

Minnesota Department of Natural Resources

500 Lafayette Road · Saint Paul, Minnesota · 55155-4037

Office of the Commissioner

651-259-5555



January 20, 2012

The Honorable Amy Klobuchar
United States Senate
302 Hart Senate Office Building
Washington, DC 20510

The Honorable Al Franken
United States Senate
320 Hart Senate Office Building
Washington, DC 20510

The Honorable Tim Walz
U. S. House of Representatives CD-1
1722 Longworth House Office Building
Washington, DC 20515

The Honorable John Kline
U. S. House of Representatives CD-2
2439 Rayburn House Office Building
Washington, DC 20515

The Honorable Erik Paulsen
U. S. House of Representatives CD-3
127 Cannon House Office Building
Washington, DC 20515

The Honorable Betty McCollum
U. S. House of Representatives CD-4
1714 Longworth House Office Building
Washington, DC 20515

The Honorable Keith Ellison
U. S. House of Representatives CD-5
1027 Longworth House Office Building
Washington, DC 20515

The Honorable Michele Bachmann
U. S. House of Representatives CD-6
103 Cannon House Office Building
Washington, DC 20515

The Honorable Collin Peterson
U. S. House of Representatives CD-7
2211 Rayburn House Office Building
Washington, DC 20515

The Honorable Chip Cravaack
U. S. House of Representatives CD-8
508 Cannon House Office Building
Washington, DC 20515

Dear Minnesota Congressional Delegation:

The State of Minnesota owns approximately 86,000 acres of school trust lands within the federally designated and managed Boundary Waters Canoe Area Wilderness (BWCAW). The school trust lands were granted by Congress to the State for the use of schools, pursuant to the Minnesota Enabling Act. As you may know, the State is required to manage these lands for the benefit of the Minnesota Permanent School Fund. Since the federal wilderness designation generally precludes the State from managing these lands for revenue generation, the State wishes to exchange and sell its school trust lands inside the BWCAW to the U.S. Forest Service. Utah has recently had success in completing similar transactions with the federal government. (See Public Laws 105-335 and 106-301.) Wyoming is currently making efforts to be compensated by the federal government for its school trust lands inside Grand Teton National Park.



Since mid-2009 the Minnesota Department of Natural Resources (DNR) has been working with the Permanent School Fund Advisory Committee (PSFAC) and the U.S. Forest Service to develop a plan that will fully compensate the Permanent School Fund for the lands within the BWCAW. The efforts of these parties lead to the Minnesota Legislature passing Minnesota Session Laws 2010 - Resolution #1. This resolution adopted the recommendation of the PSFAC to pursue the sale and exchange of the school trust lands inside the BWCAW with the U.S. Forest Service. The PSFAC recommended that this hybrid model consist of a 1/3rd exchange and 2/3rd sale.

Completing this exchange and sale will provide additional education funding, create jobs, and provide other economic benefits to the State of Minnesota. A sale could possibly generate over \$100 million dollars directly to the Permanent School Fund and an exchange will provide additional lands to generate future revenue for the Permanent School Fund which funds school districts throughout the State.

Over the past year, the DNR and the U.S. Forest Service have reviewed over 100,000 acres of U.S. Forest Service lands for potential exchange and has been working with the U.S. Forest Service on the selection of potential exchange parcels. The DNR and U.S. Forest Service currently agree on approximately 41,000 acres of U.S. Forest Service land outside of the BWCAW that are acceptable as candidates for exchange. The selection of over 41,000 acres is a big step in the right direction, but a lot of work is still needed to complete the exchange and sale.

The State needs assistance from the Minnesota Congressional delegation to expedite this sale and exchange. The federal system governing land transactions can be very lengthy contributing to further delays in an already multi-year process. Without Congressional help, this project will be caught in this system and will be further delayed. Both Utah and Wyoming sought and received Congressional help on related matters for the same reasons. Specifically, to ensure the success of this project we need:

1. An authorization from Congress to proceed with the transaction;
2. An appropriation from Congress to fund the sale and exchange costs incurred by the U.S. Forest Service;
3. An authorization from Congress allowing the land sale and exchange to move forward through a negotiated agreement exempting the project from the federal land transaction process; and
4. An authorization from Congress exempting the project from review under the National Environmental Policy Act (NEPA).

The future of these lands has been discussed and debated for years and it would benefit all parties involved to resolve this issue. Given the diverse stakeholder interests regarding federal land ownership and management, and the national interest in the BWCAW, it is important that our Congressional delegation play a significant role. I am also enclosing a copy of a Resolution passed in 2010 by the Minnesota State Legislature memorializing Congress and the Secretary of Agriculture to appropriate money and negotiate with the State of Minnesota on the sale and exchange of school trust lands.

If you would find it helpful, I would be willing to meet with you or your staff. Please contact my Executive Assistant, Susan DeLeo at Susan.DeLeo@state.mn.us or 651-259-5019 to find a convenient time and location to have further discussions.

Thank you for consideration in this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Landwehr", written in a cursive style.

Tom Landwehr
Commissioner

Minnesota Session Laws

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Key: (1) ~~language to be deleted~~ (2) new language

2010, Regular Session

RESOLUTION 1--S.F.No. 2494

A resolution memorializing Congress and the Secretary of Agriculture to appropriate money and negotiate with the State of Minnesota on the sale and exchange of school trust lands.

WHEREAS, the Federal Government granted the state school trust lands for a source of continued revenue for the betterment of public schools throughout the state; and

WHEREAS, the legislature established the Permanent School Fund Advisory Committee to advise the Department of Natural Resources on the management of school trust land; and

WHEREAS, the school trust lands in the Boundary Waters Canoe Area Wilderness do not generate any revenue to the permanent school fund; NOW, THEREFORE,

BE IT RESOLVED by the Legislature of the State of Minnesota that it affirms the recommendation of the subcommittee to the Permanent School Fund Advisory Committee to support negotiations with the United States Forest Service on the sale and exchange of school trust lands in the Boundary Waters Canoe Area Wilderness.

BE IT FURTHER RESOLVED by the Legislature of the State of Minnesota that it affirms the recommendation of the Permanent School Fund Advisory Committee to include in those negotiations a hybrid model that would provide for both the sale and exchange of school trust lands in the Boundary Waters Canoe Area Wilderness for Federal lands outside the Boundary Waters Canoe Area Wilderness.

BE IT FURTHER RESOLVED that the Secretary of State of the State of Minnesota is directed to transmit copies of this memorial to Minnesota's Senators and Representatives in Congress, the Secretary of Agriculture, and the Director of the United States Forest Service.

Presented to the governor March 29, 2010

Signed by the governor April 1, 2010, 9:50 a.m.