

# LEXICON OF STATE OWNED LANDS

The following is a guide to the lands acquired by the State of Minnesota, with a particular focus on the lands managed by the Minnesota Department of Natural Resources (DNR). The framework is a fact sheet on each of the land types and information on the granting law. The lands are grouped as follows:

- Lands granted by the federal government
- The beds of navigable waters
- Lands acquired through forfeiture
- Other acquired lands
- Mineral rights.

There is also an index at the end of this guide.

Kathy A. Lewis  
Minnesota Department of Natural Resources  
Division of Lands and Minerals  
500 Lafayette Road  
St. Paul, MN 55155-4045  
February 16, 2016

## STATE LAND FACT SHEET: SCHOOL TRUST LANDS

### Definition and History:

**School trust lands** are held in trust by the state with the revenue used for the public schools of the state.

It had been a long established tradition in the United States to set aside lands in trust for the support of schools. The roots of this extend back to colonial practice and to English tradition. The new United States passed a General Land Ordinance in 1785, which allowed for the sale of western lands and provided for section 16 of each public land survey township to be set aside “for the maintenance of public schools” within the township. With the formation of the states from the western territories, these reserved lands would become school trust lands. This was first put into practice with the admission of Ohio to the Union in 1802. All states admitted to the Union since 1802 have received some amount of school trust land, except those few cases where the federal government owned no land.

The federal Organic Act of 1849 created the Territory of Minnesota and reserved sections 16 and 36 of each public land survey “for the purpose of being applied to the schools in said territory.” (In 1848 Oregon was the first territory to have two sections reserved for the use of schools; Minnesota was the second territory to receive this double grant.) The federal Enabling Act of 1857 granted Minnesota these reserved lands and the state’s citizens accepted this grant with the adoption of a Constitution on October 13, 1857.

Minnesota’s Constitution established the Permanent School Trust Fund. Revenue from the school trust lands is deposited into the fund. The trust fund supports public schools (non-tuition education grades K-12).

**Indemnity school trust lands** were lands selected in lieu of the section 16 and 36 lands when such lands were not available. The primary reasons were that sections 16 or 36 were under water, already claimed or homesteaded or did not exist in a partial township. Under such circumstances, the state was allowed to select other lands from the federal domain. The final selection of lands was made in 1960.

The school trust lands grant (including the indemnity school trust lands) totaled 2,995,000 million acres of land being given to the state in support of the schools.

Minnesota’s original Constitution provided that the school lands could only be disposed of by public sale, a condition that is still found in the state’s Constitution. The first sale of school lands was in 1862. The lands in the southern part of the state that were valuable for agriculture sold more quickly than the lands in the northern part of the state. About two-thirds of the lands from the original grant were sold.

**Transfer school lands**- see internal improvement lands fact sheet as to acquisition.

Acres managed by DNR as of January 2016: 967,728 acres, of which 625,883 are from the original school trust lands grant, 341,785 acres are indemnity school lands, and 60 acres are transfer school lands.

### Granting authority:

Act of Congress, March 3, 1849

Act of Congress, February 26, 1857

Minnesota Constitution, Art. 11, Sec. 8 is the current location for the school trust land and fund provisions.

## STATE LAND FACT SHEET: SWAMP LANDS

### Definition and History:

**Swamp lands** granted to Minnesota are now classified as school trust lands.

In 1860, the U.S. Congress granted Minnesota all the swamp and overflowed waters in the state that had not been previously reserved or conveyed. Only 15 states received this land grant. The money from the sale of the lands was to be used to construct levees and drains. Minnesota chose the option of identifying the swamp lands by the field notes of the government surveys.

The swamp lands granted totaled about 4.7 million acres of land being given to the state.

Instead of following the requirement to use the money from the sale of the lands to drain lands, the state granted about 2.8 million acres of land to the railroads. Specific grants of swamp lands were also made for the Stevens Seminary in McLeod County, the Madelia and Sioux Falls Wagon Road and the Cannon River Manufacturing Association. Swamp lands were also granted for an insane asylum, a state prison, three normal schools and an institute for the education of the deaf, dumb and blind in Faribault.

The federal government took no action to stop the action of the state. The practice was halted by an amendment to Minnesota's Constitution in 1891. After that time, the swamp lands were sold in the same manner as the school lands. Money from the sale of swamp lands was placed into a permanent trust fund that eventually merged with the Permanent School Trust Fund.

About three-fourths of the swamp lands were sold or given away.

Acres managed by DNR as of January 2016: 1,546,189 acres.

### Granting authority:

Act of Congress, March 12, 1860, extended the provisions of the swampland acts of 1849 and 1850 to Minnesota and Oregon.

## STATE LAND FACT SHEET: INTERNAL IMPROVEMENT LANDS

### Definition and History:

***Internal improvement lands*** granted to Minnesota are now classified as school trust lands.

In 1866, upon recognition of the applicability of an 1841 federal law for new states, Minnesota received half a million acres of land to be used for internal improvements.

Almost all of the internal improvement lands were sold, with the revenue used to liquidate state railroad bonds issued in 1858 to fund railroad construction. The remaining money from the sale of internal improvement lands was deposited into a permanent fund that eventually merged with the Permanent School Fund.

***Transfer school and transfer university lands*** were originally part of the internal improvement land grant. By Laws of MN 1891, Chapter 31, the state addressed the issue of redeeming and refunding the Minnesota State Railroad adjustment bonds. The law provided a transfer of internal improvement land contracts in the amount of \$1.8 million to the permanent school fund and the future transfer of internal improvement land contracts in the amount of \$25,000 to the permanent university fund. The transfer had the effect of permanently setting apart the lands and all money paid on those lands to the permanent trust funds. The transfer also operated as a cancellation of a like amount in the value of the railroad bonds held by the permanent trust funds.

Acres managed by DNR as of January 2016: 6,510 acres.

### Granting authority:

Act of Congress, September 4, 1841

## STATE LAND FACT SHEET: UNIVERSITY TRUST LANDS

### Definition and History:

**University trust lands** are lands held in trust by the State with the revenue used to support the University of Minnesota.

In 1851, the Legislative Assembly of the Territory of Minnesota established the University of Minnesota at the Falls of St. Anthony. At the request of the territorial legislature, the United States Congress reserved from sale 72 sections of land for the support of a university.

By the Enabling Act of February 26, 1857, the United States Congress authorized the Territory of Minnesota to form a constitution and state government. The Enabling Act provided for grants of land to the state, including the grant of 72 sections of land for use and support of a state university.

In 1870, the United States Congress affirmed that the 1857 grant of land was separate from and in addition to the 1851 grant of lands. Thus, 144 sections of land were conveyed from the federal government to the State of Minnesota for the use and support of a state university.

The lands granted by the United States are owned by the State of Minnesota and managed by the Minnesota Department of Natural Resources. To distinguish them from the lands owned and managed by the University of Minnesota, the federal grant lands are often referred to as the “permanent university fund lands.”

Early management of the University created debts from purchasing land and constructing buildings at higher costs than authorized. About a third of the lands granted in 1851 were sold and other lands were leased to pay off debts. The attorney who successfully lobbied the second grant issue at Congress received 1,920 acres of excellent pine land for his service. Thus, about two-thirds of the original 92,160 acres of university trust lands were sold or given away.

**Transfer university lands** – see internal improvement fact sheet.

Acres managed by DNR as of January 2016: 25,840 acres.

### Granting authority:

Laws of 1851 of the Legislative Assembly of the Territory of Minnesota, Chapter 3, Section 2

Act of Congress, February 19, 1851

Act of Congress, February 26, 1857

Act of Congress, July 8, 1870.

## STATE LAND FACT SHEET: PUBLIC BUILDINGS

### Definition and History:

**Public Building Lands** were granted for the construction or completion of public buildings at the seat of government.

The Enabling Act of 1857 granted ten sections of land for the completion of public buildings, or the erection of public buildings, at the seat of government.

The 10 sections were selected by the Governor to be in Kandiyohi County. A proposal to remove the capital to that county was passed in 1869 but vetoed by the Governor. The lands were finally authorized for sale by the legislature in 1901. The lands were sold in the same manner as the school trust lands. The money was used to complete the state capitol building in St. Paul.

### Granting authority:

Act of Congress, February 26, 1857

Authority to sell: Laws of MN 1901, Ch. 177.

## STATE LAND FACT SHEET: SALT SPRING LANDS

### Definition and History:

***Salt Spring Lands*** were granted to the state by the federal government, with the proceeds to be used as directed by the state legislature.

The Enabling Act of 1857 granted Minnesota all salt springs lands within the state, provided that they did not exceed 12 in number, along with six sections of land adjoining or contiguous to the salt springs.

This grant resulted in 46,080 acres to the state – 72 sections of land. 34,560 of the 46,080 acres were selected in Otter Tail and Wilkin counties. There were 18 sections that were included in the White Earth Indian Reservation, and in lieu lands selections were later made to replace those lands. The Minnesota Legislature in the 1870s conveyed 7,643 acres of the salt spring lands to the Belle Plaine Salt Company, but the company failed to find any salt spring water of commercial value.

In 1873 the remaining salt spring lands were turned over to the university to manage, with the revenue going into a permanent university salt land fund. The proceeds were used to support the geological and natural history survey and the preparation of geological reports. The income is now used for endowed chairs at the Duluth campus and for tuition for Indian students at the Morris campus of the University.

All the lands have been sold except for the 971 acres located within Bear Head Lake State Park.

### Granting authority:

Act of Congress, February 26, 1857

## STATE LAND FACT SHEET: RAILROAD LANDS

### Definition and History:

***Railroad grant lands*** were conveyed from the federal government to the state for the construction of railroads.

The first land grant was in 1854 to the territory to aid in construction of a railroad from Iowa through St. Paul and toward Lake Superior. Controversy followed, and the act was repealed by Congress.

In 1857 Congress provided land grants for the construction of four railroads. The lands to be granted were alternate, odd numbered sections up to a distance of six miles on each side of the road. There were provisions for in lieu selections of lands. In 1865, Congress changed the size of the grant to allow the selection to a distance of ten miles on each side of the road, with in lieu selections a greater distance. There were subsequent land grants to the state for additional railroads.

The lands were conveyed by the state to the railroads. Overall, the federal grants to the state for railroad construction totaled over 8 million acres, with a direct grant to the Northern Pacific Railway Company totaling about 1.9 million acres.

### Granting authority:

Act of Congress, June 29, 1854; rescinded August 4, 1854

Act of Congress, March 3, 1857, as amended by Act of Congress March 3, 1865

Act of Congress, July 4, 1866



## STATE LAND FACT SHEET: MORRILL ACT LANDS

### Definition and History:

***Morrill Act Lands*** were granted by the federal government to the state to establish colleges of agriculture and mechanic arts.

In 1862, the federal government granted each state this education grant based on the number of members of its congressional delegation. Each state was granted 30,000 acres for each senator and representative as of 1860, with some adjustments made based on selection and availability. Minnesota had two senators and two representatives and the state received a total of 94,439 acres. The lands were selected in 17 counties, with over a third of the lands being in Freeborn, Sibley and McLeod counties.

The money from the lands was to go to an agricultural college to be located at Glencoe. In 1868 the Minnesota Legislature changed the beneficiary to be the Agricultural College being located at the University of Minnesota. In compensation for this change, Glencoe received a grant of about 5,000 acres of swamp land for the Stevens Seminary.

All the land received under the Morrill Act was sold. The income became part of the Permanent University Fund.

### Granting authority:

Act of Congress, July 2, 1862 ("Morrill Act")

## STATE LAND FACT SHEET: RECREATION AND PUBLIC PURPOSES LANDS

### Definition and History:

***Recreation and Public Purpose lands*** were granted to the state from the federal government.

The Recreation and Public Purposes Act of 1926 authorized the conveyance of certain lands to the state for public recreation use or other public purposes. The lands revert to the U.S. if the lands are not used according to the terms and conditions of the original conveyance.

The federal government issued 43 patents covering 1,042 acres to the Department of Conservation for recreation and park purposes or for inclusion in the state's scientific natural area, water access or wildlife management programs. (There were also patents issued to the Department of Military Affairs for lands within the Camp Ripley Training Center and lands bordering on or islands in the Mississippi River.) Half of the lands have been used for wildlife management, with the next highest use being scientific and natural area. Of the original conveyance, 129.6 acres have been subsequently conveyed to Cass County in a land exchange and are subject to reversion to the U.S.

Acres managed by DNR as of January 2016: 912 acres.

### Granting authority:

Act of Congress, June 14, 1926 ("Recreation and Public Purposes Act")

## STATE LAND FACT SHEET: LAND UTILIZATION PROJECT LANDS

### Definition and History:

***Land Utilization Project Lands*** include land leased from the federal government and land where title was granted to the state from the federal government.

As part of the New Deal, a federal law passed in 1933 authorized the purchase of submarginal agricultural lands. The federal government purchased more than 200,000 acres in Minnesota.

A lease of LUP lands between the United States and the State was first entered into in 1940, and has been amended and extended ever since. The lease covers about 86,065 acres, and the lands are managed by the state for wildlife, forestry and other conservation purposes.

In 1954, the State also received a grant of LUP lands in Beltrami, Carlton, Koochiching and Lake of the Woods counties. The lands must be used for public purposes, conservation and land utilization. (The federal government reserved 75% of the minerals and all the fissionable materials.)

Acres managed in fee by DNR as of January 2016: 20,464 acres.

### Granting authority:

Act of Congress, June 16, 1933 (“National Industrial Recovery Act”)

Act of Congress, June 22, 1937 (“Bankhead-Jones Farm Tenant Act”)

## STATE LAND FACT SHEET: VOLSTEAD LANDS

### Definition and History:

***Volstead Lands*** were purchased by the state from the federal government.

In 1908, the U.S Congress authorized the establishment of liens for drainage ditches on unpatented federal lands. The United State was not liable to pay the liens, but the purchasers of the land from the federal government were liable for the assessment. The intention was that with drainage the lands would be settled and become suited for agricultural development.

The U.S. Congress in 1958 authorized Minnesota to purchase certain of these lands which were subject to the liens. The purchase price was the appraised value less the amount of the drainage liens assessed against the lands. Minnesota was not liable for the drainage ditch assessment lien, but future revenue would provide compensation to the counties.

In 1961, the State Legislature appropriated funds to purchase 33,221 acres of these lands. The lands were placed under the jurisdiction of the Commissioner of Conservation. The lands are leased, sold or exchanged in the same manner as trust lands. Any revenue is split 50% to the county in which the lands are located (to compensate for the drainage ditch lien that was not paid) and 50% to the general fund (to compensate for the cost of purchasing the land).

Acres managed by DNR as of January 2016: 31,504 acres.

### Granting authority:

Act of Congress, May 20, 1908 ("Volstead Act")

Act of Congress, May 1, 1958

Also see Laws of MN 1961, Ch. 472 as amended by Laws of MN 1963, Ch. 390.

## STATE LAND FACT SHEET: BLM ISLANDS AND UPLANDS

### Definition and History:

***BLM islands and unsurveyed lands*** were transferred from the federal government to the state.

The Minnesota Public Lands Improvement Act of 1990 transferred to the state islands and uplands, surveyed and unsurveyed, which were not, as of April 18, 1991, subject to claims identified by the U.S. Bureau of Land Management. These are commonly referred to as “BLM islands,” but can include uplands that are not islands.

The lands are subject to restriction on use and further conveyance. The lands cannot be conveyed or otherwise transferred by the state to any entity other than the U.S. or a political subdivision of the state. If there is an attempt at any other conveyance, the title of all the lands conveyed by the act reverts to the U.S.

The lands can only be used for public recreation, protection of fish and wildlife and plants, or protection of scenic, scientific, historic, cultural, geologic and other resources and values of such land. If any of the lands are used for purposes not allowed by the law, all the land conveyed by the act revert to the U.S.

The U.S. was also authorized to resolve claims for parcels through sale of the parcels. If parcels were not purchased by claimants within 10 years of the date of the act, the title of the parcels were to be transferred to the state. No parcels with claims have been transferred to-date under this provision.

### Granting authority:

Act of Congress, October 18, 1990, Public Law 101-422, Title II.

STATE LAND FACT SHEET: ITASCA STATE PARK, ST. CROIX STATE PARK, and FORT SNELLING STATE PARK

Definition and History:

**Itasca State Park** includes 7,000 acres granted to the state by the federal government. The lands revert to the U.S. if they are not used exclusively and permanently for park purposes.

Granting authority:

Act of Congress, August 3, 1892

Definition and History:

**St. Croix State Park** includes 30,557 acres granted to the state in 1942 by the federal government. The lands were first part of a St. Croix recreation development project. The lands were then placed under the management of the National Park Service before transfer to the state. The deed requires that the lands be used for park, recreational and conservation purposes.

Granting authority:

Act of Congress, June 6, 1942.

Definition and History:

**Fort Snelling State Park** includes 141 acres granted to the state in 1971 by the federal government. These Upper Bluffs lands are limited to use and maintenance for public park or public recreational purposes, and can revert to the U.S. if needed for national defense.

Management as of 2016:

A significant portion of the lands have been leased to the Park and Recreation Board of the City of Minnesota for use of the golf course and polo grounds area. There are on-going discussions about the restoration and use of buildings along the Officer's row area.

Granting authority:

Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended by Public Law 91-485.

## STATE LAND FACT SHEET: BURNTSIDE STATE FOREST AND BARTLETT LAKE

### Definition and History:

***Burntside State Forest*** includes lands granted to the state by the federal government for experimental and forestry purposes.

In 1904, Congress granted the state 19,989 acres of lower grade public lands in St. Louis County. The deed restriction is that the lands only be used for forestry purposes. All the revenues from the lands are used for forest purposes within the Burntside State Forest.

### Granting authority:

Act of Congress, April 28, 1904.

### Definition and History:

The federal government granted a small island of half an acre in ***Bartlett Lake***, Koochiching County. The property is to be used as a park and forest reserve.

### Granting authority:

Act of Congress, March 3, 1905.

## STATE LAND FACT SHEET: BEDS OF NAVIGABLE WATERS

### Definition and History:

***Beds of Navigable Waters*** were granted to the state upon statehood.

There is no list of the navigable waters in Minnesota where the state is the owner of the beds. It is a factual test as to whether the waters were used or usable as of 1858 as a highway for commerce, whether by steamboat, sail vessel, flatboat or canoe, over which trade or travel are or may be conducted.

In Minnesota, the title to an owner of land bordering on a navigable body of water extends to the ordinary low water level. For some of the waters, the surveyors established meander lines to approximate the curves of the shoreline and provide acreage for the adjoining riparian lots. The meander lines do not determine the boundaries or low water mark for navigable waters. Water boundaries can change over time; whether ownership changes depends on whether the change is sudden or gradual and artificial (e.g., man-made) or natural.

Also, it is important to note that navigable waters are not the same as “public waters” under state law. Some of the waters identified as “public waters” do not meet the navigability test.

The beds of navigable waters are not trust fund lands. The Minnesota Legislature has directed mineral lease revenue from the mining of beds of waters goes into the Permanent School Fund, and that utility license revenue from water crossing licenses for public waters goes into the Permanent School Fund, but the beds themselves are not school trust lands.

The beds of navigable waters are subject to the “public trust doctrine.” A conveyance of a bed of a navigable body must have specific legislative authorization. Any conveyance must further the public interests; a conveyance to private persons solely for private interests violates the public trust doctrine. Any conveyance is still subject to the rights of the public to have full benefit of the trust uses – commerce, fishing and navigation.

### Granting authority:

Ordinance of 1787: The Northwest Territorial Government. Any state joining the Union is admitted on an equal footing with the original states. The shores of navigable waters and soils under them were not granted by the U.S. Constitution to the United States but were reserved to the states.

Major court cases in Minnesota on this issue include:

Lamprey v. State, 52 N.W. 1139 (1893) and  
State v. Longyear Holding Company, 29 N.W. 2 658 (1947).

The public trust doctrine is defined and clarified in the United States Supreme County opinion Illinois Central Ry. Co. v. Illinois, 146 U.S. 387 (1892).



## STATE LAND FACT SHEET: TAX FORFEITED LANDS

### Definition and History:

***Tax forfeited lands*** came into state ownership through forfeiture for non-payment of the general property tax.

The title to the lands is held by the State in trust for the respective taxing districts.

The early tax forfeiture laws of the state did not withstand court challenges or enforcement. The tax forfeitures found valid and enforceable date no earlier than the 1926 tax rolls. It is estimated that about 4.5 million acres forfeited by 1944 from the tax rolls from 1927 to 1936. By 1950, about 9.4 million acres had forfeited, although this total includes lands that had forfeited once, were sold, and then forfeited again.

The surface interest on most tax forfeited lands is managed by the counties. The DNR has oversight and approvals for some timber sale, certain leasing activities and some sales of the land.

Acres as of January 2016: 2,825,201 (does not include most platted parcels)

### Granting authority:

Laws of MN 1935, chapter 378, is the first of a series of laws that changed the forfeited land procedures for the state.

Minn. Stat., sec. 281.25 establishes the title and trust relationship.

## STATE LAND FACT SHEET: CONSOLIDATED CONSERVATION AREA LANDS

### Definition and History:

**Consolidated conservation area lands** came into state ownership through tax forfeiture, often arising from non-payment of tax assessments for drainage projects.

With logging declining in Minnesota at the end of the 1800s, more emphasis was placed on developing the agricultural economy. It was hoped that the wetlands in central and northern Minnesota could be converted to farming. The Minnesota Legislature authorized the organization of local drainage districts that created drainage ditches. Many miles of ditches were built at a cost of millions of dollars. Where farming was attempted, the majority of land was ultimately abandoned because the land was too poor to farm or the development costs and ditch assessments made farming uneconomic.

During the 1920s and 1930s, many drainage projects failed to meet their financial obligations due to non-payment of the tax assessments. Counties assumed responsibility for delinquent drainage bonds, but also experienced difficulty in making payments on the debt. Through three separate laws passed in 1929, 1931, and 1933, the state assumed responsibility for these debts. In return, the state accepted title, free of trust to the taxing districts, on all forfeited land within areas established by the legislature in seven counties: Aitkin, Beltrami, Koochiching, Lake of the Woods, Mahnomen, Marshall and Roseau.

Between 1929 and 1984, the state acquired title to more than 1.9 million acres of consolidated conservation area lands. Effective May 3, 1984, the Minnesota legislature ended the policy of conveying title to the state, free from the trust to the taxing districts, for tax forfeitures within the consolidated conservation areas.

The Department of Conservation classified the lands as suitable for agriculture, afforestation, reforestation or wildlife preservation, propagation, breeding and hunting. The laws authorized the sale of lands that were more valuable for agriculture or timber, and most of the agricultural and timber lands were sold.

Acres managed by DNR as of January 2016: 1,552,202 acres.

### Granting authority:

Laws of MN 1929, Chapter 258 (Minn. Stat., secs. 84A.01 to 84A.11), established the Red Lake Game Preserve in Beltrami, Lake of the Woods and Mahnomen counties)

Laws of MN 1931, Chapter 407 (Minn. Stat., secs. 84A.20 to 84A.30) covered lands in Aitkin, Roseau, Mahnomen counties

Laws of MN 1933, Chapter 402 (Minn. Stat., secs. 84A.31 to 84A.42) covered a reforestation project in Marshall County.

Laws of 1984, Ch. 654, Art. 2, Sec. 84 (Minn. Stat., sec. 84A.57), ends new tax forfeited lands within consolidated conservation areas becoming consolidated conservation area lands.

## STATE LAND FACT SHEET: COUNTY BOARD RESOLUTION LANDS

### Definition and History:

***County board resolution lands*** are tax forfeited lands that have been released from the trust in favor of the taxing districts through a county board resolution.

In 1943, the Minnesota Legislature authorized counties to convey to the state, acting through the Department of Conservation, tax forfeited lands primarily valuable for growing timber and timber products. The county would pass a resolution to release the lands from the trust in favor of the taxing districts. For many decades, the revenue was split 50% to the counties and 50% to the state, so the lands were known as 50-50 lands. The legislature changed this funding distribution in 1992, so the leasing revenue from this land goes to the general fund and timber revenue goes to the forest management investment account.

In 1939, the Minnesota Legislature authorized counties to convey to the state, acting through the Department of Conservation, tax forfeited lands to be devoted to conservation use. The county would pass a resolution to release the lands from the trust in favor of the tax districts. The lands were to be devoted to the “purposes of forestry, water conservation, flood control, parks, game refuges, controlled game management areas, public shooting grounds, or other public recreational or conservation uses.”

### Granting authority:

Laws of MN 1939, Ch. 328, Sec. 1 (Language now found in Minn. Stat., sec. 282.01, subd. 2(b)), county board authorized to convey to the State tax forfeited land free from the trust for use for conservation purposes.

Laws of MN 1943, Ch. 171, Sec. 5 (Minn. Stat., sec. 89.034), county board authorized to convey to the State tax forfeited land free from the trust for use for forestry purposes.

Laws of MN 1992, Ch. 513, Art. 2, Sec. 23, changed the funding of revenue from county board resolution lands conveyed for forestry purposes.

## STATE LAND FACT SHEET: LANDS ACQUIRED BY PURCHASE, GIFT CONDEMNATION, OR TRANSFER OF CUSTODIAL CONTROL

### Definition and History:

**Acquired lands** are a general category that refers to lands the DNR has acquired through purchase, gift, condemnation, and transfer of custodial control.

The DNR acquired land to meet resource management objections. Land is acquired by purchase from willing sellers. Lands are gifted to the state for use for natural resource purposes. An increasingly common practice today is for non-profit land trust organizations to gift property to the state that they acquired through funding under the Outdoor Heritage Funding program or the LCCMR program.

In rare instances, condemnation is used as a means of acquisition, although the use is limited to those instances specifically authorized by legislation or where the landowner requests condemnation rather than purchase. Condemnation is most commonly used to extinguish the school trust interest in lands being used for natural resource purposes where the generation of income is limited or prohibited.

The DNR also receives land from other state agencies through transfer of custodial control. The land is already in state ownership, and the transfer moves the responsibility for and management of the land to another state agency. The DNR received several parcels of land upon closure of a sizeable portion of the state hospital system.

DNR has also acquired lands from a federal agency. For example, the Federal Housing Administration has conveyed some parcels to the DNR for use for natural resource purposes.

Other state agencies also acquire lands by these same means for use for their management purposes. For example, the Department of Transportation acquires lands for highways, rest areas, maintenance facilities and gravel pits. The Department of Military Affairs acquired land for Camp Ripley. There are also lands that escheat to the state where the person who died has no heirs.

Acres managed by DNR as of January 2016: 1,476,416 acres.

## STATE LAND FACT SHEET: PILLSBURY STATE FOREST

### Definition and History:

***Pillsbury State Forest*** started with a gift of lands from the widow of former Governor John S. Pillsbury.

The grant was the first donation under an 1899 state law that authorized people who donated lands to the state for forestry purpose to designate a beneficiary to receive two-thirds of the income from the lands.

The conveyance from the Pillsbury family was 990.53 acre of cutover pine land in Cass County.

The revenue from the land is split 2/3 to the University of Minnesota, 1/6 to the state for forest care and protection, 1/12 to Cass County and 1/12 to Fairview and Lakeshore Townships (dependent on where the revenue is generated). The revenue is distributed at least once every five years.

### Granting authority:

Laws of MN 1899, Chapter 214.

## STATE LAND FACT SHEET: MINERAL RIGHTS

### Definition and History:

**Mineral rights** are owned by the state through various means of acquisition.

The State did not reserve mineral rights when it started to sell and convey its lands. In 1888, State Auditor William Braden reported to the legislature that he was refusing to sell state lands in the iron range area of St. Louis, Lake and Cook counties. He believed that the laws should be changed to reserve all mineral rights to the state. In 1889, the Minnesota Legislature authorized the reservation of mineral rights for lands being sold in the counties of St. Louis, Lake and Cook.

In 1901, it became mandatory that the state reserve the mineral rights upon the sale of any land that had been acquired by the state through an act of Congress, except for the lands granted for railroad construction. Subsequently laws were enacted reserving mineral rights to the state for all land sold by the DNR, as well as tax forfeited lands and the consolidated conservation area lands.

Other agencies have also reserved mineral rights upon the sale of state land. One example is the Minnesota Department of Rural Credit that issued mortgages to aid the farmers in the state during the 1920s. The agricultural depression and economic depression led to widespread forfeiture of the land to the state, and in subsequent sales the Rural Credit Department would often reserve the mineral rights to the state upon sale of the land.

The practice of separating mineral ownership from surface ownership was also followed by the timber companies, the railroad companies and speculators. The severed mineral interests were usually not taxed, and private parties would transfer ownership of the surface or allow the surface of the land to forfeit while retaining mineral rights ownership. Over the years, the ownership of severed minerals by private parties became obscure and sometimes highly fractionalized. The Minnesota Legislature addressed these issues in the 1970s with the severed minerals interest law.

Parties that own mineral rights separate from the surface are now required to file a statement of ownership in the county records and pay an annual tax. Failure to pay the annual severed mineral interest tax will result in forfeiture of the **tax forfeited minerals** to the state in trust for the taxing districts. Failure to file the statement of severed mineral ownership will result in forfeiture through a court hearing of the **forfeited severed minerals** to the state in trust for the taxing districts. The DNR is also authorized to lease severed minerals where the last owner of record has failed to file but the state has not yet brought court action, but the **nonregistered severed minerals** cannot be mined until a court has judged the forfeiture to be absolute.

The state has also acquired severed minerals through gift.

### Granting authority:

Minn. Stat., secs. 93.52 to 93.58, the current language of the severed minerals interest law.  
Also see Contos v. Herbst, 279 N.W.2d 732 (MN 1979)

## BIBLIOGRAPHY

Federal Land Grants to the States with Special Reference to Minnesota, by Matthias Nordberg Orfield (1915)

Minnesota Lands, 1983, by Land Management Information Center, Minnesota State Planning Agency (1983)

Minnesota Lands, by Samuel Trask Dana, John H. Allison, and Russell N. Cunningham (1960)

Putting the Public Trust Doctrine to Work, 2<sup>nd</sup> Edition, by Coastal State Organization, Inc. (June 1997)

Some of the Historical Documents are found in Volume 1 of the Minnesota Statutes, including:

- The Organic Act of Minnesota, March 3, 1849
- Act Authorizing a State Government, February 26, 1857
- Act of Admission into the Union, May 11, 1858

The Minnesota Constitution is also found in Volume 1 of the Minnesota Statutes.

INDEX

	Page
<i>Acquired lands</i> .....	20
<i>Bartlett Lake</i> .....	15
<i>Beds of Navigable Waters</i> .....	16
<i>Bibliography</i> .....	23
<i>BLM islands and unsurveyed lands</i> .....	13
<i>Burntside State Forest</i> .....	15
<i>Consolidated conservation area lands</i> .....	18
<i>County board resolution lands</i> .....	19
<i>Fort Snelling State Park</i> .....	14
<i>Internal improvement lands</i> .....	4
<i>Itasca State Park</i> .....	14
<i>Land Utilization Project Lands</i> .....	11
<i>Mineral rights</i> .....	22
<i>Morrill Act Lands</i> .....	9
<i>Non-registered Severed Minerals</i> .....	22
<i>Pillsbury State Forest</i> .....	21
<i>Public Building Lands</i> .....	6
<i>Railroad grant lands</i> .....	8
<i>Recreation and Public Purpose lands</i> .....	10
<i>Saint Croix State Park</i> .....	14
<i>Salt Spring Lands</i> .....	7
<i>School trust lands</i> .....	1
<i>Swamp lands</i> .....	3
<i>Tax forfeited lands</i> .....	17
<i>Tax Forfeited Minerals</i> .....	22
<i>University trust lands</i> .....	5
<i>Volstead Lands</i> .....	12

