

## **Minnesota Constitution Article XI, Section 8**

### **PERMANENT SCHOOL FUND; SOURCE; INVESTMENT; BOARD OF**

**INVESTMENT.** The permanent school fund of the state consists of (a) the proceeds of lands granted by the United States for the use of schools within each township, (b) the proceeds derived from swamp lands granted to the state, (c) all cash and investments credited to the permanent school fund and to the swamp land fund, and (d) all cash and investments credited to the internal improvement land fund and the lands therein. No portion of these lands shall be sold otherwise than at public sale, and in the manner provided by law. All funds arising from the sale or other disposition of the lands, or income accruing in any way before the sale or disposition thereof, shall be credited to the permanent school fund. Within limitations prescribed by law, the fund shall be invested to secure the maximum return consistent with the maintenance of the perpetuity of the fund. The principal of the permanent school fund shall be perpetual and inviolate forever. This does not prevent the sale of investments at less than the cost to the fund; however, all losses not offset by gains shall be repaid to the fund from the interest and dividends earned thereafter. The net interest and dividends arising from the fund shall be distributed to the different school districts of the state in a manner prescribed by law.

A board of investment consisting of the governor, the state auditor, the secretary of state, and the attorney general is constituted for the purpose of administering and directing the investment of all state funds. The board shall not permit state funds to be used for the underwriting or direct purchase of municipal securities from the issuer or the issuer's agent.

## **Minnesota Constitution Article XI, Section 10**

**EXCHANGE OF PUBLIC LANDS; RESERVATION OF RIGHTS.** As the legislature may provide, any of the public lands of the state, including lands held in trust for any purpose, may be exchanged for any publicly or privately held lands with the unanimous approval of the governor, the attorney general and the state auditor. Lands so acquired shall be subject to the trust, if any, to which the lands exchanged therefor were subject. The state shall reserve all mineral and water power rights in lands transferred by the state.

## **Minnesota Constitution Article XI, Section 11**

### **TIMBER LANDS SET APART AS STATE FORESTS; DISPOSITION OF REVENUE.**

School and other public lands of the state better adapted for the production of timber than for agriculture may be set apart as state school forests, or other state forests as the legislature may provide. The legislature may also provide for their management on forestry principles. The net revenue therefrom shall be used for the purposes for which the lands were granted to the state.

**Page 42 and 43 Tables:**

**Current contracts and acres (June 2010) (School Trust Lands):**

Contract type	Number of contract	Acres	Revenue FY10
Easements*	13	95.53	\$172,978
Land crossings*	14	260.83	\$153,519
Water crossings*	214	N/A	\$122,133
Leases: aggregate	36	488.60	\$211,631
Leases: agricultural	60	1,766.95	\$17,404
Leases: miscellaneous	316	4,657.65	\$383,587
Leases: other (boathouse, lakeshore, etc.)	10	6.54	\$14,930
Leases: hunting cabins	47	25.32	\$23,079
Wild rice farming	5	534.40	\$3,448
<b>Subtotal:</b>	<b>715</b>	<b>7,479.46</b>	<b>\$1,102,709</b>
Permits	104	N/A	\$52,102
Resource Management Access Permits	65	N/A	\$2,020
<b>Subtotal:</b>	<b>169</b>	<b>N/A</b>	<b>\$54,122</b>
<b>Total:</b>	<b><u>884</u></b>	<b><u>7,479.46</u></b>	<b><u>\$1,156,831</u></b>

\*Issued FY10

**Revenues FY2008-2009 (School Trust Lands):**

Contract type	FY08	FY09
Easements	\$57,875	\$92,315
Land crossings	\$35,145	\$23,986
Water crossings	\$154,724	\$224,807
Leases: aggregate	\$219,416	\$344,294
Leases: agricultural	\$12,795	\$16,114
Leases: miscellaneous	\$294,978	\$282,481
Leases: other (boathouse, lakeshore, etc.)	\$6,189	\$12,615

Leases: hunting cabins	\$15,627	\$16,864
Wild rice farming <sup>A</sup>	\$3,693	\$3,693
Late fees on DNR land leases <sup>A</sup>	\$94	\$98
Permits	\$63,060	\$13,710
Resource Management Access Permits	\$0	\$1,000
<b>Total</b>	<b>\$863,597</b>	<b>\$1,031,977</b>