



DIVISION OF FORESTRY - TIMBER SALES PROGRAM
500 Lafayette Road, St. Paul, MN 55155-4044

Notice to All Permit Holders:

The table below shows a list of recent legislative changes to Minnesota timber statutes. The statutes apply to all who intent to purchase and/ or operate on a timber sale on DNR administered lands.

| Minnesota Timber Statutes | | | |
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| Number | Title | Description | Effective Date |
| M.S. § 90.01 | Affiliate | "Affiliate" means a person who: (1) Controls, is controlled by, or is under common control with any other person, including, without limitation, a partner, business entity with common ownership, or principal of any business entity or a subsidiary, parent company, or holding company of any person; or (2) Bids as a representative for another person. | March, 2018 |
| M.S. § 90.193 | Timber Permit Extension Interest | The annual interest rate applied to timber permits under approved Regular Extensions has changed from 8% to 5%. The lower interest rate will apply to existing and new extensions on or after June 14, 2015. | June 14, 2015 |
| M.S. § 90.14 Subd. (e) | Bid Guarantee Payments | The auction sale bid-up level where a bid guarantee payment applies has changed from a bid-up of \$5,000 or more over the appraised value to a bid-up of \$10,000 or more over the appraised value. The higher bid guarantee bid-up level will be effective for timber permits sold on or after June 1, 2015. | June 1, 2015 |
| M.S. § 90.145 | Purchaser Registration | LogSafe training is no longer required to purchase a timber sale permit, but is required to operate on a permit. A registration form must be submitted to verify the qualifications of a person as a responsible bidder to purchase a timber permit. The DNR requires an annual registration to be submitted at least 4 business days prior to a sale purchase. | July 1, 2013 |
| M.S. § 90.101, Subd. 1 | Unsold Auction Sales | Unsold auction sales may be available for over-the-counter purchase for up to 1 year after the auction date. Previously was 6 months. | July 1, 2013 |
| M.S. § 90.121 (a)(2) | Intermediate Auction Sale Purchase After 30 Days. | After 30 days, an unsold intermediate auction tract may be purchased over the counter by any qualified purchaser. After 30 days, purchase is not limited to qualified purchasers with 30 or less employees. | July 1, 2013 |

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| M.S. § 90.191, Subd. 1 | Number of Informal Permits | A qualified purchaser may purchase up to 4 informal permits. Previous limit was 2 informal permits. | July 1, 2013 |
| M.S. § 90.151, Subd. 1(b)(c) | Scaling Extensions | If additional time is needed, a permit holder must request, prior to the permit expiration date, a scaling extension up to 90 days to complete skidding, hauling, and removing equipment. An additional scaling extension may be granted for a period of up to 240 days upon receipt of a written request from the permit holder. Previously, two 120-day extensions may have been issued after the initial 90-day scaling extension. | July 1, 2013 |
| M.S. § 90.151, Subd. 3 and 4 | Permit Security and Permit Forfeiture. | If an effective permit (fully secured) is forfeited (or expires) prior to any cutting activity, the purchaser is liable to the state for a sum equal to the down payment and bid guarantee. Previously, a penalty payment was required prior to removing security prior to permit forfeiture. Once cutting commences, the permit holder is liable for the full permit price. | July 1, 2013 |
| M.S. § 90.161, Subd. 4 | Change of Security. | Prior to any cutting activity on a fully secured permit, upon request from the permit holder, the state may release the security while retaining, or upon repayment of, the permit's down payment and bid guarantee. Previously, a penalty payment was required prior to removing security (e.g., bond or letter of credit) from a fully secured uncut permit. | July 1, 2013 |
| M.S. § 90.164 | Road and Landing Work Before Permit is Fully Secured | Prior to a permit being fully secured, and after the completion of the pre-sale meeting with the timber sale administrator, the permit holder may access the permit area for the express purpose of clearing approved roads and landings. No cutting of timber is allowed, except that incidental to the clearing of the approved roads and landings. This change to the statute removed the requirement of a performance deposit before road and landing work. | July 1, 2013 |
| M.S. § 90.195 (c) | Special Use Permit for Access Road Timber. | A special use permit may be issued for incidental volumes of timber from approved right-of-way road clearing across state land for the purpose of accessing a state timber permit. | July 1, 2013 |
| M.S. § 90.041, Subd. 11 | Debarment | The state may debar a permit holder if convicted at the gross misdemeanor or felony level of criminal trespass, theft, fraud, or antitrust violation involving state, federal, county, or privately owned timber. Period of debarment is from one to three years depending on the severity of the violation, past history of compliance with other permits, and the amount of loss incurred by the state. | July 1, 2013 |