

Minnesota Lands Ownership, Use and Management Of Forests & Related Lands

Background: In 1960, the American Forestry Association, published a book titled “**Minnesota Lands- Ownership, Use and Management of Forests and Related Lands.**” Compiled by Samuel T. Dana, John H. Allison and Russell N. Cunningham.

The authors reveal that “Minnesota has one of the most complex patterns of ownership in the United States, with State, County, Federal, Industrial and other private lands so intermingled as to greatly hamper effective administration and management.”

In Minnesota, federal grants to the state amounted to about 16,400,000 acres, nearly half of which was to assist in railroad construction. The Organic Act of March 3, 1849, “to establish the territorial government of Minnesota” reserved sections 16 and 36 in each township “for the purpose of being applied to the schools in said territory”. The Enabling Act of February 26, 1857 reaffirmed the grant from 1848 and granted sections 16 and 36 to the state for use of schools, with a provision for lieu selections wherever a school section had previously been sold or otherwise disposed of.

These two congressional actions resulted in the conveyance to the state of approximately 2,900,000 acres of land dedicated to schools. Approximately 100,000 additional acres were granted to support the establishment of a state university system.

In 1860 the Swampland grants to Minnesota added approximately 4,706,503 acres to be used for the construction of levees and ditches.

The state’s initial policy with respect to the lands granted it by the federal government was to dispose of them for cash. Permanent retention of certain lands in state ownership did not occur until 1889 with the reservation of minerals. Article 8 of the State Constitution adopted on October 13, 1857, contained specific provisions for their sale and for covering the proceeds into a perpetual fund. The school fund had its start in 1862, when 38,247 acres of school land were sold for \$242,876.00.

The average price of school lands sold from 1862 to 1958 was consistently between \$6.00 and \$7.00 per acre, exclusive of timber and minerals. This consistency was due to the constitutional requirement that lands of the greatest valuation should be sold first.

From 1849 to 1958 there were 53 specific pieces of legislative action enacted that provided direction for the disposal, sale and management and administration of trust land resources including timber, mineral and the land itself and revenues from the lands.

Modern Day Trust Acres:

	<u>1958</u>	<u>2011</u>
School trust-	995,842	623,160
Ind School Trust		342,594
Swamp Trust	1,607,433	1,548,632
Internal Improvement	<u>7,077</u>	<u>6,609</u>
 Total PSTF acres	 2,610,352	 2,520,895

Revenue Summary- 1958

As trust fund lands are sold the proceeds are invested in permanent funds, the principle of which is held inviolate. Part of the receipts from the iron ore occupation tax(1958) was also allocated to the permanent funds and income from their investment is augmented by current receipts from leases of trust fund lands and from sales of timber, minerals and other products. As of June 30, 1958 The PSTF balance was \$223,075,502, the swampland fund \$26,437,737 and the internal Improvement land fund \$402,833.

Summary: Upon reading this valuable reference to the origin and makeup of the state lands in the State of Minnesota and having experience working with the myriad of land ownerships and administrations at the federal, state, county and private interests, I concur with the authors that Minnesota's land ownership patterns are complex.. My hope is that the committee will consider this brief summary of where we began and how we got to where we are today. The state lands in Minnesota provide much more than revenue to the school trust fund, they additionally provide clean water, open space that can be enjoyed by the residents and visitors to the state for many purposes. The products from the lands provide raw materials for the wood products industry, the mining industry and the world economy. The income from these products provides employment for residents of the state that pay property and sales taxes all of which goes to support education in the state. We cannot forget this connection!

Submitted respectfully

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Committee Member.