joe Silko

Absent: Senator Ellen Anderson, Senator Ann Lynch, Senator Tom Saxhaug, Representative Denise Dittrich, Representative Jean Wagenius

Jim Swearingen called the meeting to order at 1:00 p.m.

Review of Charge to Subcommittee

John Engesser, Department of Natural Resources, reviewed the charge of the Subcommittee. Subcommittee discussion followed.

Background Information and Presentation by DNR Staff

John Engesser, Department of Natural Resources, presented background information on the DNR's minerals management processes and procedures related to school trust lands.

Subcommittee discussion and questions took place during the presentation. Questions regarding what percentage of the states taconite reserves are on school trust lands were raised. Discussion regarding the following took place: 1.) Developing new markets for state minerals; 2.) Realigning of taconite lease holdings; 3.) The outright sale of mineral lands, instead of leasing arrangements; and 4.) The development of infrastructure for non-ferrous mines. The need for new legislation or the removal of mining laws to enable the DNR to better manage minerals resources was discussed.

Future Meeting Topics

Three topics for future meeting discussions were decided: 1.) Developing new markets for state minerals; 2.) Realigning of taconite lease holdings; and 3.) The outright sale of mineral lands, instead of leasing arrangements.

Discussion of Future Meeting Schedule

The Subcommittee decided to meet again in September 2009, on the same day that the whole Permanent School Fund Advisory Committee meets. The whole Permanent School Fund

Advisory Committee plans to meet on September 17th and/or 18th.

The meeting was adjourned at 2:45 p.m.

Jim Swearingen, Chair