

SENATE
STATE OF MINNESOTA
EIGHTY-SEVENTH LEGISLATURE **S.F. No. 158**

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DATE	D-PG	OFFICIAL STATUS
01/31/2011	130	Introduction and first reading Referred to Environment and Natural Resources
04/28/2011	1483a	Comm report: To pass as amended and re-refer to State Government Innovation and Veterans
05/02/2011	1599	Comm report: To pass and re-referred to Rules and Administration
05/09/2011	1804	Comm report: To pass and re-referred to Finance See SF1363, Art. 1 and 2 See SF6, Art. 1-2 (First Special Session)

A bill for an act

relating to natural resources; appropriating money from the outdoor heritage fund; appropriating money from the clean water fund; modifying certain outdoor heritage provisions; modifying the Clean Water Legacy Act; revising the Clean Water Council; providing appointments; amending Minnesota Statutes 2010, sections 10A.01, subdivision 35; 97A.056, subdivisions 2, 3, 5, 6, 9, 10, by adding a subdivision; 114D.10; 114D.20, subdivisions 1, 2, 3, 6, 7; 114D.35; 114D.50, subdivision 6; 116.195; Laws 2009, chapter 172, article 1, section 2, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 114D; repealing Minnesota Statutes 2010, sections 84.02, subdivisions 1, 2, 3, 4, 5, 6, 7, 8; 114D.30; 114D.45.

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

ARTICLE 1

OUTDOOR HERITAGE FUND

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2012" and "2013" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. The appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2012</u>	<u>2013</u>

3.1 established, including expenditures from the
3.2 fund.

3.3 **(b) Accelerated Prairie Restoration and**
3.4 **Enhancement on DNR Lands - Phase III**

3.5 \$1,652,000 the first year is to the
3.6 commissioner of natural resources to
3.7 accelerate the restoration and enhancement
3.8 on wildlife management areas, scientific and
3.9 natural areas, and land under native prairie
3.10 bank easements.

3.11 **(c) Minnesota Buffers for Wildlife and**
3.12 **Water**

3.13 \$2,249,000 the first year is to the Board of
3.14 Water and Soil Resources in cooperation
3.15 with Pheasants Forever to acquire permanent
3.16 conservation easements to enhance habitat
3.17 by expanding riparian wildlife buffers on
3.18 private land. A list of proposed easement
3.19 acquisitions must be provided as part of
3.20 the required accomplishment plan. The
3.21 accomplishment plan must include an
3.22 easement monitoring and enforcement
3.23 plan. Up to \$200,000 is for establishing
3.24 a monitoring and enforcement fund as
3.25 approved in the accomplishment plan
3.26 and subject to subdivision 15. An annual
3.27 financial report is required for any monitoring
3.28 and enforcement fund established, including
3.29 expenditures from the fund.

3.30 **(d) Northern Tallgrass Prairie National**
3.31 **Wildlife Refuge Land Acquisition - Phase**
3.32 **III**

3.33 \$1,720,000 the first year is to the
3.34 commissioner of natural resources for an
3.35 agreement with The Nature Conservancy

4.1 to acquire land or permanent easements
4.2 within the Northern Tallgrass Prairie Habitat
4.3 Preservation Area in western Minnesota for
4.4 addition to the Northern Tallgrass Prairie
4.5 National Wildlife Refuge. A list of proposed
4.6 land acquisitions must be provided as part
4.7 of the required accomplishment plan. The
4.8 accomplishment plan must include an
4.9 easement monitoring and enforcement plan.

4.10 **(e) Minnesota Prairie Recovery Project -**
4.11 **Phase II**

4.12 \$4,500,000 the first year is to the
4.13 commissioner of natural resources for an
4.14 agreement with The Nature Conservancy to
4.15 acquire native prairie and savanna and restore
4.16 and enhance grasslands and savanna. A list of
4.17 proposed land acquisitions must be provided
4.18 as part of the required accomplishment plan.
4.19 Acquisitions, restorations, and enhancements
4.20 must be within the two existing and two
4.21 additional pilot focus areas contained in
4.22 the accomplishment plan. Annual income
4.23 statements and balance sheets for income
4.24 and expenses from land acquired with
4.25 appropriations from the outdoor heritage
4.26 fund must be submitted to the Lessard-Sams
4.27 Outdoor Heritage Council.

4.28 **(f) Cannon River Headwaters Habitat**
4.29 **Complex - Phase I**

4.30 \$1,533,000 the first year is to the
4.31 commissioner of natural resources for an
4.32 agreement with The Trust for Public Land
4.33 to acquire and restore lands in the Cannon
4.34 River watershed for wildlife management
4.35 area purposes under Minnesota Statutes,

5.1 section 86A.05, subdivision 8, or aquatic
5.2 management areas under Minnesota Statutes,
5.3 sections 86A.05, subdivision 14, and
5.4 97C.02. A list of proposed land acquisitions
5.5 must be provided as part of the required
5.6 accomplishment plan.

5.7 **(g) Accelerating the Wildlife Management**
5.8 **Area Program - Phase III**

5.9 \$5,500,000 the first year is to the
5.10 commissioner of natural resources for an
5.11 agreement with Pheasants Forever to acquire
5.12 prairie and other habitat areas for wildlife
5.13 management area purposes under Minnesota
5.14 Statutes, section 86A.05, subdivision
5.15 8. A list of proposed land acquisitions
5.16 must be provided as part of the required
5.17 accomplishment plan.

5.18 **(h) Accelerating the Waterfowl Production**
5.19 **Area Program - Phase III**

5.20 \$9,815,000 the first year is to the
5.21 commissioner of natural resources for
5.22 an agreement with Pheasants Forever to
5.23 accelerate the acquisition of wetlands and
5.24 grasslands to be added to the waterfowl
5.25 production area system in Minnesota in
5.26 cooperation with the United States Fish and
5.27 Wildlife Service. A list of proposed land
5.28 acquisitions must be provided as part of the
5.29 required accomplishment plan.

5.30 **(i) The Green Corridor Legacy Program -**
5.31 **Phase III**

5.32 \$1,771,000 the first year is to the
5.33 commissioner of natural resources for
5.34 an agreement with the Redwood Area
5.35 Development Corporation to acquire land

6.1 for wildlife management area purposes
6.2 under Minnesota Statutes, section 86A.05,
6.3 subdivision 8, or aquatic management areas
6.4 under Minnesota Statutes, sections 86A.05,
6.5 subdivision 14, and 97C.02. A list of
6.6 proposed land acquisitions must be provided
6.7 as part of the required accomplishment plan.

6.8 Subd. 3. Forests

14,371,000

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6.9 **(a) Minnesota Forests for the Future -**
6.10 **Phase III**

6.11 \$5,409,000 the first year is to the
6.12 commissioner of natural resources to
6.13 acquire forest and wetland habitat through
6.14 working forest easements and fee acquisition
6.15 under the Minnesota forests for the future
6.16 program pursuant to Minnesota Statutes,
6.17 section 84.66. A conservation easement
6.18 acquired with money appropriated under this
6.19 paragraph must comply with subdivision
6.20 13. A list of proposed land acquisitions
6.21 must be provided as part of the required
6.22 accomplishment plan. The accomplishment
6.23 plan must include an easement monitoring
6.24 and enforcement plan. Up to \$150,000 is for
6.25 establishing a monitoring and enforcement
6.26 fund as approved in the accomplishment plan
6.27 and subject to subdivision 15. An annual
6.28 financial report is required for any monitoring
6.29 and enforcement fund established, including
6.30 expenditures from the fund.

6.31 **(b) LaSalle Lake: Protecting Critical**
6.32 **Mississippi Headwaters Habitat**

6.33 \$4,632,000 the first year is to the
6.34 commissioner of natural resources for an
6.35 agreement with The Trust for Public Land

7.1 to acquire land adjacent to LaSalle Lake in
7.2 Hubbard County. A list of proposed land
7.3 acquisitions must be provided as part of
7.4 the required accomplishment plan. If the
7.5 acquisition is not completed by July 15,
7.6 2012, or if a balance remains after acquisition
7.7 of land, the money under this paragraph is
7.8 available for acquisition under subdivision
7.9 2, paragraph (a).

7.10 **(c) Accelerated Forest Habitat**

7.11 **Enhancement - Phase II**

7.12 \$826,000 the first year is to the commissioner
7.13 of natural resources to restore and enhance
7.14 lands in state forests, pursuant to Minnesota
7.15 Statutes, section 89.021.

7.16 **(d) Northeastern Minnesota Sharp-Tailed**

7.17 **Grouse Habitat Partnership - Phase II**

7.18 \$988,000 the first year is to the commissioner
7.19 of natural resources for an agreement with
7.20 Pheasants Forever in cooperation with the
7.21 Minnesota Sharp-Tailed Grouse Society
7.22 to acquire and enhance lands for wildlife
7.23 management area purposes under Minnesota
7.24 Statutes, section 86A.05, subdivision

7.25 8. A list of proposed land acquisitions
7.26 must be provided as part of the required
7.27 accomplishment plan.

7.28 **(e) Lower Mississippi River Habitat**

7.29 **Partnership - Phase II**

7.30 \$707,000 the first year is to the commissioner
7.31 of natural resources to acquire and enhance
7.32 habitat in the lower Root River and
7.33 lower Zumbro River watersheds, pursuant
7.34 to Minnesota Statutes, section 86A.05,
7.35 subdivisions 7 and 8. A list of proposed land

8.1 acquisitions must be provided as part of the
8.2 required accomplishment plan.

8.3 **(f) Protect Key Forest Habitat Lands in**
8.4 **Cass County - Phase II**

8.5 \$604,000 the first year is to the commissioner
8.6 of natural resources for an agreement with
8.7 Cass County to acquire land in fee for forest
8.8 wildlife habitat. A list of proposed land
8.9 acquisitions must be provided as part of the
8.10 required accomplishment plan.

8.11 **(g) State Forest Acquisition**

8.12 \$1,205,000 the first year is to the
8.13 commissioner of natural resources to acquire
8.14 land in fee and permanent management
8.15 access easements for state forests under
8.16 Minnesota Statutes, section 86A.05,
8.17 subdivision 7. A list of proposed land
8.18 acquisitions must be provided as part of the
8.19 required accomplishment plan.

8.20 Subd. 4. **Wetlands** 15,827,000 -0-

8.21 **(a) Reinvest in Minnesota Wetlands**
8.22 **Reserve Acquisition and Restoration**
8.23 **Program Partnership - Phase III**

8.24 \$13,000,000 the first year is to the Board
8.25 of Water and Soil Resources to acquire
8.26 permanent conservation easements and
8.27 restore wetlands and associated upland
8.28 habitat in cooperation with the United States
8.29 Department of Agriculture Wetlands Reserve
8.30 Program. A list of proposed land acquisitions
8.31 must be provided as part of the required
8.32 accomplishment plan. The accomplishment
8.33 plan must include an easement monitoring
8.34 and enforcement plan. Up to \$112,000 is for

9.1 establishing a monitoring and enforcement
9.2 fund as approved in the accomplishment plan
9.3 and subject to subdivision 15. An annual
9.4 financial report is required for any monitoring
9.5 and enforcement fund established, including
9.6 expenditures from the fund and a description
9.7 of monitoring and enforcement activities.

9.8 **(b) Accelerated Shallow Lakes and**
9.9 **Wetlands Restoration and Enhancement -**
9.10 **Phase III**

9.11 \$936,000 the first year is to the commissioner
9.12 of natural resources to develop engineering
9.13 designs for shallow lakes and wetlands and
9.14 restore and enhance shallow lakes.

9.15 **(c) Shallow Lake Shoreland Protection:**
9.16 **Wild Rice Lakes**

9.17 \$1,891,000 the first year is to the
9.18 commissioner of natural resources for an
9.19 agreement with Ducks Unlimited and the
9.20 Board of Water and Soil Resources to
9.21 acquire wild rice lake shoreland habitat in
9.22 fee and as permanent conservation easements
9.23 as follows: \$500,000 to the Department
9.24 of Natural Resources; \$1,100,000 to the
9.25 Board of Water and Soil Resources; and
9.26 \$291,000 to Ducks Unlimited. A list of
9.27 proposed land acquisitions must be provided
9.28 as part of the required accomplishment plan.

9.29 The accomplishment plan must include
9.30 an easement monitoring and enforcement
9.31 plan. Up to \$18,000 is for establishing
9.32 a monitoring and enforcement fund as
9.33 approved in the accomplishment plan
9.34 and subject to subdivision 15. An annual
9.35 financial report is required for any monitoring

10.1 and enforcement fund established, including
10.2 expenditures from the fund.

10.3 Subd. 5. Habitat 22,914,000 -0-

10.4 **(a) Accelerated Aquatic Management**
10.5 **Area Habitat Program - Phase III**

10.6 \$6,500,000 the first year is to the
10.7 commissioner of natural resources to
10.8 acquire interests in land in fee or permanent
10.9 conservation easements for aquatic
10.10 management areas under Minnesota Statutes,
10.11 sections 86A.05, subdivision 14, and 97C.02,
10.12 to restore and enhance aquatic habitat. A
10.13 list of proposed acquisitions and stream and
10.14 lake habitat restorations and enhancements
10.15 must be provided as part of the required
10.16 accomplishment plan. The accomplishment
10.17 plan must include an easement monitoring
10.18 and enforcement plan.

10.19 **(b) Coldwater Fish Habitat Enhancement**
10.20 **Program - Phase III**

10.21 \$1,533,000 the first year is to the
10.22 commissioner of natural resources for an
10.23 agreement with Minnesota Trout Unlimited.
10.24 A list of proposed projects, describing
10.25 types and locations of restorations and
10.26 enhancements, must be provided as part of
10.27 the required accomplishment plan.

10.28 **(c) Land Addition to the Janet Johnson**
10.29 **Memorial Wildlife Management Area**

10.30 \$577,000 the first year is to the commissioner
10.31 of natural resources for an agreement with
10.32 Chisago County to acquire land in fee to
10.33 be added to the Janet Johnson Memorial
10.34 Wildlife Management Area under Minnesota

- 11.1 Statutes, section 86A.05, subdivision
11.2 8. A list of proposed land acquisitions
11.3 must be provided as part of the required
11.4 accomplishment plan.
- 11.5 **(d) Metro Big Rivers Habitat - Phase II**
- 11.6 \$5,000,000 the first year is to the
11.7 commissioner of natural resources for
11.8 agreements to acquire interests in land in
11.9 fee or permanent conservation easements
11.10 and to restore and enhance natural systems
11.11 associated with the Mississippi, Minnesota,
11.12 and St. Croix Rivers as follows: \$960,000
11.13 to the Minnesota Valley National Wildlife
11.14 Refuge Trust, Inc.; \$150,000 to Great
11.15 River Greening; \$840,000 to Minnesota
11.16 Land Trust; \$150,000 to Friends of the
11.17 Mississippi River; and \$2,900,000 to The
11.18 Trust for Public Land. A list of proposed
11.19 projects, describing types and locations of
11.20 acquisitions, restorations, and enhancements,
11.21 must be provided as part of the required
11.22 accomplishment plan. The accomplishment
11.23 plan must include an easement monitoring
11.24 and enforcement plan. Money appropriated
11.25 from the outdoor heritage fund for easement
11.26 acquisition may be used to establish a
11.27 monitoring and enforcement fund as
11.28 approved in the accomplishment plan
11.29 and subject to subdivision 15. An annual
11.30 financial report is required for any monitoring
11.31 and enforcement fund established, including
11.32 expenditures from the fund.
- 11.33 **(e) Protecting Sensitive Shorelands in**
11.34 **North Central Minnesota**

12.1 \$1,098,000 the first year is to the
12.2 commissioner of natural resources for
12.3 agreements with the Leech Lake Watershed
12.4 Foundation and the Minnesota Land Trust
12.5 as follows: \$339,000 to the Leech Lake
12.6 Watershed Foundation; \$741,000 to the
12.7 Minnesota Land Trust; and \$18,000 to the
12.8 Department of Natural Resources to pay for
12.9 acquisition-related expenses and monitoring
12.10 costs of donated permanent conservation
12.11 easements on sensitive shorelands in north
12.12 central Minnesota. A list of proposed land
12.13 acquisitions must be provided as part of
12.14 the required accomplishment plan. The
12.15 accomplishment plan must include an
12.16 easement monitoring and enforcement
12.17 plan. Up to \$342,000 is for establishing
12.18 a monitoring and enforcement fund as
12.19 approved in the accomplishment plan
12.20 and subject to subdivision 15. An annual
12.21 financial report is required for any monitoring
12.22 and enforcement fund established, including
12.23 expenditures from the fund.

12.24 **(f) Restoring Native Habitat and Water**
12.25 **Quality to Shell Rock River - Phase II**

12.26 \$2,577,000 the first year is to the
12.27 commissioner of natural resources for an
12.28 agreement with the Shell Lake Watershed
12.29 District to acquire land in fee at the
12.30 headwaters of the Shell Rock River for
12.31 aquatic management area purposes under
12.32 Minnesota Statutes, sections 86A.05,
12.33 subdivision 14, and 97C.02, to restore
12.34 and enhance aquatic habitat. The leases
12.35 for gravel mining existing at the time of
12.36 acquisition may not be extended and all gross

13.1 income generated from mining operations
13.2 must be transferred to the commissioner of
13.3 management and budget and credited to the
13.4 outdoor heritage fund. A list of proposed
13.5 land acquisitions must be provided as part of
13.6 the required accomplishment plan.

13.7 **(g) Outdoor Heritage Conservation**

13.8 **Partners Grant Program - Phase III**

13.9 \$5,629,000 the first year is to the
13.10 commissioner of natural resources for a
13.11 program to provide competitive, matching
13.12 grants of up to \$400,000 to local, regional,
13.13 state, and national organizations for
13.14 enhancement, restoration, or protection of
13.15 forests, wetlands, prairies, and habitat for
13.16 fish, game, or wildlife in Minnesota. Grants
13.17 shall not be made for activities required to
13.18 fulfill the duties of owners of lands subject
13.19 to conservation easements. Grants shall
13.20 not be made from appropriations in this
13.21 paragraph for projects that have a total
13.22 project cost exceeding \$475,000. \$319,000
13.23 of this appropriation may be spent for
13.24 personnel costs and other administrative
13.25 costs. Grantees may acquire land or interests
13.26 in land. Easements must be permanent.
13.27 Land acquired in fee must be open to
13.28 hunting and fishing during the open season
13.29 unless otherwise provided by state law. The
13.30 program shall require a match of at least ten
13.31 percent from nonstate sources for grants of
13.32 \$100,000 or less and a match of at least 15
13.33 percent from nonstate sources for grants over
13.34 \$100,000. Up to one-third of the match may
13.35 be in-kind resources. For grant applications
13.36 of \$25,000 or less, the commissioner shall

14.1 provide a separate, simplified application
14.2 process. The criteria for evaluating grant
14.3 applications over \$25,000 must include the
14.4 amount of habitat restored, enhanced, or
14.5 protected; local support; encouragement
14.6 of a local conservation culture; urgency;
14.7 capacity to achieve multiple benefits;
14.8 habitat benefits provided; consistency with
14.9 current conservation science; adjacency
14.10 to protected lands; full funding of the
14.11 project; supplementing existing funding;
14.12 public access for hunting and fishing during
14.13 the open season; sustainability; degree
14.14 of collaboration; and use of native plant
14.15 materials. All projects must conform to
14.16 the Minnesota statewide conservation and
14.17 preservation plan. Wildlife habitat projects
14.18 must also conform to the Minnesota wildlife
14.19 action plan. Subject to the evaluation
14.20 criteria and requirements of this paragraph
14.21 and Minnesota Statutes, the commissioner
14.22 of natural resources shall give priority to
14.23 organizations that have a history of receiving
14.24 or charter to receive private contributions
14.25 for local conservation or habitat projects
14.26 when evaluating projects of equal value. If
14.27 acquiring land or a conservation easement,
14.28 priority shall be given to projects associated
14.29 with existing wildlife management areas
14.30 under Minnesota Statutes, section 86A.05,
14.31 subdivision 8; scientific and natural areas
14.32 under Minnesota Statutes, sections 84.033
14.33 and 86A.05, subdivision 5; and aquatic
14.34 management areas under Minnesota Statutes,
14.35 sections 86A.05, subdivision 14, and 97C.02.
14.36 All restoration or enhancement projects

15.1 must be on land permanently protected by a
15.2 conservation easement or public ownership
15.3 or in public waters as defined in Minnesota
15.4 Statutes, section 103G.005, subdivision
15.5 15. Priority shall be given to restoration
15.6 and enhancement projects on public lands.
15.7 Subdivision 9 applies to grants awarded
15.8 under this paragraph. This appropriation is
15.9 available until June 30, 2015. No less than
15.10 five percent of the amount of each grant
15.11 must be held back from reimbursement until
15.12 the grant recipient has completed a grant
15.13 accomplishment report by the deadline and
15.14 in the form prescribed by and satisfactory to
15.15 the Lessard-Sams Outdoor Heritage Council.
15.16 The commissioner shall provide notice of the
15.17 grant program in the 2011 game and fish law
15.18 summaries that are prepared under Minnesota
15.19 Statutes, section 97A.051, subdivision 2.

15.20 Subd. 6. **Administration** 688,000 471,000

15.21 **(a) Contract Management**

15.22 \$175,000 the first year is to the Legislative
15.23 Coordinating Commission to contract with
15.24 the commissioner of natural resources for
15.25 expenses incurred for contract fiscal services
15.26 for the agreements specified in this section.
15.27 The contract management services must be
15.28 done on a reimbursement basis.

15.29 **(b) Legislative Coordinating Commission**

15.30 \$471,000 the first year and \$471,000
15.31 the second year are to the Legislative
15.32 Coordinating Commission for two years of
15.33 administrative expenses of the Lessard-Sams
15.34 Outdoor Heritage Council and for two years

16.1 of compensation and expense reimbursement
16.2 of council members.

16.3 **(c) Technical Assistance Panel**

16.4 \$42,000 the first year is to the commissioner
16.5 of natural resources for a technical assistance
16.6 panel to conduct up to ten restoration audits
16.7 under Minnesota Statutes, section 97A.056,
16.8 subdivision 10.

16.9 **Subd. 7. Availability of Appropriation**

16.10 Money appropriated in this section may
16.11 not be spent on activities unless they are
16.12 directly related to and necessary for a
16.13 specific appropriation and are specified in the
16.14 accomplishment plan. Money appropriated
16.15 in this section must not be spent on indirect
16.16 costs or other institutional overhead charges.

16.17 Unless otherwise provided, the amounts
16.18 in this section are available until June 30,
16.19 2014, when projects must be completed and
16.20 final accomplishments reported. Funds for
16.21 restoration or enhancement are available
16.22 until June 30, 2016, or four years after
16.23 acquisition, whichever is later, in order to
16.24 complete restoration or enhancement work.

16.25 If a project receives federal funds, the time
16.26 period of the appropriation is extended to
16.27 equal the availability of federal funding.

16.28 Funds appropriated for fee title acquisition
16.29 of land may be used to restore, enhance, and
16.30 provide for the public use of land acquired
16.31 with the appropriation. Public use facilities
16.32 must have a minimal impact on habitat on
16.33 acquired lands.

16.34 **Subd. 8. Accomplishment Plans**

17.1 It is a condition of acceptance of the
17.2 appropriations made under this section that
17.3 the agency or entity using the appropriation
17.4 submit to the Lessard-Sams Outdoor
17.5 Heritage Council an accomplishment plan
17.6 and periodic accomplishment reports in
17.7 the form determined by the council. The
17.8 accomplishment plan must identify the
17.9 project manager responsible for expending
17.10 the appropriation and the final product. The
17.11 accomplishment plan must account for the
17.12 use of the appropriation and outcomes of
17.13 the expenditure in measures of wetlands,
17.14 prairies, forests, and fish, game, and wildlife
17.15 habitat restored, protected, and enhanced.
17.16 The plan must include an evaluation of
17.17 results. None of the money provided in this
17.18 section may be expended unless the council
17.19 has approved the pertinent accomplishment
17.20 plan.

17.21 **Subd. 9. Project Requirements**

17.22 (a) As a condition of accepting an
17.23 appropriation made under this section, an
17.24 agency or entity receiving an appropriation
17.25 must comply with this subdivision for any
17.26 project funded in whole or in part with funds
17.27 from the appropriation.

17.28 (b) All conservation easements acquired with
17.29 money appropriated under this section must:
17.30 (1) be permanent; (2) specify the parties to
17.31 the easement; (3) specify all of the provisions
17.32 of an agreement that are permanent; (4)
17.33 specify the habitat types and location
17.34 being protected; (5) where appropriate for
17.35 conservation or water protection outcomes,

18.1 require the grantor to employ practices
18.2 retaining water on the eased land as long as
18.3 practicable; (6) specify the responsibilities
18.4 of the parties for habitat enhancement and
18.5 restoration and the associated costs of these
18.6 activities; (7) be sent to the office of the
18.7 Lessard-Sams Outdoor Heritage Council; (8)
18.8 include a long-term stewardship plan and
18.9 identify the sources and amount of funding
18.10 for monitoring and enforcing the easement
18.11 agreement; and (9) identify the parties
18.12 responsible for monitoring and enforcing the
18.13 easement agreement.

18.14 (c) For all restorations, a recipient must
18.15 prepare and retain an ecological restoration
18.16 and management plan that, to the degree
18.17 practicable, is consistent with current
18.18 conservation science and ecological goals
18.19 for the restoration site. Consideration should
18.20 be given to soil, geology, topography, and
18.21 other relevant factors that would provide
18.22 the best chance for long-term success and
18.23 durability of the restoration projects. The
18.24 plan must include the proposed timetable for
18.25 implementing the restoration, including, but
18.26 not limited to, site preparation, establishment
18.27 of diverse plant species, maintenance, and
18.28 additional enhancement to establish the
18.29 restoration; identify long-term maintenance
18.30 and management needs of the restoration
18.31 and how the maintenance, management,
18.32 and enhancement will be financed; and use
18.33 current conservation science to achieve the
18.34 best restoration.

18.35 (d) For new lands acquired, a recipient
18.36 must prepare a restoration and management

19.1 plan in compliance with paragraph (d),
19.2 including identification of sufficient funding
19.3 for implementation.

19.4 (e) To ensure public accountability for the
19.5 use of public funds, a recipient must provide
19.6 to the Lessard-Sams Outdoor Heritage
19.7 Council documentation of the process
19.8 used to select parcels acquired in fee or as
19.9 permanent conservation easements and must
19.10 provide the council with documentation
19.11 of all related transaction costs, including,
19.12 but not limited to, appraisals, legal fees,
19.13 recording fees, commissions, other similar
19.14 costs, and donations. This information
19.15 must be provided for all parties involved
19.16 in the transaction. The recipient must
19.17 also report to the Lessard-Sams Outdoor
19.18 Heritage Council any difference between the
19.19 acquisition amount paid to the seller and the
19.20 state-certified or state-reviewed appraisal, if
19.21 a state-certified or state-reviewed appraisal
19.22 was conducted. Acquisition data such
19.23 as appraisals may remain private during
19.24 negotiations but must ultimately be made
19.25 public according to Minnesota Statutes,
19.26 chapter 13.

19.27 (f) Except as otherwise provided in this
19.28 section, all restoration and enhancement
19.29 projects funded with money appropriated
19.30 under this section must be on land
19.31 permanently protected by a conservation
19.32 easement or public ownership or in public
19.33 waters as defined in Minnesota Statutes,
19.34 section 103G.005, subdivision 15.

20.1 (g) To the extent an appropriation is used to
20.2 acquire an interest in real property, a recipient
20.3 of an appropriation under this section must
20.4 provide to the Lessard-Sams Outdoor
20.5 Heritage Council and the commissioner
20.6 of management and budget an analysis of
20.7 increased operations and maintenance costs
20.8 likely to be incurred by public entities as
20.9 a result of the acquisition and of how these
20.10 costs are to be paid.

20.11 (h) A recipient of money from an
20.12 appropriation under this section must give
20.13 consideration to and make timely written
20.14 contact with Conservation Corps Minnesota
20.15 for possible use of the corps' services to
20.16 contract for restoration and enhancement
20.17 services. A copy of the written contact
20.18 must be filed with the Lessard-Sams
20.19 Outdoor Heritage Council within 15 days of
20.20 execution.

20.21 (i) A recipient of money under this section
20.22 must erect signage according to Laws 2009,
20.23 chapter 172, article 5, section 10.

20.24 **Subd. 10. Payment Conditions and Capital**
20.25 **Equipment Expenditures**

20.26 All agreements, grants, or contracts referred
20.27 to in this section must be administered on
20.28 a reimbursement basis unless otherwise
20.29 provided in this section. Notwithstanding
20.30 Minnesota Statutes, section 16A.41,
20.31 expenditures directly related to each
20.32 appropriation's purpose made on or after July
20.33 1, 2011, are eligible for reimbursement unless
20.34 otherwise provided in this section. Periodic
20.35 reimbursement must be made upon receiving
20.36 documentation that the deliverable items

21.1 articulated in the approved accomplishment
21.2 plan have been achieved, including partial
21.3 achievements as evidenced by approved
21.4 progress reports. Reasonable amounts may
21.5 be advanced to projects to accommodate
21.6 cash flow needs, support future management
21.7 of acquired lands, or match a federal share.
21.8 The advances must be approved as part of
21.9 the accomplishment plan. Capital equipment
21.10 expenditures for specific items in excess of
21.11 \$10,000 must be itemized in and approved as
21.12 part of the accomplishment plan.

21.13 **Subd. 11. Purchase of Recycled and Recyclable**
21.14 **Materials**

21.15 A political subdivision, public or private
21.16 corporation, or other entity that receives an
21.17 appropriation under this section must use the
21.18 appropriation in compliance with Minnesota
21.19 Statutes, sections 16B.121, regarding
21.20 purchase of recycled, repairable, and durable
21.21 materials, and 16B.122, regarding purchase
21.22 and use of paper stock and printing.

21.23 **Subd. 12. Accessibility**

21.24 Structural and nonstructural facilities must
21.25 meet the design standards in the Americans
21.26 with Disabilities Act (ADA) accessibility
21.27 guidelines.

21.28 **Subd. 13. Land Acquisition Restrictions**

21.29 (a) An interest in real property, including, but
21.30 not limited to, an easement or fee title that
21.31 is acquired with money appropriated under
21.32 this section must be used in perpetuity or for
21.33 the specific term of an easement interest for
21.34 the purpose for which the appropriation was
21.35 made.

22.1 (b) A recipient of funding who acquires
22.2 an interest in real property subject to this
22.3 subdivision may not alter the intended use
22.4 of the interest in real property or convey
22.5 any interest in the real property acquired
22.6 with the appropriation without the prior
22.7 review and approval of the Lessard-Sams
22.8 Outdoor Heritage Council or its successor.
22.9 The council shall notify the chairs and
22.10 ranking minority members of the legislative
22.11 committees and divisions with jurisdiction
22.12 over the outdoor heritage fund at least 15
22.13 business days before approval under this
22.14 paragraph. The council shall establish
22.15 procedures to review requests from recipients
22.16 to alter the use of or convey an interest in
22.17 real property. These procedures shall allow
22.18 for the replacement of the interest in real
22.19 property with another interest in real property
22.20 meeting the following criteria: (1) the
22.21 interest must be at least equal in fair market
22.22 value, as certified by the commissioner
22.23 of natural resources, to the interest being
22.24 replaced; and (2) the interest must be in a
22.25 reasonably equivalent location and have a
22.26 reasonably equivalent useful conservation
22.27 purpose compared to the interest being
22.28 replaced, taking into consideration all effects
22.29 from fragmentation of the whole habitat.
22.30 (c) A recipient of funding who acquires an
22.31 interest in real property under paragraph
22.32 (a) must separately record a notice of
22.33 funding restrictions in the appropriate local
22.34 government office where the conveyance
22.35 of the interest in real property is filed. The
22.36 notice of funding agreement must contain:

23.1 (1) a legal description of the interest in real
23.2 property covered by the funding agreement;
23.3 (2) a reference to the underlying funding
23.4 agreement; (3) a reference to this section; and
23.5 (4) the following statement: "This interest
23.6 in real property shall be administered in
23.7 accordance with the terms, conditions, and
23.8 purposes of the grant agreement controlling
23.9 the acquisition of the property. The interest
23.10 in real property, or any portion of the interest
23.11 in real property, shall not be sold, transferred,
23.12 pledged, or otherwise disposed of or further
23.13 encumbered without obtaining the prior
23.14 written approval of the Lessard-Sams
23.15 Outdoor Heritage Council or its successor.
23.16 The ownership of the interest in real property
23.17 shall transfer to the state if: (1) the holder of
23.18 the interest in real property fails to comply
23.19 with the terms and conditions of the grant
23.20 agreement or accomplishment plan; or
23.21 (2) restrictions are placed on the land that
23.22 preclude its use for the intended purpose as
23.23 specified in the appropriation."
23.24 **Subd. 14. Real Property Interest Report**
23.25 By December 1 each year, a recipient of
23.26 money appropriated under this section that
23.27 is used for the acquisition of an interest in
23.28 real property, including, but not limited to,
23.29 an easement or fee title, must submit annual
23.30 reports on the status of the real property to
23.31 the Lessard-Sams Outdoor Heritage Council
23.32 or its successor in a form determined by the
23.33 council. The responsibility for reporting
23.34 under this section may be transferred by
23.35 the recipient of the appropriation to another
23.36 person or entity that holds the interest in the

24.1 real property. To complete the transfer of
24.2 reporting responsibility, the recipient of the
24.3 appropriation must: (1) inform the person to
24.4 whom the responsibility is transferred of that
24.5 person's reporting responsibility; (2) inform
24.6 the person to whom the responsibility is
24.7 transferred of the property restrictions under
24.8 subdivision 13; (3) provide written notice
24.9 to the council of the transfer of reporting
24.10 responsibility, including contact information
24.11 for the person to whom the responsibility is
24.12 transferred; and (4) provide the council or
24.13 its successor written documentation from the
24.14 person or entity holding the interest in real
24.15 property certifying the person's or entity's
24.16 acceptance of all reporting obligations
24.17 and responsibilities previously held by the
24.18 recipient of the appropriation. After the
24.19 transfer, the person or entity that holds the
24.20 interest in the real property is responsible for
24.21 reporting requirements under this section.

24.22 **Subd. 15. Easement Monitoring and**
24.23 **Enforcement Requirements**

24.24 Money appropriated under this section
24.25 for easement monitoring and enforcement
24.26 may be spent only on activities included in
24.27 an easement monitoring and enforcement
24.28 plan contained within the accomplishment
24.29 plan. Money received for monitoring
24.30 and enforcement, including earnings on
24.31 the money received, shall be kept in a
24.32 monitoring and enforcement fund held by
24.33 the organization and is appropriated for
24.34 monitoring and enforcing conservation
24.35 easements within Minnesota. Within 120
24.36 days after the close of the entity's fiscal

25.1 year, an entity receiving appropriations for
25.2 easement monitoring and enforcement must
25.3 provide an annual financial report to the
25.4 Lessard-Sams Outdoor Heritage Council on
25.5 the easement monitoring and enforcement
25.6 fund as specified in the accomplishment plan.
25.7 Money appropriated under this section for
25.8 monitoring and enforcement of easements
25.9 and earnings on the money appropriated
25.10 shall revert to the state if: (1) the easement
25.11 transfers to the state under subdivision 13;
25.12 (2) the holder of the easement fails to file
25.13 an annual report and then fails to cure that
25.14 default within 30 days of notification of the
25.15 default by the state; or (3) the holder of the
25.16 easement fails to comply with the terms
25.17 of the monitoring and enforcement plan
25.18 contained within the accomplishment plan
25.19 and fails to cure that default within 90 days
25.20 of notification of the default by the state.

25.21 **Subd. 16. Successor Organizations**

25.22 The Lessard-Sams Outdoor Heritage Council
25.23 may approve the continuation of a project
25.24 with an organization that has adopted
25.25 a new name. Continuation of a project
25.26 with an organization that has undergone
25.27 a significant change in mission, structure,
25.28 or purpose requires: (1) notice to the
25.29 chairs of the legislative committees with
25.30 relevant jurisdiction; and (2) presentation
25.31 by the council of proposed legislation either
25.32 ratifying or rejecting continued involvement
25.33 with the new organization.

25.34 **Subd. 17. Appropriations Adjustment**

26.1 **(a) Mississippi River Bluffland Prairie**
26.2 **Protection Initiative.**

26.3 Of the amount appropriated in Laws 2009,
26.4 chapter 172, article 1, section 2, subdivision
26.5 2, paragraph (f), \$65,000 is for deposit in
26.6 a monitoring and enforcement account as
26.7 authorized in subdivision 15.

26.8 **(b) Critical Shoreline Habitat Protection**
26.9 **Program**

26.10 Of the amount appropriated in Laws 2010,
26.11 chapter 361, article 1, section 2, subdivision
26.12 3, paragraph (a), \$187,000 is for deposit in
26.13 a monitoring and enforcement account as
26.14 authorized in subdivision 15.

26.15 **(c) Riparian and Lakeshore Protection in**
26.16 **Dakota County**

26.17 Of the amount appropriated in Laws 2010,
26.18 chapter 361, article 1, section 2, subdivision
26.19 5, paragraph (d), \$80,000 is for deposit in
26.20 a monitoring and enforcement account as
26.21 authorized in subdivision 15.

26.22 **(d) Valley Creek Protection Partnership**

26.23 Of the amount appropriated in Laws 2010,
26.24 chapter 361, article 1, section 2, subdivision
26.25 5, paragraph (e), \$12,000 is for deposit in
26.26 a monitoring and enforcement account as
26.27 authorized in subdivision 15.

26.28 Sec. 3. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
26.29 to read:

26.30 Subd. 1a. **Definitions.** For the purpose of appropriations from the outdoor heritage
26.31 fund, "recipient" means the entity responsible for deliverables financed by the outdoor
26.32 heritage fund.

26.33 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2009.

S.F. No. 158, 1st Engrossment - 87th Legislative Session (2011-2012) [S0158-1]

27.1 Sec. 4. Minnesota Statutes 2010, section 97A.056, subdivision 2, is amended to read:

27.2 Subd. 2. **Lessard-Sams Outdoor Heritage Council.** (a) The Lessard-Sams
27.3 Outdoor Heritage Council of 12 members is created in the legislative branch, consisting of:

27.4 (1) two public members appointed by the senate Subcommittee on Committees of
27.5 the Committee on Rules and Administration;

27.6 (2) two public members appointed by the speaker of the house;

27.7 (3) four public members appointed by the governor;

27.8 (4) two members of the senate appointed by the senate Subcommittee on Committees
27.9 of the Committee on Rules and Administration; and

27.10 (5) two members of the house of representatives appointed by the speaker of the
27.11 house.

27.12 (b) Members appointed under paragraph (a) must not be registered lobbyists.

27.13 In making appointments, the governor, senate Subcommittee on Committees of the
27.14 Committee on Rules and Administration, and the speaker of the house shall consider
27.15 geographic balance, gender, age, ethnicity, and varying interests including hunting and
27.16 fishing. The governor's appointments to the council are subject to the advice and consent
27.17 of the senate.

27.18 (c) Public members appointed under paragraph (a) shall have practical experience
27.19 or expertise or demonstrated knowledge in the science, policy, or practice of restoring,
27.20 protecting, and enhancing wetlands, prairies, forests, and habitat for fish, game, and
27.21 wildlife.

27.22 (d) Legislative members appointed under paragraph (a) shall include the chairs
27.23 of the legislative committees with jurisdiction over environment and natural resources
27.24 finance or their designee, one member from the minority party of the senate, and one
27.25 member from the minority party of the house of representatives.

27.26 (e) Public members serve four-year terms and. Appointed legislative members serve
27.27 at the pleasure of the appointing authority. Public and legislative members continue to
27.28 serve until their successors are appointed. Public members shall be initially appointed
27.29 according to the following schedule of terms:

27.30 (1) two public members appointed by the governor for a term ending the first
27.31 Monday in January 2011;

27.32 (2) one public member appointed by the senate Subcommittee on Committees of the
27.33 Committee on Rules and Administration for a term ending the first Monday in January
27.34 2011;

27.35 (3) one public member appointed by the speaker of the house for a term ending
27.36 the first Monday in January 2011;

28.1 (4) two public members appointed by the governor for a term ending the first
28.2 Monday in January 2013;

28.3 (5) one public member appointed by the senate Subcommittee on Committees of the
28.4 Committee on Rules and Administration for a term ending the first Monday in January
28.5 2013; and

28.6 (6) one public member appointed by the speaker of the house for a term ending the
28.7 first Monday in January 2013; and.

28.8 ~~(7) two members of the senate appointed by the senate Subcommittee on Committees~~
28.9 ~~of the Committee on Rules and Administration for a term ending the first Monday in~~
28.10 ~~January 2013, and two members of the house of representatives appointed by the speaker~~
28.11 ~~of the house for a term ending the first Monday in January 2013.~~

28.12 (f) ~~Compensation~~ Terms, compensation, and removal of public members are as
28.13 provided in section 15.0575. A vacancy on the council may be filled by the appointing
28.14 authority for the remainder of the unexpired term.

28.15 (g) The first meeting of the council shall be convened by the chair of the Legislative
28.16 Coordinating Commission no later than December 1, 2008. Members shall elect a chair,
28.17 vice-chair, secretary, and other officers as determined by the council. The chair may
28.18 convene meetings as necessary to conduct the duties prescribed by this section.

28.19 (h) Upon coordination with ~~and approval by~~ the Legislative Coordinating
28.20 Commission, the council may appoint nonpartisan staff and contract with consultants
28.21 as necessary to carry out the functions of the council. Up to one percent of the money
28.22 appropriated from the fund may be used to pay for administrative expenses of the council
28.23 and for compensation and expense reimbursement of council members.

28.24 Sec. 5. Minnesota Statutes 2010, section 97A.056, subdivision 3, is amended to read:

28.25 Subd. 3. **Council recommendations.** (a) The council shall make recommendations
28.26 to the legislature on appropriations of money from the outdoor heritage fund that are
28.27 consistent with the Constitution and state law and that will achieve the outcomes of
28.28 existing natural resource plans, including, but not limited to, the Minnesota Statewide
28.29 Conservation and Preservation Plan, that directly relate to the restoration, protection, and
28.30 enhancement of wetlands, prairies, forests, and habitat for fish, game, and wildlife, and that
28.31 prevent forest fragmentation, encourage forest consolidation, and expand restored native
28.32 prairie. ~~In making recommendations, the council shall consider a range of options that~~
28.33 ~~would best restore, protect, and enhance wetlands, prairies, forests, and habitat for fish,~~
28.34 ~~game, and wildlife, and shall not adopt definitions of "restore", "protect", or "enhance" that~~
28.35 ~~would limit the council from considering options that are consistent with the Constitution.~~

S.F. No. 158, 1st Engrossment - 87th Legislative Session (2011-2012) [S0158-1]

29.1 ~~The council shall submit its initial recommendations to the legislature no later than April 1,~~
29.2 ~~2009.~~ Subsequent recommendations shall be submitted no later than January 15 each year.
29.3 The council shall present its recommendations to the senate and house of representatives
29.4 committees with jurisdiction over the environment and natural resources budget by
29.5 February 15 in odd-numbered years, and within the first four weeks of the legislative
29.6 session in even-numbered years. The council's budget recommendations to the legislature
29.7 shall be separate from the Department of Natural Resource's budget recommendations.

29.8 (b) To encourage and support local conservation efforts, the council shall establish a
29.9 conservation partners program. Local, regional, state, or national organizations may apply
29.10 for matching grants for restoration, protection, and enhancement of wetlands, prairies,
29.11 forests, and habitat for fish, game, and wildlife, prevention of forest fragmentation,
29.12 encouragement of forest consolidation, and expansion of restored native prairie.

29.13 (c) The council may work with the Clean Water Council to identify projects that
29.14 are consistent with both the purpose of the outdoor heritage fund and the purpose of
29.15 the clean water fund.

29.16 (d) The council may make recommendations to the Legislative-Citizen Commission
29.17 on Minnesota Resources on scientific research that will assist in restoring, protecting, and
29.18 enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife, preventing
29.19 forest fragmentation, encouraging forest consolidation, and expanding restored native
29.20 prairie.

29.21 (e) Recommendations of the council, including approval of recommendations for the
29.22 outdoor heritage fund, require an affirmative vote of at least nine members of the council.

29.23 (f) The council may work with the Clean Water Council, the Legislative-Citizen
29.24 Commission on Minnesota Resources, the Board of Water and Soil Resources, soil and
29.25 water conservation districts, and experts from Minnesota State Colleges and Universities
29.26 and the University of Minnesota in developing the council's recommendations.

29.27 (g) The council shall develop and implement a process that ensures that citizens
29.28 and potential recipients of funds are included throughout the process, including the
29.29 development and finalization of the council's recommendations. The process must include
29.30 a fair, equitable, and thorough process for reviewing requests for funding and a clear and
29.31 easily understood process for ranking projects.

29.32 (h) The council shall use the regions of the state based upon the ecological ~~regions~~
29.33 sections and ~~subregions~~ subsections developed by the Department of Natural Resources
29.34 and establish objectives for each region and subregion to achieve the purposes of the fund
29.35 outlined in the state constitution.

S.F. No. 158, 1st Engrossment - 87th Legislative Session (2011-2012) [S0158-1]

30.1 (i) The council shall develop and submit to the Legislative Coordinating Commission
30.2 plans for the first ten years of funding, and a framework for 25 years of funding, consistent
30.3 with statutory and constitutional requirements. The council may use existing plans from
30.4 other legislative, state, and federal sources, as applicable.

30.5 Sec. 6. Minnesota Statutes 2010, section 97A.056, subdivision 5, is amended to read:

30.6 Subd. 5. **Open meetings.** (a) Meetings of the council and other groups the council
30.7 may establish ~~are subject to chapter 13D~~ shall be open to the public. Except where
30.8 prohibited by law, the council shall establish additional processes to broaden public
30.9 involvement in all aspects of its deliberations, including recording meetings, video
30.10 conferencing, and publishing minutes. For the purposes of this subdivision, a meeting
30.11 occurs when a quorum is present and the members ~~receive information or take action on~~
30.12 any matter relating to the duties of the council. The quorum requirement for the council
30.13 shall be seven members.

30.14 (b) ~~Travel to and from scheduled and publicly noticed site visits by council members~~
30.15 ~~for the purposes of receiving information is not a violation of paragraph (a). Any decision~~
30.16 ~~or agreement to make a decision during the travel is a violation of paragraph (a).~~

30.17 (c) For legislative members of the council, enforcement of this subdivision is
30.18 governed by section 3.055, subdivision 2. For nonlegislative members of the council,
30.19 enforcement of this subdivision is governed by section 13D.06, subdivisions 1 and 2.

30.20 Sec. 7. Minnesota Statutes 2010, section 97A.056, subdivision 6, is amended to read:

30.21 Subd. 6. **Audit.** The legislative auditor shall audit the outdoor heritage fund
30.22 expenditures, including administrative and staffing expenditures, ~~every two years to~~
30.23 ensure that the money is spent ~~to restore, protect, and enhance wetlands, prairies, forests,~~
30.24 ~~and habitat for fish, game, and wildlife~~ in compliance with all applicable law and the
30.25 Constitution.

30.26 Sec. 8. Minnesota Statutes 2010, section 97A.056, subdivision 9, is amended to read:

30.27 Subd. 9. **Lands in public domain.** Money appropriated from the outdoor heritage
30.28 fund shall not be used to purchase any land in fee title or a permanent conservation
30.29 easement if the land in question is fully or partially owned by the state of Minnesota
30.30 or a political subdivision of the state, unless: (1) the purchase creates additional direct
30.31 benefit to protect, restore, or enhance the state's wetlands, prairies, forests, or habitat
30.32 for fish, game, and wildlife; and (2) the purchase is approved by an affirmative vote of
30.33 at least nine members of the council. ~~At least 15 business days prior to a decision under~~

S.F. No. 158, 1st Engrossment - 87th Legislative Session (2011-2012) [S0158-1]

31.1 ~~this subdivision, the council shall submit the planned decision item to the Legislative~~
31.2 ~~Coordinating Commission. The planned decision item takes effect 15 business days~~
31.3 ~~after it is submitted by the council.~~

31.4 Sec. 9. Minnesota Statutes 2010, section 97A.056, subdivision 10, is amended to read:

31.5 Subd. 10. **Restoration evaluations.** ~~Beginning July 1, 2011,~~ The commissioner
31.6 of natural resources and the Board of Water and Soil Resources ~~shall~~ may convene
31.7 a technical evaluation panel comprised of five members, including one technical
31.8 representative from the Board of Water and Soil Resources, one technical representative
31.9 from the Department of Natural Resources, one technical expert from the University of
31.10 Minnesota or the Minnesota State Colleges and Universities, and two representatives
31.11 with expertise in the project being evaluated. The board and the commissioner may add
31.12 a technical representative from a unit of federal or local government. The members of
31.13 the technical evaluation panel may not be associated with the restoration, may vary
31.14 depending upon the projects being reviewed, and shall avoid any potential conflicts of
31.15 interest. Each year, the board and the commissioner ~~shall~~ may assign a coordinator to
31.16 identify a sample of up to ten habitat restoration projects completed with outdoor heritage
31.17 funding. The coordinator shall secure the restoration plans for the projects specified and
31.18 direct the technical evaluation panel to evaluate the restorations relative to the law, current
31.19 science, and the stated goals and standards in the restoration plan ~~and, when applicable, to~~
31.20 ~~the Board of Water and Soil Resources' native vegetation establishment and enhancement~~
31.21 ~~guidelines.~~ The coordinator shall summarize the findings of the panel and provide a report
31.22 to the chair of the Lessard-Sams Outdoor Heritage Council and the chairs of the respective
31.23 house of representatives and senate policy and finance committees with jurisdiction over
31.24 natural resources and spending from the outdoor heritage fund. The report shall determine
31.25 if the restorations are meeting planned goals, any problems with the implementation of
31.26 restorations, and, if necessary, recommendations on improving restorations. The report
31.27 shall be focused on improving future restorations. Up to one-tenth of one percent of
31.28 forecasted receipts from the outdoor heritage fund may be used for restoration evaluations
31.29 under this section.

31.30 Sec. 10. Laws 2009, chapter 172, article 1, section 2, subdivision 3, is amended to read:

31.31 Subd. 3. **Forests** 18,000,000 18,000,000
31.32 \$18,000,000 in fiscal year 2010 and
31.33 \$18,000,000 in fiscal year 2011 are to the
31.34 commissioner of natural resources to acquire

32.1 land or permanent working forest easements
32.2 on private forests in areas identified through
32.3 the Minnesota forests for the future program
32.4 under Minnesota Statutes, section 84.66.
32.5 Up to \$750,000 in fiscal year 2011 may
32.6 be deposited in an account and used for
32.7 long-term monitoring and enforcement of
32.8 the easements acquired. Money, including
32.9 interest earned, shall be kept in a separate
32.10 fund and is appropriated for monitoring and
32.11 enforcement of permanent working forest
32.12 easements acquired with appropriations from
32.13 the outdoor heritage fund. Priority must be
32.14 given to acquiring land or interests in private
32.15 lands within existing Minnesota state forest
32.16 boundaries. Any easements acquired must
32.17 have a forest management plan as defined
32.18 in Minnesota Statutes, section 290C.02,
32.19 subdivision 7. A list of proposed fee title
32.20 and easement acquisitions must be provided
32.21 as part of the required accomplishment
32.22 plan. ~~The fiscal year 2011 appropriation~~
32.23 ~~is available only for acquisitions that, by~~
32.24 ~~August 15, 2009, are:~~
32.25 ~~(1) subject to a binding agreement with the~~
32.26 ~~commissioner, and~~
32.27 ~~(2) matched by at least \$9,000,000 in private~~
32.28 ~~donations.~~

32.29 Sec. 11. **REPEALER.**

32.30 Minnesota Statutes 2010, section 84.02, subdivisions 1, 2, 3, 4, 5, 6, 7, and 8, are
32.31 repealed.

ARTICLE 2

CLEAN WATER FUND

Section 1. CLEAN WATER FUND APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund, and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2012" and "2013" used in this article mean that the appropriation listed under them are available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. The appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2012</u>	<u>2013</u>

Sec. 2. <u>DEPARTMENT OF AGRICULTURE</u>	\$	<u>8,200,000</u>	\$	<u>8,200,000</u>
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(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface water and groundwater and to use data collected to assess pesticide use practices.

(b) \$850,000 the first year and \$850,000 the second year are to increase monitoring and evaluate trends in the concentration of nitrates in groundwater in high-risk areas and regionally and to promote and evaluate regional and crop-specific nutrient best management practices. This appropriation is available until spent.

(c) \$5,000,000 the first year and \$5,000,000 the second year are for the agriculture best management practices loan program. At least \$4,000,000 the first year and at least \$4,400,000 the second year are for transfer to

34.1 the clean water agricultural best management
34.2 practices loan account and are available
34.3 for pass-through to local governments
34.4 and lenders for low-interest loans under
34.5 Minnesota Statutes, section 17.117. Any
34.6 unencumbered balance that is not used for
34.7 pass-through to local governments does not
34.8 cancel at the end of the first year and is
34.9 available for the second year.

34.10 (d) \$700,000 the first year and \$700,000
34.11 the second year are for research, pilot
34.12 projects, and technical assistance on proper
34.13 implementation of best management
34.14 practices and more precise information on
34.15 nonpoint contributions to impaired waters.

34.16 This appropriation is available until spent.

34.17 (e) \$1,050,000 the first year and \$1,050,000
34.18 the second year are for research to quantify
34.19 agricultural contributions to impaired waters
34.20 and for development and evaluation of
34.21 best management practices to protect and
34.22 restore water resources while maintaining
34.23 productivity. This appropriation is available
34.24 until spent.

34.25 (f) \$250,000 the first year and \$250,000 the
34.26 second year are for a research inventory
34.27 database containing water-related research
34.28 activities.

34.29 **Sec. 3. PUBLIC FACILITIES AUTHORITY \$ 16,710,000 \$ 16,710,000**

34.30 (a) \$11,185,000 the first year and
34.31 \$11,185,000 the second year are for the total
34.32 maximum daily load grant program under
34.33 Minnesota Statutes, section 446A.073. This
34.34 appropriation is available until spent.

35.1 (b) \$4,275,000 the first year and \$4,275,000
35.2 the second year are for the clean water legacy
35.3 phosphorus reduction grant program under
35.4 Minnesota Statutes, section 446A.074. This
35.5 appropriation is available until spent.

35.6 (c) \$1,250,000 the first year and \$1,250,000
35.7 the second year are for small community
35.8 wastewater treatment grants and loans under
35.9 Minnesota Statutes, section 446A.075. This
35.10 appropriation is available until spent.

35.11 (d) If there are any uncommitted funds at the
35.12 end of each fiscal year under paragraph (a),
35.13 (b), or (c), the Public Facilities Authority
35.14 may transfer the remaining funds to eligible
35.15 projects under any of the programs listed
35.16 in this section based on their priority rank
35.17 on the Pollution Control Agency's project
35.18 priority list.

35.19 **Sec. 4. POLLUTION CONTROL AGENCY \$ 24,100,000 \$ 22,600,000**

35.20 (a) \$7,500,000 the first year and \$7,500,000
35.21 the second year are for completion of 20
35.22 percent of the needed statewide assessments
35.23 of surface water quality and trends. Of
35.24 this amount, \$100,000 the first year and
35.25 \$100,000 the second year are for grants
35.26 to the Red River Watershed Management
35.27 Board to enhance and expand the existing
35.28 water quality and watershed monitoring river
35.29 watch activities in the schools in the Red
35.30 River of the North. The Red River Watershed
35.31 Management Board shall provide a report to
35.32 the commissioner of the Pollution Control
35.33 Agency and the legislative committees and
35.34 divisions with jurisdiction over environment
35.35 and natural resources finance and policy and

36.1 the clean water fund by February 15, 2013,
36.2 on the expenditure of these funds.

36.3 (b) \$9,400,000 the first year and \$9,400,000
36.4 the second year are to develop total maximum
36.5 daily load (TMDL) studies and TMDL
36.6 implementation plans for waters listed on
36.7 the United States Environmental Protection
36.8 Agency approved impaired waters list in
36.9 accordance with Minnesota Statutes, chapter
36.10 114D. The agency shall complete an average
36.11 of ten percent of the TMDL's each year over
36.12 the biennium.

36.13 (c) \$1,125,000 the first year and \$1,125,000
36.14 the second year are for groundwater
36.15 assessment, including enhancing the
36.16 ambient monitoring network, modeling,
36.17 and continuing to monitor for and assess
36.18 contaminants of emerging concern.

36.19 (d) \$750,000 the first year and \$750,000
36.20 the second year are for water quality
36.21 improvements in the lower St. Louis River
36.22 and Duluth harbor. This appropriation must
36.23 be matched at a rate of 65 percent nonstate
36.24 money to 35 percent state money.

36.25 (e) \$1,000,000 the first year and \$1,000,000
36.26 the second year are for the clean water
36.27 partnership program to provide grants
36.28 to protect and improve the basins and
36.29 watersheds of the state and provide financial
36.30 and technical assistance to study waters
36.31 with nonpoint source pollution problems.
36.32 Priority shall be given to projects preventing
36.33 impairments and degradation of lakes, rivers,
36.34 streams, and groundwater in accordance
36.35 with Minnesota Statutes, section 114D.20,

37.1 subdivision 2, clause (4). Any balance
37.2 remaining in the first year does not cancel
37.3 and is available for the second year.

37.4 (f) \$400,000 the first year and \$400,000 the
37.5 second year are for storm water research and
37.6 guidance.

37.7 (g) \$1,150,000 the first year and \$1,150,000
37.8 the second year are for TMDL research and
37.9 database development.

37.10 (h) \$800,000 the first year and \$800,000
37.11 the second year are for national pollutant
37.12 discharge elimination system wastewater and
37.13 storm water TMDL implementation efforts.

37.14 (i) \$225,000 the first year and \$225,000
37.15 the second year are transferred to the
37.16 commissioner of administration for the
37.17 Environmental Quality Board in cooperation
37.18 with the United States Geological Survey
37.19 to characterize groundwater flow and
37.20 aquifer properties in the I-94 corridor in
37.21 cooperation with local units of government.
37.22 This appropriation is available until June 30,
37.23 2014.

37.24 (j) \$1,000,000 the first year is for
37.25 demonstration grants under Minnesota
37.26 Statutes, section 116.195, to ethanol plants
37.27 for improvements that reuse storm water or
37.28 wastewater.

37.29 (k) \$500,000 the first year is for a wild rice
37.30 standards study.

37.31 (l) \$250,000 the first year and \$250,000
37.32 the second year are for groundwater
37.33 protection or prevention of groundwater
37.34 degradation activities through enhancing the

38.1 county-level delivery system for subsurface
38.2 sewage treatment systems (SSTS). The
38.3 commissioner shall consult with the SSTS
38.4 Compliance Task Force in developing a
38.5 distribution allocation for the county base
38.6 grants.

38.7 (m) Notwithstanding Minnesota Statutes,
38.8 section 16A.28, the appropriations
38.9 encumbered on or before June 30, 2013,
38.10 as grants or contracts in this section are
38.11 available until June 30, 2016.

38.12 **Sec. 5. DEPARTMENT OF NATURAL**
38.13 **RESOURCES**

\$ 11,160,000 \$ 10,160,000

38.14 (a) \$1,825,000 the first year and \$1,825,000
38.15 the second year are for the continuation and
38.16 expansion of stream flow monitoring.

38.17 (b) \$1,150,000 the first year and \$1,150,000
38.18 the second year are for lake Index of
38.19 Biological Integrity (IBI) assessments,
38.20 including assessment of 400 additional lakes
38.21 and technical analysis to develop an aquatic
38.22 plant IBI analysis. The commissioner shall
38.23 work with the commissioner of the Pollution
38.24 Control Agency on the development of an
38.25 assessment tool.

38.26 (c) \$130,000 the first year and \$130,000
38.27 the second year are for assessing mercury
38.28 contamination of fish, including monitoring
38.29 to track the status of waters impaired by
38.30 mercury and mercury reduction efforts over
38.31 time.

38.32 (d) \$1,730,000 the first year and \$1,730,000
38.33 the second year are for TMDL development
38.34 and TMDL implementation plans for waters
38.35 listed on the United States Environmental

39.1 Protection Agency approved impaired waters
39.2 list in accordance with Minnesota Statutes,
39.3 chapter 114D, and for development of a
39.4 watershed assessment tool.

39.5 (e) \$1,500,000 the first year and \$1,500,000
39.6 the second year are for water supply
39.7 planning, aquifer protection, and monitoring
39.8 activities.

39.9 (f) \$450,000 the first year and \$450,000 the
39.10 second year are for establishing a Web-based
39.11 electronic permitting system to capture water
39.12 appropriation use information.

39.13 (g) \$1,725,000 the first year and \$1,725,000
39.14 the second year are for shoreland
39.15 stewardship, TMDL implementation
39.16 coordination, providing technical assistance
39.17 to the Drainage Work Group and Drainage
39.18 Management Team, and maintaining and
39.19 updating data. Of this amount, \$235,000
39.20 each year is for maintaining and updating
39.21 watershed boundaries and integrating
39.22 high-resolution digital elevation data with
39.23 watershed modeling and \$40,000 each year
39.24 is for a biomonitoring database. TMDL
39.25 implementation coordination efforts shall be
39.26 focused on major watersheds with TMDL
39.27 implementation plans, including forested
39.28 watersheds.

39.29 (h) \$1,350,000 the first year and \$1,350,000
39.30 the second year are to acquire and distribute
39.31 high-resolution digital elevation data using
39.32 light detection and ranging to aid with
39.33 impaired waters modeling and TMDL
39.34 implementation under Minnesota Statutes,
39.35 chapter 114D. The money shall be used to

40.1 collect data for areas of the state that have not
40.2 acquired such data prior to January 1, 2007,
40.3 or to complete acquisition and distribution
40.4 of the data for those areas of the state that
40.5 have not previously received state funds for
40.6 acquiring and distributing the data. Mapping
40.7 and data set distribution under this paragraph
40.8 must be completed within three years of
40.9 funds availability. The commissioner shall
40.10 utilize department staff whenever possible.
40.11 The commissioner may contract for services
40.12 only if the services cannot otherwise be
40.13 provided by the department.

40.14 (i) \$300,000 the first year and \$300,000
40.15 the second year are for delivery of decision
40.16 support tools through outreach, education,
40.17 and citizen engagement.

40.18 (j) \$1,000,000 the first year is for
40.19 implementation of the metropolitan
40.20 groundwater monitoring and protection
40.21 activities under Minnesota Laws 2010,
40.22 chapter 361, article 2, section 4, clauses (1)
40.23 and (2).

40.24 **Sec. 6. BOARD OF WATER AND SOIL**
40.25 **RESOURCES**

\$ 26,992,000 \$ 26,992,000

40.26 (a) \$13,750,000 the first year and
40.27 \$13,750,000 the second year are for
40.28 pollution reduction and restoration grants
40.29 to local government units and joint powers
40.30 organizations of local government units to
40.31 protect surface water and drinking water; to
40.32 keep water on the land; to protect, enhance,
40.33 and restore water quality in lakes, rivers,
40.34 and streams; and to protect groundwater
40.35 and drinking water, including feedlot water

41.1 quality and subsurface sewage treatment
41.2 system (SSTS) projects and stream bank,
41.3 stream channel, and shoreline restoration
41.4 projects. The projects must be of long-lasting
41.5 public benefit, include a match, and be
41.6 consistent with TMDL implementation plans
41.7 or local water management plans.

41.8 (b) \$3,000,000 the first year and \$3,000,000
41.9 the second year are for targeted local
41.10 resource protection and enhancement grants.
41.11 The board shall give priority consideration
41.12 to projects and practices that complement,
41.13 supplement, or exceed current state standards
41.14 for protection, enhancement, and restoration
41.15 of water quality in lakes, rivers, and streams
41.16 or that protect groundwater from degradation.
41.17 Of this amount, at least \$1,500,000 each year
41.18 is for county SSTS implementation.

41.19 (c) \$900,000 the first year and \$900,000 the
41.20 second year are to provide state oversight
41.21 and accountability, evaluate results, and
41.22 measure the value of conservation program
41.23 implementation by local governments,
41.24 including submission to the legislature
41.25 by March 1 each year an annual report
41.26 prepared by the board, in consultation with
41.27 the commissioners of natural resources,
41.28 health, agriculture, and the Pollution Control
41.29 Agency, detailing the recipients and projects
41.30 funded under this section. The board shall
41.31 require grantees to specify the outcomes that
41.32 will be achieved by the grants prior to any
41.33 grant awards.

41.34 (d) \$1,000,000 the first year and \$1,000,000
41.35 the second year are for technical assistance

42.1 and grants for the conservation drainage
42.2 program in consultation with the Drainage
42.3 Work Group, created under Minnesota
42.4 Statutes, section 103B.101, subdivision
42.5 13, that consists of projects to retrofit
42.6 existing drainage systems with water quality
42.7 improvement practices, evaluate outcomes,
42.8 and provide outreach to landowners, public
42.9 drainage authorities, drainage engineers and
42.10 contractors, and others.

42.11 (e) \$5,800,000 the first year and \$5,800,000
42.12 the second year are to purchase and restore
42.13 permanent conservation easements on
42.14 riparian buffers adjacent to public waters,
42.15 excluding wetlands, to keep water on the
42.16 land in order to decrease sediment, pollutant,
42.17 and nutrient transport; reduce hydrologic
42.18 impacts to surface waters; and increase
42.19 infiltration for groundwater recharge. The
42.20 riparian buffers must be at least 50 feet
42.21 unless there is a natural impediment, a road,
42.22 or other impediment beyond the control
42.23 of the landowner. This appropriation may
42.24 be used for restoration of riparian buffers
42.25 protected by easements purchased with
42.26 this appropriation and for stream bank
42.27 restorations when the riparian buffers have
42.28 been restored.

42.29 (f) \$1,000,000 the first year and \$1,000,000
42.30 the second year are for permanent
42.31 conservation easements on wellhead
42.32 protection areas under Minnesota Statutes,
42.33 section 103F.515, subdivision 2, paragraph
42.34 (d). Priority must be placed on land that
42.35 is located where the vulnerability of the

43.1 drinking water supply is designated as high
43.2 or very high by the commissioner of health.

43.3 (g) \$1,500,000 the first year and \$1,500,000
43.4 the second year are for community partners
43.5 grants to local units of government for:
43.6 (1) structural or vegetative management
43.7 practices that reduce storm water runoff
43.8 from developed or disturbed lands to reduce
43.9 the movement of sediment, nutrients, and
43.10 pollutants for restoration, protection, or
43.11 enhancement of water quality in lakes, rivers,
43.12 and streams and to protect groundwater
43.13 and drinking water; and (2) installation
43.14 of proven and effective water retention
43.15 practices including, but not limited to, rain
43.16 gardens and other vegetated infiltration
43.17 basins and sediment control basins in order
43.18 to keep water on the land. The projects
43.19 must be of long-lasting public benefit,
43.20 include a local match, and be consistent with
43.21 TMDL implementation plans or local water
43.22 management plans. Local government unit
43.23 staff and administration costs may be used
43.24 as a match.

43.25 (h) \$42,000 the first year and \$42,000 the
43.26 second year are for a technical assistance
43.27 panel to conduct up to ten restoration audits
43.28 under Minnesota Statutes, section 114D.50,
43.29 subdivision 6.

43.30 (i) The board shall contract for services
43.31 with Conservation Corps Minnesota for
43.32 restoration, maintenance, and other activities
43.33 under this section for \$500,000 the first year
43.34 and \$500,000 the second year.

44.1 (j) The board may shift grant or cost-share
 44.2 funds in this section and may adjust the
 44.3 technical and administrative assistance
 44.4 portion of the funds to leverage federal or
 44.5 other nonstate funds or to address oversight
 44.6 responsibilities or high-priority needs
 44.7 identified in local water management plans.

44.8 (k) The appropriations in this section are
 44.9 available until June 30, 2014.

44.10 Sec. 7. **DEPARTMENT OF HEALTH** **\$** **2,988,000** **\$** **3,050,000**

44.11 (a) \$1,020,000 the first year and \$1,020,000
 44.12 the second year are for addressing public
 44.13 health concerns related to contaminants
 44.14 found in Minnesota drinking water for which
 44.15 no health-based drinking water standard
 44.16 exists.

44.17 (b) \$1,415,000 the first year and \$1,415,000
 44.18 the second year are for protection of drinking
 44.19 water sources.

44.20 (c) \$250,000 the first year and \$250,000 the
 44.21 second year are for cost-share assistance to
 44.22 public and private well owners for up to 50
 44.23 percent of the cost of sealing unused wells.

44.24 (d) \$303,000 the first year and \$365,000 the
 44.25 second year are to expand the county well
 44.26 index.

44.27 Sec. 8. **METROPOLITAN COUNCIL** **\$** **500,000** **\$** **500,000**

44.28 \$500,000 the first year and \$500,000 the
 44.29 second year are for implementation of the
 44.30 master water supply plan developed under
 44.31 Minnesota Statutes, section 473.1565.

44.32 Sec. 9. **LEGISLATURE** **\$** **211,000** **\$** **200,000**

45.1 \$200,000 the first year and \$200,000
45.2 the second year are to the Legislative
45.3 Coordinating Commission for administrative
45.4 expenses of the Clean Water Council and for
45.5 compensation and expense reimbursement
45.6 of council members.

45.7 \$11,000 the first year is for the Legislative
45.8 Coordinating Commission for the costs of
45.9 developing and implementing a Web site to
45.10 contain information on projects receiving
45.11 appropriations from the clean water fund and
45.12 other constitutionally dedicated funds.

45.13 Sec. 10. **DEPARTMENT OF**
45.14 **ADMINISTRATION**

\$ **154,000** **\$** **-0-**

45.15 \$154,000 the first year is for a grant to
45.16 the Cowles Center for Dance and the
45.17 Performing Arts for construction operations
45.18 in Minneapolis relating to the proper capping
45.19 and sealing of the abandoned well that once
45.20 served the former West Hotel, to include costs
45.21 related to the removal of any oil-lubricated
45.22 pumps or other debris in a manner that does
45.23 not compromise the two aquifers through
45.24 which the well runs and any other expenses
45.25 necessary to receive a certificate of full
45.26 compliance from the commissioner of health.

45.27 Sec. 11. **CARRYFORWARD**

45.28 (a) The appropriations in Laws 2009, chapter
45.29 172, article 2, section 4, paragraph (g), as
45.30 amended by Laws 2010, chapter 361, article
45.31 2, section 2, are available until June 30,
45.32 2013, and may be spent to continue research
45.33 and testing on the potential for coal tar
45.34 contamination of waters, on the study of

46.1 treatment and disposal options, and for grants
46.2 to local units of government.

46.3 (b) The appropriation in Laws 2010, chapter
46.4 361, article 2, section 4, subdivision 1, for
46.5 nitrogen and nitrate water quality standards
46.6 rulemaking is available until June 30, 2012.

46.7 (c) The appropriations in Laws 2009, chapter
46.8 172, article 2, section 4, paragraph (a),
46.9 as amended by Laws 2010, chapter 361,
46.10 article 2, section 2, for total maximum
46.11 daily load (TDML) study development and
46.12 implementation are available until June 30,
46.13 2014.

46.14 (d) The appropriations in Laws 2009, chapter
46.15 172, article 2, section 2, paragraph (d),
46.16 for research and pilot projects related to
46.17 ways agricultural practices contribute to
46.18 restoring impaired waters and assist with the
46.19 development of TMDL plans, are available
46.20 until spent.

46.21 Sec. 12. Minnesota Statutes 2010, section 10A.01, subdivision 35, is amended to read:

46.22 Subd. 35. **Public official.** "Public official" means any:

46.23 (1) member of the legislature;

46.24 (2) individual employed by the legislature as secretary of the senate, legislative
46.25 auditor, chief clerk of the house of representatives, revisor of statutes, or researcher,
46.26 legislative analyst, or attorney in the Office of Senate Counsel and Research or House
46.27 Research;

46.28 (3) constitutional officer in the executive branch and the officer's chief administrative
46.29 deputy;

46.30 (4) solicitor general or deputy, assistant, or special assistant attorney general;

46.31 (5) commissioner, deputy commissioner, or assistant commissioner of any state
46.32 department or agency as listed in section 15.01 or 15.06, or the state chief information
46.33 officer;

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- 47.1 (6) member, chief administrative officer, or deputy chief administrative officer of a
47.2 state board or commission that has either the power to adopt, amend, or repeal rules under
47.3 chapter 14, or the power to adjudicate contested cases or appeals under chapter 14;
- 47.4 (7) individual employed in the executive branch who is authorized to adopt, amend,
47.5 or repeal rules under chapter 14 or adjudicate contested cases under chapter 14;
- 47.6 (8) executive director of the State Board of Investment;
- 47.7 (9) deputy of any official listed in clauses (7) and (8);
- 47.8 (10) judge of the Workers' Compensation Court of Appeals;
- 47.9 (11) administrative law judge or compensation judge in the State Office of
47.10 Administrative Hearings or unemployment law judge in the Department of Employment
47.11 and Economic Development;
- 47.12 (12) member, regional administrator, division director, general counsel, or operations
47.13 manager of the Metropolitan Council;
- 47.14 (13) member or chief administrator of a metropolitan agency;
- 47.15 (14) director of the Division of Alcohol and Gambling Enforcement in the
47.16 Department of Public Safety;
- 47.17 (15) member or executive director of the Higher Education Facilities Authority;
- 47.18 (16) member of the board of directors or president of Enterprise Minnesota, Inc.;
- 47.19 (17) member of the board of directors or executive director of the Minnesota State
47.20 High School League;
- 47.21 (18) member of the Minnesota Ballpark Authority established in section 473.755;
- 47.22 (19) citizen member of the Legislative-Citizen Commission on Minnesota Resources;
- 47.23 (20) manager of a watershed district, or member of a watershed management
47.24 organization as defined under section 103B.205, subdivision 13;
- 47.25 (21) supervisor of a soil and water conservation district;
- 47.26 (22) director of Explore Minnesota Tourism; ~~or~~
- 47.27 (23) citizen member of the Lessard-Sams Outdoor Heritage Council established in
47.28 section 97A.056; or
- 47.29 (24) a citizen member of the Clean Water Council established in section 114D.31.

47.30 Sec. 13. Minnesota Statutes 2010, section 114D.10, is amended to read:

47.31 **114D.10 LEGISLATIVE PURPOSE AND FINDINGS.**

47.32 Subdivision 1. **Purpose.** The purpose of the Clean Water Legacy Act is to protect,
47.33 enhance, and restore, and preserve the water quality of Minnesota's surface waters in
47.34 lakes, rivers, and streams and to protect groundwater from degradation, by providing
47.35 authority, direction, and resources to achieve and maintain water quality standards for

48.1 groundwater and surface waters ~~as~~, including the standards required by section 303(d)
48.2 of the federal Clean Water Act, United States Code, title 33, section 1313(d), and other
48.3 applicable state and federal regulations.

48.4 Subd. 2. **Findings.** The legislature finds that:

48.5 (1) there is a close link between protecting, enhancing, and restoring, ~~and preserving~~
48.6 the quality of Minnesota's groundwater and surface waters and the ability to develop the
48.7 state's economy, enhance its quality of life, and protect its human and natural resources;

48.8 (2) achieving the state's water quality goals will require long-term commitment and
48.9 cooperation by all state and local agencies, and other public and private organizations
48.10 and individuals, with responsibility and authority for water management, planning, and
48.11 protection; and

48.12 (3) all persons and organizations whose activities affect the quality of waters,
48.13 including point and nonpoint sources of pollution, have a responsibility to participate in
48.14 and support efforts to achieve the state's water quality goals.

48.15 Sec. 14. Minnesota Statutes 2010, section 114D.20, subdivision 1, is amended to read:

48.16 Subdivision 1. **Coordination and cooperation.** In implementing this chapter,
48.17 public agencies and private entities shall take into consideration the relevant provisions of
48.18 local and other applicable water management, conservation, land use, land management,
48.19 and development plans and programs. Public agencies with authority for local water
48.20 management, conservation, land use, land management, and development plans shall
48.21 take into consideration the manner in which their plans affect the implementation of
48.22 this chapter. Public agencies shall identify opportunities to participate and assist in the
48.23 successful implementation of this chapter, including the funding or technical assistance
48.24 needs, if any, that may be necessary. In implementing this chapter, public agencies shall
48.25 endeavor to engage the cooperation of organizations and individuals whose activities
48.26 affect the quality of groundwater or surface waters, including point and nonpoint sources
48.27 of pollution, and who have authority and responsibility for water management, planning,
48.28 and protection. To the extent practicable, public agencies shall endeavor to enter into
48.29 formal and informal agreements and arrangements with federal agencies and departments
48.30 to jointly utilize staff and educational, technical, and financial resources to deliver
48.31 programs or conduct activities to achieve the intent of this chapter, including efforts
48.32 under the federal Clean Water Act and other federal farm and soil and water conservation
48.33 programs. Nothing in this chapter affects the application of silvicultural exemptions under
48.34 any federal, state, or local law or requires silvicultural practices more stringent than those

49.1 recommended in the timber harvesting and forest management guidelines adopted by the
49.2 Minnesota Forest Resources Council under section 89A.05.

49.3 Sec. 15. Minnesota Statutes 2010, section 114D.20, subdivision 2, is amended to read:

49.4 Subd. 2. **Goals for implementation.** The following goals must guide the
49.5 implementation of this chapter:

49.6 (1) to identify impaired waters in accordance with federal TMDL requirements
49.7 within ten years after the effective date of this section and thereafter to ensure continuing
49.8 evaluation of surface waters for impairments;

49.9 (2) to submit TMDL's to the United States Environmental Protection Agency for all
49.10 impaired waters in a timely manner in accordance with federal TMDL requirements;

49.11 (3) to set a reasonable time for implementing restoration of each identified impaired
49.12 water;

49.13 (4) to provide assistance and incentives to prevent waters from becoming impaired
49.14 and to improve the quality of waters that are listed as impaired but do not have an
49.15 approved TMDL addressing the impairment;

49.16 (5) to promptly seek the delisting of waters from the impaired waters list when those
49.17 waters are shown to achieve the designated uses applicable to the waters; ~~and~~

49.18 (6) to achieve compliance with federal Clean Water Act requirements in Minnesota;²

49.19 (7) to support effective measures to prevent the degradation of groundwater
49.20 according to the groundwater degradation prevention goal under section 103H.001; and

49.21 (8) to support effective measures to restore degraded groundwater.

49.22 Sec. 16. Minnesota Statutes 2010, section 114D.20, subdivision 3, is amended to read:

49.23 Subd. 3. **Implementation policies.** The following policies must guide the
49.24 implementation of this chapter:

49.25 (1) develop regional and watershed TMDL's and TMDL implementation plans, and
49.26 TMDL's and TMDL implementation plans for multiple pollutants, where reasonable and
49.27 feasible;

49.28 (2) maximize use of available organizational, technical, and financial resources to
49.29 perform sampling, monitoring, and other activities to identify degraded groundwater and
49.30 impaired waters, including use of citizen monitoring and citizen monitoring data used
49.31 by the Pollution Control Agency in assessing water quality ~~must meet~~ that meets the
49.32 requirements in Appendix D of the Volunteer Surface Water Monitoring Guide, Minnesota
49.33 Pollution Control Agency (2003);

50.1 (3) maximize opportunities for restoration of degraded groundwater and impaired
50.2 waters, by prioritizing and targeting of available programmatic, financial, and technical
50.3 resources and by providing additional state resources to complement and leverage
50.4 available resources;

50.5 (4) use existing regulatory authorities to achieve restoration for point and nonpoint
50.6 sources of pollution where applicable, and promote the development and use of effective
50.7 nonregulatory measures to address pollution sources for which regulations are not
50.8 applicable;

50.9 (5) use restoration methods that have a demonstrated effectiveness in reducing
50.10 impairments and provide the greatest long-term positive impact on water quality protection
50.11 and improvement and related conservation benefits while incorporating innovative
50.12 approaches on a case-by-case basis;

50.13 (6) identify for the legislature any innovative approaches that may strengthen or
50.14 complement existing programs;

50.15 (7) identify and encourage implementation of measures to prevent surface waters
50.16 from becoming impaired and to improve the quality of waters that are listed as impaired
50.17 but have no approved TMDL addressing the impairment using the best available data and
50.18 technology, and establish and report outcome-based performance measures that monitor
50.19 the progress and effectiveness of protection and restoration measures; ~~and~~

50.20 (8) monitor and enforce cost-sharing contracts and impose monetary damages in an
50.21 amount up to 150 percent of the financial assistance received for failure to comply; and

50.22 (9) identify and encourage implementation of measures to prevent groundwater from
50.23 becoming degraded and measures that restore groundwater resources.

50.24 Sec. 17. Minnesota Statutes 2010, section 114D.20, subdivision 6, is amended to read:

50.25 Subd. 6. **Priorities for restoration of impaired waters.** In implementing
50.26 restoration of impaired waters, in addition to the priority considerations in subdivision 5,
50.27 the Clean Water Council shall give priority in its recommendations for restoration funding
50.28 from the clean water ~~legacy account~~ fund to restoration projects that:

50.29 (1) coordinate with and utilize existing local authorities and infrastructure for
50.30 implementation;

50.31 (2) can be implemented in whole or in part by providing support for existing or
50.32 ongoing restoration efforts;

50.33 (3) most effectively leverage other sources of restoration funding, including federal,
50.34 state, local, and private sources of funds;

51.1 (4) show a high potential for early restoration and delisting based upon scientific
51.2 data developed through public agency or citizen monitoring or other means; and

51.3 (5) show a high potential for long-term water quality and related conservation
51.4 benefits.

51.5 Sec. 18. Minnesota Statutes 2010, section 114D.20, subdivision 7, is amended to read:

51.6 Subd. 7. **Priorities for funding prevention actions.** The Clean Water Council
51.7 shall apply the priorities applicable under subdivision 6, as far as practicable, when
51.8 recommending priorities for funding actions to prevent groundwater and surface waters
51.9 from becoming degraded or impaired and to improve the quality of surface waters that are
51.10 listed as impaired but do not have an approved TMDL.

51.11 Sec. 19. **[114D.31] CLEAN WATER COUNCIL.**

51.12 **Subdivision 1. Creation; membership.** (a) The Clean Water Council of 12
51.13 members is created in the legislative branch, consisting of:

51.14 (1) two public members appointed by the senate Subcommittee on Committees of
51.15 the Committee on Rules and Administration;

51.16 (2) two public members appointed by the speaker of the house;

51.17 (3) four public members appointed by the governor;

51.18 (4) two members of the senate appointed by the senate Subcommittee on Committees
51.19 of the Committee on Rules and Administration; and

51.20 (5) two members of the house of representatives appointed by the speaker of the
51.21 house.

51.22 (b) Members appointed under paragraph (a) must not be registered lobbyists.

51.23 In making appointments, the governor, senate Subcommittee on Committees of the
51.24 Committee on Rules and Administration, and the speaker of the house shall consider
51.25 geographic balance, gender, age, ethnicity, and varying interests. The governor's
51.26 appointments to the council are subject to the advice and consent of the senate.

51.27 (c) Public members appointed under paragraph (a) shall have practical experience
51.28 or expertise or demonstrated knowledge in the science, policy, or practice of restoring,
51.29 protecting, and enhancing the water quality in lakes, rivers, and streams, and to protect
51.30 groundwater from degradation.

51.31 (d) Legislative members appointed under paragraph (a) shall include the chairs
51.32 of the legislative committees with jurisdiction over environment and natural resources
51.33 finance or their designees, one member from the minority party of the senate, and one

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52.1 member from the minority party of the house of representatives. Legislative members
52.2 shall serve at the pleasure of the appointing authority.

52.3 (e) Public members serve four-year terms and shall be initially appointed according
52.4 to the following schedule of terms:

52.5 (1) two public members appointed by the governor for a term ending the first
52.6 Monday in January 2013;

52.7 (2) one public member appointed by the senate Subcommittee on Committees of the
52.8 Committee on Rules and Administration for a term ending the first Monday in January
52.9 2013;

52.10 (3) one public member appointed by the speaker of the house for a term ending
52.11 the first Monday in January 2013;

52.12 (4) two public members appointed by the governor for a term ending the first
52.13 Monday in January 2015;

52.14 (5) one public member appointed by the senate Subcommittee on Committees of the
52.15 Committee on Rules and Administration for a term ending the first Monday in January
52.16 2015; and

52.17 (6) one public member appointed by the speaker of the house for a term ending
52.18 the first Monday in January 2015.

52.19 (f) Terms, compensation, and removal of public members are as provided in section
52.20 15.0575. A vacancy on the council may be filled by the appointing authority for the
52.21 remainder of the unexpired term.

52.22 (g) The first meeting of the council shall be convened by the chair of the Legislative
52.23 Coordinating Commission no later than November 15, 2011. Members shall elect a chair,
52.24 vice-chair, secretary, and other officers as determined by the council. The chair may
52.25 convene meetings as necessary to conduct the duties prescribed by this section.

52.26 (h) Upon coordination with the Legislative Coordinating Commission, the council
52.27 may appoint nonpartisan staff and contract with consultants as necessary to carry out the
52.28 functions of the council. Up to one percent of the annual revenue to the fund may be used
52.29 to pay for administrative expenses of the council and for compensation and expense
52.30 reimbursement of council members.

52.31 Subd. 2. **Council recommendations.** (a) By January 15 each odd-numbered year,
52.32 the council shall make recommendations to the legislature on appropriations of money
52.33 from the clean water fund and other policies under this chapter that are consistent with the
52.34 constitution and state law and that will achieve the outcomes of existing water plans.

52.35 (b) Recommendations of the council, including approval of recommendations for the
52.36 clean water fund, require an affirmative vote of at least nine members of the council.

53.1 (c) The council may work with the Lessard-Sams Outdoor Heritage Council, the
53.2 Legislative-Citizen Commission on Minnesota Resources, the Board of Water and Soil
53.3 Resources, soil and water conservation districts, and experts from Minnesota State
53.4 Colleges and Universities and the University of Minnesota in developing the council's
53.5 recommendations.

53.6 (d) The council shall develop and implement a process that ensures that citizens
53.7 and potential recipients of funds are included throughout the process, including the
53.8 development and finalization of the council's recommendations. The process must include
53.9 a fair, equitable, and thorough process for reviewing requests for funding and a clear and
53.10 easily understood process for ranking projects.

53.11 Subd. 3. **Conflict of interest.** (a) A council member may not be an advocate for
53.12 or against a council action or vote on any action that may be a conflict of interest. A
53.13 conflict of interest must be disclosed as soon as it is discovered. The council shall follow
53.14 the policies and requirements related to conflicts of interest developed by the Office of
53.15 Grants Management under section 16B.98.

53.16 (b) For the purposes of this section, a "conflict of interest" exists when a person has
53.17 an organizational conflict of interest or direct financial interests and those interests present
53.18 the appearance that it will be difficult for the person to impartially fulfill the person's duty.
53.19 An "organizational conflict of interest" exists when a person has an affiliation with an
53.20 organization that is subject to council activities that presents the appearance of a conflict
53.21 between organizational interests and council member duties. An "organizational conflict
53.22 of interest" does not exist if the person's only affiliation with an organization is being a
53.23 member of the organization.

53.24 Subd. 4. **Open meetings.** (a) Meetings of the council and other groups the council
53.25 may establish shall be open to the public. Except where prohibited by law, the council
53.26 shall establish additional processes to broaden public involvement in all aspects of its
53.27 deliberations, including recording meetings, video conferencing, and publishing minutes.
53.28 For the purposes of this subdivision, a meeting occurs when a quorum is present and the
53.29 members take action on any matter relating to the duties of the council. The quorum
53.30 requirement for the council shall be seven members.

53.31 (b) For legislative members of the council, enforcement of this subdivision is
53.32 governed by section 3.055, subdivision 2. For nonlegislative members of the council,
53.33 enforcement of this subdivision is governed by section 13D.06, subdivisions 1 and 2.

53.34 Subd. 5. **Audit.** The legislative auditor shall audit the clean water fund expenditures,
53.35 including administrative and staffing expenditures, to ensure that the money is spent in
53.36 compliance with all applicable law and the Constitution.

54.1 Sec. 20. Minnesota Statutes 2010, section 114D.35, is amended to read:

54.2 **114D.35 PUBLIC AND STAKEHOLDER PARTICIPATION; SCIENTIFIC**
54.3 **REVIEW; EDUCATION.**

54.4 Subdivision 1. **Public and stakeholder participation.** Public agencies and private
54.5 entities involved in the implementation of this chapter shall encourage participation by
54.6 the public and stakeholders, including local citizens, landowners and managers, and
54.7 public and private organizations, in ~~the identification of~~ identifying impaired waters, in
54.8 developing TMDL's, ~~and~~ in planning, priority setting, and implementing restoration of
54.9 impaired waters, in identifying degraded groundwater, and in protecting and restoring
54.10 groundwater resources. In particular, the Pollution Control Agency shall make reasonable
54.11 efforts to provide timely information to the public and to stakeholders about impaired
54.12 waters that have been identified by the agency. The agency shall seek broad and early
54.13 public and stakeholder participation in scoping the activities necessary to develop a
54.14 TMDL, including the scientific models, methods, and approaches to be used in TMDL
54.15 development, and to implement restoration pursuant to section 114D.15, subdivision 7.

54.16 Subd. 2. **Expert scientific advice.** The Clean Water Council and public agencies
54.17 and private entities shall make use of available public and private expertise from
54.18 educational, research, and technical organizations, including the University of Minnesota
54.19 and other higher education institutions, to provide appropriate independent expert advice
54.20 on models, methods, and approaches used in identifying degraded ground water and
54.21 impaired waters, developing TMDL's, and implementing prevention and restoration.

54.22 Subd. 3. **Education.** The Clean Water Council shall develop strategies for
54.23 informing, educating, and encouraging the participation of citizens, stakeholders,
54.24 and others regarding the identification of impaired waters, development of TMDL's,
54.25 development of TMDL implementation plans, ~~and~~ implementation of restoration for
54.26 impaired waters, identification of degraded groundwater, and protection and restoration
54.27 of groundwater resources. Public agencies shall be responsible for implementing the
54.28 strategies.

54.29 Sec. 21. Minnesota Statutes 2010, section 114D.50, subdivision 6, is amended to read:

54.30 Subd. 6. **Restoration evaluations.** ~~Beginning July 1, 2011,~~ The Board of Water
54.31 and Soil Resources ~~shall~~ may convene a technical evaluation panel comprised of five
54.32 members, including one technical representative from the Board of Water and Soil
54.33 Resources, one technical representative from the Department of Natural Resources,
54.34 one technical expert from the University of Minnesota or the Minnesota State Colleges
54.35 and Universities, and two representatives with expertise related to the project being

55.1 evaluated. The board may add a technical representative from a unit of federal or local
55.2 government. The members of the technical evaluation panel may not be associated with
55.3 the restoration, may vary depending upon the projects being reviewed, and shall avoid
55.4 any potential conflicts of interest. Each year, the board ~~shall~~ may assign a coordinator
55.5 to identify a sample of up to ten habitat restoration projects completed with clean water
55.6 funding. The coordinator shall secure the restoration plans for the projects specified and
55.7 direct the technical evaluation panel to evaluate the restorations relative to the law, current
55.8 science, and the stated goals and standards in the restoration plan ~~and, when applicable, to~~
55.9 ~~the Board of Water and Soil Resources' native vegetation establishment and enhancement~~
55.10 ~~guidelines~~. The coordinator shall summarize the findings of the panel and provide a
55.11 report to the chairs of the respective house of representatives and senate policy and
55.12 finance committees with jurisdiction over natural resources and spending from the clean
55.13 water fund. The report shall determine if the restorations are meeting planned goals, any
55.14 problems with the implementation of restorations, and, if necessary, recommendations on
55.15 improving restorations. The report shall be focused on improving future restorations. Up
55.16 to one-tenth of one percent of forecasted receipts from the clean water fund may be used
55.17 for restoration evaluations under this section.

55.18 Sec. 22. Minnesota Statutes 2010, section 116.195, is amended to read:

55.19 **116.195 BENEFICIAL USE OF WASTEWATER AND STORM WATER;**
55.20 **CAPITAL GRANTS FOR DEMONSTRATION PROJECTS.**

55.21 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
55.22 have the meanings given them.

55.23 (b) "Agency" means the Pollution Control Agency.

55.24 (c) "Beneficial use of wastewater or storm water" means:

55.25 (1) use of the effluent from a wastewater treatment plant that replaces use of
55.26 groundwater; or

55.27 (2) use of storm water that replaces the use of groundwater.

55.28 (d) "Capital project" means the acquisition or betterment of public land, buildings,
55.29 and other public improvements of a capital nature for the treatment of wastewater intended
55.30 for beneficial use or for the use of storm water to replace groundwater use. Capital project
55.31 includes projects to retrofit, expand, or construct new treatment facilities.

55.32 Subd. 2. **Grants for capital project design.** The agency shall make grant awards
55.33 to political subdivisions for up to 50 percent of the costs to predesign and design capital
55.34 projects that demonstrate the beneficial use of wastewater or storm water. The maximum
55.35 amount for a grant under this subdivision is \$500,000. The grant agreement must provide

56.1 that the predesign and design work being funded is public information and available to
56.2 anyone without charge. The agency must make the predesign and design work available
56.3 on its Web site.

56.4 Subd. 3. **Grants for capital project implementation.** The agency shall make grant
56.5 awards to political subdivisions for up to 50 percent of the costs to acquire, construct,
56.6 install, furnish, and equip capital projects that demonstrate the beneficial use of wastewater
56.7 or storm water. The political subdivision must submit design plans and specifications
56.8 to the agency as part of the application.

56.9 The agency must consult with the Public Facilities Authority and the commissioner
56.10 of natural resources in reviewing and ranking applications for grants under this section.

56.11 The application must identify the uses of the treated wastewater or storm water
56.12 and greater weight will be given to applications that include a binding commitment to
56.13 participate by the user or users.

56.14 The agency must give preference to projects that will reduce use of the greatest
56.15 volume of groundwater from aquifers with the slowest rate of recharge.

56.16 Subd. 4. **Application form; procedures.** The agency shall develop an application
56.17 form and procedures.

56.18 Subd. 5. **Reports.** The agency shall report by February 1 of each year to the chairs
56.19 of the house of representatives and senate committees with jurisdiction over environment
56.20 policy and finance and capital investment on the grants made and projects funded under
56.21 this section. For each demonstration project funded, the report must include information
56.22 on the scale of water constraints for the area, the volume of treated wastewater ~~supply~~
56.23 supplied or storm water available, the quality of the storm water or treated wastewater
56.24 supplied and treatment implications for the industrial user, impacts to stream flow and
56.25 downstream users, and any considerations related to water appropriation and discharge
56.26 permits.

56.27 Sec. 23. **CIVIC ENGAGEMENT AND PUBLIC EDUCATION.**

56.28 A recipient of funds appropriated in this article shall incorporate civic engagement
56.29 and public education when implementing projects and programs funded under this article.

56.30 Sec. 24. **AVAILABILITY OF APPROPRIATIONS.**

56.31 Money appropriated in this article may not be spent on activities unless they are
56.32 directly related to and necessary for a specific appropriation.

56.33 Sec. 25. **REPEALER.**

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57.1 Minnesota Statutes 2010, sections 114D.30; and 114D.45, are repealed.

APPENDIX
Article locations in S0158-1

ARTICLE 1 OUTDOOR HERITAGE FUND Page.Ln 1.13
ARTICLE 2 CLEAN WATER FUND Page.Ln 33.1