

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 427**

(SENATE AUTHORS: SAXHAUG)

DATE	D-PG	OFFICIAL STATUS
01/29/2015	172	Introduction and first reading Referred to State and Local Government
02/23/2015		Comm report: To pass as amended Second reading

1.1 A bill for an act  
1.2 relating to veterans; making technical changes to veterans trust; removing  
1.3 obsolete provisions; amending Minnesota Statutes 2014, section 197.133;  
1.4 repealing Minnesota Statutes 2014, sections 197.131; 197.132.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 197.133, is amended to read:

1.7 **197.133 DISPOSAL OF PROPERTY AND EXPIRATION OF BOARD OF**  
1.8 **GOVERNORS.**

1.9 (a) If a majority of the board determines that the disposal of the camp or a portion of  
1.10 the camp is in the best interests of Minnesota veterans, or if the camp is not used solely  
1.11 as a camp for and by disabled and other veterans and their families and operated and  
1.12 maintained in compliance with all state, federal, and local laws, the board may dispose of  
1.13 the property at market value as provided in this section. Before disposing of the property,  
1.14 the board shall give notice by certified mail to the commissioner of veterans affairs of its  
1.15 decision to dispose of the property. The commissioner shall publish the notice in the State  
1.16 Register. Interested governmental agencies have until the end of the next legislative  
1.17 session after the notice to appropriate money to purchase the property.

1.18 (b) Proceeds realized from the disposal of the property and any assets on hand at  
1.19 the time of the disposal of the property, must be placed in an irrevocable trust to be used  
1.20 for the initiation or maintenance of veterans programs in the state of Minnesota. Trustees  
1.21 must be appointed in the same manner as provided for under Minnesota Statutes 2014,  
1.22 section 197.131. The trustees shall consult with the commissioner of veterans affairs to  
1.23 determine the needs of Minnesota veterans and provide the commissioner with an annual  
1.24 written report on the trust. The commissioner must approve all expenditures from the

2.1 trust. A certified audit of all assets, expenditures, and property must be conducted prior  
2.2 to any disposition of any assets under the control of the board. Any board member who  
2.3 would benefit directly or indirectly financially from the sale of this property must be  
2.4 removed by the board and a successor appointed as provided by Minnesota Statutes 2014,  
2.5 section 197.131. Upon final disposition of all assets to the trust, the board must disband.  
2.6 Should the assets of the trust be exhausted, the trust must be terminated.

2.7 (c) The trustees appointed under paragraph (b) shall have the exclusive authority  
2.8 to remove a trustee of the trust established under paragraph (b). A trustee may be  
2.9 removed at any time without cause upon a majority vote of the trustees with consent  
2.10 of the commissioner of veterans affairs.

2.11 (d) A vacancy in a trusteeship of the trust established under paragraph (b) must  
2.12 be filled for the remainder of the unexpired term in the same manner as the original  
2.13 appointment.

2.14 Sec. 2. **REPEALER.**

2.15 Minnesota Statutes 2014, sections 197.131; and 197.132, are repealed.

**197.131 BOARD OF GOVERNORS OF BIG ISLAND VETERANS CAMP.**

Subdivision 1. **Creation and membership.** The board of governors of the Big Island Veterans Camp - Lake Minnetonka supervises and manages the camp. The board consists of eight members. Two members each are appointed by the state level organization of the American Legion, the Disabled American Veterans, the Military Order of the Purple Heart, and the Veterans of Foreign Wars provided that at least two appointees are Vietnam veterans. The commissioner of veterans affairs or the commissioner's designee may attend and participate in an advisory capacity at any of the board meetings. The term of each member of the board is two years or until the appointment and qualification of a successor. The board selects a chair and secretary from its membership who serve terms of one year.

Subd. 2. **Vacancies and removal.** A member of the board may be removed at any time by the organization appointing that member. Also, by written notice to the appointing organization, the board may remove the member if the member has been absent for three consecutive meetings of the board. To remove a member, the board must notify in writing the appointing organization and the member after the second consecutive missed meeting that the member may be removed if the next meeting is missed. Any vacancy on the board is filled for the remainder of the unexpired term in the same manner as the original appointment.

**197.132 POWERS AND DUTIES.**

The board of governors of the Big Island Veterans Camp - Lake Minnetonka establishes policies for the proper management of the camp. The board may contract for services needed to operate the camp including the services of a manager, may hire employees, and may make other expenditures for the procurement of materials, services, or equipment necessary for the operation of the camp. Expenditures are made upon the approval of the chair. The board must prepare an annual report detailing a complete report of financial transactions, usage levels, and other activities regarding the management and operation of the camp. Copies of the annual reports must be submitted to each appointing organization and to the commissioner of veterans affairs. The board may accept donations, contributions, gifts, and bequests of real or personal property that may be made for the maintenance or operation of the camp.

The board shall make the camp available to veterans using the following priorities:

- (1) qualified disabled veterans and their dependents;
- (2) qualified veterans, their dependents, and surviving spouses of qualified veterans who were campers prior to the deed transfer; and
- (3) qualified veterans, their dependents, and surviving spouses of qualified veterans.

The camp must be operated as a family camp for the rest and relaxation of veterans and their dependents rather than as a program-oriented camp.

The board must publicize the camp to the greatest extent possible to make the camp's facilities known to Minnesota veterans.

The board is not a state agency. The board shall purchase liability and related insurance sufficient to indemnify the state against all claims arising from the conduct or management of the activities conducted by the board, its agents, or contractors.