

1.1 CONFERENCE COMMITTEE REPORT ON S.F. No. 3275

1.2 A bill for an act

1.3 relating to state government; appropriating money from constitutionally  
1.4 dedicated funds; modifying appropriation to prevent water pollution from  
1.5 polycyclic aromatic hydrocarbons; modifying certain administrative accounts;  
1.6 modifying electronic transaction provisions; providing for certain registration  
1.7 exemptions; modifying all-terrain vehicle definitions; modifying all-terrain  
1.8 vehicle operation restrictions; modifying state trails and canoe and boating routes;  
1.9 modifying fees and disposition of certain receipts; modifying certain competitive  
1.10 bidding exemptions; modifying horse trail pass provisions; modifying beaver  
1.11 dam provisions; modifying the Water Law; modifying nongame wildlife  
1.12 checkoffs; establishing an Environment and Natural Resources Organization  
1.13 Advisory Committee to advise legislature and governor on new structure for  
1.14 administration of environment and natural resource policies; requiring an  
1.15 advisory committee to consider all powers and duties of Pollution Control  
1.16 Agency, Department of Natural Resources, Environmental Quality Board,  
1.17 Board of Water and Soil Resources, Petroleum Tank Release Compensation  
1.18 Board, Harmful Substances Compensation Board, and Agricultural Chemical  
1.19 Response Compensation Board and certain powers and duties of Departments  
1.20 of Agriculture, Health, Transportation, and Commerce; modifying method of  
1.21 determining value of acquired stream easements; providing for certain historic  
1.22 property exemption; modifying state forest acquisition provisions; modifying  
1.23 certain requirements for land sales; adding to and deleting from state parks  
1.24 and state forests; authorizing public and private sales, conveyances, and  
1.25 exchanges of certain state land; amending the definition of "green economy" to  
1.26 include the concept of "green chemistry;" clarifying that an appropriation is  
1.27 to the commissioner of commerce; establishing a program to provide rebates  
1.28 for solar photovoltaic modules; providing for community energy planning;  
1.29 modifying Legislative Energy Commission and Public Utilities Commission  
1.30 provisions; eliminating a legislative guide; appropriating money; amending  
1.31 Minnesota Statutes 2008, sections 3.8851, subdivision 7; 84.025, subdivision  
1.32 9; 84.027, subdivision 15; 84.0272, subdivision 2; 84.0856; 84.0857; 84.777,  
1.33 subdivision 2; 84.82, subdivision 3, by adding a subdivision; 84.92, subdivisions  
1.34 9, 10; 84.922, subdivision 5, by adding a subdivision; 84.925, subdivision  
1.35 1; 84.9256, subdivision 1; 84.928, subdivision 5; 85.012, subdivision 40;  
1.36 85.015, subdivision 14; 85.22, subdivision 5; 85.32, subdivision 1; 85.41,  
1.37 subdivision 3; 85.42; 85.43; 85.46, as amended; 88.17, subdivisions 1, 3;  
1.38 88.79, subdivision 2; 89.032, subdivision 2; 90.041, by adding a subdivision;  
1.39 90.121; 90.14; 97B.665, subdivision 2; 103A.305; 103G.271, subdivision 3;  
1.40 103G.285, subdivision 5; 103G.301, subdivision 6; 103G.305, subdivision 2;  
1.41 103G.315, subdivision 11; 103G.515, subdivision 5; 103G.615, subdivision  
1.42 2; 115A.02; 116.07, subdivisions 4, 4h; 116J.437, subdivision 1; 216B.62, by  
1.43 adding a subdivision; 290.431; 290.432; 473.1565, subdivision 2; Minnesota



3.1 spent for each purpose are specified in the  
3.2 following subdivisions.

3.3 Subd. 2. Prairies -0- 18,093,000

3.4 (a) Accelerated Prairie Grassland Restoration  
3.5 and Enhancement Program on DNR Lands

3.6 \$5,833,000 in fiscal year 2011 is to the  
3.7 commissioner of natural resources to  
3.8 accelerate the protection, restoration, and  
3.9 enhancement of native prairie vegetation.

3.10 A list of proposed land acquisitions,  
3.11 restorations, and enhancements, describing  
3.12 the types and locations of acquisitions,  
3.13 restorations, and enhancements, must  
3.14 be provided as part of the required  
3.15 accomplishment plan. All restorations must  
3.16 comply with subdivision 9, paragraph (b).

3.17 (b) The Green Corridor Legacy Program

3.18 \$1,651,000 in fiscal year 2011 is to the  
3.19 commissioner of natural resources for  
3.20 an agreement with the Redwood Area  
3.21 Communities Foundation to acquire and  
3.22 restore land for purposes allowed under  
3.23 the Minnesota Constitution, article XI,  
3.24 section 15, in Redwood, Renville, Brown,  
3.25 Nicollet, Murray, Lyon, Yellow Medicine,  
3.26 Chippewa, and Cottonwood Counties to be  
3.27 added to the state outdoor recreation system  
3.28 as defined in Minnesota Statutes, chapter  
3.29 86A. A list of proposed fee title acquisitions  
3.30 must be provided as part of the required  
3.31 accomplishment plan. The commissioner of  
3.32 natural resources must agree in writing to  
3.33 each proposed acquisition. All restorations  
3.34 must comply with subdivision 9, paragraph  
3.35 (b).

4.1 **(c) Prairie Heritage Fund - Acquisition and**  
4.2 **Restoration**

4.3 \$3,015,000 in fiscal year 2011 is to the  
4.4 commissioner of natural resources for an  
4.5 agreement with Pheasants Forever to acquire  
4.6 and restore land to be added to the state  
4.7 wildlife management area system. A list  
4.8 of proposed fee title acquisitions and a list  
4.9 of proposed restoration projects, describing  
4.10 the types and locations of restorations,  
4.11 must be provided as part of the required  
4.12 accomplishment plan. The commissioner of  
4.13 natural resources must agree in writing to  
4.14 each proposed acquisition. All restorations  
4.15 must comply with subdivision 9, paragraph  
4.16 (b).

4.17 **(d) Northern Tallgrass Prairie National**  
4.18 **Wildlife Refuge Protection**

4.19 \$2,041,000 in fiscal year 2011 is to the  
4.20 commissioner of natural resources for an  
4.21 agreement with The Nature Conservancy  
4.22 to acquire land or permanent easements  
4.23 within the Northern Tallgrass Prairie Habitat  
4.24 Preservation Area in western Minnesota for  
4.25 addition to the Northern Tallgrass Prairie  
4.26 National Wildlife Refuge. A list of proposed  
4.27 fee title and permanent easement acquisitions  
4.28 must be provided as part of the required  
4.29 accomplishment plan. The accomplishment  
4.30 plan must include an easement stewardship  
4.31 plan.

4.32 **(e) Rum River - Cedar Creek Initiative**

4.33 \$1,900,000 in fiscal year 2011 is to the  
4.34 commissioner of natural resources for an  
4.35 agreement with Anoka County to acquire fee

5.1 title to land at the confluence of the Rum  
5.2 River and Cedar Creek in Anoka County.  
5.3 Land acquired in fee must remain open to  
5.4 hunting and fishing, consistent with the  
5.5 capacity of the land, during the open season,  
5.6 as determined in writing by the commissioner  
5.7 of natural resources. All restorations must  
5.8 comply with subdivision 9, paragraph (b).  
5.9 **(f) Minnesota Prairie Recovery Project**

5.10 \$3,653,000 in fiscal year 2011 is to the  
5.11 commissioner of natural resources for an  
5.12 agreement with The Nature Conservancy  
5.13 for a pilot project to acquire interests in  
5.14 land and restore and enhance prairie and  
5.15 prairie/wetland habitat in the prairie regions  
5.16 of western and southwestern Minnesota.  
5.17 The Nature Conservancy may acquire land  
5.18 in fee or through permanent conservation  
5.19 easements. A list of proposed fee title and  
5.20 permanent conservation easements, and a list  
5.21 of proposed restorations and enhancements,  
5.22 must be provided as part of the required  
5.23 accomplishment plan. All restorations must  
5.24 comply with subdivision 9, paragraph (b).  
5.25 The commissioner of natural resources must  
5.26 agree in writing to each acquisition of interest  
5.27 in land, restoration project, and enhancement  
5.28 project. The accomplishment plan must  
5.29 include an easement stewardship plan.

5.30 **Subd. 3. Forests** -0- 5,603,000

5.31 **(a) Critical Shoreline Habitat Protection**  
5.32 **Program**

5.33 \$816,000 in fiscal year 2011 is to the  
5.34 commissioner of natural resources for an  
5.35 agreement with the Minnesota Land Trust to

6.1 acquire permanent conservation easements  
6.2 protecting critical shoreline habitats in  
6.3 Koochiching, Cook, Lake, and St. Louis  
6.4 County portions of the northern forest  
6.5 area in northern Minnesota and provide  
6.6 stewardship for those easements. A list of  
6.7 proposed conservation easement acquisitions  
6.8 must be provided as part of the required  
6.9 accomplishment plan. The accomplishment  
6.10 plan must include an easement stewardship  
6.11 plan.

6.12 **(b) Protect Key Industrial Forest Land Tracts**  
6.13 **in Central Minnesota**

6.14 \$594,000 in fiscal year 2011 is to the  
6.15 commissioner of natural resources for an  
6.16 agreement with Cass County to acquire lands  
6.17 that assist with gaining access for restoration  
6.18 and enhancement purposes to existing public  
6.19 land tracts. A list of proposed acquisitions  
6.20 must be provided as part of the required  
6.21 accomplishment plan.

6.22 **(c) Little Nokasippi River Wildlife**  
6.23 **Management Area**

6.24 \$843,000 in fiscal year 2011 is to the  
6.25 commissioner of natural resources  
6.26 for acceleration of agency programs and  
6.27 cooperative agreements to acquire interests in  
6.28 land within the boundaries of the Minnesota  
6.29 National Guard Army compatible use buffer  
6.30 (ACUB) program. Of this appropriation,  
6.31 \$225,000 is for the Department of Natural  
6.32 Resources to acquire land for wildlife  
6.33 management areas and \$618,000 is for an  
6.34 agreement with the Board of Water and Soil  
6.35 Resources to acquire permanent conservation  
6.36 easements. A list of proposed acquisitions

7.1 must be provided as part of the required  
7.2 accomplishment plan.  
7.3 **(d) Accelerated Forest Wildlife Habitat**  
7.4 **Program**  
7.5 \$1,791,000 in fiscal year 2011 is to the  
7.6 commissioner of natural resources for  
7.7 acceleration of agency programs to acquire,  
7.8 in fee, land for state forests and restore and  
7.9 enhance state forest habitat. A list of projects  
7.10 including proposed fee title acquisitions  
7.11 and restorations and enhancements must  
7.12 be provided as part of the required  
7.13 accomplishment plan. All restorations must  
7.14 comply with subdivision 9, paragraph (b).

7.15 **(e) Northeastern Minnesota Sharp-Tailed**  
7.16 **Grouse Habitat**

7.17 \$1,559,000 in fiscal year 2011 is to the  
7.18 commissioner of natural resources for an  
7.19 agreement with Pheasants Forever to acquire  
7.20 interests in land, and to restore and enhance  
7.21 habitat for sharp-tailed grouse in Kanabec,  
7.22 Aitkin, and St. Louis Counties in cooperation  
7.23 with the Minnesota Sharp-Tailed Grouse  
7.24 Society. A list of proposed acquisitions  
7.25 and a list of proposed restorations and  
7.26 enhancements must be provided as part of  
7.27 the required accomplishment plan. The  
7.28 commissioner of natural resources must  
7.29 agree in writing to each acquisition of interest  
7.30 in land, restoration project, and enhancement  
7.31 project. All restorations must comply with  
7.32 subdivision 9, paragraph (b).

7.33 **Subd. 4. Wetlands** -0- 16,905,000

7.34 **(a) Accelerated Shallow Lake and Wetland**  
7.35 **Enhancement and Restoration Program**

8.1 \$6,505,000 in fiscal year 2011 is to the  
8.2 commissioner of natural resources to assess,  
8.3 enhance, and restore shallow lake and  
8.4 wetland habitats, to acquire land in fee or  
8.5 through permanent conservation easements  
8.6 for shallow lake program restoration, and to  
8.7 provide stewardship for acquired easements  
8.8 in cooperation with Ducks Unlimited, Inc.  
8.9 Of this appropriation, \$1,463,000 is for the  
8.10 Department of Natural Resources agency  
8.11 program acceleration and \$5,042,000 is for  
8.12 an agreement with Ducks Unlimited, Inc. A  
8.13 list of proposed projects, describing the types  
8.14 and locations of land acquisitions, restoration  
8.15 projects, and enhancement projects,  
8.16 must be provided as part of the required  
8.17 accomplishment plan. The commissioner  
8.18 of natural resources must agree in writing  
8.19 to each acquisition, restoration project, and  
8.20 enhancement project. The accomplishment  
8.21 plan must include an easement stewardship  
8.22 plan. All restorations must comply with  
8.23 subdivision 9, paragraph (b).

8.24 **(b) Accelerate the Waterfowl Production Area**  
8.25 **Program in Minnesota**

8.26 \$3,505,000 in fiscal year 2011 is to the  
8.27 commissioner of natural resources for  
8.28 an agreement with Pheasants Forever to  
8.29 acquire and restore wetland and related  
8.30 upland habitats, in cooperation with the  
8.31 United States Fish and Wildlife Service  
8.32 and Ducks Unlimited, Inc., to be managed  
8.33 as waterfowl production areas. A list of  
8.34 proposed acquisitions and a list of proposed  
8.35 projects, describing the types and locations  
8.36 of restorations, must be provided as part

9.1 of the required accomplishment plan. All  
9.2 restorations must comply with subdivision  
9.3 9, paragraph (b).

9.4 **(c) Reinvest in Minnesota Wetlands Reserve**  
9.5 **Program Acquisition and Restoration**

9.6 \$6,895,000 in fiscal year 2011 is to the Board  
9.7 of Water and Soil Resources to acquire  
9.8 permanent conservation easements and  
9.9 restore wetlands and associated uplands  
9.10 in cooperation with the United States  
9.11 Department of Agriculture Wetlands Reserve  
9.12 Program. A list of proposed acquisitions  
9.13 and a list of proposed projects, describing  
9.14 the types and locations of restorations,  
9.15 must be provided as part of the required  
9.16 accomplishment plan. All restorations must  
9.17 comply with subdivision 9, paragraph (b).

9.18 Subd. 5. Habitat -0- 17,563,000

9.19 **(a) Metro Big Rivers Habitat Program**

9.20 \$2,397,000 in fiscal year 2011 is to  
9.21 the commissioner of natural resources  
9.22 for agreements for projects to protect,  
9.23 restore, and enhance natural systems of  
9.24 the Minnesota River, St. Croix River,  
9.25 Mississippi River, and their major tributaries  
9.26 as follows: \$500,000 with Minnesota Valley  
9.27 National Wildlife Refuge Trust, Inc. for  
9.28 fee title land acquisition; \$1,500,000 with  
9.29 the Trust for Public Land for fee title land  
9.30 acquisition; \$227,300 with the Friends  
9.31 of the Mississippi River for restoration,  
9.32 enhancement, and conservation easement  
9.33 acquisition; and \$169,700 with Great River  
9.34 Greening for restoration and enhancement.  
9.35 The accomplishment plan must include an

10.1 easement stewardship plan. All restorations  
10.2 must comply with subdivision 9, paragraph  
10.3 (b).

10.4 **(b) Accelerated Aquatic Management Area**  
10.5 **Acquisition**

10.6 \$3,416,000 in fiscal year 2011 is to the  
10.7 commissioner of natural resources to  
10.8 accelerate land acquisition by fee title and  
10.9 easements to be added to the state aquatic  
10.10 management area system as defined in  
10.11 Minnesota Statutes, chapter 86A, and to  
10.12 restore and enhance stream habitat and lake  
10.13 habitat. Land acquired in fee must remain  
10.14 open to hunting and fishing, consistent  
10.15 with the capacity of the land, during the  
10.16 open season, as determined in writing by  
10.17 the commissioner of natural resources.

10.18 A list of proposed fee title and easement  
10.19 acquisitions, stream habitat restorations and  
10.20 enhancements, and lake habitat restorations  
10.21 and enhancements must be provided as part  
10.22 of the required accomplishment plan.

10.23 **(c) Cold Water River and Stream Restoration,**  
10.24 **Protection, and Enhancement**

10.25 \$1,269,000 in fiscal year 2011 is to the  
10.26 commissioner of natural resources for  
10.27 an agreement with Trout Unlimited to  
10.28 restore, enhance, and protect cold water  
10.29 river and stream habitats in Minnesota. A  
10.30 list of proposed acquisitions and a list of  
10.31 proposed projects, describing the types and  
10.32 locations of restorations and enhancements,  
10.33 must be provided as part of the required  
10.34 accomplishment plan. The commissioner of  
10.35 natural resources must agree in writing to  
10.36 each proposed acquisition, restoration, and

11.1 enhancement. All restorations must comply  
11.2 with subdivision 9, paragraph (b).

11.3 **(d) Dakota County Riparian and Lakeshore**  
11.4 **Protection and Restoration**

11.5 \$2,097,000 in fiscal year 2011 is to the  
11.6 commissioner of natural resources for  
11.7 an agreement with Dakota County for  
11.8 acquisition of permanent easements and  
11.9 enhancement and restoration of aquatic  
11.10 and associated upland habitat. A list of  
11.11 proposed acquisitions and restorations  
11.12 must be provided as part of the required  
11.13 accomplishment plan. The accomplishment  
11.14 plan must include an easement stewardship  
11.15 plan. All restorations must comply with  
11.16 subdivision 9, paragraph (b).

11.17 **(e) Valley Creek Protection Partnership**

11.18 \$1,218,000 in fiscal year 2011 is to the  
11.19 commissioner of natural resources for  
11.20 agreements on projects to protect, restore,  
11.21 and enhance natural systems of Valley Creek  
11.22 in Washington County as follows: \$838,000  
11.23 with Minnesota Land Trust; \$218,000 with  
11.24 Washington County; \$100,000 with the  
11.25 Belwin Conservancy; \$50,000 with Trout  
11.26 Unlimited; and \$12,000 with the Valley  
11.27 Branch Watershed District. All restorations  
11.28 must comply with subdivision 9, paragraph  
11.29 (b).

11.30 **(f) Anoka Sand Plain Restoration and**  
11.31 **Enhancement**

11.32 \$747,000 in fiscal year 2011 is to the  
11.33 commissioner of natural resources for  
11.34 an agreement with Great River Greening  
11.35 to restore and enhance habitat on public

12.1 property in the Anoka Sand Plain in Anoka,  
12.2 Chisago, Isanti, Benton, Washington,  
12.3 Morrison, and Sherburne Counties. All  
12.4 restorations must comply with subdivision  
12.5 9, paragraph (b).

12.6 **(g) Lower Mississippi River Habitat**  
12.7 **Restoration Acceleration**

12.8 \$1,000,000 in fiscal year 2011 is to  
12.9 the commissioner of natural resources  
12.10 to accelerate agency programs and for  
12.11 cooperative agreements to acquire land in  
12.12 the Root River watershed. A list of proposed  
12.13 acquisitions must be provided as part of  
12.14 the required accomplishment plan. The  
12.15 commissioner of natural resources must  
12.16 agree in writing to each proposed acquisition,  
12.17 restoration, and enhancement. All  
12.18 restorations must comply with subdivision  
12.19 9, paragraph (b).

12.20 **(h) Washington County St. Croix River Land**  
12.21 **Protection**

12.22 \$1,033,000 in fiscal year 2011 is to the  
12.23 commissioner of natural resources for an  
12.24 agreement with Washington County to  
12.25 acquire permanent easements to protect  
12.26 habitat associated with the St. Croix River  
12.27 Valley. A list of proposed acquisitions  
12.28 must be provided as part of the required  
12.29 accomplishment plan. The accomplishment  
12.30 plan must include an easement stewardship  
12.31 plan.

12.32 **(i) Outdoor Heritage Conservation Partners**  
12.33 **Grant Program**

12.34 \$4,386,000 in fiscal year 2011 is to the  
12.35 commissioner of natural resources for a

13.1 program to provide competitive, matching  
13.2 grants of up to \$400,000 to local, regional,  
13.3 state, and national organizations, including  
13.4 government, for enhancement, restoration,  
13.5 or protection of forests, wetlands, prairies,  
13.6 and habitat for fish, game, or wildlife  
13.7 in Minnesota. Up to four percent of  
13.8 this appropriation may be used by the  
13.9 commissioner of natural resources for  
13.10 administering the grant program. Grantees  
13.11 may acquire land or interests in land.  
13.12 Easements must be permanent. Land  
13.13 acquired in fee must be open to hunting  
13.14 and fishing during the open season unless  
13.15 otherwise provided by state law. The  
13.16 commissioner of natural resources must  
13.17 agree in writing to each proposed acquisition  
13.18 of land or interest in land. The program  
13.19 shall require a match of at least ten percent  
13.20 from nonstate sources for grants of \$100,000  
13.21 or less and a match of at least 15 percent  
13.22 from nonstate sources for grants over  
13.23 \$100,000. Up to one-third of the match  
13.24 may be in-kind resources. The criteria  
13.25 for evaluating grant applications must  
13.26 include, in a balanced and equally weighted  
13.27 order of precedence, the amount of habitat  
13.28 restored, enhanced, or protected; local  
13.29 support; degree of collaboration; urgency;  
13.30 capacity to achieve multiple benefits;  
13.31 habitat benefits provided; consistency with  
13.32 current conservation science; adjacency  
13.33 to protected lands; full funding of the  
13.34 project; supplementing existing funding;  
13.35 public access for hunting and fishing during  
13.36 the open season; sustainability; and use

14.1 of native plant materials. All projects  
14.2 must conform to the Minnesota statewide  
14.3 conservation and preservation plan. Wildlife  
14.4 habitat projects must also conform to the  
14.5 Minnesota wildlife action plan. Subject to  
14.6 the evaluation criteria and requirements  
14.7 of this paragraph and Minnesota Statutes,  
14.8 the commissioner of natural resources  
14.9 shall give priority to organizations that  
14.10 have a history or charter to receive private  
14.11 contributions for local conservation or  
14.12 habitat projects when evaluating projects of  
14.13 equal value. Priority may be given to projects  
14.14 acquiring land or easements associated  
14.15 with existing wildlife management areas.  
14.16 All restoration or enhancement projects  
14.17 must be on land permanently protected by  
14.18 conservation easement or public ownership  
14.19 or in public waters as defined in Minnesota  
14.20 Statutes, section 103G.005, subdivision 15.  
14.21 Subdivision 9 applies to grants awarded  
14.22 under this paragraph. All restorations must  
14.23 comply with subdivision 9, paragraph (b).  
14.24 This appropriation is available until June  
14.25 30, 2014, at which time all grant project  
14.26 work must be completed and final products  
14.27 delivered, unless an earlier date is specified  
14.28 in the grant agreement. No less than five  
14.29 percent of the amount of each grant must  
14.30 be held back from reimbursement until  
14.31 the grant recipient has completed a grant  
14.32 accomplishment report by the deadline and  
14.33 in the form prescribed by and satisfactory to  
14.34 the Lessard-Sams Outdoor Heritage Council.

14.35 Subd. 6. Administration and Other

0

775,000

14.36 (a) Contract Management

15.1 \$175,000 in fiscal year 2011 is to the  
15.2 commissioner of natural resources for  
15.3 contract management duties assigned in this  
15.4 section.

15.5 **(b) Legislative Coordinating Commission**

15.6 \$600,000 in fiscal year 2011 is to the  
15.7 Legislative Coordinating Commission for  
15.8 administrative expenses of the Lessard-Sams  
15.9 Outdoor Heritage Council and for  
15.10 compensation and expense reimbursement  
15.11 of council members.

15.12 **Subd. 7. Availability of Appropriation**

15.13 Money appropriated in this section may  
15.14 not be spent on activities unless they are  
15.15 directly related to and necessary for a  
15.16 specific appropriation and are specified in the  
15.17 accomplishment plan. Money appropriated  
15.18 in this section must not be spent on indirect  
15.19 costs or other institutional overhead charges.

15.20 Unless otherwise provided, the amounts  
15.21 in this section are available until June 30,  
15.22 2013, when projects must be completed and  
15.23 final accomplishments reported. Funds for  
15.24 restoration or enhancement are available  
15.25 until June 30, 2015, or four years after  
15.26 acquisition, whichever is later, in order to  
15.27 complete restoration or enhancement work.  
15.28 If a project receives federal funds, the time  
15.29 period of the appropriation is extended to  
15.30 equal the availability of federal funding.  
15.31 Funds appropriated for fee title acquisition of  
15.32 land may be used to restore and enhance land  
15.33 acquired with the appropriation.

15.34 **Subd. 8. Accomplishment Plans**

16.1 It is a condition of acceptance of the  
16.2 appropriations made by this section that the  
16.3 agency or entity using the appropriation shall  
16.4 submit to the council an accomplishment  
16.5 plan and periodic accomplishment  
16.6 reports in the form determined by the  
16.7 Lessard-Sams Outdoor Heritage Council.  
16.8 The accomplishment plan must account for  
16.9 the use of the appropriation and outcomes  
16.10 of the expenditure in measures of wetlands,  
16.11 prairies, forests, and fish, game, and wildlife  
16.12 habitat restored, protected, and enhanced.  
16.13 The plan must include an evaluation of  
16.14 results. None of the money provided in this  
16.15 section may be expended unless the council  
16.16 has approved the pertinent accomplishment  
16.17 plan.

16.18 Subd. 9. **Project Requirements**

16.19 (a) As a condition of accepting an  
16.20 appropriation in this section, any agency  
16.21 or entity receiving an appropriation must  
16.22 comply with this subdivision for any project  
16.23 funded in whole or in part with funds from  
16.24 the appropriation.

16.25 (b) To the extent possible, a person  
16.26 conducting restoration with money  
16.27 appropriated in this section must plant  
16.28 vegetation or sow seed only of ecotypes  
16.29 native to Minnesota, and preferably of the  
16.30 local ecotype, using a high diversity of  
16.31 species originating from as close to the  
16.32 restoration site as possible, and protect  
16.33 existing native prairies, grasslands, forests,  
16.34 wetlands, and other aquatic systems from  
16.35 genetic contamination.

17.1 (c) All conservation easements acquired with  
17.2 money appropriated in this section must: (1)  
17.3 be permanent; (2) specify the parties to an  
17.4 easement; (3) specify all of the provisions  
17.5 of an agreement that are permanent; (4)  
17.6 specify the habitat types and location  
17.7 being protected; (5) where appropriate for  
17.8 conservation or water protection outcomes,  
17.9 require the grantor to employ practices  
17.10 retaining water on the eased land as long as  
17.11 practicable; (6) specify the responsibilities  
17.12 of the parties for habitat enhancement and  
17.13 restoration and the associated costs of these  
17.14 activities; (7) be sent to the office of the  
17.15 Lessard-Sams Outdoor Heritage Council; (8)  
17.16 include a long-term stewardship plan and  
17.17 identify the sources and amount of funding  
17.18 for monitoring and enforcing the easement  
17.19 agreement; and (9) identify the parties  
17.20 responsible for monitoring and enforcing the  
17.21 easement agreement.

17.22 (d) For all restorations, a recipient must  
17.23 prepare and retain an ecological restoration  
17.24 and management plan that, to the degree  
17.25 practicable, is consistent with current  
17.26 conservation science and ecological goals  
17.27 for the restoration site. Consideration should  
17.28 be given to soil, geology, topography, and  
17.29 other relevant factors that would provide  
17.30 the best chance for long-term success of the  
17.31 restoration projects. The plan shall include  
17.32 the proposed timetable for implementing  
17.33 the restoration, including, but not limited  
17.34 to, site preparation, establishment of  
17.35 diverse plant species, maintenance, and  
17.36 additional enhancement to establish the

18.1 restoration; identify long-term maintenance  
18.2 and management needs of the restoration  
18.3 and how the maintenance, management, and  
18.4 enhancement will be financed; and use the  
18.5 current conservation science to achieve the  
18.6 best restoration.

18.7 (e) For new lands acquired, a recipient  
18.8 must prepare a restoration and management  
18.9 plan in compliance with paragraph (d),  
18.10 including identification of sufficient funding  
18.11 for implementation.

18.12 (f) To ensure public accountability for the  
18.13 use of public funds, a recipient must provide  
18.14 to the Lessard-Sams Outdoor Heritage  
18.15 Council documentation of the selection  
18.16 process used to identify parcels acquired  
18.17 in fee or permanent conservation easement  
18.18 and provide the council with documentation  
18.19 of all related transaction costs, including,  
18.20 but not limited to, appraisals, legal fees,  
18.21 recording fees, commissions, other similar  
18.22 costs, and donations. This information  
18.23 must be provided for all parties involved  
18.24 in the transaction. The recipient shall  
18.25 also report to the Lessard-Sams Outdoor  
18.26 Heritage Council any difference between the  
18.27 acquisition amount paid to the seller and the  
18.28 state-certified or state-reviewed appraisal, if  
18.29 a state-certified or state-reviewed appraisal  
18.30 was conducted. Acquisition data such  
18.31 as appraisals may remain private during  
18.32 negotiations but must ultimately be made  
18.33 public according to Minnesota Statutes,  
18.34 chapter 13.

19.1 (g) Except as otherwise provided in this  
19.2 section, all restoration and enhancement  
19.3 projects funded with money appropriated in  
19.4 this section must be on land permanently  
19.5 protected by a conservation easement or  
19.6 public ownership or in public waters as  
19.7 defined in Minnesota Statutes, section  
19.8 103G.005, subdivision 15.

19.9 (h) To the extent an appropriation is used to  
19.10 acquire an interest in real property, a recipient  
19.11 of an appropriation under this section must  
19.12 provide to the Lessard-Sams Outdoor  
19.13 Heritage Council and the commissioner  
19.14 of management and budget an analysis of  
19.15 increased operations and maintenance costs  
19.16 likely to be incurred by public entities as  
19.17 a result of the acquisition and of how these  
19.18 costs are to be paid.

19.19 (i) A recipient of money from an  
19.20 appropriation in this section must give  
19.21 consideration to and make timely written  
19.22 contact with the Minnesota Conservation  
19.23 Corps or its successor for consideration of  
19.24 possible use of their services to contract for  
19.25 restoration and enhancement services. A  
19.26 copy of the written contact must be filed with  
19.27 the Lessard-Sams Outdoor Heritage Council  
19.28 within 15 days of execution.

19.29 (j) A recipient of money from this section  
19.30 must erect signage according to Laws 2009,  
19.31 chapter 172, article 5, section 10.

19.32 **Subd. 10. Payment Conditions and Capital**  
19.33 **Equipment Expenditures**

19.34 All agreements, grants, or contracts referred  
19.35 to in this section must be administered on

20.1 a reimbursement basis unless otherwise  
20.2 provided in this section. Notwithstanding  
20.3 Minnesota Statutes, section 16A.41,  
20.4 expenditures directly related to each  
20.5 appropriation's purpose made on or after July  
20.6 1, 2010, are eligible for reimbursement unless  
20.7 otherwise provided in this section. Periodic  
20.8 reimbursement must be made upon receiving  
20.9 documentation that the deliverable items  
20.10 articulated in the approved accomplishment  
20.11 plan have been achieved, including partial  
20.12 achievements as evidenced by approved  
20.13 progress reports. Reasonable amounts may  
20.14 be advanced to projects to accommodate  
20.15 cash flow needs or to match federal share.  
20.16 The advances must be approved as part of  
20.17 the accomplishment plan. Capital equipment  
20.18 expenditures for specific items in excess of  
20.19 \$10,000 must be approved as part of the  
20.20 accomplishment plan.

20.21 **Subd. 11. Purchase of Recycled and Recyclable**  
20.22 **Materials**

20.23 A political subdivision, public or private  
20.24 corporation, or other entity that receives an  
20.25 appropriation in this section must use the  
20.26 appropriation in compliance with Minnesota  
20.27 Statutes, section 16B.121, regarding  
20.28 purchase of recycled, repairable, and durable  
20.29 materials, and section 16B.122, regarding  
20.30 purchase and use of paper stock and printing.

20.31 **Subd. 12. Accessibility**

20.32 Structural and nonstructural facilities must  
20.33 meet the design standards in the Americans  
20.34 with Disabilities Act (ADA) accessibility  
20.35 guidelines.

21.1 **Subd. 13. Land Acquisition Restrictions**

21.2 (a) An interest in real property, including, but  
21.3 not limited to, an easement or fee title, that  
21.4 is acquired with money appropriated under  
21.5 this section must be used in perpetuity or for  
21.6 the specific term of an easement interest for  
21.7 the purpose for which the appropriation was  
21.8 made.

21.9 (b) A recipient of funding who acquires  
21.10 an interest in real property subject to this  
21.11 subdivision may not alter the intended use  
21.12 of the interest in real property or convey  
21.13 any interest in the real property acquired  
21.14 with the appropriation without the prior  
21.15 review and approval of the Lessard-Sams  
21.16 Outdoor Heritage Council or its successor.  
21.17 The council shall notify the chairs and  
21.18 ranking minority members of the legislative  
21.19 committees and divisions with jurisdiction  
21.20 over the outdoor heritage fund at least 15  
21.21 business days before approval under this  
21.22 paragraph. The council shall establish  
21.23 procedures to review requests from recipients  
21.24 to alter the use of or convey an interest in  
21.25 real property. These procedures shall allow  
21.26 for the replacement of the interest in real  
21.27 property with another interest in real property  
21.28 meeting the following criteria: (1) the  
21.29 interest is at least equal in fair market value,  
21.30 as certified by the commissioner of natural  
21.31 resources, to the interest being replaced; and  
21.32 (2) the interest is in a reasonably equivalent  
21.33 location and has a reasonably equivalent  
21.34 useful conservation purpose compared to the  
21.35 interest being replaced.

22.1 (c) A recipient of funding who acquires an  
22.2 interest in real property under paragraph  
22.3 (a) must separately record a notice of  
22.4 funding restrictions in the appropriate local  
22.5 government office where the conveyance  
22.6 of the interest in real property is filed. The  
22.7 notice of funding agreement must contain:  
22.8 (1) a legal description of the interest in real  
22.9 property covered by the funding agreement;  
22.10 (2) a reference to the underlying funding  
22.11 agreement; (3) a reference to this section; and  
22.12 (4) the following statement: "This interest  
22.13 in real property shall be administered in  
22.14 accordance with the terms, conditions, and  
22.15 purposes of the grant agreement controlling  
22.16 the acquisition of the property. The interest  
22.17 in real property, or any portion of the interest  
22.18 in real property, shall not be sold, transferred,  
22.19 pledged, or otherwise disposed of or further  
22.20 encumbered without obtaining the prior  
22.21 written approval of the Lessard-Sams  
22.22 Outdoor Heritage Council or its successor.  
22.23 The ownership of the interest in real property  
22.24 shall transfer to the state if: (1) the holder of  
22.25 the interest in real property fails to comply  
22.26 with the terms and conditions of the grant  
22.27 agreement or accomplishment plan; or  
22.28 (2) restrictions are placed on the land that  
22.29 preclude its use for the intended purpose as  
22.30 specified in the appropriation."

22.31 **Subd. 14. Real Property Interest Report**

22.32 By December 1 each year, a recipient of  
22.33 money appropriated under this section that  
22.34 is used for the acquisition of an interest in  
22.35 real property, including, but not limited to,  
22.36 an easement or fee title, must submit annual

23.1 reports on the status of the real property to  
23.2 the Lessard-Sams Outdoor Heritage Council  
23.3 or its successor in a form determined by the  
23.4 council. The responsibility for reporting  
23.5 under this section may be transferred by  
23.6 the recipient of the appropriation to another  
23.7 person or entity that holds the interest in the  
23.8 real property. To complete the transfer of  
23.9 reporting responsibility, the recipient of the  
23.10 appropriation must: (1) inform the person to  
23.11 whom the responsibility is transferred of that  
23.12 person's reporting responsibility; (2) inform  
23.13 the person to whom the responsibility is  
23.14 transferred of the property restrictions under  
23.15 subdivision 13; (3) provide written notice  
23.16 to the council of the transfer of reporting  
23.17 responsibility, including contact information  
23.18 for the person to whom the responsibility is  
23.19 transferred; and (4) provide the Lessard-Sams  
23.20 Outdoor Heritage Council or its successor  
23.21 written documentation from the person or  
23.22 entity holding the interest in real property  
23.23 certifying its acceptance of all reporting  
23.24 obligations and responsibilities previously  
23.25 held by the recipient of the appropriation.  
23.26 After the transfer, the person or entity that  
23.27 holds the interest in the real property is  
23.28 responsible for reporting requirements under  
23.29 this section.

23.30 **Subd. 15. Successor Organizations**

23.31 The Lessard-Sams Outdoor Heritage council  
23.32 may approve the continuation of a project  
23.33 with an organization that has adopted a new  
23.34 name. Continuation of a project with an  
23.35 organization that has undergone a significant  
23.36 change in mission, structure, or purpose

24.1 will require: (1) notice to the chairs of  
24.2 committees with relevant jurisdiction; and (2)  
24.3 presentation by the Lessard-Sams Outdoor  
24.4 Heritage Council of proposed legislation  
24.5 either ratifying or rejecting continued  
24.6 involvement with the new organization.

24.7 Sec. 3. Minnesota Statutes 2009 Supplement, section 85.53, is amended by adding a  
24.8 subdivision to read:

24.9 Subd. 5. **Restoration evaluations.** Beginning July 1, 2011, the commissioner of  
24.10 natural resources shall convene a technical evaluation panel comprised of five members,  
24.11 including one technical representative from the Board of Water and Soil Resources, one  
24.12 technical representative from the Department of Natural Resources, one technical expert  
24.13 from the University of Minnesota or the Minnesota State Colleges and Universities,  
24.14 and two other representatives with expertise related to the project being evaluated.  
24.15 The commissioner may add a technical representative from a unit of federal or local  
24.16 government. The members of the technical evaluation panel may not be associated with  
24.17 the restoration, may vary depending upon the projects being reviewed, and shall avoid any  
24.18 potential conflicts of interest. Each year, the commissioner shall assign a coordinator to  
24.19 identify a sample of up to ten habitat restoration projects completed with parks and trails  
24.20 funding. The coordinator shall secure the restoration plans for the projects specified and  
24.21 direct the technical evaluation panel to evaluate the restorations relative to the law, current  
24.22 science, and the stated goals and standards in the restoration plan and, when applicable, to  
24.23 the Board of Water and Soil Resources' native vegetation establishment and enhancement  
24.24 guidelines. The coordinator shall summarize the findings of the panel and provide a report  
24.25 to the chairs of the respective house of representatives and senate policy and finance  
24.26 committees with jurisdiction over natural resources and spending from the parks and  
24.27 trails fund. The report shall determine if the restorations are meeting planned goals, any  
24.28 problems with the implementation of restorations, and, if necessary, recommendations on  
24.29 improving restorations. The report shall be focused on improving future restorations. Up  
24.30 to one-tenth of one percent of forecasted receipts from the parks and trails fund may be  
24.31 used for restoration evaluations under this section.

24.32 Sec. 4. Minnesota Statutes 2009 Supplement, section 97A.056, subdivision 3, is  
24.33 amended to read:

25.1           Subd. 3. **Council recommendations.** (a) The council shall make recommendations  
25.2 to the legislature on appropriations of money from the outdoor heritage fund that are  
25.3 consistent with the Constitution and state law and that will achieve the outcomes of  
25.4 existing natural resource plans, including, but not limited to, the Minnesota Statewide  
25.5 Conservation and Preservation Plan, that directly relate to the restoration, protection, and  
25.6 enhancement of wetlands, prairies, forests, and habitat for fish, game, and wildlife, and that  
25.7 prevent forest fragmentation, encourage forest consolidation, and expand restored native  
25.8 prairie. In making recommendations, the council shall consider a range of options that  
25.9 would best restore, protect, and enhance wetlands, prairies, forests, and habitat for fish,  
25.10 game, and wildlife, and shall not adopt definitions of "restore", "protect", or "enhance" that  
25.11 would limit the council from considering options that are consistent with the Constitution.  
25.12 The council shall submit its initial recommendations to the legislature no later than April 1,  
25.13 2009. Subsequent recommendations shall be submitted no later than January 15 each year.  
25.14 The council shall present its recommendations to the senate and house of representatives  
25.15 committees with jurisdiction over the environment and natural resources budget by  
25.16 February 15 in odd-numbered years, and within the first four weeks of the legislative  
25.17 session in even-numbered years. The council's budget recommendations to the legislature  
25.18 shall be separate from the Department of Natural Resource's budget recommendations.

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

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

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

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

25.34           (f) The council may work with the Clean Water Council, the Legislative-Citizen  
25.35 Commission on Minnesota Resources, the Board of Water and Soil Resources, soil and

26.1 water conservation districts, and experts from Minnesota State Colleges and Universities  
26.2 and the University of Minnesota in developing the council's recommendations.

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

26.8 (h) The council shall use the regions of the state based upon the ecological  
26.9 regions and subregions developed by the Department of Natural Resources and establish  
26.10 objectives for each region and subregion to achieve the purposes of the fund outlined  
26.11 in the state constitution.

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

26.16 Sec. 5. Minnesota Statutes 2008, section 97A.056, subdivision 5, is amended to read:

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

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

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

26.30 Sec. 6. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision  
26.31 to read:

26.32 Subd. 8. **Revenues.** When a parcel of land that was previously purchased with  
26.33 outdoor heritage funds is transferred to the state, the owner of the land shall disclose to the  
26.34 council and commissioner of natural resources:

27.1 (1) all revenues generated from activities on the land from the time the land was  
27.2 purchased with outdoor heritage funds until the land was transferred to the state;

27.3 (2) all holding costs associated with managing the land between the time of purchase  
27.4 with outdoor heritage funds and the time the land was transferred to the state; and

27.5 (3) the total net revenues as determined by subtracting the costs described in clause  
27.6 (2) from the revenues described in clause (1).

27.7 Sec. 7. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision  
27.8 to read:

27.9 Subd. 9. **Lands in public domain.** Money appropriated from the outdoor heritage  
27.10 fund shall not be used to purchase any land in fee title or a permanent conservation  
27.11 easement if the land in question is fully or partially owned by the state of Minnesota  
27.12 or a political subdivision of the state, unless: (1) the purchase creates additional direct  
27.13 benefit to protect, restore, or enhance the state's wetlands, prairies, forests, or habitat  
27.14 for fish, game, and wildlife; and (2) the purchase is approved by an affirmative vote of  
27.15 at least nine members of the council. At least 15 business days prior to a decision under  
27.16 this subdivision, the council shall submit the planned decision item to the Legislative  
27.17 Coordinating Commission. The planned decision item takes effect 15 business days  
27.18 after it is submitted by the council.

27.19 **EFFECTIVE DATE.** This section is effective July 1, 2010, and applies only to  
27.20 projects proposed after that date.

27.21 Sec. 8. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision  
27.22 to read:

27.23 Subd. 10. **Restoration evaluations.** Beginning July 1, 2011, the commissioner of  
27.24 natural resources and the Board of Water and Soil Resources shall convene a technical  
27.25 evaluation panel comprised of five members, including one technical representative  
27.26 from the Board of Water and Soil Resources, one technical representative from the  
27.27 Department of Natural Resources, one technical expert from the University of Minnesota  
27.28 or the Minnesota State Colleges and Universities, and two representatives with expertise  
27.29 in the project being evaluated. The board and the commissioner may add a technical  
27.30 representative from a unit of federal or local government. The members of the technical  
27.31 evaluation panel may not be associated with the restoration, may vary depending upon  
27.32 the projects being reviewed, and shall avoid any potential conflicts of interest. Each year,  
27.33 the board and the commissioner shall assign a coordinator to identify a sample of up to  
27.34 ten habitat restoration projects completed with outdoor heritage funding. The coordinator

28.1 shall secure the restoration plans for the projects specified and direct the technical  
28.2 evaluation panel to evaluate the restorations relative to the law, current science, and the  
28.3 stated goals and standards in the restoration plan and, when applicable, to the Board of  
28.4 Water and Soil Resources' native vegetation establishment and enhancement guidelines.  
28.5 The coordinator shall summarize the findings of the panel and provide a report to the chair  
28.6 of the Lessard-Sams Outdoor Heritage Council and the chairs of the respective house of  
28.7 representatives and senate policy and finance committees with jurisdiction over natural  
28.8 resources and spending from the outdoor heritage fund. The report shall determine if  
28.9 the restorations are meeting planned goals, any problems with the implementation of  
28.10 restorations, and, if necessary, recommendations on improving restorations. The report  
28.11 shall be focused on improving future restorations. Up to one-tenth of one percent of  
28.12 forecasted receipts from the outdoor heritage fund may be used for restoration evaluations  
28.13 under this section.

28.14 Sec. 9. Minnesota Statutes 2009 Supplement, section 114D.50, is amended by adding a  
28.15 subdivision to read:

28.16 Subd. 6. **Restoration evaluations.** Beginning July 1, 2011, the Board of Water and  
28.17 Soil Resources shall convene a technical evaluation panel comprised of five members,  
28.18 including one technical representative from the Board of Water and Soil Resources, one  
28.19 technical representative from the Department of Natural Resources, one technical expert  
28.20 from the University of Minnesota or the Minnesota State Colleges and Universities, and  
28.21 two representatives with expertise related to the project being evaluated. The board may  
28.22 add a technical representative from a unit of federal or local government. The members  
28.23 of the technical evaluation panel may not be associated with the restoration, may vary  
28.24 depending upon the projects being reviewed, and shall avoid any potential conflicts of  
28.25 interest. Each year, the board shall assign a coordinator to identify a sample of up to ten  
28.26 habitat restoration projects completed with clean water funding. The coordinator shall  
28.27 secure the restoration plans for the projects specified and direct the technical evaluation  
28.28 panel to evaluate the restorations relative to the law, current science, and the stated  
28.29 goals and standards in the restoration plan and, when applicable, to the Board of Water  
28.30 and Soil Resources' native vegetation establishment and enhancement guidelines. The  
28.31 coordinator shall summarize the findings of the panel and provide a report to the chairs  
28.32 of the respective house of representatives and senate policy and finance committees  
28.33 with jurisdiction over natural resources and spending from the clean water fund. The  
28.34 report shall determine if the restorations are meeting planned goals, any problems with  
28.35 the implementation of restorations, and, if necessary, recommendations on improving

29.1 restorations. The report shall be focused on improving future restorations. Up to one-tenth  
29.2 of one percent of forecasted receipts from the clean water fund may be used for restoration  
29.3 evaluations under this section.

29.4 Sec. 10. **LAND MANAGEMENT RECOMMENDATIONS.**

29.5 The commissioner of management and budget, in consultation with the  
29.6 commissioner of natural resources and the Board of Water and Soil Resources, shall  
29.7 prepare recommendations to the legislature on methods to accomplish the reasonable  
29.8 management, care, restoration, and protection of land acquired in fee title or easement.  
29.9 The commissioner of management and budget shall submit a report to the chairs of the  
29.10 house of representatives and senate committees and divisions with jurisdiction over  
29.11 environment and natural resources finance and cultural and outdoor resources finance by  
29.12 January 15, 2011.

29.13 Sec. 11. **REPEALER.**

29.14 Minnesota Statutes 2009 Supplement, sections 3.3006; and 84.02, subdivisions 4a,  
29.15 6a, and 6b, are repealed.

29.16 **ARTICLE 2**

29.17 **CLEAN WATER FUND**

29.18 Section 1. Minnesota Statutes 2008, section 473.1565, subdivision 2, is amended to  
29.19 read:

29.20 Subd. 2. **Advisory committee.** (a) A Metropolitan Area Water Supply Advisory  
29.21 Committee is established to assist the council in its planning activities in subdivision 1.  
29.22 The advisory committee has the following membership:

29.23 (1) the commissioner of agriculture or the commissioner's designee;

29.24 (2) the commissioner of health or the commissioner's designee;

29.25 (3) the commissioner of natural resources or the commissioner's designee;

29.26 (4) the commissioner of the Pollution Control Agency or the commissioner's  
29.27 designee;

29.28 (5) two officials of counties that are located in the metropolitan area, appointed by  
29.29 the governor;

29.30 (6) five officials of noncounty local governmental units that are located in the  
29.31 metropolitan area, appointed by the governor; ~~and~~

29.32 (7) the chair of the Metropolitan Council or the chair's designee, who is chair of the  
29.33 advisory committee; and

30.1 (8) one official each from the counties of Chisago, Isanti, Sherburne, and Wright,  
30.2 appointed by the governor.

30.3 A local government unit in each of the seven counties in the metropolitan area  
30.4 and Chisago, Isanti, Sherburne, and Wright Counties must be represented in the ~~seven~~  
30.5 11 appointments made under clauses (5), ~~and (6)~~, and (8).

30.6 (b) Members of the advisory committee appointed by the governor serve at the  
30.7 pleasure of the governor. Members of the advisory committee serve without compensation  
30.8 but may be reimbursed for their reasonable expenses as determined by the Metropolitan  
30.9 Council. The advisory committee expires December 31, ~~2010~~ 2012.

30.10 (c) The council must consider the work and recommendations of the advisory  
30.11 committee when the council is preparing its regional development framework.

30.12 Sec. 2. Laws 2009, chapter 172, article 2, section 4, is amended to read:

30.13				<b><u>27,285,000</u></b>	
30.14	Sec. 4. <b>POLLUTION CONTROL AGENCY</b>	<b>\$</b>	<b>24,076,000</b>	<b>\$</b>	<b><u>27,630,000</u></b>

30.15 (a) \$9,000,000 the first year and \$9,000,000  
30.16 the second year are to develop total  
30.17 maximum daily load (TMDL) studies and  
30.18 TMDL implementation plans for waters  
30.19 listed on the United States Environmental  
30.20 Protection Agency approved impaired  
30.21 waters list in accordance with Minnesota  
30.22 Statutes, chapter 114D. The agency shall  
30.23 complete an average of ten percent of the  
30.24 TMDLs each year over the biennium. Of  
30.25 this amount, \$348,000 the first year is to  
30.26 retest the comprehensive assessment of the  
30.27 biological conditions of the lower Minnesota  
30.28 River and its tributaries within the Lower  
30.29 Minnesota River Major Watershed, as  
30.30 previously assessed from 1976 to 1992 under  
30.31 the Minnesota River Assessment Project  
30.32 (MRAP). The assessment must include the  
30.33 same fish species sampling at the same 116  
30.34 locations and the same macroinvertebrate

31.1 sampling at the same 41 locations as the  
31.2 MRAP assessment. The assessment must:  
31.3 (1) include an analysis of the findings; and  
31.4 (2) identify factors that limit aquatic life in  
31.5 the Minnesota River.

31.6 Of this amount, \$250,000 the first year is  
31.7 for a pilot project for the development of  
31.8 total maximum daily load (TMDL) studies  
31.9 conducted on a watershed basis within  
31.10 the Buffalo River watershed in order to  
31.11 protect, enhance, and restore water quality  
31.12 in lakes, rivers, and streams. The pilot  
31.13 project shall include all necessary field  
31.14 work to develop TMDL studies for all  
31.15 impaired subwatersheds within the Buffalo  
31.16 River watershed and provide information  
31.17 necessary to complete reports for most of the  
31.18 remaining watersheds, including analysis of  
31.19 water quality data, identification of sources  
31.20 of water quality degradation and stressors,  
31.21 load allocation development, development  
31.22 of reports that provide protection plans  
31.23 for subwatersheds that meet water quality  
31.24 standards, and development of reports that  
31.25 provide information necessary to complete  
31.26 TMDL studies for subwatersheds that do not  
31.27 meet water quality standards, but are not  
31.28 listed as impaired.

31.29 (b) \$500,000 the first year is for development  
31.30 of an enhanced TMDL database to manage  
31.31 and track progress. Of this amount, \$63,000  
31.32 the first year is to promulgate rules. By  
31.33 November 1, 2010, the commissioner shall  
31.34 submit a report to the chairs of the house of  
31.35 representatives and senate committees with

32.1 jurisdiction over environment and natural  
32.2 resources finance on the outcomes achieved  
32.3 with this appropriation.

32.4 (c) \$1,500,000 the first year and \$3,169,000  
32.5 the second year are for grants under  
32.6 Minnesota Statutes, section 116.195, to  
32.7 political subdivisions for up to 50 percent  
32.8 of the costs to predesign, design, and  
32.9 implement capital projects that use treated  
32.10 municipal wastewater instead of groundwater  
32.11 from drinking water aquifers, in order to  
32.12 demonstrate the beneficial use of wastewater,  
32.13 including the conservation and protection of  
32.14 water resources. Of this amount, \$1,000,000  
32.15 the first year is for grants to ethanol plants  
32.16 that are within one and one-half miles of a  
32.17 city for improvements that reuse greater than  
32.18 300,000 gallons of wastewater per day.

32.19 (d) \$1,125,000 the first year and \$1,125,000  
32.20 the second year are for groundwater  
32.21 assessment and drinking water protection to  
32.22 include:

32.23 (1) the installation and sampling of at least  
32.24 30 new monitoring wells;

32.25 (2) the analysis of samples from at least 40  
32.26 shallow monitoring wells each year for the  
32.27 presence of endocrine disrupting compounds;  
32.28 and

32.29 (3) the completion of at least four to  
32.30 five groundwater models for TMDL and  
32.31 watershed plans.

32.32 (e) \$2,500,000 the first year is for the clean  
32.33 water partnership program. Priority shall be  
32.34 given to projects preventing impairments and

33.1 degradation of lakes, rivers, streams, and  
33.2 groundwater in accordance with Minnesota  
33.3 Statutes, section 114D.20, subdivision 2,  
33.4 clause (4). Any balance remaining in the first  
33.5 year does not cancel and is available for the  
33.6 second year.

33.7 (f) \$896,000 the first year is to establish  
33.8 a network of water monitoring sites, to  
33.9 include at least 20 additional sites, in public  
33.10 waters adjacent to wastewater treatment  
33.11 facilities across the state to assess levels of  
33.12 endocrine-disrupting compounds, antibiotic  
33.13 compounds, and pharmaceuticals as required  
33.14 in this article. The data must be placed on  
33.15 the agency's Web site.

33.16 (g) \$155,000 the first year is to provide  
33.17 notification of the potential for coal tar  
33.18 contamination, establish a storm water  
33.19 pond inventory schedule, and develop best  
33.20 management practices for treating and  
33.21 cleaning up contaminated sediments as  
33.22 required in this article. ~~\$345,000~~ \$490,000  
33.23 the second year is ~~to develop a model~~  
33.24 ~~ordinance for the restricted use of undiluted~~  
33.25 ~~coal tar sealants and~~ to provide grants to local  
33.26 units of government for up to 50 percent of  
33.27 the costs to implement best management  
33.28 practices to treat or clean up contaminated  
33.29 sediments in storm water ponds and other  
33.30 waters as defined under this article. Local  
33.31 governments must have adopted an ordinance  
33.32 for the restricted use of undiluted coal tar  
33.33 sealants in order to be eligible for a grant,  
33.34 unless a statewide restriction has been  
33.35 implemented. A grant awarded under this  
33.36 paragraph must not exceed \$100,000. Up to

34.1 \$145,000 of the appropriation in the second  
34.2 year may be used to complete work required  
34.3 under section 28, paragraph (c).

34.4 (h) \$350,000 the first year and ~~\$400,000~~  
34.5 \$600,000 the second year are for a restoration  
34.6 project in the lower St. Louis River and  
34.7 Duluth harbor in order to improve water  
34.8 quality. This appropriation must be matched  
34.9 by nonstate money at a rate of at least \$2 for  
34.10 every \$1 of state money.

34.11 (i) \$150,000 the first year and \$196,000 the  
34.12 second year are for grants to the Red River  
34.13 Watershed Management Board to enhance  
34.14 and expand existing river watch activities in  
34.15 the Red River of the North. The Red River  
34.16 Watershed Management Board shall provide  
34.17 a report that includes formal evaluation  
34.18 results from the river watch program to the  
34.19 commissioners of education and the Pollution  
34.20 Control Agency and to the legislative natural  
34.21 resources finance and policy committees  
34.22 and K-12 finance and policy committees by  
34.23 February 15, 2011.

34.24 (j) \$200,000 the first year and \$300,000 the  
34.25 second year are for coordination with the  
34.26 state of Wisconsin and the National Park  
34.27 Service on comprehensive water monitoring  
34.28 and phosphorus reduction activities in the  
34.29 Lake St. Croix portion of the St. Croix  
34.30 River. The Pollution Control Agency  
34.31 shall work with the St. Croix Basin Water  
34.32 Resources Planning Team and the St. Croix  
34.33 River Association in implementing the  
34.34 water monitoring and phosphorus reduction  
34.35 activities. This appropriation is available

35.1 to the extent matched by nonstate sources.

35.2 Money not matched by November 15, 2010,  
35.3 cancels for this purpose and is available for  
35.4 the purposes of paragraph (a).

35.5 (k) \$7,500,000 the first year and \$7,500,000  
35.6 the second year are for completion of 20  
35.7 percent of the needed statewide assessments  
35.8 of surface water quality and trends. Of this  
35.9 amount, \$175,000 the first year and \$200,000  
35.10 the second year are for monitoring and  
35.11 analyzing endocrine disruptors in surface  
35.12 waters.

35.13 (l) \$100,000 the first year and \$150,000  
35.14 the second year are for civic engagement  
35.15 in TMDL development. The agency shall  
35.16 develop a plan for expenditures under  
35.17 this paragraph. The agency shall give  
35.18 consideration to civic engagement proposals  
35.19 from basin or sub-basin organizations,  
35.20 including the Mississippi Headwaters Board,  
35.21 the Minnesota River Joint Powers Board,  
35.22 Area II Minnesota River Basin Projects,  
35.23 and the Red River Basin Commission.  
35.24 By November 15, 2009, the plan shall be  
35.25 submitted to the house and senate chairs  
35.26 and ranking minority members of the  
35.27 environmental finance divisions.

35.28 (m) \$5,000,000 the second year is for  
35.29 groundwater protection or prevention of  
35.30 groundwater degradation activities. By  
35.31 January 15, 2010, the commissioner, in  
35.32 consultation with the commissioner of  
35.33 natural resources, the Board of Water and  
35.34 Soil Resources, and other agencies, shall  
35.35 submit a report to the chairs of the house of

36.1 representatives and senate committees with  
36.2 jurisdiction over the clean water fund on the  
36.3 intended use of these funds. The legislature  
36.4 must approve expenditure of these funds by  
36.5 law.

36.6 *(n) \$100,000 the first year and \$100,000 the*  
36.7 *second year are for grants to the Star Lake*  
36.8 *Board established under Minnesota Statutes,*  
36.9 *section 103B.702. The appropriation is a*  
36.10 *pilot program to focus on engaging citizen*  
36.11 *participation and fostering local partnerships*  
36.12 *by increasing citizen involvement in water*  
36.13 *quality enhancement by designating star*  
36.14 *lakes and rivers. The board shall include*  
36.15 *information on the results of this pilot*  
36.16 *program in its next biennial report under*  
36.17 *Minnesota Statutes, section 103B.702. The*  
36.18 *second year grants are available only if*  
36.19 *the Board of Water and Soil Resources*  
36.20 *determines that the money granted in the first*  
36.21 *year furthered the water quality goals in the*  
36.22 *star lakes program in Minnesota Statutes,*  
36.23 *section 103B.701. \* (The preceding*  
36.24 **paragraph beginning "(n) \$100,000 the**  
36.25 **first year" was indicated as vetoed by the**  
36.26 **governor.)**

36.27 Notwithstanding Minnesota Statutes, section  
36.28 16A.28, the appropriations encumbered on or  
36.29 before June 30, 2011, as grants or contracts in  
36.30 this section are available until June 30, 2013.

36.31 **Sec. 3. CLEAN WATER FUND; 2009 APPROPRIATION ADJUSTMENTS.**

36.32 The appropriations in fiscal years 2011 and 2012 to the Department of Natural  
36.33 Resources for high-resolution digital elevation data in Laws 2009, chapter 172, article 2,  
36.34 section 5, paragraph (d), are available until June 30, 2012.

37.1        **Sec. 4. CLEAN WATER FUND APPROPRIATIONS.**

37.2            Subdivision 1. **Pollution Control Agency.** \$600,000 in fiscal year 2011 is  
37.3 appropriated from the clean water fund to the commissioner of the Pollution Control  
37.4 Agency to continue rulemaking to establish water quality standards for total nitrogen and  
37.5 nitrate nitrogen. This is a onetime appropriation.

37.6            Subd. 2. **Department of Natural Resources.** The \$5,000,000 appropriated  
37.7 in Laws 2009, chapter 172, article 2, section 4, paragraph (m), for activities relating  
37.8 to groundwater protection or prevention of groundwater degradation is canceled and  
37.9 \$4,000,000 is appropriated in fiscal year 2011 to the commissioner of natural resources for  
37.10 the following purposes:

37.11            (1) establish a groundwater monitoring network in the 11-county metropolitan area  
37.12 that monitors non-stressed systems to provide information on aquifer characteristics and  
37.13 natural water level trends; and

37.14            (2) develop an automated data system to capture groundwater level and water use  
37.15 data to enhance the evaluation of water resource changes in aquifer systems that are  
37.16 stressed by pumping of existing wells. This is a onetime appropriation and is available  
37.17 until spent. The base funding for this program in fiscal year 2012 is \$1,000,000 and \$0  
37.18 in fiscal year 2013.

37.19        **Sec. 5. APPROPRIATION; WATER SUPPLY PLANNING ACTIVITIES.**

37.20            \$400,000 is appropriated in fiscal year 2011 from the clean water fund, pursuant to  
37.21 Minnesota Statutes, section 114D.50, to the Metropolitan Council to fund Metropolitan  
37.22 Council water supply planning activities under section 473.1565, for projects that  
37.23 include, but are not limited to, protection of the Seminary Fen and Valley Branch Trout  
37.24 Stream; lessening groundwater vulnerability by mapping glacial aquifers; creation of a  
37.25 comprehensive map of known groundwater contaminant plumes; and the design of plans  
37.26 that can be used by communities for reusing storm water. By January 15, 2011, the council  
37.27 shall report to the chairs and ranking minority members of the legislative committees  
37.28 and divisions that make recommendations for appropriations from the clean water fund  
37.29 on the outcomes of the council's water supply planning activities. This appropriation  
37.30 is onetime and available until expended.

37.31        **Sec. 6. APPROPRIATIONS; BOARD OF WATER AND SOIL RESOURCES.**

37.32            (a) \$100,000 in fiscal year 2011 is appropriated from the clean water fund to the  
37.33 Board of Water and Soil Resources for the purpose of establishing a micro-grants pilot

38.1 program to engage citizen volunteers and to match private sector resources to complete  
38.2 projects with long-term water quality restoration or protection benefits for Minnesota  
38.3 lakes and rivers.

38.4 (b) \$400,000 in fiscal year 2011 is appropriated from the clean water fund to the  
38.5 Board of Water and Soil Resources to purchase and restore permanent conservation  
38.6 easements on riparian buffers of up to 120 feet adjacent to public waters, excluding  
38.7 wetlands, to keep water on the land in order to decrease sediment, pollutant, and nutrient  
38.8 transport, reduce hydrologic impacts to surface waters, and increase infiltration for  
38.9 groundwater recharge. The riparian buffers must be at least 50 feet unless there is a  
38.10 natural impediment, a road, or other impediment beyond the control of the landowner.  
38.11 This appropriation may be used for restoration of riparian buffers protected by easements  
38.12 purchased with this appropriation and for stream bank restorations when the riparian  
38.13 buffers have been restored. Up to five percent may be used for administration of this  
38.14 program and up to five percent may be used for technical design, construction, and project  
38.15 oversight.

38.16 (c) \$400,000 in fiscal year 2011 is appropriated from the clean water fund to the  
38.17 Board of Water and Soil Resources for grants to watershed districts and watershed  
38.18 management organizations for: (1) structural or vegetative management practices that  
38.19 reduce storm water runoff from developed or disturbed lands to reduce the movement of  
38.20 sediment, nutrients, and pollutants or to leverage federal funds for restoration, protection,  
38.21 or enhancement of water quality in lakes, rivers, and streams and to protect groundwater  
38.22 and drinking water; and (2) the installation of proven and effective water retention  
38.23 practices including, but not limited to, rain gardens and other vegetated infiltration basins  
38.24 and sediment control basins in order to keep water on the land. The projects must be  
38.25 of long-lasting public benefit, include a local match, and be consistent with TMDL  
38.26 implementation plans or local water management plans. Watershed district and watershed  
38.27 management organization staff and administration may be used for the local match.  
38.28 Priority may be given to school projects that can be used to demonstrate water retention  
38.29 practices. Up to five percent may be used for administering the grants and up to five  
38.30 percent may be used for technical design, construction, and project oversight.

38.31 (d) \$300,000 in fiscal year 2011 is appropriated from the clean water fund to the  
38.32 Board of Water and Soil Resources for permanent conservation easements on wellhead  
38.33 protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph  
38.34 (d). Priority must be placed on land that is located where the vulnerability of the drinking  
38.35 water supply management area, as defined under Minnesota Rules, part 4720.5100,  
38.36 subpart 13, is designated as high or very high by the commissioner of health. Up to five

39.1 percent may be used for administration of this program and up to five percent may be used  
39.2 for technical design, construction, and project oversight.

39.3 (e) The appropriations in fiscal year 2011 to the Board of Water and Soil Resources in  
39.4 Laws 2009, chapter 172, article 2, section 6, are available until June 30, 2012, and, unless  
39.5 otherwise specified, may utilize up to five percent for administration of grant and easement  
39.6 programs and up to five percent for technical design, construction, and project oversight.

### 39.7 **ARTICLE 3**

#### 39.8 **GENERAL PROVISIONS**

39.9 Section 1. Minnesota Statutes 2008, section 3.9741, is amended by adding a  
39.10 subdivision to read:

39.11 Subd. 3. **Legacy funds.** The outdoor heritage fund, the clean water fund, the parks  
39.12 and trails fund, and the arts and cultural heritage fund must each reimburse the general  
39.13 fund, in the manner prescribed in section 16A.127, for costs incurred by the legislative  
39.14 auditor in examining financial activities relating to each fund.

39.15 Sec. 2. Minnesota Statutes 2009 Supplement, section 85.53, subdivision 2, is amended  
39.16 to read:

39.17 **Subd. 2. Expenditures; accountability.** (a) A project or program receiving funding  
39.18 from the parks and trails fund must meet or exceed the constitutional requirement to  
39.19 support parks and trails of regional or statewide significance. A project or program  
39.20 receiving funding from the parks and trails fund must include measurable outcomes, as  
39.21 defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the  
39.22 results. A project or program must be consistent with current science and incorporate  
39.23 state-of-the-art technology, except when the project or program is a portrayal or restoration  
39.24 of historical significance.

39.25 (b) Money from the parks and trails fund shall be expended to balance the benefits  
39.26 across all regions and residents of the state.

39.27 (c) All information for funded projects, including the proposed measurable  
39.28 outcomes, must be made available on the Web site required under section 3.303,  
39.29 subdivision 10, as soon as practicable. Information on the measured outcomes and  
39.30 evaluation must be posted as soon as it becomes available.

39.31 (d) Grants funded by the parks and trails fund must be implemented according to  
39.32 section 16B.98 and must account for all expenditures. Proposals must specify a process  
39.33 for any regranting envisioned. Priority for grant proposals must be given to proposals  
39.34 involving grants that will be competitively awarded.

40.1 ~~(e) A recipient of money from the parks and trails fund must display a sign on lands~~  
40.2 ~~and capital improvements purchased, restored, or protected with money from the parks~~  
40.3 ~~and trails fund that includes the logo developed by the commissioner of natural resources~~  
40.4 ~~to identify it as a project funded with money from the vote of the people of Minnesota on~~  
40.5 ~~November 4, 2008.~~

40.6 ~~(f)~~ Money from the parks and trails fund may only be spent on projects located  
40.7 in Minnesota.

40.8 Sec. 3. Minnesota Statutes 2009 Supplement, section 129D.17, subdivision 2, is  
40.9 amended to read:

40.10 Subd. 2. **Expenditures; accountability.** (a) Funding from the arts and cultural  
40.11 heritage fund may be spent only for arts, arts education, and arts access, and to preserve  
40.12 Minnesota's history and cultural heritage. A project or program receiving funding from  
40.13 the arts and cultural heritage fund must include measurable outcomes, and a plan for  
40.14 measuring and evaluating the results. A project or program must be consistent with  
40.15 current scholarship, or best practices, when appropriate and incorporate state-of-the-art  
40.16 technology when appropriate.

40.17 (b) Funding from the arts and cultural heritage fund may be granted for an entire  
40.18 project or for part of a project so long as the recipient provides a description and cost for  
40.19 the entire project and can demonstrate that it has adequate resources to ensure that the  
40.20 entire project will be completed.

40.21 (c) Money from the arts and cultural heritage fund shall be expended for benefits  
40.22 across all regions and residents of the state.

40.23 (d) All information for funded projects, including the proposed measurable  
40.24 outcomes, must be made available on the Legislative Coordinating Commission Web  
40.25 site, as soon as practicable. Information on the measured outcomes and evaluation must  
40.26 be posted as soon as it becomes available.

40.27 (e) Grants funded by the arts and cultural heritage fund must be implemented  
40.28 according to section 16B.98 and must account for all expenditures of funds. Priority for  
40.29 grant proposals must be given to proposals involving grants that will be competitively  
40.30 awarded.

40.31 ~~(f) A recipient of money from the arts and cultural heritage fund must display a sign~~  
40.32 ~~on capital projects during construction and an acknowledgment in a printed program or~~  
40.33 ~~other material funded with money from the arts and cultural heritage fund that identifies it~~  
40.34 ~~as a project funded with money from the vote of the people of Minnesota on November~~  
40.35 ~~4, 2008.~~

41.1 ~~(g)~~ All money from the arts and cultural heritage fund must be for projects located  
41.2 in Minnesota.

41.3 Sec. 4. Laws 2009, chapter 172, article 5, section 8, is amended to read:

41.4 Sec. 8. **LEGISLATIVE COMMITTEE GUIDE.**

41.5 A legislative committee guide shall be recommended may be developed by the  
41.6 house of representatives committee with jurisdiction over cultural and outdoor resources  
41.7 expenditures stating principles for the use and expected outcomes of all funds from  
41.8 dedicated sales taxes pursuant to the Minnesota Constitution, article XI, section 15. ~~The~~  
41.9 guide shall include principles for managing future state obligations, including payment  
41.10 in lieu of taxes and land management and monitoring necessary for lands acquired in  
41.11 fee or easement. This guide shall be recommended jointly by the Cultural and Outdoor  
41.12 Resources Division of the house of representatives, the appropriate senate committees  
41.13 as designated by the majority leader of the senate, and the Lessard Outdoor Heritage  
41.14 Council. The recommendations must be presented to the legislature by January 15, 2010,  
41.15 and acted on by the legislature.

41.16 ~~The legislative guide required by this section shall be for the years 2010 to 2015~~  
41.17 ~~and shall include the following provisions:~~

41.18 ~~(1) principles by which to guide future expenditures for each fund;~~

41.19 ~~(2) desired outcomes for the expenditures;~~

41.20 ~~(3) a general statement applicable to later years for these funds; and~~

41.21 ~~(4) consideration of financial methods such as revolving loan funds that may be used~~  
41.22 ~~in future appropriations.~~

41.23 Sec. 5. Laws 2009, chapter 172, article 5, section 10, is amended to read:

41.24 Sec. 10. **LOGO.**

41.25 (a) By September 1, 2010, the Minnesota Board of the Arts, in consultation with  
41.26 the Department of Natural Resources, shall sponsor a contest for selecting the design of a  
41.27 logo to use on signage for projects receiving money from the outdoor heritage fund,  
41.28 clean water fund, parks and trails fund, and the arts and cultural heritage fund. If, by  
41.29 September 15, 2010, the Minnesota Board of the Arts has not selected a logo design, the  
41.30 Department of Natural Resources shall assume the task of sponsoring the logo contest and  
41.31 design selection solely.

41.32 (b) A recipient of funds from the outdoor heritage fund, parks and trails fund, clean  
41.33 water fund, or arts and cultural heritage fund shall display, where practicable, a sign with  
41.34 the logo developed under this section on construction projects and at access points to any

42.1 land or water resources acquired in fee or an interest in less than fee title, or that were  
42.2 restored, protected, or enhanced, and incorporate the logo, where practicable, into printed  
42.3 and other materials funded with money from one or more of the funds.

42.4 Sec. 6. **FUNDS CARRYOVER.**

42.5 Unless otherwise provided, the amounts appropriated in Laws 2009, chapter 172,  
42.6 are available until June 30, 2011. For acquisition of an interest in real property, the  
42.7 amounts in Laws 2009, chapter 172, are available until June 30, 2012. If a project receives  
42.8 federal funds, the time period of the appropriation is extended to equal the availability  
42.9 of federal funding.

42.10 Sec. 7. **PARKS.**

42.11 The Minneapolis Park and Recreation Board may acquire all or part of the entire  
42.12 property known as the Scherer Brothers Lumber Yard for a metropolitan area regional  
42.13 park and may allocate any future appropriations to the board from the parks and trails fund  
42.14 to acquire the property.

42.15 **EFFECTIVE DATE.** This section is effective the day after the Minneapolis  
42.16 Park Board timely completes compliance with Minnesota Statutes, section 645.021,  
42.17 subdivisions 2 and 3.

42.18 Sec. 8. **USE OF CARRYFORWARD.**

42.19 The restrictions in Minnesota Statutes, section 16A.281, on the use of money carried  
42.20 forward from one biennium to another shall not apply to money the legislative auditor  
42.21 carried forward from the previous biennium for use in fiscal years 2010 and 2011. The  
42.22 legislative auditor may use the carry forward money for costs related to the conduct of  
42.23 audits related to funds authorized in the Minnesota Constitution, Article XI, section 15.

42.24 Sec. 9. **REPEALER.**

42.25 Laws 2009, chapter 172, article 5, section 9, is repealed.

42.26 **ARTICLE 4**

42.27 **ENVIRONMENT AND NATURAL RESOURCES**

42.28 Section 1. Minnesota Statutes 2008, section 84.025, subdivision 9, is amended to read:

42.29 Subd. 9. **Professional services support account.** The commissioner of natural  
42.30 resources may bill other governmental units, including tribal governments, and the  
42.31 various programs carried out by the commissioner for the costs of providing them with

43.1 professional support services. Except as provided under section 89.421, receipts must be  
43.2 credited to a special account in the state treasury and are appropriated to the commissioner  
43.3 to pay the costs for which the billings were made.

43.4 The commissioner of natural resources shall submit to the commissioner of  
43.5 management and budget before the start of each fiscal year a work plan showing the  
43.6 estimated work to be done during the coming year, the estimated cost of doing the work,  
43.7 and the positions and fees that will be necessary. This account is exempted from statewide  
43.8 and agency indirect cost payments.

43.9 Sec. 2. Minnesota Statutes 2008, section 84.027, subdivision 15, is amended to read:

43.10 Subd. 15. **Electronic transactions.** (a) The commissioner may receive an  
43.11 application for, sell, and issue any license, stamp, permit, pass, sticker, ~~duplicate gift~~  
43.12 card, safety training certification, registration, or transfer under the jurisdiction of the  
43.13 commissioner by electronic means, including by telephone. Notwithstanding section  
43.14 97A.472, electronic and telephone transactions may be made outside of the state. The  
43.15 commissioner may:

43.16 (1) provide for the electronic transfer of funds generated by electronic transactions,  
43.17 including by telephone;

43.18 (2) assign an identification number to an applicant who purchases a hunting or  
43.19 fishing license or recreational vehicle registration by electronic means, to serve as  
43.20 temporary authorization to engage in the activity requiring a license or registration until  
43.21 the license or registration is received or expires;

43.22 (3) charge and permit agents to charge a fee of individuals who make electronic  
43.23 transactions and transactions by telephone or Internet, including issuing fees and an  
43.24 additional transaction fee not to exceed \$3.50;

43.25 (4) charge and permit agents to charge a convenience fee not to exceed three percent  
43.26 of the cost of the license to individuals who use electronic bank cards for payment. An  
43.27 electronic licensing system agent charging a fee of individuals making an electronic  
43.28 bank card transaction in person must post a sign informing individuals of the fee. The  
43.29 sign must be near the point of payment, clearly visible, include the amount of the fee, and  
43.30 state: "License agents are allowed by state law to charge a fee not to exceed three percent  
43.31 of the cost of state licenses to persons who use electronic bank cards for payment. The  
43.32 fee is not required by state law.";

43.33 (5) establish, by written order, an electronic licensing system commission to be  
43.34 paid by revenues generated from all sales made through the electronic licensing system.  
43.35 The commissioner shall establish the commission in a manner that neither significantly

44.1 overrecovers nor underrecovers costs involved in providing the electronic licensing  
44.2 system; and

44.3 (6) adopt rules to administer the provisions of this subdivision.

44.4 (b) The fees established under paragraph (a), clauses (3) and (4), and the commission  
44.5 established under paragraph (a), clause (5), are not subject to the rulemaking procedures  
44.6 of chapter 14 and section 14.386 does not apply.

44.7 (c) Money received from fees and commissions collected under this subdivision,  
44.8 including interest earned, is annually appropriated from the game and fish fund and the  
44.9 natural resources fund to the commissioner for the cost of electronic licensing.

44.10 Sec. 3. Minnesota Statutes 2008, section 84.0856, is amended to read:

44.11 **84.0856 FLEET MANAGEMENT ACCOUNT.**

44.12 The commissioner of natural resources may bill organizational units within  
44.13 the Department of Natural Resources and other governmental units, including tribal  
44.14 governments, for the costs of providing them with equipment. Costs billed may include  
44.15 acquisition, licensing, insurance, maintenance, repair, and other direct costs as determined  
44.16 by the commissioner. Receipts and interest earned on the receipts shall be credited to a  
44.17 special account in the state treasury and are appropriated to the commissioner to pay the  
44.18 costs for which the billings were made.

44.19 Sec. 4. Minnesota Statutes 2008, section 84.0857, is amended to read:

44.20 **84.0857 FACILITIES MANAGEMENT ACCOUNT.**

44.21 (a) The commissioner of natural resources may bill organizational units within  
44.22 the Department of Natural Resources and other governmental units, including tribal  
44.23 governments, for the costs of providing them with building and infrastructure facilities.  
44.24 Costs billed may include modifications and adaptations to allow for appropriate building  
44.25 occupancy, building code compliance, insurance, utility services, maintenance, repair, and  
44.26 other direct costs as determined by the commissioner. Receipts shall be credited to a  
44.27 special account in the state treasury and are appropriated to the commissioner to pay the  
44.28 costs for which the billings were made.

44.29 (b) Money deposited in the special account from the proceeds of a sale under section  
44.30 94.16, subdivision 3, paragraph (b), is appropriated to the commissioner to acquire  
44.31 facilities or renovate existing buildings for administrative use or to acquire land for,  
44.32 design, and construct administrative buildings for the Department of Natural Resources.

45.1 Sec. 5. Minnesota Statutes 2008, section 84.415, is amended by adding a subdivision  
45.2 to read:

45.3 Subd. 3a. **Joint applications for residential use.** An application for a utility  
45.4 license may cover more than one type of utility if the utility lines are being installed for  
45.5 residential use only. Separate applications submitted by utilities for the same crossing  
45.6 shall be joined together and processed as one application, provided that the applications  
45.7 are submitted within one year of each other and the utility lines are for residential use only.  
45.8 The application fees for a joint application or separate applications subsequently joined  
45.9 together shall be as if only one application was submitted.

45.10 Sec. 6. Minnesota Statutes 2009 Supplement, section 84.415, subdivision 6, is  
45.11 amended to read:

45.12 **Subd. 6. Supplemental application fee and monitoring fee.** (a) In addition to the  
45.13 application fee and utility crossing fees specified in Minnesota Rules, the commissioner of  
45.14 natural resources shall assess the applicant for a utility license the following fees:

45.15 (1) a supplemental application fee of ~~\$1,500~~ \$1,750 for a public water crossing  
45.16 license and a supplemental application fee of ~~\$4,500~~ \$3,000 for a public lands crossing  
45.17 license, to cover reasonable costs for reviewing the application and preparing the license;  
45.18 and

45.19 (2) a monitoring fee to cover the projected reasonable costs for monitoring the  
45.20 construction of the utility line and preparing special terms and conditions of the license  
45.21 to ensure proper construction. The commissioner must give the applicant an estimate of  
45.22 the monitoring fee before the applicant submits the fee.

45.23 (b) The applicant shall pay fees under this subdivision to the commissioner of  
45.24 natural resources. The commissioner shall not issue the license until the applicant has  
45.25 paid all fees in full.

45.26 (c) Upon completion of construction of the improvement for which the license  
45.27 or permit was issued, the commissioner shall refund the unobligated balance from the  
45.28 monitoring fee revenue. The commissioner shall not return the application fees, even  
45.29 if the application is withdrawn or denied.

45.30 (d) If the fees collected under paragraph (a), clause (1), are not sufficient to cover  
45.31 the costs of reviewing the applications and preparing the licenses, the commissioner shall  
45.32 improve efficiencies and otherwise reduce department costs and activities to ensure the  
45.33 revenues raised under paragraph (a), clause (1), are sufficient, and that no other funds are  
45.34 necessary to carry out the requirements.

46.1 Sec. 7. Minnesota Statutes 2008, section 84.777, subdivision 2, is amended to read:

46.2 Subd. 2. **Off-highway vehicle seasons seasonal restrictions.** (a) The commissioner  
46.3 shall prescribe seasons for off-highway vehicle use on state forest lands. Except for  
46.4 designated forest roads, a person must not operate an off-highway vehicle on state forest  
46.5 lands: (1) outside of the seasons prescribed under this paragraph; or (2) during the firearms  
46.6 deer hunting season in areas of the state where deer may be taken by rifle. This paragraph  
46.7 does not apply to a person in possession of a valid deer hunting license operating an  
46.8 off-highway vehicle before or after legal shooting hours or from 11:00 a.m. to 2:00 p.m.

46.9 (b) The commissioner may designate and post winter trails on state forest lands  
46.10 for use by off-highway vehicles.

46.11 (c) For the purposes of this subdivision, "state forest lands" means forest lands under  
46.12 the authority of the commissioner as defined in section 89.001, subdivision 13, and lands  
46.13 managed by the commissioner under section 282.011.

46.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

46.15 Sec. 8. Minnesota Statutes 2008, section 84.788, subdivision 2, is amended to read:

46.16 Subd. 2. **Exemptions.** Registration is not required for off-highway motorcycles:

46.17 (1) owned and used by the United States, an Indian tribal government, the state,  
46.18 another state, or a political subdivision;

46.19 (2) registered in another state or country that have not been within this state for  
46.20 more than 30 consecutive days; or

46.21 (3) registered under chapter 168, when operated on forest roads to gain access to a  
46.22 state forest campground.

46.23 Sec. 9. Minnesota Statutes 2009 Supplement, section 84.793, subdivision 1, is  
46.24 amended to read:

46.25 Subdivision 1. **Prohibitions on youthful operators.** (a) ~~After January 1, 1995,~~ A  
46.26 person less than 16 years of age operating an off-highway motorcycle on public lands  
46.27 or waters must possess a valid off-highway motorcycle safety certificate issued by the  
46.28 commissioner.

46.29 (b) Except for operation on public road rights-of-way that is permitted under section  
46.30 84.795, subdivision 1, a driver's license issued by the state or another state is required to  
46.31 operate an off-highway motorcycle along or on a public road right-of-way.

46.32 (c) A person under 12 years of age may not:

46.33 (1) make a direct crossing of a public road right-of-way;

46.34 (2) operate an off-highway motorcycle on a public road right-of-way in the state; or

47.1 (3) operate an off-highway motorcycle on public lands or waters unless accompanied  
47.2 by a person 18 years of age or older or participating in an event for which the  
47.3 commissioner has issued a special use permit.

47.4 (d) Except for public road rights-of-way of interstate highways, a person less than 16  
47.5 years of age may make a direct crossing of a public road right-of-way of a trunk, county  
47.6 state-aid, or county highway only if that person is accompanied by a person 18 years of  
47.7 age or older who holds a valid driver's license.

47.8 (e) A person less than 16 years of age may operate an off-highway motorcycle on  
47.9 public road rights-of-way in accordance with section 84.795, subdivision 1, paragraph  
47.10 (a), only if that person is accompanied by a person 18 years of age or older who holds a  
47.11 valid driver's license.

47.12 (f) Notwithstanding paragraph (a), a nonresident less than 16 years of age may  
47.13 operate an off-highway motorcycle on public lands or waters if the nonresident youth has  
47.14 in possession evidence of completing an off-road safety course offered by the Motorcycle  
47.15 Safety Foundation or another state as provided in section 84.791, subdivision 4.

47.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

47.17 Sec. 10. Minnesota Statutes 2008, section 84.798, subdivision 2, is amended to read:

47.18 Subd. 2. **Exemptions.** Registration is not required for an off-road vehicle that is:

47.19 (1) owned and used by the United States, an Indian tribal government, the state,  
47.20 another state, or a political subdivision; or

47.21 (2) registered in another state or country and has not been in this state for more  
47.22 than 30 consecutive days.

47.23 Sec. 11. Minnesota Statutes 2008, section 84.82, subdivision 3, is amended to read:

47.24 Subd. 3. **Fees for registration.** (a) The fee for registration of each snowmobile,  
47.25 other than those used for an agricultural purpose, as defined in section 84.92, subdivision  
47.26 1c, or those registered by a dealer or manufacturer pursuant to clause (b) or (c) shall be as  
47.27 follows: \$45 for three years and \$4 for a duplicate or transfer.

47.28 (b) The total registration fee for all snowmobiles owned by a dealer and operated for  
47.29 demonstration or testing purposes shall be \$50 per year.

47.30 (c) The total registration fee for all snowmobiles owned by a manufacturer and  
47.31 operated for research, testing, experimentation, or demonstration purposes shall be \$150  
47.32 per year. Dealer and manufacturer registrations are not transferable.

47.33 (d) The onetime fee for registration of an exempt snowmobile under subdivision  
47.34 6a is \$6.

48.1 Sec. 12. Minnesota Statutes 2008, section 84.82, subdivision 6, is amended to read:

48.2 Subd. 6. **Exemptions.** Registration is not required under this section for:

48.3 (1) a snowmobile owned and used by the United States, an Indian tribal government,  
48.4 another state, or a political subdivision thereof;

48.5 (2) a snowmobile registered in a country other than the United States temporarily  
48.6 used within this state;

48.7 (3) a snowmobile that is covered by a valid license of another state and has not been  
48.8 within this state for more than 30 consecutive days;

48.9 (4) a snowmobile used exclusively in organized track racing events;

48.10 (5) a snowmobile in transit by a manufacturer, distributor, or dealer;

48.11 (6) a snowmobile at least 15 years old in transit by an individual for use only on  
48.12 land owned or leased by the individual; or

48.13 (7) a snowmobile while being used to groom a state or grant-in-aid trail.

48.14 Sec. 13. Minnesota Statutes 2008, section 84.82, is amended by adding a subdivision  
48.15 to read:

48.16 Subd. 6a. **Exemption; collector unlimited snowmobile use.** Snowmobiles may be  
48.17 issued an exempt registration if the machine is at least 25 years old. Exempt registration is  
48.18 valid from the date of issuance until ownership of the snowmobile is transferred. Exempt  
48.19 registrations are not transferable.

48.20 Sec. 14. Minnesota Statutes 2008, section 84.8205, subdivision 1, is amended to read:

48.21 Subdivision 1. **Sticker required; fee.** (a) Except as provided in paragraph (b), a  
48.22 person may not operate a snowmobile on a state or grant-in-aid snowmobile trail unless a  
48.23 snowmobile state trail sticker is affixed to the snowmobile. The commissioner of natural  
48.24 resources shall issue a sticker upon application and payment of a \$15 fee. The fee for a  
48.25 three-year snowmobile state trail sticker that is purchased at the time of snowmobile  
48.26 registration is \$30. In addition to other penalties prescribed by law, a person in violation  
48.27 of this subdivision must purchase an annual state trail sticker for a fee of \$30. The sticker  
48.28 is valid from November 1 through June 30. Fees collected under this section, except for  
48.29 the issuing fee for licensing agents, shall be deposited in the state treasury and credited  
48.30 to the snowmobile trails and enforcement account in the natural resources fund and,  
48.31 except for the electronic licensing system commission established by the commissioner  
48.32 under section 84.027, subdivision 15, must be used for grants-in-aid, trail maintenance,  
48.33 grooming, and easement acquisition.

48.34 (b) A state trail sticker is not required under this section for:

49.1 (1) a snowmobile owned by the state or a political subdivision of the state that is  
49.2 registered under section 84.82, subdivision 5;

49.3 (2) a snowmobile that is owned and used by the United States, an Indian tribal  
49.4 government, another state, or a political subdivision thereof that is exempt from  
49.5 registration under section 84.82, subdivision 6;

49.6 (3) a collector snowmobile that is operated as provided in a special permit issued for  
49.7 the collector snowmobile under section 84.82, subdivision 7a;

49.8 (4) a person operating a snowmobile only on the portion of a trail that is owned by  
49.9 the person or the person's spouse, child, or parent; or

49.10 (5) a snowmobile while being used to groom a state or grant-in-aid trail.

49.11 (c) A temporary registration permit issued by a dealer under section 84.82,  
49.12 subdivision 2, may include a snowmobile state trail sticker if the trail sticker fee is  
49.13 included with the registration application fee.

49.14 Sec. 15. Minnesota Statutes 2008, section 84.92, subdivision 9, is amended to read:

49.15 Subd. 9. **Class 1 all-terrain vehicle.** "Class 1 all-terrain vehicle" means an  
49.16 all-terrain vehicle that has a total dry weight of less than ~~900~~ 1,000 pounds.

49.17 Sec. 16. Minnesota Statutes 2008, section 84.92, subdivision 10, is amended to read:

49.18 Subd. 10. **Class 2 all-terrain vehicle.** "Class 2 all-terrain vehicle" means an  
49.19 all-terrain vehicle that has a total dry weight of ~~900~~ 1,000 to ~~1,500~~ 1,800 pounds.

49.20 Sec. 17. Minnesota Statutes 2009 Supplement, section 84.922, subdivision 1a, is  
49.21 amended to read:

49.22 Subd. 1a. **Exemptions.** All-terrain vehicles exempt from registration are:

49.23 (1) vehicles owned and used by the United States, an Indian tribal government, the  
49.24 state, another state, or a political subdivision;

49.25 (2) vehicles registered in another state or country that have not been in this state for  
49.26 more than 30 consecutive days;

49.27 (3) vehicles that:

49.28 (i) are owned by a resident of another state or country that does not require  
49.29 registration of all-terrain vehicles;

49.30 (ii) have not been in this state for more than 30 consecutive days; and

49.31 (iii) are operated on state and grant-in-aid trails by a nonresident possessing a  
49.32 nonresident all-terrain vehicle state trail pass;

49.33 (4) vehicles used exclusively in organized track racing events; and

50.1 (5) vehicles that are 25 years old or older and were originally produced as a separate  
50.2 identifiable make by a manufacturer.

50.3 Sec. 18. Minnesota Statutes 2008, section 84.922, is amended by adding a subdivision  
50.4 to read:

50.5 Subd. 2b. **Collector unlimited use; exempt registration.** All-terrain vehicles may  
50.6 be issued an exempt registration if requested and the machine is at least 25 years old.  
50.7 Exempt registration is valid from the date of issuance until ownership of the all-terrain  
50.8 vehicle is transferred. Exempt registrations are not transferable.

50.9 Sec. 19. Minnesota Statutes 2008, section 84.922, subdivision 5, is amended to read:

50.10 Subd. 5. **Fees for registration.** (a) The fee for a three-year registration of  
50.11 an all-terrain vehicle under this section, other than those registered by a dealer or  
50.12 manufacturer under paragraph (b) or (c), is:

50.13 (1) for public use, \$45;

50.14 (2) for private use, \$6; and

50.15 (3) for a duplicate or transfer, \$4.

50.16 (b) The total registration fee for all-terrain vehicles owned by a dealer and operated  
50.17 for demonstration or testing purposes is \$50 per year. Dealer registrations are not  
50.18 transferable.

50.19 (c) The total registration fee for all-terrain vehicles owned by a manufacturer and  
50.20 operated for research, testing, experimentation, or demonstration purposes is \$150 per  
50.21 year. Manufacturer registrations are not transferable.

50.22 (d) The onetime fee for registration of an all-terrain vehicle under subdivision 2b  
50.23 is \$6.

50.24 (e) The fees collected under this subdivision must be credited to the all-terrain  
50.25 vehicle account.

50.26 Sec. 20. Minnesota Statutes 2008, section 84.925, subdivision 1, is amended to read:

50.27 Subdivision 1. **Program established.** (a) The commissioner shall establish a  
50.28 comprehensive all-terrain vehicle environmental and safety education and training  
50.29 program, including the preparation and dissemination of vehicle information and safety  
50.30 advice to the public, the training of all-terrain vehicle operators, and the issuance of  
50.31 all-terrain vehicle safety certificates to vehicle operators over the age of 12 years who  
50.32 successfully complete the all-terrain vehicle environmental and safety education and  
50.33 training course.

51.1 (b) For the purpose of administering the program and to defray a portion of the  
51.2 expenses of training and certifying vehicle operators, the commissioner shall collect a fee  
51.3 of \$15 from each person who receives the training. The commissioner shall collect a fee,  
51.4 to include a \$1 issuing fee for licensing agents, for issuing a duplicate all-terrain vehicle  
51.5 safety certificate. The commissioner shall establish the fee for a duplicate all-terrain  
51.6 vehicle safety certificate that neither significantly overrecovers nor underrecovers costs,  
51.7 including overhead costs, involved in providing the service. Fee proceeds, except for the  
51.8 issuing fee for licensing agents under this subdivision, shall be deposited in the all-terrain  
51.9 vehicle account in the natural resources fund. In addition to the fee established by the  
51.10 commissioner, instructors may charge each person ~~the cost of~~ up to the established fee  
51.11 amount for class material materials and expenses.

51.12 (c) The commissioner shall cooperate with private organizations and associations,  
51.13 private and public corporations, and local governmental units in furtherance of the program  
51.14 established under this section. School districts may cooperate with the commissioner  
51.15 and volunteer instructors to provide space for the classroom portion of the training. The  
51.16 commissioner shall consult with the commissioner of public safety in regard to training  
51.17 program subject matter and performance testing that leads to the certification of vehicle  
51.18 operators. By June 30, 2003, the commissioner shall incorporate a riding component in  
51.19 the safety education and training program.

51.20 Sec. 21. Minnesota Statutes 2008, section 84.9256, subdivision 1, is amended to read:

51.21 Subdivision 1. **Prohibitions on youthful operators.** (a) Except for operation on  
51.22 public road rights-of-way that is permitted under section 84.928, a driver's license issued  
51.23 by the state or another state is required to operate an all-terrain vehicle along or on a  
51.24 public road right-of-way.

51.25 (b) A person under 12 years of age shall not:

51.26 (1) make a direct crossing of a public road right-of-way;

51.27 (2) operate an all-terrain vehicle on a public road right-of-way in the state; or

51.28 (3) operate an all-terrain vehicle on public lands or waters, except as provided in  
51.29 paragraph (f).

51.30 (c) Except for public road rights-of-way of interstate highways, a person 12 years  
51.31 of age but less than 16 years may make a direct crossing of a public road right-of-way  
51.32 of a trunk, county state-aid, or county highway or operate on public lands and waters or  
51.33 state or grant-in-aid trails, only if that person possesses a valid all-terrain vehicle safety  
51.34 certificate issued by the commissioner and is accompanied ~~on another all-terrain vehicle~~  
51.35 by a person 18 years of age or older who holds a valid driver's license.

52.1 (d) To be issued an all-terrain vehicle safety certificate, a person at least 12 years  
52.2 old, but less than 16 years old, must:

52.3 (1) successfully complete the safety education and training program under section  
52.4 84.925, subdivision 1, including a riding component; and

52.5 (2) be able to properly reach and control the handle bars and reach the foot pegs  
52.6 while sitting upright on the seat of the all-terrain vehicle.

52.7 (e) A person at least 11 years of age may take the safety education and training  
52.8 program and may receive an all-terrain vehicle safety certificate under paragraph (d), but  
52.9 the certificate is not valid until the person reaches age 12.

52.10 (f) A person at least ten years of age but under 12 years of age may operate an  
52.11 all-terrain vehicle with an engine capacity up to 90cc on public lands or waters if  
52.12 accompanied by a parent or legal guardian.

52.13 (g) A person under 15 years of age shall not operate a class 2 all-terrain vehicle.

52.14 (h) A person under the age of 16 may not operate an all-terrain vehicle on public  
52.15 lands or waters or on state or grant-in-aid trails if the person cannot properly reach and  
52.16 control the handle bars and reach the foot pegs while sitting upright on the seat of the  
52.17 all-terrain vehicle.

52.18 (i) Notwithstanding paragraph (c), a nonresident at least 12 years old, but less than  
52.19 16 years old, may make a direct crossing of a public road right-of-way of a trunk, county  
52.20 state-aid, or county highway or operate an all-terrain vehicle on public lands and waters  
52.21 or state or grant-in-aid trails if:

52.22 (1) the nonresident youth has in possession evidence of completing an all-terrain  
52.23 safety course offered by the ATV Safety Institute or another state as provided in section  
52.24 84.925, subdivision 3; and

52.25 (2) the nonresident youth is accompanied by a person 18 years of age or older who  
52.26 holds a valid driver's license.

52.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

52.28 Sec. 22. Minnesota Statutes 2009 Supplement, section 84.9275, subdivision 1, is  
52.29 amended to read:

52.30 Subdivision 1. **Pass required; fee.** (a) A nonresident may not operate an all-terrain  
52.31 vehicle on a state or grant-in-aid all-terrain vehicle trail unless the operator carries a valid  
52.32 nonresident all-terrain vehicle state trail pass in immediate possession. The pass must  
52.33 be available for inspection by a peace officer, a conservation officer, or an employee  
52.34 designated under section 84.0835.

53.1 (b) The commissioner of natural resources shall issue a pass upon application and  
53.2 payment of a \$20 fee. The pass is valid from January 1 through December 31. Fees  
53.3 collected under this section, except for the issuing fee for licensing agents, shall be  
53.4 deposited in the state treasury and credited to the all-terrain vehicle account in the natural  
53.5 resources fund and, except for the electronic licensing system commission established by  
53.6 the commissioner under section 84.027, subdivision 15, must be used for grants-in-aid to  
53.7 counties and municipalities for all-terrain vehicle organizations to construct and maintain  
53.8 all-terrain vehicle trails and use areas.

53.9 (c) A nonresident all-terrain vehicle state trail pass is not required for:

53.10 (1) an all-terrain vehicle that is owned and used by the United States, another state,  
53.11 or a political subdivision thereof that is exempt from registration under section 84.922,  
53.12 subdivision 1a; ~~or~~

53.13 (2) a person operating an all-terrain vehicle only on the portion of a trail that is  
53.14 owned by the person or the person's spouse, child, or parent; or

53.15 (3) a nonresident operating an all-terrain vehicle that is registered according to  
53.16 section 84.922.

53.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

53.18 Sec. 23. Minnesota Statutes 2009 Supplement, section 84.928, subdivision 1, is  
53.19 amended to read:

53.20 Subdivision 1. **Operation on roads and rights-of-way.** (a) Unless otherwise  
53.21 allowed in sections 84.92 to 84.928, a person shall not operate an all-terrain vehicle in  
53.22 this state along or on the roadway, shoulder, or inside bank or slope of a public road  
53.23 right-of-way of a trunk, county state-aid, or county highway.

53.24 (b) A person may operate a class 1 all-terrain vehicle in the ditch or the outside  
53.25 bank or slope of a trunk, county state-aid, or county highway unless prohibited under  
53.26 paragraph (d) or (f).

53.27 (c) A person may operate a class 2 all-terrain vehicle within the public road  
53.28 right-of-way of a county state-aid or county highway on the extreme right-hand side of  
53.29 the road and left turns may be made from any part of the road if it is safe to do so under  
53.30 the prevailing conditions, unless prohibited under paragraph (d) or (f). A person may  
53.31 operate a class 2 all-terrain vehicle on the bank or ditch of a public road right-of-way on a  
53.32 designated class 2 all-terrain vehicle trail.

53.33 (d) A road authority as defined under section 160.02, subdivision 25, may after a  
53.34 public hearing restrict the use of all-terrain vehicles in the public road right-of-way under  
53.35 its jurisdiction.

54.1 (e) The restrictions in paragraphs (a), (d), (h), (i), and (j) do not apply to the  
54.2 operation of an all-terrain vehicle on the shoulder, inside bank or slope, ditch, or outside  
54.3 bank or slope of a trunk, interstate, county state-aid, or county highway:

54.4 (1) that is part of a funded grant-in-aid trail; or

54.5 (2) when the all-terrain vehicle is:

54.6 ~~(1)~~ owned by or operated under contract with a publicly or privately owned utility  
54.7 or pipeline company; and

54.8 ~~(2)~~ used for work on utilities or pipelines.

54.9 (f) The commissioner may limit the use of a right-of-way for a period of time if the  
54.10 commissioner determines that use of the right-of-way causes:

54.11 (1) degradation of vegetation on adjacent public property;

54.12 (2) siltation of waters of the state;

54.13 (3) impairment or enhancement to the act of taking game; or

54.14 (4) a threat to safety of the right-of-way users or to individuals on adjacent public  
54.15 property.

54.16 The commissioner must notify the road authority as soon as it is known that a closure  
54.17 will be ordered. The notice must state the reasons and duration of the closure.

54.18 (g) A person may operate an all-terrain vehicle registered for private use and used  
54.19 for agricultural purposes on a public road right-of-way of a trunk, county state-aid, or  
54.20 county highway in this state if the all-terrain vehicle is operated on the extreme right-hand  
54.21 side of the road, and left turns may be made from any part of the road if it is safe to do so  
54.22 under the prevailing conditions.

54.23 (h) A person shall not operate an all-terrain vehicle within the public road  
54.24 right-of-way of a trunk, county state-aid, or county highway from April 1 to August 1 in  
54.25 the agricultural zone unless the vehicle is being used exclusively as transportation to and  
54.26 from work on agricultural lands. This paragraph does not apply to an agent or employee  
54.27 of a road authority, as defined in section 160.02, subdivision 25, or the Department of  
54.28 Natural Resources when performing or exercising official duties or powers.

54.29 (i) A person shall not operate an all-terrain vehicle within the public road  
54.30 right-of-way of a trunk, county state-aid, or county highway between the hours of one-half  
54.31 hour after sunset to one-half hour before sunrise, except on the right-hand side of the  
54.32 right-of-way and in the same direction as the highway traffic on the nearest lane of the  
54.33 adjacent roadway.

54.34 (j) A person shall not operate an all-terrain vehicle at any time within the  
54.35 right-of-way of an interstate highway or freeway within this state.

55.1 Sec. 24. Minnesota Statutes 2008, section 84.928, subdivision 5, is amended to read:

55.2 Subd. 5. **Organized contests, use of highways and public lands and waters.** (a)

55.3 Nothing in this section or chapter 169 prohibits the use of all-terrain vehicles within the  
55.4 right-of-way of a state trunk or county state-aid highway or upon public lands or waters  
55.5 under the jurisdiction of the commissioner of natural resources, in an organized contest or  
55.6 event, subject to the consent of the official or board having jurisdiction over the highway  
55.7 or public lands or waters.

55.8 (b) In permitting the contest or event, the official or board having jurisdiction may  
55.9 prescribe restrictions or conditions as they may deem advisable.

55.10 (c) Notwithstanding section 84.9256, subdivision 1, paragraph (b), a person under  
55.11 12 years of age may operate an all-terrain vehicle in an organized contest on public lands  
55.12 or waters, if the all-terrain vehicle has an engine capacity of 90cc or less, the person  
55.13 complies with section 84.9256, subdivision 1, paragraph (h), and the person is supervised  
55.14 by a person 18 years of age or older.

55.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

55.16 Sec. 25. Minnesota Statutes 2008, section 84D.10, is amended by adding a subdivision  
55.17 to read:

55.18 Subd. 4. **Persons leaving public waters.** (a) A person leaving waters of the state  
55.19 must drain boating-related equipment holding water and live wells and bilges by removing  
55.20 the drain plug before transporting the watercraft and associated equipment on public  
55.21 roads. Drain plugs, bailers, valves, or other devices used to control the draining of water  
55.22 from ballast tanks, bilges, and live wells must be removed or opened while transporting  
55.23 watercraft on a public road. Marine sanitary systems and portable bait containers are  
55.24 excluded from this requirement. A person must not dispose of bait in waters of the state.

55.25 (b) The commissioner shall report, by January 15 of each odd-numbered year, to  
55.26 the chairs and ranking minority members of the house of representatives and senate  
55.27 committees and divisions having jurisdiction over water resources policy and finance. The  
55.28 report shall advise the legislature on additional measures to protect state water resources  
55.29 from human transport of invasive species.

55.30 Sec. 26. Minnesota Statutes 2008, section 84D.13, subdivision 5, is amended to read:

55.31 Subd. 5. **Civil penalties.** A civil citation issued under this section must impose  
55.32 the following penalty amounts:

56.1 (1) for transporting aquatic macrophytes on a forest road as defined by section  
56.2 89.001, subdivision 14, road or highway as defined by section 160.02, subdivision 26, or  
56.3 any other public road, \$50;

56.4 (2) for placing or attempting to place into waters of the state a watercraft, a trailer, or  
56.5 aquatic plant harvesting equipment that has aquatic macrophytes attached, \$100;

56.6 (3) for unlawfully possessing or transporting a prohibited invasive species other  
56.7 than an aquatic macrophyte, \$250;

56.8 (4) for placing or attempting to place into waters of the state a watercraft, a trailer, or  
56.9 aquatic plant harvesting equipment that has prohibited invasive species attached when  
56.10 the waters are not designated by the commissioner as being infested with that invasive  
56.11 species, \$500 for the first offense and \$1,000 for each subsequent offense;

56.12 (5) for intentionally damaging, moving, removing, or sinking a buoy marking, as  
56.13 prescribed by rule, Eurasian water milfoil, \$100;

56.14 (6) for failing to drain water, as required by rule, for infested waters and from  
56.15 watercraft and equipment, other than marine sanitary systems and portable bait containers  
56.16 before leaving ~~designated zebra mussel, spiny water flea, or other invasive plankton~~  
56.17 ~~infested~~ waters of the state, \$50; and

56.18 (7) for transporting infested water off riparian property without a permit as required  
56.19 by rule, \$200.

56.20 Sec. 27. Minnesota Statutes 2009 Supplement, section 85.015, subdivision 13, is  
56.21 amended to read:

56.22 Subd. 13. **Arrowhead Region Trails, in Cook, Lake, St. Louis, Pine, Carlton,**  
56.23 **Koochiching, and Itasca Counties.** (a)(1) The Taconite Trail shall originate at Ely in St.  
56.24 Louis County and extend southwesterly to Tower in St. Louis County, thence westerly to  
56.25 McCarthy Beach State Park in St. Louis County, thence southwesterly to Grand Rapids in  
56.26 Itasca County and there terminate;

56.27 (2) The C. J. Ramstad/Northshore Trail shall originate in Duluth in St. Louis County  
56.28 and extend northeasterly to Two Harbors in Lake County, thence northeasterly to Grand  
56.29 Marais in Cook County, thence northeasterly to the international boundary in the vicinity  
56.30 of the north shore of Lake Superior, and there terminate;

56.31 (3) The Grand Marais to International Falls Trail shall originate in Grand Marais  
56.32 in Cook County and extend northwesterly, outside of the Boundary Waters Canoe Area,  
56.33 to Ely in St. Louis County, thence southwesterly along the route of the Taconite Trail to  
56.34 Tower in St. Louis County, thence northwesterly through the Pelican Lake area in St.  
56.35 Louis County to International Falls in Koochiching County, and there terminate;

57.1           (4) The Matthew Lourey Trail shall originate in Duluth in St. Louis County and  
57.2 extend southerly to St. Croix State Forest in Pine County.

57.3           (b) The trails shall be developed primarily for riding and hiking.

57.4           (c) In addition to the authority granted in subdivision 1, lands and interests in lands  
57.5 for the Arrowhead Region trails may be acquired by eminent domain. Before acquiring  
57.6 any land or interest in land by eminent domain the commissioner of administration shall  
57.7 obtain the approval of the governor. The governor shall consult with the Legislative  
57.8 Advisory Commission before granting approval. Recommendations of the Legislative  
57.9 Advisory Commission shall be advisory only. Failure or refusal of the commission to  
57.10 make a recommendation shall be deemed a negative recommendation.

57.11           Sec. 28. Minnesota Statutes 2008, section 85.015, subdivision 14, is amended to read:

57.12           Subd. 14. **Willard Munger Trail System, Chisago, Ramsey, Pine, St. Louis,**  
57.13 **Carlton, and Washington Counties.** (a) The trail shall consist of six segments. One  
57.14 segment shall be known as the Gateway Trail and shall originate at the State Capitol  
57.15 and extend northerly and northeasterly to William O'Brien State Park, thence northerly  
57.16 to Taylors Falls in Chisago County. One segment shall ~~be known as the Boundary Trail~~  
57.17 ~~and shall~~ originate in Chisago County and extend into ~~Duluth in St. Louis~~ Hinckley in  
57.18 Pine County. One segment shall be known as the Browns Creek Trail and shall originate  
57.19 at Duluth Junction and extend into Stillwater in Washington County. One segment shall  
57.20 be known as the Munger Trail and shall originate at Hinckley in Pine County and extend  
57.21 through Moose Lake in Carlton County to Duluth in St. Louis County. One segment shall  
57.22 be known as the Alex Laveau Trail and shall originate in Carlton County at Carlton and  
57.23 extend through Wrenshall to the Minnesota-Wisconsin border. One segment shall be  
57.24 established that extends the trail to include the cities of Proctor, Duluth, and Hermantown  
57.25 in St. Louis County.

57.26           (b) The Gateway and Browns Creek Trails shall be developed primarily for hiking  
57.27 and nonmotorized riding and the remaining trails shall be developed primarily for riding  
57.28 and hiking.

57.29           (c) In addition to the authority granted in subdivision 1, lands and interests in lands  
57.30 for the Gateway and Browns Creek Trails may be acquired by eminent domain.

57.31           Sec. 29. Minnesota Statutes 2008, section 85.052, subdivision 4, is amended to read:

57.32           Subd. 4. **Deposit of fees.** (a) Fees paid for providing contracted products and  
57.33 services within a state park, state recreation area, or wayside, and for special state park

58.1 uses under this section shall be deposited in the natural resources fund and credited to a  
58.2 state parks account.

58.3 (b) Gross receipts derived from sales, rentals, or leases of natural resources within  
58.4 state parks, recreation areas, and waysides, other than those on trust fund lands, must be  
58.5 deposited in the state treasury and credited to the ~~general fund~~ state parks working capital  
58.6 account. The appropriation under section 85.22 for revenue deposited in this section is  
58.7 limited to \$25,000 per fiscal year.

58.8 (c) Notwithstanding paragraph (b), the gross receipts from the sale of stockpile  
58.9 materials, aggregate, or other earth materials from the Iron Range Off-Highway Vehicle  
58.10 Recreation Area shall be deposited in the dedicated accounts in the natural resources fund  
58.11 from which the purchase of the stockpile material was made.

58.12 **EFFECTIVE DATE.** This section is effective July 1, 2011.

58.13 Sec. 30. Minnesota Statutes 2009 Supplement, section 85.053, subdivision 10, is  
58.14 amended to read:

58.15 Subd. 10. **Free entrance; ~~totally and permanently disabled veterans~~.** The  
58.16 commissioner shall issue an annual park permit for no charge to any veteran with a total  
58.17 and permanent service-connected disability, and a daily park permit to any resident  
58.18 veteran with any level of service-connected disability, as determined by the United States  
58.19 Department of Veterans Affairs, who presents each year a copy of ~~their~~ the veteran's  
58.20 determination letter to a park attendant or commissioner's designee. For the purposes of  
58.21 this section, "veteran" has the meaning given in section 197.447.

58.22 **EFFECTIVE DATE.** This section is effective July 1, 2010.

58.23 Sec. 31. Minnesota Statutes 2008, section 85.22, subdivision 5, is amended to read:

58.24 Subd. 5. **Exemption.** Purchases for resale or rental made from the state parks  
58.25 working capital ~~fund~~ account are exempt from competitive bidding, notwithstanding  
58.26 chapter 16C.

58.27 Sec. 32. Minnesota Statutes 2008, section 85.32, subdivision 1, is amended to read:

58.28 Subdivision 1. **Areas marked.** The commissioner of natural resources is authorized  
58.29 in cooperation with local units of government and private individuals and groups when  
58.30 feasible to mark ~~canoe and boating routes~~ state water trails on the Little Fork, Big Fork,  
58.31 Minnesota, St. Croix, Snake, Mississippi, Red Lake, Cannon, Straight, Des Moines,  
58.32 Crow Wing, St. Louis, Pine, Rum, Kettle, Cloquet, Root, Zumbro, Pomme de Terre

59.1 within Swift County, Watonwan, Cottonwood, Whitewater, Chippewa from Benson in  
59.2 Swift County to Montevideo in Chippewa County, Long Prairie, Red River of the North,  
59.3 Sauk, Otter Tail, Redwood, Blue Earth, and Crow Rivers which have historic and scenic  
59.4 values and to mark appropriately points of interest, portages, camp sites, and all dams,  
59.5 rapids, waterfalls, whirlpools, and other serious hazards which are dangerous to canoe,  
59.6 kayak, and watercraft travelers.

59.7 Sec. 33. Minnesota Statutes 2008, section 85.41, subdivision 3, is amended to read:

59.8 Subd. 3. **Exemptions.** (a) Participants in cross-country ski races and official school  
59.9 activities and residents of a state or local government operated correctional facility are  
59.10 exempt from the pass requirement in subdivision 1 if a special use permit has been  
59.11 obtained by the organizers of the event or those in an official capacity in advance from the  
59.12 agency with jurisdiction over the cross-country ski trail. Permits shall require that permit  
59.13 holders return the trail and any associated facility to its original condition if any damage  
59.14 is done by the permittee. Limited permits for special events may be issued and shall  
59.15 require the removal of any trail markers, banners, and other material used in connection  
59.16 with the special event.

59.17 (b) Unless otherwise exempted under paragraph (a), students, teachers, and  
59.18 supervising adults engaged in school-sanctioned activities or youth activities sponsored by  
59.19 a nonprofit organization are exempt from the pass requirements in subdivision 1.

59.20 (c) A resident that is in the armed forces of the United States, stationed outside of  
59.21 the state, and in the state on leave is exempt from the pass requirement in subdivision 1 if  
59.22 the resident possesses official military leave papers.

59.23 (d) A resident who has served at any time during the preceding 24 months in federal  
59.24 active service, as defined in section 190.05, subdivision 5c, outside the United States as  
59.25 a member of the National Guard, or as a reserve component or active duty member of  
59.26 the United States armed forces and has been discharged from active service is exempt  
59.27 from the pass requirement in subdivision 1 if the resident possesses official military  
59.28 discharge papers.

59.29 Sec. 34. Minnesota Statutes 2008, section 85.42, is amended to read:

59.30 **85.42 USER FEE; VALIDITY.**

59.31 (a) The fee for an annual cross-country ski pass is ~~\$14~~ \$19 for an individual age 16  
59.32 and over. The fee for a three-year pass is ~~\$39~~ \$54 for an individual age 16 and over. This  
59.33 fee shall be collected at the time the pass is purchased. Three-year passes are valid for

60.1 three years beginning the previous July 1. Annual passes are valid for one year beginning  
60.2 the previous July 1.

60.3 (b) The cost for a daily cross-country skier pass is ~~\$4~~ \$5 for an individual age 16 and  
60.4 over. This fee shall be collected at the time the pass is purchased. The daily pass is valid  
60.5 only for the date designated on the pass form.

60.6 (c) A pass must be signed by the skier across the front of the pass to be valid and  
60.7 becomes nontransferable on signing.

60.8 Sec. 35. Minnesota Statutes 2008, section 85.43, is amended to read:

60.9 **85.43 DISPOSITION OF RECEIPTS; PURPOSE.**

60.10 (a) Fees from cross-country ski passes shall be deposited in the state treasury and  
60.11 credited to a cross-country ski account in the natural resources fund and, except for the  
60.12 electronic licensing system commission established by the commissioner under section  
60.13 84.027, subdivision 15, are appropriated to the commissioner of natural resources for  
60.14 the following purposes:

60.15 (1) grants-in-aid for cross-country ski trails ~~sponsored by local units of government~~  
60.16 to:

60.17 (i) counties and municipalities for construction and maintenance of cross-country  
60.18 ski trails; and

60.19 (ii) special park districts as provided in section 85.44 ~~for construction and~~  
60.20 maintenance of cross-country ski trails; and

60.21 (2) administration of the cross-country ski trail grant-in-aid program.

60.22 (b) Development and maintenance of state cross-country ski trails are eligible for  
60.23 funding from the cross-country ski account if the money is appropriated by law.

60.24 Sec. 36. Minnesota Statutes 2008, section 85.46, as amended by Laws 2009, chapter  
60.25 37, article 1, sections 22 to 24, is amended to read:

60.26 **85.46 HORSE ~~TRAIL~~ PASS.**

60.27 Subdivision 1. **Pass in possession.** (a) Except as provided in paragraph (b), while  
60.28 riding, leading, or driving a horse ~~on horse trails and associated day use areas on state~~  
60.29 ~~trails, in state parks, in state recreation areas, and in state forests,~~ on lands administered by  
60.30 the commissioner, except forest roads and forest roads rights-of-way, a person 16 years of  
60.31 age or over shall carry in immediate possession a valid horse ~~trail~~ pass. The pass must  
60.32 be available for inspection by a peace officer, a conservation officer, or an employee  
60.33 designated under section 84.0835.

61.1 (b) A valid horse ~~trail~~ pass is not required under this section for a person riding,  
61.2 leading, or driving a horse ~~only on the portion of a horse trail~~ property that is owned by  
61.3 the person or the person's spouse, child, parent, or guardian.

61.4 Subd. 2. **License agents.** (a) The commissioner of natural resources may appoint  
61.5 agents to issue and sell horse ~~trail~~ passes. The commissioner may revoke the appointment  
61.6 of an agent at any time.

61.7 (b) The commissioner may adopt additional rules as provided in section 97A.485,  
61.8 subdivision 11. An agent shall observe all rules adopted by the commissioner for the  
61.9 accounting and handling of passes according to section 97A.485, subdivision 11.

61.10 (c) An agent must promptly deposit and remit all money received from the sale of  
61.11 passes, except issuing fees, to the commissioner.

61.12 Subd. 3. **Issuance.** The commissioner of natural resources and agents shall issue  
61.13 and sell horse ~~trail~~ passes. The pass shall include the applicant's signature and other  
61.14 information deemed necessary by the commissioner. To be valid, a daily or annual pass  
61.15 must be signed by the person riding, leading, or driving the horse, and a commercial  
61.16 annual pass must be signed by the owner of the commercial ~~trail~~ riding facility.

61.17 Subd. 4. **Pass fees.** (a) The fee for an annual horse ~~trail~~ pass is \$20 for an individual  
61.18 16 years of age and over. The fee shall be collected at the time the pass is purchased.  
61.19 Annual passes are valid for one year beginning January 1 and ending December 31.

61.20 (b) The fee for a daily horse ~~trail~~ pass is \$4 for an individual 16 years of age and  
61.21 over. The fee shall be collected at the time the pass is purchased. The daily pass is valid  
61.22 only for the date designated on the pass form.

61.23 (c) The fee for a commercial annual horse ~~trail~~ pass is \$200 and includes issuance  
61.24 of 15 passes. Additional or individual commercial annual horse ~~trail~~ passes may be  
61.25 purchased by the commercial ~~trail~~ riding facility owner at a fee of \$20 each. Commercial  
61.26 annual horse ~~trail~~ passes are valid for one year beginning January 1 and ending December  
61.27 31 and may be affixed to the horse tack, saddle, or person. Commercial annual horse ~~trail~~  
61.28 passes are not transferable to another commercial ~~trail~~ riding facility. For the purposes of  
61.29 this section, a "commercial ~~trail~~ riding facility" is an operation where horses are used for  
61.30 riding instruction or other equestrian activities for hire or use by others.

61.31 Subd. 5. **Issuing fee.** In addition to the fee for a horse ~~trail~~ pass, an issuing fee of  
61.32 \$1 per pass shall be charged. The issuing fee shall be retained by the seller of the pass.  
61.33 Issuing fees for passes sold by the commissioner of natural resources shall be deposited  
61.34 in the state treasury and credited to the horse ~~trail~~ pass account in the natural resources  
61.35 fund and are appropriated to the commissioner for the operation of the electronic licensing  
61.36 system. A pass shall indicate the amount of the fee that is retained by the seller.

62.1 Subd. 6. **Disposition of receipts.** Fees collected under this section, except for  
62.2 the issuing fee, shall be deposited in the state treasury and credited to the horse ~~trail~~  
62.3 pass account in the natural resources fund. Except for the electronic licensing system  
62.4 commission established by the commissioner under section 84.027, subdivision 15, the  
62.5 fees are appropriated to the commissioner of natural resources for trail acquisition, trail and  
62.6 facility development, and maintenance, enforcement, and rehabilitation of horse trails or  
62.7 trails authorized for horse use, whether for riding, leading, or driving, on ~~state trails and in~~  
62.8 ~~state parks, state recreation areas, and state forests~~ land administered by the commissioner.

62.9 Subd. 7. **Duplicate horse ~~trail~~ passes.** The commissioner of natural resources and  
62.10 agents shall issue a duplicate pass to a person or commercial ~~trail~~ riding facility owner  
62.11 whose pass is lost or destroyed using the process established under section 97A.405,  
62.12 subdivision 3, and rules adopted thereunder. The fee for a duplicate horse ~~trail~~ pass is \$2,  
62.13 with an issuing fee of 50 cents.

62.14 Sec. 37. Minnesota Statutes 2009 Supplement, section 86A.09, subdivision 1, is  
62.15 amended to read:

62.16 Subdivision 1. **Master plan required.** No construction of new facilities or other  
62.17 development of an authorized unit, other than repairs and maintenance, shall commence  
62.18 until the managing agency has prepared and submitted to the commissioner of natural  
62.19 resources and the commissioner has reviewed, pursuant to this section, a master plan for  
62.20 administration of the unit in conformity with this section. No master plan is required for  
62.21 wildlife management areas that do not have resident managers, for scientific and natural  
62.22 areas, for water access sites, for aquatic management areas, for rest areas, or for boater  
62.23 waysides.

62.24 Sec. 38. Minnesota Statutes 2008, section 86B.301, subdivision 2, is amended to read:

62.25 Subd. 2. **Exemptions.** A watercraft license is not required for:

62.26 (1) a watercraft that is covered by a license or number in full force and effect under  
62.27 federal law or a federally approved licensing or numbering system of another state, and  
62.28 has not been within this state for more than 90 consecutive days, which does not include  
62.29 days that a watercraft is laid up at dock over winter or for repairs at a Lake Superior  
62.30 port or another port in the state;

62.31 (2) a watercraft from a country other than the United States that has not been  
62.32 within this state for more than 90 consecutive days, which does not include days that a  
62.33 watercraft is laid up at dock over winter or for repairs at a Lake Superior port or another  
62.34 port in the state;

63.1 (3) a watercraft owned by the United States, an Indian tribal government, a state, or  
63.2 a political subdivision of a state, except watercraft used for recreational purposes;

63.3 (4) a ship's lifeboat;

63.4 (5) a watercraft that has been issued a valid marine document by the United States  
63.5 government;

63.6 (6) a duck boat during duck hunting season;

63.7 (7) a rice boat during the harvest season;

63.8 (8) a seaplane; and

63.9 (9) a nonmotorized watercraft nine feet in length or less.

63.10 **EFFECTIVE DATE.** This section is effective the day following a notice published  
63.11 in the State Register by the commissioner of natural resources that the change in clause  
63.12 (3) has been approved by the United States Coast Guard pursuant to Code of Federal  
63.13 Regulations, title 33, section 174.7.

63.14 Sec. 39. Minnesota Statutes 2008, section 86B.501, is amended by adding a  
63.15 subdivision to read:

63.16 **Subd. 4. Rowing team members; personal flotation devices.** Notwithstanding  
63.17 subdivision 1, a member of a rowing team that is sanctioned by an academic or nonprofit  
63.18 entity is not required to wear or possess, and no local ordinance or rule may require a  
63.19 member of a rowing team to wear or possess, a personal flotation device in a racing shell  
63.20 if a chase boat carrying the devices prescribed under subdivision 1 accompanies the racing  
63.21 shell. The requirement for a chase boat does not apply on waters where it is preempted by  
63.22 federal regulations.

63.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

63.24 Sec. 40. Minnesota Statutes 2008, section 88.17, subdivision 1, is amended to read:

63.25 Subdivision 1. **Permit Permission required.** (a) ~~A permit~~ Permission to start a fire  
63.26 to burn vegetative materials and other materials allowed by Minnesota Statutes or official  
63.27 state rules and regulations may be given by the commissioner or the commissioner's agent.  
63.28 This permission shall be in the form of:

63.29 (1) a written permit issued by a forest officer, fire warden, or other person authorized  
63.30 by the commissioner; ~~or~~

63.31 (2) an electronic permit issued by the commissioner, an agent authorized by the  
63.32 commissioner, or an Internet site authorized by the commissioner; or

64.1 (3) a general permit adopted by the county board of commissioners according to  
64.2 paragraph (c).

64.3 (b) Written and electronic burning permits shall set the time and conditions by which  
64.4 the fire may be started and burned. The permit shall also specifically list the materials that  
64.5 may be burned. The permittee must have the permit on their person and shall produce  
64.6 the permit for inspection when requested to do so by a forest officer, conservation officer,  
64.7 or other peace officer. The permittee shall remain with the fire at all times and before  
64.8 leaving the site shall completely extinguish the fire. A person shall not start or cause a  
64.9 fire to be started on any land that is not owned or under their legal control without the  
64.10 written permission of the owner, lessee, or an agent of the owner or lessee of the land.  
64.11 Violating or exceeding the permit conditions shall constitute a misdemeanor and shall be  
64.12 cause for the permit to be revoked.

64.13 (c) A general burning permit may be adopted by the county board of commissioners  
64.14 in counties that are determined by the commissioner either to not be wildfire areas as  
64.15 defined in section 88.01, subdivision 6, or to otherwise have low potential for damage  
64.16 to life and property from wildfire. The commissioner shall consider the history of and  
64.17 potential for wildfire; the distribution of trees, brush, grasslands, and other vegetative  
64.18 material; and the distribution of property subject to damage from escaped fires. Upon a  
64.19 determination by the commissioner and adoption by a vote of the county board, permission  
64.20 for open burning is extended to all residents in the county without the need for individual  
64.21 written or electronic permits under this subdivision, provided burning conforms to all  
64.22 other provisions of this chapter, including those related to responsibility to control and  
64.23 extinguish fires, no burning of prohibited materials, and liability for damages caused by  
64.24 violations of this chapter.

64.25 (d) Upon adoption of a general burning permit, a county must establish specific  
64.26 regulations by ordinance, to include at a minimum the time when and conditions under  
64.27 which fires may be started and burned. No ordinance may be less restrictive than state law.

64.28 (e) At any time when the commissioner or the county board determines that a general  
64.29 burning permit is no longer in the public interest, the general permit may be canceled  
64.30 by the commissioner or the county board.

64.31 Sec. 41. Minnesota Statutes 2008, section 88.17, subdivision 3, is amended to read:

64.32 Subd. 3. **Special permits.** The following special permits are required at all times,  
64.33 including when the ground is snow-covered:

64.34 (a) **Fire training.** A permit to start a fire for the instruction and training of  
64.35 firefighters, including liquid fuels training, may be given by the commissioner or agent of

65.1 the commissioner. Except for owners or operators conducting fire training in specialized  
65.2 industrial settings pursuant to applicable federal, state, or local standards, owners  
65.3 or operators conducting open burning for the purpose of instruction and training of  
65.4 firefighters with regard to structures must follow the techniques described in a document  
65.5 entitled: Structural Burn Training Procedures for the Minnesota Technical College System.

65.6 (b) **Permanent tree and brush open burning sites.** A permit for the operation of  
65.7 a permanent tree and brush burning site may be given by the commissioner or agent of  
65.8 the commissioner. Applicants for a permanent open burning site permit shall submit a  
65.9 complete application on a form provided by the commissioner. Existing permanent tree  
65.10 and brush open burning sites must submit for a permit within 90 days of the passage of  
65.11 this statute for a burning permit. New site applications must be submitted at least 90  
65.12 days before the date of the proposed operation of the permanent open burning site. The  
65.13 application must be submitted to the commissioner and must contain:

65.14 (1) the name, address, and telephone number of all owners of the site proposed for  
65.15 use as the permanent open burning site;

65.16 (2) if the operator for the proposed permanent open burning site is different from the  
65.17 owner, the name, address, and telephone number of the operator;

65.18 (3) a general description of the materials to be burned, including the source and  
65.19 estimated quantity, dimensions of the site and burn pile areas, hours and dates of operation,  
65.20 and provisions for smoke management; and

65.21 (4) a topographic or similarly detailed map of the site and surrounding area within  
65.22 a one mile circumference showing all structures that might be affected by the operation  
65.23 of the site.

65.24 Only trees, tree trimmings, or brush that cannot be disposed of by an alternative  
65.25 method such as chipping, composting, or other method shall be permitted to be burned  
65.26 at a permanent open burning site. A permanent tree and brush open burning site must  
65.27 be located and operated so as not to create a nuisance or endanger water quality. The  
65.28 commissioner shall revoke the permit or order actions to mitigate threats to public health,  
65.29 safety, and the environment in the event that permit conditions are violated.

65.30 Sec. 42. Minnesota Statutes 2008, section 88.79, subdivision 2, is amended to read:

65.31 Subd. 2. **Charge for service; receipts to special revenue fund.** Notwithstanding  
65.32 section 16A.1283, the commissioner of natural resources may ~~charge the owner,~~ by  
65.33 written order published in the State Register, establish fees the commissioner determines  
65.34 to be fair and reasonable that are charged to owners receiving such services such sums  
65.35 as the commissioner shall determine to be fair and reasonable under subdivision 1. The

66.1 charges must account for differences in the value of timber and other benefits. The receipts  
66.2 from ~~such~~ the services shall be credited to the special revenue fund and are annually  
66.3 appropriated to the commissioner for the purposes specified in subdivision 1.

66.4 Sec. 43. Minnesota Statutes 2008, section 89.17, is amended to read:

66.5 **89.17 LEASES AND PERMITS.**

66.6 Notwithstanding the permit procedures of chapter 90, the commissioner shall have  
66.7 power to grant and execute, in the name of the state, leases and permits for the use of  
66.8 any forest lands under the authority of the commissioner for any purpose which in the  
66.9 commissioner's opinion is not inconsistent with the maintenance and management of the  
66.10 forest lands, on forestry principles for timber production. Every such lease or permit shall  
66.11 be revocable at the discretion of the commissioner at any time subject to such conditions  
66.12 as may be agreed on in the lease. The approval of the commissioner of administration  
66.13 shall not be required upon any such lease or permit. No such lease or permit for a period  
66.14 exceeding ~~ten~~ 21 years shall be granted except with the approval of the Executive Council.

66.15 ~~Hunting of wild game is prohibited on any land which has been posted by the lessee~~  
66.16 ~~to prohibit hunting. Such prohibition shall apply to all persons including the lessee~~ Public  
66.17 access to the leased land for outdoor recreation shall be the same as access would be  
66.18 under state management.

66.19 Sec. 44. Minnesota Statutes 2008, section 90.041, is amended by adding a subdivision  
66.20 to read:

66.21 Subd. 9. **Reoffering unsold timber.** To maintain and enhance forest ecosystems on  
66.22 state forest lands, the commissioner may reoffer timber tracts remaining unsold under the  
66.23 provisions of section 90.101 below appraised value at public auction with the required  
66.24 30-day notice under section 90.101, subdivision 2.

66.25 Sec. 45. Minnesota Statutes 2008, section 90.121, is amended to read:

66.26 **90.121 INTERMEDIATE AUCTION SALES; MAXIMUM LOTS OF 3,000**  
66.27 **CORDS.**

66.28 (a) The commissioner may sell the timber on any tract of state land in lots not  
66.29 exceeding 3,000 cords in volume, in the same manner as timber sold at public auction  
66.30 under section 90.101, and related laws, subject to the following special exceptions and  
66.31 limitations:

66.32 (1) the commissioner shall offer all tracts authorized for sale by this section  
66.33 separately from the sale of tracts of state timber made pursuant to section 90.101;

67.1 (2) no bidder may be awarded more than 25 percent of the total tracts offered at the  
67.2 first round of bidding unless fewer than four tracts are offered, in which case not more  
67.3 than one tract shall be awarded to one bidder. Any tract not sold at public auction may be  
67.4 offered for private sale as authorized by section 90.101, subdivision 1, to persons eligible  
67.5 under this section at the appraised value; and

67.6 (3) no sale may be made to a person having more than ~~20~~ 30 employees. For the  
67.7 purposes of this clause, "employee" means an individual working in the timber or wood  
67.8 products industry for salary or wages on a full-time or part-time basis.

67.9 (b) The auction sale procedure set forth in this section constitutes an additional  
67.10 alternative timber sale procedure available to the commissioner and is not intended to  
67.11 replace other authority possessed by the commissioner to sell timber in lots of 3,000  
67.12 cords or less.

67.13 (c) Another bidder or the commissioner may request that the number of employees a  
67.14 bidder has pursuant to paragraph (a), clause (3), be confirmed if there is evidence that the  
67.15 bidder may be ineligible due to exceeding the employee threshold. The commissioner  
67.16 shall request information from the commissioners of labor and industry and employment  
67.17 and economic development including the premiums paid by the bidder in question  
67.18 for workers' compensation insurance coverage for all employees of the bidder. The  
67.19 commissioner shall review the information submitted by the commissioners of labor and  
67.20 industry and employment and economic development and make a determination based on  
67.21 that information as to whether the bidder is eligible. A bidder is considered eligible and  
67.22 may participate in intermediate auctions until determined ineligible under this paragraph.

67.23 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2006.

67.24 Sec. 46. Minnesota Statutes 2008, section 90.14, is amended to read:

67.25 **90.14 AUCTION SALE PROCEDURE.**

67.26 (a) All state timber shall be offered and sold by the same unit of measurement as it  
67.27 was appraised. No tract shall be sold to any person other than the purchaser in whose name  
67.28 the bid was made. The commissioner may refuse to approve any and all bids received and  
67.29 cancel a sale of state timber for good and sufficient reasons.

67.30 (b) The purchaser at any sale of timber shall, immediately upon the approval of the  
67.31 bid, or, if unsold at public auction, at the time of purchase at a subsequent sale under  
67.32 section 90.101, subdivision 1, pay to the commissioner a down payment of 15 percent  
67.33 of the appraised value. In case any purchaser fails to make such payment, the purchaser  
67.34 shall be liable therefor to the state in a civil action, and the commissioner may reoffer the

68.1 timber for sale as though no bid or sale under section 90.101, subdivision 1, therefor  
68.2 had been made.

68.3 (c) In lieu of the scaling of state timber required by this chapter, a purchaser of  
68.4 state timber may, at the time of payment by the purchaser to the commissioner of 15  
68.5 percent of the appraised value, elect in writing on a form prescribed by the attorney  
68.6 general to purchase a permit based solely on the appraiser's estimate of the volume of  
68.7 timber described in the permit, provided that the commissioner has expressly designated  
68.8 the availability of such option for that tract on the list of tracts available for sale as  
68.9 required under section 90.101. A purchaser who elects in writing on a form prescribed  
68.10 by the attorney general to purchase a permit based solely on the appraiser's estimate of  
68.11 the volume of timber described on the permit does not have recourse to the provisions  
68.12 of section 90.281.

68.13 (d) In the case of a public auction sale conducted by a sealed bid process, tracts shall  
68.14 be awarded to the high bidder, who shall pay to the commissioner a down payment of 15  
68.15 percent of the appraised value ~~within ten business days of receiving a written award~~  
68.16 notice that must be received or postmarked within 14 days of the date of the sealed bid  
68.17 opening. If a purchaser fails to make the down payment, the purchaser is liable for the  
68.18 down payment to the state and the commissioner may offer the timber for sale to the next  
68.19 highest bidder as though no higher bid had been made.

68.20 (e) Except as otherwise provided by law, at the time the purchaser signs a permit  
68.21 issued under section 90.151, the commissioner shall require the purchaser ~~shall~~ to make  
68.22 a bid guarantee payment to the commissioner in an amount equal to 15 percent of the  
68.23 total purchase price of the permit less the down payment amount required by paragraph  
68.24 (b) for any bid increase in excess of \$5,000 of the appraised value. If ~~the~~ a required bid  
68.25 guarantee payment is not submitted with the signed permit, no harvesting may occur, the  
68.26 permit cancels, and the down payment for timber forfeits to the state. The bid guarantee  
68.27 payment forfeits to the state if the purchaser and successors in interest fail to execute  
68.28 an effective permit.

68.29 Sec. 47. Minnesota Statutes 2008, section 97B.665, subdivision 2, is amended to read:

68.30 Subd. 2. **Petition to district court.** If a beaver dam causes a threat to personal  
68.31 safety or a serious threat to damage property, ~~and a person cannot obtain consent under~~  
68.32 ~~subdivision 1,~~ a person may petition the district court for relief. The court may order the  
68.33 commissioner owners of private property where beaver dams are located to take action  
68.34 to reduce the threat. A permit is not required for an action ordered by the court. The

69.1 action may include destruction or alteration of beaver dams and removal of beaver. This  
69.2 subdivision does not apply to state parks, state game refuges, and federal game refuges.

69.3 Sec. 48. **103A.212] WATERSHED MANAGEMENT POLICY.**

69.4 The quality of life of every Minnesotan depends on water. Minnesota's rivers, lakes,  
69.5 streams, wetlands, and groundwater provide a foundation for drinking water and the state's  
69.6 recreational, municipal, commercial, industrial, agricultural, environmental, aesthetic, and  
69.7 economic well-being. The legislature finds that it is in the public interest to manage  
69.8 groundwater and surface water resources from the perspective of aquifers, watersheds,  
69.9 and river basins to achieve protection, preservation, enhancement, and restoration of the  
69.10 state's valuable groundwater and surface water resources.

69.11 Sec. 49. Minnesota Statutes 2008, section 103A.305, is amended to read:

69.12 **103A.305 JURISDICTION.**

69.13 Sections 103A.301 to 103A.341 apply if the decision of an agency in a proceeding  
69.14 involves a question of water policy in one or more of the areas of water conservation, water  
69.15 pollution, preservation and management of wildlife, drainage, soil conservation, public  
69.16 recreation, forest management, and municipal planning under section 97A.135; 103A.411;  
69.17 103E.011; 103E.015; 103G.245; 103G.261; 103G.271; 103G.275; 103G.281; ~~103G.295;~~  
69.18 ~~subdivisions 1 and 2;~~ 103G.287; 103G.297 to 103G.311; 103G.315, subdivisions 1, 10,  
69.19 11, and 12; 103G.401; 103G.405; 103I.681, subdivision 1; 115.04; or 115.05.

69.20 Sec. 50. Minnesota Statutes 2008, section 103B.702, is amended by adding a  
69.21 subdivision to read:

69.22 Subd. 10. **Decisions; review and approval.** Decisions of the Star Lake Board  
69.23 regarding the criteria used to designate a lake or river as a "Minnesota Star Lake" or  
69.24 "Minnesota Star River," as well as a decision to award grants, are subject to the review  
69.25 and approval of the Board of Water and Soil Resources.

69.26 Sec. 51. Minnesota Statutes 2009 Supplement, section 103G.201, is amended to read:

69.27 **103G.201 PUBLIC WATERS INVENTORY.**

69.28 (a) The commissioner shall maintain a public waters inventory map of each county  
69.29 that shows the waters of this state that are designated as public waters under the public  
69.30 waters inventory and classification procedures prescribed under Laws 1979, chapter  
69.31 199, and shall provide access to a copy of the maps ~~and lists~~. As county public waters

70.1 inventory maps ~~and lists~~ are revised according to this section, the commissioner shall send  
70.2 a notification or a copy of the maps ~~and lists~~ to the auditor of each affected county.

70.3 (b) The commissioner is authorized to revise the ~~list~~ map of public waters established  
70.4 under Laws 1979, chapter 199, to reclassify those types 3, 4, and 5 wetlands previously  
70.5 identified as public waters wetlands under Laws 1979, chapter 199, as public waters or as  
70.6 wetlands under section 103G.005, subdivision 19. The commissioner may only reclassify  
70.7 public waters wetlands as public waters if:

70.8 (1) they are assigned a shoreland management classification by the commissioner  
70.9 under sections 103F.201 to 103F.221;

70.10 (2) they are classified as lacustrine wetlands or deepwater habitats according to  
70.11 Classification of Wetlands and Deepwater Habitats of the United States (Cowardin,  
70.12 et al., 1979 edition); or

70.13 (3) the state or federal government has become titleholder to any of the beds or  
70.14 shores of the public waters wetlands, subsequent to the preparation of the public waters  
70.15 inventory map filed with the auditor of the county, pursuant to paragraph (a), and the  
70.16 responsible state or federal agency declares that the water is necessary for the purposes  
70.17 of the public ownership.

70.18 (c) The commissioner must provide notice of the reclassification to the local  
70.19 government unit, the county board, the watershed district, if one exists for the area, and  
70.20 the soil and water conservation district. Within 60 days of receiving notice from the  
70.21 commissioner, a party required to receive the notice may provide a resolution stating  
70.22 objections to the reclassification. If the commissioner receives an objection from a party  
70.23 required to receive the notice, the reclassification is not effective. If the commissioner does  
70.24 not receive an objection from a party required to receive the notice, the reclassification  
70.25 of a wetland under paragraph (b) is effective 60 days after the notice is received by all  
70.26 of the parties.

70.27 (d) The commissioner shall give priority to the reclassification of public waters  
70.28 wetlands that are or have the potential to be affected by public works projects.

70.29 (e) The commissioner may revise the public waters inventory map ~~and list~~ of each  
70.30 county:

70.31 (1) to reflect the changes authorized in paragraph (b); and

70.32 (2) as needed, to:

70.33 (i) correct errors in the original inventory;

70.34 (ii) add or subtract trout stream tributaries within sections that contain a designated  
70.35 trout stream following written notice to the landowner;

71.1 (iii) add depleted quarries, and sand and gravel pits, when the body of water exceeds  
71.2 50 acres and the shoreland has been zoned for residential development; and

71.3 (iv) add or subtract public waters that have been created or eliminated as a  
71.4 requirement of a permit authorized by the commissioner under section 103G.245.

71.5 Sec. 52. Minnesota Statutes 2008, section 103G.271, subdivision 3, is amended to read:

71.6 Subd. 3. **Permit restriction during summer months.** The commissioner must not  
71.7 modify or restrict the amount of appropriation from a groundwater source authorized in a  
71.8 water use permit issued to irrigate agricultural land ~~under section 103G.295, subdivision~~  
71.9 ~~2,~~ between May 1 and October 1, unless the commissioner determines the authorized  
71.10 amount of appropriation endangers a domestic water supply.

71.11 Sec. 53. **[103G.282] MONITORING TO EVALUATE IMPACTS FROM**  
71.12 **APPROPRIATIONS.**

71.13 Subdivision 1. **Monitoring equipment.** The commissioner may require the  
71.14 installation and maintenance of monitoring equipment to evaluate water resource impacts  
71.15 from permitted appropriations and proposed projects that require a permit. Monitoring for  
71.16 water resources that supply more than one appropriator must be designed to minimize  
71.17 costs to individual appropriators.

71.18 Subd. 2. **Measuring devices required.** Monitoring installations required under  
71.19 subdivision 1 must be equipped with automated measuring devices to measure water  
71.20 levels, flows, or conditions. The commissioner may determine the frequency of  
71.21 measurements and other measuring methods based on the quantity of water appropriated  
71.22 or used, the source of water, potential connections to other water resources, the method  
71.23 of appropriating or using water, seasonal and long-term changes in water levels, and any  
71.24 other facts supplied to the commissioner.

71.25 Subd. 3. **Reports and costs.** (a) Records of water measurements under subdivision  
71.26 2 must be kept for each installation. The measurements must be reported annually to the  
71.27 commissioner on or before February 15 of the following year in a format or on forms  
71.28 prescribed by the commissioner.

71.29 (b) The owner or person in charge of an installation for appropriating or using  
71.30 waters of the state or a proposal that requires a permit is responsible for all costs related  
71.31 to establishing and maintaining monitoring installations and to measuring and reporting  
71.32 data. Monitoring costs for water resources that supply more than one appropriator may be  
71.33 distributed among all users within a monitoring area determined by the commissioner and  
71.34 assessed based on volumes of water appropriated and proximity to resources of concern.

72.1 Sec. 54. Minnesota Statutes 2008, section 103G.285, subdivision 5, is amended to read:

72.2 Subd. 5. **Trout streams.** Permits issued after June 3, 1977, to appropriate water  
72.3 from streams designated trout streams by the commissioner's orders under section ~~97C.021~~  
72.4 97C.005 must be limited to temporary appropriations.

72.5 Sec. 55. **[103G.287] GROUNDWATER APPROPRIATIONS.**

72.6 **Subdivision 1. Applications for groundwater appropriations.** (a) Groundwater  
72.7 use permit applications are not complete until the applicant has supplied:

72.8 (1) a water well record as required by section 103I.205, subdivision 9, information  
72.9 on the subsurface geologic formations penetrated by the well and the formation or aquifer  
72.10 that will serve as the water source, and geologic information from test holes drilled to  
72.11 locate the site of the production well;

72.12 (2) the maximum daily, seasonal, and annual pumpage rates and volumes being  
72.13 requested;

72.14 (3) information on groundwater quality in terms of the measures of quality  
72.15 commonly specified for the proposed water use and details on water treatment necessary  
72.16 for the proposed use;

72.17 (4) an inventory of existing wells within 1-1/2 miles of the proposed production well  
72.18 or within the area of influence, as determined by the commissioner. The inventory must  
72.19 include information on well locations, depths, geologic formations, depth of the pump or  
72.20 intake, pumping and nonpumping water levels, and details of well construction; and

72.21 (5) the results of an aquifer test completed according to specifications approved by  
72.22 the commissioner. The test must be conducted at the maximum pumping rate requested  
72.23 in the application and for a length of time adequate to assess or predict impacts to other  
72.24 wells and surface water and groundwater resources. The permit applicant is responsible  
72.25 for all costs related to the aquifer test, including the construction of groundwater and  
72.26 surface water monitoring installations, and water level readings before, during, and after  
72.27 the aquifer test.

72.28 (b) The commissioner may waive an application requirement in this subdivision  
72.29 if the information provided with the application is adequate to determine whether the  
72.30 proposed appropriation and use of water is sustainable and will protect ecosystems, water  
72.31 quality, and the ability of future generations to meet their own needs.

72.32 **Subd. 2. Relationship to surface water resources.** Groundwater appropriations  
72.33 that have potential impacts to surface waters are subject to applicable provisions in  
72.34 section 103G.285.

73.1           Subd. 3. **Protection of groundwater supplies.** The commissioner may establish  
73.2 water appropriation limits to protect groundwater resources. When establishing water  
73.3 appropriation limits to protect groundwater resources, the commissioner must consider  
73.4 the sustainability of the groundwater resource, including the current and projected water  
73.5 levels, water quality, whether the use protects ecosystems, and the ability of future  
73.6 generations to meet their own needs.

73.7           Subd. 4. **Groundwater management areas.** The commissioner may designate  
73.8 groundwater management areas and limit total annual water appropriations and uses within  
73.9 a designated area to ensure sustainable use of groundwater that protects ecosystems, water  
73.10 quality, and the ability of future generations to meet their own needs. Water appropriations  
73.11 and uses within a designated management area must be consistent with a plan approved by  
73.12 the commissioner that addresses water conservation requirements and water allocation  
73.13 priorities established in section 103G.261.

73.14           Subd. 5. **Interference with other wells.** The commissioner may issue water use  
73.15 permits for appropriation from groundwater only if the commissioner determines that the  
73.16 groundwater use is sustainable to supply the needs of future generations and the proposed  
73.17 use will not harm ecosystems, degrade water, or reduce water levels beyond the reach  
73.18 of public water supply and private domestic wells constructed according to Minnesota  
73.19 Rules, chapter 4725.

73.20           Sec. 56. Minnesota Statutes 2008, section 103G.301, subdivision 6, is amended to read:

73.21           Subd. 6. **Filing application.** ~~(a)~~ An application for a permit must be filed with the  
73.22 commissioner and if the proposed activity for which the permit is requested is within a  
73.23 municipality, or is within or affects a watershed district or a soil and water conservation  
73.24 district, a copy of the application with maps, plans, and specifications must be served on  
73.25 the mayor of the municipality, the secretary of the board of managers of the watershed  
73.26 district, and the secretary of the board of supervisors of the soil and water conservation  
73.27 district.

73.28           ~~(b) If the application is required to be served on a local governmental unit under~~  
73.29 ~~this subdivision, proof of service must be included with the application and filed with~~  
73.30 ~~the commissioner.~~

73.31           Sec. 57. Minnesota Statutes 2008, section 103G.305, subdivision 2, is amended to read:

73.32           Subd. 2. **Exception.** The requirements of subdivision 1 do not apply to applications  
73.33 for a water use permit for:

73.34           ~~(1) appropriations from waters of the state for irrigation, under section 103G.295;~~

74.1           ~~(2)~~ appropriations for diversion from the basin of origin of more than 2,000,000  
74.2 gallons per day average in a 30-day period; or  
74.3           ~~(3)~~ (2) appropriations with a consumptive use of more than 2,000,000 gallons per  
74.4 day average for a 30-day period.

74.5           Sec. 58. Minnesota Statutes 2008, section 103G.315, subdivision 11, is amended to  
74.6 read:

74.7           Subd. 11. **Limitations on permits.** (a) Except as otherwise expressly provided by  
74.8 law, a permit issued by the commissioner under this chapter is subject to:

74.9           (1) cancellation by the commissioner at any time if necessary to protect the public  
74.10 interests;

74.11           (2) further conditions on the term of the permit or its cancellation as the  
74.12 commissioner may prescribe and amend and reissue the permit; and

74.13           (3) applicable law existing before or after the issuance of the permit.

74.14           (b) Permits issued to irrigate agricultural land ~~under section 103G.295, or considered~~  
74.15 ~~issued~~, are subject to this subdivision and are subject to cancellation by the commissioner  
74.16 upon the recommendation of the supervisors of the soil and water conservation district  
74.17 where the land to be irrigated is located.

74.18           Sec. 59. Minnesota Statutes 2008, section 103G.515, subdivision 5, is amended to read:

74.19           Subd. 5. **Removal of hazardous dams.** Notwithstanding any provision of  
74.20 this section or of section 103G.511 relating to cost sharing or apportionment, the  
74.21 commissioner, within the limits of legislative appropriation, may assume or pay the entire  
74.22 cost of removal of a privately or publicly owned dam upon determining removal provides  
74.23 the lowest cost solution and:

74.24           (1) that continued existence of the structure presents a significant public safety  
74.25 hazard, or prevents restoration of an important fisheries resource; ~~or~~

74.26           (2) that public or private property is being damaged due to partial failure of the  
74.27 structure, ~~and that an attempt to assess costs of removal against the private or public~~  
74.28 ~~owner would be of no avail.~~

74.29           Sec. 60. Minnesota Statutes 2008, section 103G.615, subdivision 2, is amended to read:

74.30           Subd. 2. **Fees.** (a) The commissioner shall establish a fee schedule for permits to  
74.31 control or harvest aquatic plants other than wild rice. The fees must be set by rule, and  
74.32 section 16A.1283 does not apply, but the rule must not take effect until 45 legislative  
74.33 days after it has been reported to the legislature. The fees shall be based upon the cost

75.1 of receiving, processing, analyzing, and issuing the permit, and additional costs incurred  
75.2 after the application to inspect and monitor the activities authorized by the permit, and  
75.3 enforce aquatic plant management rules and permit requirements.

75.4 (b) A fee for a permit for the control of rooted aquatic vegetation for each contiguous  
75.5 parcel of shoreline owned by an owner may be charged. This fee may not be charged for  
75.6 permits issued in connection with purple loosestrife control or lakewide Eurasian water  
75.7 milfoil control programs.

75.8 (c) A fee may not be charged to the state or a federal governmental agency applying  
75.9 for a permit.

75.10 (d) A fee for a permit for the control of rooted aquatic vegetation in a public  
75.11 water basin that is 20 acres or less in size shall be one-half of the fee established under  
75.12 paragraph (a).

75.13 (e) The money received for the permits under this subdivision shall be deposited in  
75.14 the treasury and credited to the water recreation account.

75.15 **EFFECTIVE DATE.** This section is effective August 1, 2010.

75.16 Sec. 61. **[103G.651] REMOVING SUNKEN LOGS FROM PUBLIC WATERS.**

75.17 The commissioner of natural resources must not issue leases to remove sunken logs  
75.18 or issue permits for the removal of sunken logs from public waters.

75.19 Sec. 62. Minnesota Statutes 2008, section 115.55, is amended by adding a subdivision  
75.20 to read:

75.21 **Subd. 13. Subsurface sewage treatment systems implementation and**  
75.22 **enforcement task force.** (a) By September 1, 2010, the agency shall appoint a subsurface  
75.23 sewage treatment systems implementation and enforcement task force in collaboration  
75.24 with the Association of Minnesota Counties, Minnesota Association of Realtors,  
75.25 Minnesota Association of County Planning and Zoning Administrators, and the Minnesota  
75.26 Onsite Wastewater Association. The agency shall work in collaboration with the task  
75.27 force to develop effective and timely implementation and enforcement methods in order to  
75.28 rapidly reduce the number of subsurface sewage treatment systems that are an imminent  
75.29 threat to public health or safety and effectively enforce all violations of the subsurface  
75.30 sewage treatment system rules. The agency shall meet at least three times per year with  
75.31 the task force to address implementation and enforcement issues. The meetings shall be  
75.32 scheduled so that they do not interfere with the construction season.

75.33 (b) The agency, in collaboration with the task force and in consultation with the  
75.34 attorney general, county attorneys, and county planning and zoning staff, shall develop,

76.1 periodically update, and provide to counties enforcement protocols and a checklist that  
76.2 county inspectors, field staff, and others may use when inspecting subsurface sewage  
76.3 treatment systems and enforcing subsurface sewage treatment system rules.

76.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

76.5 Sec. 63. Minnesota Statutes 2008, section 116.07, subdivision 4, is amended to read:

76.6 Subd. 4. **Rules and standards.** (a) Pursuant and subject to the provisions of chapter  
76.7 14, and the provisions hereof, the Pollution Control Agency may adopt, amend and rescind  
76.8 rules and standards having the force of law relating to any purpose within the provisions  
76.9 of Laws 1967, chapter 882, for the prevention, abatement, or control of air pollution.

76.10 Any such rule or standard may be of general application throughout the state, or may be  
76.11 limited as to times, places, circumstances, or conditions in order to make due allowance  
76.12 for variations therein. Without limitation, rules or standards may relate to sources or  
76.13 emissions of air contamination or air pollution, to the quality or composition of such  
76.14 emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or  
76.15 to any other matter relevant to the prevention, abatement, or control of air pollution.

76.16 (b) Pursuant and subject to the provisions of chapter 14, and the provisions hereof,  
76.17 the Pollution Control Agency may adopt, amend, and rescind rules and standards having  
76.18 the force of law relating to any purpose within the provisions of Laws 1969, chapter  
76.19 1046, for the collection, transportation, storage, processing, and disposal of solid waste  
76.20 and the prevention, abatement, or control of water, air, and land pollution which may be  
76.21 related thereto, and the deposit in or on land of any other material that may tend to cause  
76.22 pollution. The agency shall adopt such rules and standards for sewage sludge, addressing  
76.23 the intrinsic suitability of land, the volume and rate of application of sewage sludge of  
76.24 various degrees of intrinsic hazard, design of facilities, and operation of facilities and sites.  
76.25 Any such rule or standard may be of general application throughout the state or may be  
76.26 limited as to times, places, circumstances, or conditions in order to make due allowance  
76.27 for variations therein. Without limitation, rules or standards may relate to collection,  
76.28 transportation, processing, disposal, equipment, location, procedures, methods, systems  
76.29 or techniques or to any other matter relevant to the prevention, abatement or control of  
76.30 water, air, and land pollution which may be advised through the control of collection,  
76.31 transportation, processing, and disposal of solid waste and sewage sludge, and the deposit  
76.32 in or on land of any other material that may tend to cause pollution. By January 1, 1983,  
76.33 the rules for the management of sewage sludge shall include an analysis of the sewage  
76.34 sludge determined by the commissioner of agriculture to be necessary to meet the soil  
76.35 amendment labeling requirements of section 18C.215.

77.1           (c) The rules for the disposal of solid waste shall include site-specific criteria to  
77.2 prohibit solid waste disposal based on the area's sensitivity to groundwater contamination,  
77.3 including site-specific testing. The rules shall provide criteria for locating landfills  
77.4 based on a site's sensitivity to groundwater contamination. Sensitivity to groundwater  
77.5 contamination is based on the predicted minimum time of travel of groundwater  
77.6 contaminants from the solid waste to the compliance boundary. The rules shall prohibit  
77.7 landfills in areas where karst is likely to develop. The rules shall specify testable or  
77.8 otherwise objective thresholds for these criteria. The rules shall also include modifications  
77.9 to financial assurance requirements under subdivision 4h that ensure the state is protected  
77.10 from financial responsibility for future groundwater contamination. The modifications to  
77.11 the financial assurance rules specified in this paragraph must require that a solid waste  
77.12 disposal facility subject to them maintain financial assurance so long as the facility poses a  
77.13 potential environmental risk to human health, wildlife, or the environment, as determined  
77.14 by the agency following an empirical assessment. The financial assurance and siting  
77.15 modifications to the rules specified in this paragraph do not apply to:

77.16           (1) solid waste facilities initially permitted before January 1, 2011, including future  
77.17 contiguous expansions and noncontiguous expansions within 600 yards of a permitted  
77.18 boundary;

77.19           (2) solid waste disposal facilities that accept only construction and demolition debris  
77.20 and incidental nonrecyclable packaging, and facilities that accept only industrial waste  
77.21 that is limited to wood, concrete, porcelain fixtures, shingles, or window glass resulting  
77.22 from the manufacture of construction materials; and

77.23           (3) requirements for permit by rule solid waste disposal facilities.

77.24           (d) Until the rules are modified as provided in paragraph (c) to include site-specific  
77.25 criteria to prohibit areas from solid waste disposal due to groundwater contamination  
77.26 sensitivity, as required under this section, the agency shall not issue a permit for a new  
77.27 solid waste disposal facility, except for:

77.28           (1) the reissuance of a permit for a land disposal facility operating as of March  
77.29 1, 2008;

77.30           (2) a permit to expand a land disposal facility operating as of March 1, 2008, beyond  
77.31 its permitted boundaries, including expansion on land that is not contiguous to, but is  
77.32 located within 600 yards of, the land disposal facility's permitted boundaries;

77.33           (3) a permit to modify the type of waste accepted at a land disposal facility operating  
77.34 as of March 1, 2008;

77.35           (4) a permit to locate a disposal facility that accepts only construction debris as  
77.36 defined in section 115A.03, subdivision 7;

78.1 (5) a permit to locate a disposal facility that:

78.2 (i) accepts boiler ash from an electric energy power plant that has wet scrubbed units  
78.3 or has units that have been converted from wet scrubbed units to dry scrubbed units as  
78.4 those terms are defined in section 216B.68;

78.5 (ii) is on land that was owned on May 1, 2008, by the utility operating the electric  
78.6 energy power plant; and

78.7 (iii) is located within three miles of the existing ash disposal facility for the power  
78.8 plant; or

78.9 (6) a permit to locate a new solid waste disposal facility for ferrous metallic minerals  
78.10 regulated under Minnesota Rules, chapter 6130, or for nonferrous metallic minerals  
78.11 regulated under Minnesota Rules, chapter 6132.

78.12 (e) Pursuant and subject to the provisions of chapter 14, and the provisions hereof,  
78.13 the Pollution Control Agency may adopt, amend and rescind rules and standards having  
78.14 the force of law relating to any purpose within the provisions of Laws 1971, chapter 727,  
78.15 for the prevention, abatement, or control of noise pollution. Any such rule or standard  
78.16 may be of general application throughout the state, or may be limited as to times, places,  
78.17 circumstances or conditions in order to make due allowances for variations therein.

78.18 Without limitation, rules or standards may relate to sources or emissions of noise or noise  
78.19 pollution, to the quality or composition of noises in the natural environment, or to any  
78.20 other matter relevant to the prevention, abatement, or control of noise pollution.

78.21 (f) As to any matters subject to this chapter, local units of government may set  
78.22 emission regulations with respect to stationary sources which are more stringent than  
78.23 those set by the Pollution Control Agency.

78.24 (g) Pursuant to chapter 14, the Pollution Control Agency may adopt, amend,  
78.25 and rescind rules and standards having the force of law relating to any purpose within  
78.26 the provisions of this chapter for generators of hazardous waste, the management,  
78.27 identification, labeling, classification, storage, collection, treatment, transportation,  
78.28 processing, and disposal of hazardous waste and the location of hazardous waste facilities.

78.29 A rule or standard may be of general application throughout the state or may be limited  
78.30 as to time, places, circumstances, or conditions. In implementing its hazardous waste  
78.31 rules, the Pollution Control Agency shall give high priority to providing planning and  
78.32 technical assistance to hazardous waste generators. The agency shall assist generators in  
78.33 investigating the availability and feasibility of both interim and long-term hazardous waste  
78.34 management methods. The methods shall include waste reduction, waste separation,  
78.35 waste processing, resource recovery, and temporary storage.

79.1            (h) The Pollution Control Agency shall give highest priority in the consideration  
79.2 of permits to authorize disposal of diseased shade trees by open burning at designated  
79.3 sites to evidence concerning economic costs of transportation and disposal of diseased  
79.4 shade trees by alternative methods.

79.5            **EFFECTIVE DATE.** This section is effective the day following final enactment.

79.6            Sec. 64. Minnesota Statutes 2008, section 116.07, subdivision 4h, is amended to read:

79.7            Subd. 4h. **Financial responsibility rules.** (a) The agency shall adopt rules requiring  
79.8 the operator or owner of a solid waste disposal facility to submit to the agency proof  
79.9 of the operator's or owner's financial capability to provide reasonable and necessary  
79.10 response during the operating life of the facility and for 30 years after closure for a mixed  
79.11 municipal solid waste disposal facility or for a minimum of 20 years after closure, as  
79.12 determined by agency rules, for any other solid waste disposal facility, and to provide for  
79.13 the closure of the facility and postclosure care required under agency rules. Proof of  
79.14 financial responsibility is required of the operator or owner of a facility receiving an  
79.15 original permit or a permit for expansion after adoption of the rules. Within 180 days of  
79.16 the effective date of the rules or by July 1, 1987, whichever is later, proof of financial  
79.17 responsibility is required of an operator or owner of a facility with a remaining capacity of  
79.18 more than five years or 500,000 cubic yards that is in operation at the time the rules are  
79.19 adopted. Compliance with the rules and the requirements of paragraph (b) is a condition  
79.20 of obtaining or retaining a permit to operate the facility.

79.21            (b) A municipality, as defined in section 475.51, subdivision 2, including a sanitary  
79.22 district, that owns or operates a solid waste disposal facility that was in operation on May  
79.23 15, 1989, may meet its financial responsibility for all or a portion of the contingency  
79.24 action portion of the reasonable and necessary response costs at the facility by pledging its  
79.25 full faith and credit to meet its responsibility.

79.26            The pledge must be made in accordance with the requirements in chapter 475 for  
79.27 issuing bonds of the municipality, and the following additional requirements:

79.28            (1) The governing body of the municipality shall enact an ordinance that clearly  
79.29 accepts responsibility for the costs of contingency action at the facility and that reserves,  
79.30 during the operating life of the facility and for the time period required in paragraph (a)  
79.31 after closure, a portion of the debt limit of the municipality, as established under section  
79.32 475.53 or other law, that is equal to the total contingency action costs.

79.33            (2) The municipality shall require that all collectors that haul to the facility  
79.34 implement a plan for reducing solid waste by using volume-based pricing, recycling  
79.35 incentives, or other means.

80.1 (3) When a municipality opts to meet a portion of its financial responsibility by  
80.2 relying on its authority to issue bonds, it shall also begin setting aside in a dedicated  
80.3 long-term care trust fund money that will cover a portion of the potential contingency  
80.4 action costs at the facility, the amount to be determined by the agency for each facility  
80.5 based on at least the amount of waste deposited in the disposal facility each year, and the  
80.6 likelihood and potential timing of conditions arising at the facility that will necessitate  
80.7 response action. The agency may not require a municipality to set aside more than five  
80.8 percent of the total cost in a single year.

80.9 (4) A municipality shall have and consistently maintain an investment grade bond  
80.10 rating as a condition of using bonding authority to meet financial responsibility under  
80.11 this section.

80.12 (5) The municipality shall file with the commissioner of revenue its consent to have  
80.13 the amount of its contingency action costs deducted from state aid payments otherwise  
80.14 due the municipality and paid instead to the remediation fund created in section 116.155,  
80.15 if the municipality fails to conduct the contingency action at the facility when ordered  
80.16 by the agency. If the agency notifies the commissioner that the municipality has failed to  
80.17 conduct contingency action when ordered by the agency, the commissioner shall deduct  
80.18 the amounts indicated by the agency from the state aids in accordance with the consent  
80.19 filed with the commissioner.

80.20 (6) The municipality shall file with the agency written proof that it has complied  
80.21 with the requirements of paragraph (b).

80.22 (c) The method for proving financial responsibility under paragraph (b) may not be  
80.23 applied to a new solid waste disposal facility or to expansion of an existing facility, unless  
80.24 the expansion is a vertical expansion. Vertical expansions of qualifying existing facilities  
80.25 cannot be permitted for a duration of longer than three years.

80.26 (d) The commissioner shall consult with the commissioner of management and  
80.27 budget for guidance on the forms of financial assurance that are acceptable for private  
80.28 owners and public owners, and in carrying out a periodic review of the adequacy of  
80.29 financial assurance for solid waste disposal facilities. Financial assurance rules shall  
80.30 allow financial mechanisms to public owners of solid waste disposal facilities that are  
80.31 appropriate to their status as subdivisions of the state.

80.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

80.33 Sec. 65. Minnesota Statutes 2008, section 116D.04, subdivision 2a, is amended to read:

80.34 Subd. 2a. **When prepared.** Where there is potential for significant environmental  
80.35 effects resulting from any major governmental action, the action shall be preceded by a

81.1 detailed environmental impact statement prepared by the responsible governmental unit.  
81.2 The environmental impact statement shall be an analytical rather than an encyclopedic  
81.3 document which describes the proposed action in detail, analyzes its significant  
81.4 environmental impacts, discusses appropriate alternatives to the proposed action and  
81.5 their impacts, and explores methods by which adverse environmental impacts of an  
81.6 action could be mitigated. The environmental impact statement shall also analyze those  
81.7 economic, employment and sociological effects that cannot be avoided should the action  
81.8 be implemented. To ensure its use in the decision-making process, the environmental  
81.9 impact statement shall be prepared as early as practical in the formulation of an action.  
81.10 No mandatory environmental impact statement may be required for an ethanol plant,  
81.11 as defined in section 41A.09, subdivision 2a, paragraph (b), that produces less than  
81.12 125,000,000 gallons of ethanol annually and is located outside of the seven-county  
81.13 metropolitan area.

81.14 (a) The board shall by rule establish categories of actions for which environmental  
81.15 impact statements and for which environmental assessment worksheets shall be prepared  
81.16 as well as categories of actions for which no environmental review is required under  
81.17 this section.

81.18 (b) The responsible governmental unit shall promptly publish notice of the  
81.19 completion of an environmental assessment worksheet in a manner to be determined by  
81.20 the board and shall provide copies of the environmental assessment worksheet to the board  
81.21 and its member agencies. Comments on the need for an environmental impact statement  
81.22 may be submitted to the responsible governmental unit during a 30 day period following  
81.23 publication of the notice that an environmental assessment worksheet has been completed.  
81.24 The responsible governmental unit's decision on the need for an environmental impact  
81.25 statement shall be based on the environmental assessment worksheet and the comments  
81.26 received during the comment period, and shall be made within 15 days after the close of  
81.27 the comment period. The board's chair may extend the 15 day period by not more than 15  
81.28 additional days upon the request of the responsible governmental unit.

81.29 (c) An environmental assessment worksheet shall also be prepared for a proposed  
81.30 action whenever material evidence accompanying a petition by not less than 25  
81.31 individuals, submitted before the proposed project has received final approval by the  
81.32 appropriate governmental units, demonstrates that, because of the nature or location of a  
81.33 proposed action, there may be potential for significant environmental effects. Petitions  
81.34 requesting the preparation of an environmental assessment worksheet shall be submitted to  
81.35 the board. The chair of the board shall determine the appropriate responsible governmental  
81.36 unit and forward the petition to it. A decision on the need for an environmental assessment

82.1 worksheet shall be made by the responsible governmental unit within 15 days after the  
82.2 petition is received by the responsible governmental unit. The board's chair may extend  
82.3 the 15 day period by not more than 15 additional days upon request of the responsible  
82.4 governmental unit.

82.5 (d) Except in an environmentally sensitive location where Minnesota Rules, part  
82.6 4410.4300, subpart 29, item B, applies, the proposed action is exempt from environmental  
82.7 review under this chapter and rules of the board, if:

82.8 (1) the proposed action is:

82.9 (i) an animal feedlot facility with a capacity of less than 1,000 animal units; or

82.10 (ii) an expansion of an existing animal feedlot facility with a total cumulative  
82.11 capacity of less than 1,000 animal units;

82.12 (2) the application for the animal feedlot facility includes a written commitment by  
82.13 the proposer to design, construct, and operate the facility in full compliance with Pollution  
82.14 Control Agency feedlot rules; and

82.15 (3) the county board holds a public meeting for citizen input at least ten business  
82.16 days prior to the Pollution Control Agency or county issuing a feedlot permit for the  
82.17 animal feedlot facility unless another public meeting for citizen input has been held with  
82.18 regard to the feedlot facility to be permitted. The exemption in this paragraph is in  
82.19 addition to other exemptions provided under other law and rules of the board.

82.20 (e) The board may, prior to final approval of a proposed project, require preparation  
82.21 of an environmental assessment worksheet by a responsible governmental unit selected  
82.22 by the board for any action where environmental review under this section has not been  
82.23 specifically provided for by rule or otherwise initiated.

82.24 (f) An early and open process shall be utilized to limit the scope of the environmental  
82.25 impact statement to a discussion of those impacts, which, because of the nature or location  
82.26 of the project, have the potential for significant environmental effects. The same process  
82.27 shall be utilized to determine the form, content and level of detail of the statement as well  
82.28 as the alternatives which are appropriate for consideration in the statement. In addition,  
82.29 the permits which will be required for the proposed action shall be identified during the  
82.30 scoping process. Further, the process shall identify those permits for which information  
82.31 will be developed concurrently with the environmental impact statement. The board  
82.32 shall provide in its rules for the expeditious completion of the scoping process. The  
82.33 determinations reached in the process shall be incorporated into the order requiring the  
82.34 preparation of an environmental impact statement.

82.35 (g) The responsible governmental unit shall, to the extent practicable, avoid  
82.36 duplication and ensure coordination between state and federal environmental review

83.1 and between environmental review and environmental permitting. Whenever practical,  
83.2 information needed by a governmental unit for making final decisions on permits or  
83.3 other actions required for a proposed project shall be developed in conjunction with the  
83.4 preparation of an environmental impact statement.

83.5 (h) An environmental impact statement shall be prepared and its adequacy  
83.6 determined within 280 days after notice of its preparation unless the time is extended by  
83.7 consent of the parties or by the governor for good cause. The responsible governmental  
83.8 unit shall determine the adequacy of an environmental impact statement, unless within 60  
83.9 days after notice is published that an environmental impact statement will be prepared,  
83.10 the board chooses to determine the adequacy of an environmental impact statement. If an  
83.11 environmental impact statement is found to be inadequate, the responsible governmental  
83.12 unit shall have 60 days to prepare an adequate environmental impact statement.

83.13 Sec. 66. Minnesota Statutes 2008, section 116D.04, is amended by adding a  
83.14 subdivision to read:

83.15 Subd. 14. Customized environmental assessment worksheet forms; electronic  
83.16 submission. (a) The commissioners of natural resources and the Pollution Control  
83.17 Agency and the board shall periodically review mandatory environmental assessment  
83.18 worksheet categories under rules adopted under this section, and other project types that  
83.19 are frequently subject to environmental review, and develop customized environmental  
83.20 assessment worksheet forms for the category or project type. The forms must include  
83.21 specific questions that focus on key environmental issues for the category or project type.  
83.22 In assessing categories and project types and developing forms, the board shall seek  
83.23 the input of governmental units that are frequently responsible for the preparation of a  
83.24 worksheet for the particular category or project type. The commissioners and the board  
83.25 shall also seek input from the general public on the development of customized forms.  
83.26 The commissioners and board shall make the customized forms available online.

83.27 (b) The commissioners of natural resources and the Pollution Control Agency shall  
83.28 allow for the electronic submission of environmental assessment worksheets and permits.

83.29 Sec. 67. Minnesota Statutes 2008, section 290.431, is amended to read:

83.30 **290.431 NONGAME WILDLIFE CHECKOFF.**

83.31 Every individual who files an income tax return or property tax refund claim form  
83.32 may designate on their original return that \$1 or more shall be added to the tax or deducted  
83.33 from the refund that would otherwise be payable by or to that individual and paid into an  
83.34 account to be established for the management of nongame wildlife. The commissioner

84.1 of revenue shall, on the income tax return and the property tax refund claim form, notify  
84.2 filers of their right to designate that a portion of their tax or refund shall be paid into  
84.3 the nongame wildlife management account. The sum of the amounts so designated to  
84.4 be paid shall be credited to the nongame wildlife management account for use by the  
84.5 nongame program ~~of the section of wildlife~~ in the Department of Natural Resources. All  
84.6 interest earned on money accrued, gifts to the program, contributions to the program, and  
84.7 reimbursements of expenditures in the nongame wildlife management account shall be  
84.8 credited to the account by the commissioner of management and budget, except that  
84.9 gifts or contributions received directly by the commissioner of natural resources and  
84.10 directed by the contributor for use in specific nongame field projects or geographic  
84.11 areas shall be handled according to section 84.085, subdivision 1. The commissioner  
84.12 of natural resources shall submit a work program for each fiscal year and semiannual  
84.13 progress reports to the Legislative-Citizen Commission on Minnesota Resources in the  
84.14 form determined by the commission. ~~None of the money provided in this section may be  
84.15 expended unless the commission has approved the work program.~~

84.16 The state pledges and agrees with all contributors to the nongame wildlife  
84.17 management account to use the funds contributed solely for the management of nongame  
84.18 wildlife projects and further agrees that it will not impose additional conditions or  
84.19 restrictions that will limit or otherwise restrict the ability of the commissioner of natural  
84.20 resources to use the available funds for the most efficient and effective management of  
84.21 nongame wildlife. The commissioner may use funds appropriated for nongame wildlife  
84.22 programs for the purpose of developing, preserving, restoring, and maintaining wintering  
84.23 habitat for neotropical migrant birds in Latin America and the Caribbean under agreement  
84.24 or contract with any nonprofit organization dedicated to the construction, maintenance, and  
84.25 repair of such projects that are acceptable to the governmental agency having jurisdiction  
84.26 over the land and water affected by the projects. Under this authority, the commissioner  
84.27 may execute agreements and contracts if the commissioner determines that the use of the  
84.28 funds will benefit neotropical migrant birds that breed in or migrate through the state.

84.29 Sec. 68. Minnesota Statutes 2008, section 290.432, is amended to read:

84.30 **290.432 CORPORATE NONGAME WILDLIFE CHECKOFF.**

84.31 A corporation that files an income tax return may designate on its original return that  
84.32 \$1 or more shall be added to the tax or deducted from the refund that would otherwise be  
84.33 payable by or to that corporation and paid into the nongame wildlife management account  
84.34 established by section 290.431 for use by ~~the section of wildlife~~ in the Department of  
84.35 Natural Resources for its nongame wildlife program. The commissioner of revenue shall,

85.1 on the corporate tax return, notify filers of their right to designate that a portion of their  
85.2 tax return be paid into the nongame wildlife management account for the protection of  
85.3 endangered natural resources. All interest earned on money accrued, gifts to the program,  
85.4 contributions to the program, and reimbursements of expenditures in the nongame wildlife  
85.5 management account shall be credited to the account by the commissioner of management  
85.6 and budget, except that gifts or contributions received directly by the commissioner of  
85.7 natural resources and directed by the contributor for use in specific nongame field projects  
85.8 or geographic areas shall be handled according to section 84.085, subdivision 1. The  
85.9 commissioner of natural resources shall submit a work program for each fiscal year to  
85.10 the Legislative-Citizen Commission on Minnesota Resources in the form determined by  
85.11 the commission. ~~None of the money provided in this section may be spent unless the~~  
85.12 ~~commission has approved the work program.~~

85.13 The state pledges and agrees with all corporate contributors to the nongame wildlife  
85.14 account to use the funds contributed solely for the nongame wildlife program and further  
85.15 agrees that it will not impose additional conditions or restrictions that will limit or  
85.16 otherwise restrict the ability of the commissioner of natural resources to use the available  
85.17 funds for the most efficient and effective management of those programs.

85.18 Sec. 69. Laws 2010, chapter 215, article 3, section 4, subdivision 10, is amended to  
85.19 read:

85.20 Subd. 10. **Transfers In**

85.21 (a) By June 30, 2010, the commissioner of  
85.22 management and budget shall transfer any  
85.23 remaining balance, estimated to be \$98,000,  
85.24 from the stream protection and improvement  
85.25 fund under Minnesota Statutes, section  
85.26 103G.705, to the general fund. Beginning  
85.27 in fiscal year 2011, all repayment of loans  
85.28 made and administrative fees assessed under  
85.29 Minnesota Statutes, section 103G.705,  
85.30 estimated to be \$195,000 in 2011, must be  
85.31 transferred to the general fund.

85.32 (b) The balance of surcharges on criminal and  
85.33 traffic offenders, estimated to be \$900,000,  
85.34 and credited to the game and fish fund

86.1 under Minnesota Statutes, section 357.021,  
86.2 subdivision 7, and collected before June 30,  
86.3 2010, must be transferred to the general fund.

86.4 (c) The appropriation in Laws 2007, First  
86.5 Special Session chapter 2, article 1, section  
86.6 8, transferred to the appropriation in Laws  
86.7 2007, First Special Session chapter 2, article  
86.8 1, section 5, for cost-share flood programs  
86.9 in southeastern Minnesota, is reduced by  
86.10 \$335,000 and that amount is canceled to the  
86.11 general fund.

86.12 (d) Before June 30, 2011, the commissioner  
86.13 of management and budget shall transfer  
86.14 \$1,000,000 from the fleet management  
86.15 account in the special revenue fund  
86.16 established under Minnesota Statutes, section  
86.17 84.0856, to the general fund.

86.18 Sec. 70. **SCHOOL TRUST LANDS STUDY.**

86.19 (a) By July 15, 2010, the commissioner of natural resources shall provide to  
86.20 the chairs of the house of representatives and the senate committees and divisions  
86.21 with primary jurisdiction over natural resources finance and education finance and the  
86.22 Permanent School Fund Advisory Committee information necessary to evaluate the  
86.23 effectiveness of the commissioner in managing school trust lands to successfully meet the  
86.24 goals contained in Minnesota Statutes, section 127A.31. The information to be provided  
86.25 shall include, but is not limited to:

86.26 (1) an accurate description of the school trust lands and their land classification;  
86.27 (2) policies and procedures in place designed to meet the requirements of the  
86.28 fiduciary responsibility of the commissioner in management of the school trust lands; and  
86.29 (3) financial information identifying the current revenues from the land  
86.30 classifications and the potential for future maximization of those revenues.

86.31 (b) By January 15, 2011, the commissioner of natural resources shall provide an  
86.32 analysis to the chairs of the house of representatives and senate committees and divisions  
86.33 with primary jurisdiction over natural resources finance and education finance and the  
86.34 Permanent School Fund Advisory Committee on the advantages and disadvantages of

87.1 having a funding mechanism for compensating the permanent school fund for private and  
87.2 public use of school trust lands.

87.3 Sec. 71. **COON RAPIDS DAM COMMISSION.**

87.4 Subdivision 1. Establishment. (a) The Coon Rapids Dam Commission is  
87.5 established to perform the duties specified in subdivision 2.

87.6 (b) The commission consists of 15 voting members and three nonvoting members  
87.7 as follows:

87.8 (1) two members of the house of representatives, appointed by the speaker of the  
87.9 house, with one member from the minority caucus;

87.10 (2) two members of the senate appointed by the Subcommittee on Committees of the  
87.11 Committee on Rules and Administration, with one member from the minority caucus;

87.12 (3) the commissioner of natural resources or the commissioner's designee;

87.13 (4) the commissioner of energy or the commissioner's designee;

87.14 (5) two representatives of Three Rivers Park District, appointed by the Three Rivers  
87.15 Park District Board of Commissioners;

87.16 (6) one representative each from the counties of Anoka and Hennepin, appointed  
87.17 by the respective county boards;

87.18 (7) one representative each from the cities of Anoka, Brooklyn Park, Champlin, and  
87.19 Coon Rapids, appointed by the respective mayors;

87.20 (8) one representative from the Metropolitan Council, appointed by the council chair;

87.21 (9) one representative of the Mississippi National River and Recreation Area,  
87.22 appointed by the superintendent of the Mississippi National River and Recreation Area,  
87.23 who shall serve as a nonvoting member;

87.24 (10) one representative of the United States Army Corps of Engineers, appointed  
87.25 by the commander of the St. Paul District, United States Army Corps of Engineers, who  
87.26 shall serve as a nonvoting member; and

87.27 (11) one representative from the United States Fish and Wildlife Service, appointed  
87.28 by the regional director of the United States Fish and Wildlife Service, who shall serve  
87.29 as a nonvoting member.

87.30 (c) The commission shall elect a chair from among its members.

87.31 (d) Members of the commission shall serve a term of one year and may be  
87.32 reappointed for any successive number of terms.

87.33 (e) The Three Rivers Park District shall provide the commission with office space  
87.34 and staff and administrative services.

87.35 (f) Commission members shall serve without compensation.

88.1 Subd. 2. **Duties.** The commission shall study options and make recommendations  
88.2 for the future of the Coon Rapids Dam, including its suitable public uses, governance,  
88.3 operation, and maintenance and financing of the dam and its operations. The commission  
88.4 shall consider economic, environmental, ecological, and other pertinent factors. The  
88.5 commission shall, by March 1, 2011, develop and present to the legislature and the  
88.6 governor an analysis and recommendations for the Coon Rapids Dam. The commission  
88.7 shall present its findings to the house of representatives and senate committees and  
88.8 divisions having jurisdiction over natural resources and energy policy.

88.9 Subd. 3. **Expiration.** This section expires upon presentation of the commission's  
88.10 analysis and recommendations according to subdivision 2.

88.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

88.12 Sec. 72. **SOLID WASTE FACILITY FINANCIAL ASSURANCE**  
88.13 **MECHANISMS; INPUT.**

88.14 Within six months after the effective date of this section, and before publishing  
88.15 the rules required for groundwater sensitivity and financial assurance in Minnesota  
88.16 Statutes, section 116.07, subdivision 4, the Pollution Control Agency shall consult with  
88.17 experts and interested persons on financial assurance adequacy for solid waste facilities,  
88.18 including, but not limited to, staff from the Department of Natural Resources, Minnesota  
88.19 Management and Budget, local governments, private and public landfill operators, and  
88.20 environmental groups. The commissioner shall seek the input to determine the adequacy  
88.21 of existing financial assurance rules to address environmental risks, the length of time  
88.22 financial assurance is needed, based on the threat to human health and the environment,  
88.23 the reliability of financial assurance in covering risks from land disposal of waste in  
88.24 Minnesota and other states, and the role of private insurance.

88.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

88.26 Sec. 73. **SUBSURFACE SEWAGE TREATMENT SYSTEMS ORDINANCE**  
88.27 **ADOPTION DELAY.**

88.28 (a) Notwithstanding Minnesota Statutes, section 115.55, subdivision 2, a county may  
88.29 adopt an ordinance by February 4, 2012, to comply with the February 4, 2008, revisions  
88.30 to subsurface sewage treatment system rules. By April 4, 2011, the Pollution Control  
88.31 Agency shall adopt the final rule amendments to the February 4, 2008, subsurface sewage  
88.32 treatment system rules. A county must continue to enforce its current ordinance until a  
88.33 new one has been adopted.

89.1 (b) By January 15, 2011, the agency, after consultation with the Board of Water and  
89.2 Soil Resources and the Association of Minnesota Counties, shall report to the chairs and  
89.3 ranking minority members of the senate and house of representatives environment and  
89.4 natural resources policy and finance committees and divisions on:

89.5 (1) the technical changes in the rules for subsurface sewage treatment systems  
89.6 that were adopted on February 4, 2008;

89.7 (2) the progress in local adoption of ordinances to comply with the rules; and

89.8 (3) the progress in protecting the state's water resources from pollution due to  
89.9 subsurface sewage treatment systems.

89.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

89.11 Sec. 74. **DEPARTMENT OF NATURAL RESOURCES LONG-RANGE**  
89.12 **BUDGET ANALYSIS.**

89.13 (a) The commissioner of natural resources, in consultation with the commissioner  
89.14 of management and budget, shall estimate the total amount of funding available from all  
89.15 sources for each of the following land management categories: wildlife management  
89.16 areas; state forests; scientific and natural areas; aquatic management areas; public water  
89.17 access sites; and prairie bank easements. The commissioner of natural resources shall  
89.18 prepare a ten-year budget analysis of the department's ongoing land management needs,  
89.19 including restoration of each parcel needing restoration. The analysis shall include:

89.20 (1) an analysis of the needs of wildlife management areas, including identification of  
89.21 internal systemwide guidelines on the proper frequency for activities such as controlled  
89.22 burns, tree and woody biomass removal, and brushland management;

89.23 (2) an analysis of state forest needs, including identification of internal systemwide  
89.24 guidelines on the proper frequency for forest management activities;

89.25 (3) an analysis of scientific and natural area needs, including identification of  
89.26 internal systemwide guidelines on the proper frequency for management activities;

89.27 (4) an analysis of aquatic management area needs, including identification of internal  
89.28 systemwide guidelines on the proper frequency for management activities; and

89.29 (5) an analysis of the needs of the state's public water access sites, including  
89.30 identification of internal systemwide guidelines on the proper frequency for management  
89.31 activities.

89.32 (b) The commissioner shall compare the estimate of the total amount of funding  
89.33 available to the department's ongoing management needs to determine:

90.1 (1) the amount necessary to manage, restore, and maintain existing wildlife  
90.2 management areas, state forests, scientific and natural areas, aquatic management areas,  
90.3 public water access sites, and prairie bank easements; and

90.4 (2) the amount necessary to expand upon the existing wildlife management areas,  
90.5 state forests, scientific and natural areas, aquatic management areas, public water access  
90.6 sites, and prairie bank easement programs, including the feasibility of the department's  
90.7 existing long-range plans, if applicable, for each program.

90.8 (c) The commissioner of natural resources shall submit the analysis to the chairs of  
90.9 the house of representatives and senate committees with jurisdiction over environment  
90.10 and natural resources finance and cultural and outdoor resources finance by November  
90.11 15, 2010.

90.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

90.13 Sec. 75. **WIND ENERGY SYSTEMS ON STATE-OWNED LANDS; REPORT.**

90.14 By February 15, 2011, the commissioner of natural resources shall report to the  
90.15 senate and house of representatives environment and natural resource policy and finance  
90.16 committees and divisions on the use of state-owned lands for wind energy systems. The  
90.17 report shall include:

90.18 (1) information on the benefits and costs of using state-owned lands for wind energy  
90.19 systems;

90.20 (2) the effects of wind energy systems on state-owned lands;

90.21 (3) recommendations for a regulatory system and restrictions that will be necessary  
90.22 to protect the state's land and water resources when using state-owned lands for wind  
90.23 energy systems; and

90.24 (4) identification of state-owned lands that would be suitable for wind energy  
90.25 systems and state-owned lands that would be unsuitable, including recommendations for  
90.26 restrictions on the use of state-owned lands based on their designation as units of the  
90.27 outdoor recreation system under Minnesota Statutes, section 86A.05.

90.28 Sec. 76. **APPROPRIATION; DEPARTMENT OF NATURAL RESOURCES**  
90.29 **PEACE OFFICER TRAINING.**

90.30 (a) \$145,000 in fiscal year 2011 is appropriated from the game and fish fund to  
90.31 the commissioner of natural resources for peace officer training for employees of the  
90.32 Department of Natural Resources who are licensed under Minnesota Statutes, sections  
90.33 626.84 to 626.863, to enforce game and fish laws. This appropriation is from the money  
90.34 credited to the game and fish fund under Minnesota Statutes, section 357.021, subdivision

91.1 7, paragraph (a), clause (1), from surcharges assessed to criminal and traffic offenders.

91.2 This is a onetime appropriation.

91.3 (b) By January 15, 2011, the commissioner of natural resources shall submit a report  
91.4 to the chairs of the committees and divisions with jurisdiction over natural resources and  
91.5 public safety on the expenditure of these funds, including the effectiveness of the activities  
91.6 funded in improving the enforcement of game and fish laws and the resulting outcomes  
91.7 for the state's natural resources.

91.8 Sec. 77. **APPROPRIATION; STATE WATER TRAILS.**

91.9 \$60,000 is appropriated in fiscal year 2011 from the water recreation account in the  
91.10 natural resources fund to the commissioner of natural resources to cooperate with local  
91.11 units of government in marking state water trails under Minnesota Statutes, section 85.32;  
91.12 acquiring and developing river accesses and campsites; and removing obstructions that  
91.13 may cause public safety hazards. This is a onetime appropriation and available until spent.

91.14 Sec. 78. **APPROPRIATION; MOOSE TRAIL.**

91.15 \$100,000 in fiscal year 2011 is appropriated to the commissioner of natural resources  
91.16 from the all-terrain vehicle account in the natural resources fund for a grant to the city of  
91.17 Hoyt Lakes to convert the Moose Trail snowmobile trail to a dual usage trail, so that it  
91.18 may also be used as an off-highway vehicle trail connecting the city of Biwabik to the  
91.19 Iron Range Off-Highway Vehicle Recreation Area. This is a onetime appropriation and  
91.20 is available until spent.

91.21 Sec. 79. **APPROPRIATION; ECOLOGICAL CLASSIFICATION PROGRAM.**

91.22 \$250,000 in fiscal year 2011 is appropriated from the heritage enhancement account  
91.23 in the game and fish fund to the commissioner of natural resources to maintain and expand  
91.24 the ecological classification program on state forest lands. This is a onetime appropriation.

91.25 Sec. 80. **PARKS AND TRAILS APPROPRIATION; LOTTERY-IN-LIEU**  
91.26 **REVENUE.**

91.27 \$300,000 in fiscal year 2011 is appropriated from the natural resources fund to  
91.28 the commissioner of natural resources for state park, state recreation area, and state  
91.29 trail operations. This is from the revenue deposited in the natural resources fund under  
91.30 Minnesota Statutes, section 297A.94, paragraph (e), clause (2).

91.31 \$300,000 in fiscal year 2011 is appropriated from the natural resources fund to  
91.32 the Metropolitan Council for metropolitan area regional parks and trails maintenance

92.1 and operations. This is from the revenue deposited in the natural resources fund under  
92.2 Minnesota Statutes, section 297A.94, paragraph (e), clause (3).

92.3 Sec. 81. **REFUSE MANAGEMENT PILOT PROJECT; CANNON RIVER.**

92.4 The commissioner of natural resources shall establish a two-year pilot project on the  
92.5 Cannon River under a written agreement between the establishment and the commissioner  
92.6 of natural resources that allows canoe and inner tube rental establishments to take  
92.7 responsibility for the management of their patrons' refuse on the river, including allowing  
92.8 canoe and inner tube establishments to provide disposable refuse containers to each group.

92.9 Sec. 82. **REVISOR'S INSTRUCTION.**

92.10 (a) The revisor of statutes shall change the term "horse trail pass" to "horse pass"  
92.11 wherever it appears in Minnesota Statutes and Minnesota Rules.

92.12 (b) The revisor of statutes shall change the term "canoe and boating routes" or  
92.13 similar term to "state water trails" or similar term wherever it appears in Minnesota  
92.14 Statutes and Minnesota Rules.

92.15 (c) The revisor of statutes shall change the term "Minnesota Conservation Corps" to  
92.16 "Conservation Corps Minnesota" wherever it appears in Minnesota Statutes.

92.17 Sec. 83. **REPEALER.**

92.18 (a) Minnesota Statutes 2008, sections 90.172; 97B.665, subdivision 1; 103G.295;  
92.19 and 103G.650, are repealed.

92.20 (b) Minnesota Statutes 2009 Supplement, section 88.795, is repealed.

92.21 **ARTICLE 5**

92.22 **ENERGY**

92.23 Section 1. Minnesota Statutes 2008, section 3.8851, subdivision 7, is amended to read:

92.24 Subd. 7. **Assessment; appropriation.** (a) Upon request by the cochairs of the  
92.25 commission, the commissioner of commerce shall assess the amount requested for the  
92.26 operation of the commission, not to exceed \$250,000 in a fiscal year, from the following  
92.27 sources:

92.28 (1) 50 percent of the assessment must come from all public utilities, municipal  
92.29 utilities, electric cooperative associations, generation and transmission cooperative electric  
92.30 associations, and municipal power agencies providing electric or natural gas services  
92.31 in Minnesota; and

93.1           (2) 50 percent of the assessment must come from all bulk terminals located in this  
93.2 state from which petroleum products and liquid petroleum gas are dispensed ~~for sale in~~  
93.3 ~~this state.~~

93.4           (b) The commissioner of commerce shall apportion the assessment amount requested  
93.5 among the entities in paragraph (a), ~~clauses clause (1) and (2),~~ in proportion to their  
93.6 respective gross operating revenues from energy sold within the state during the most  
93.7 recent calendar year, ~~while ensuring that wholesale and retail sales are not double counted.~~

93.8           (c) The commissioner of commerce shall apportion the assessment amount requested  
93.9 equally among the referenced entities in paragraph (a), clause (2).

93.10          ~~(e)~~ (d) The entities in paragraph (a), ~~clauses clause (1) and (2),~~ must provide  
93.11 information to the commissioner of commerce to allow for calculation of the assessment.

93.12          ~~(d)~~ (e) The assessments under this subdivision are in addition to assessments made  
93.13 under section 216B.62. The amount assessed under this section ~~is~~ must be deposited in  
93.14 the legislative energy commission account in the special revenue fund. Funds in the  
93.15 legislative energy commission account are appropriated to the director of the Legislative  
93.16 Coordinating Commission for the purposes of this section, and ~~is~~ are available until  
93.17 expended. Utilities selling gas and electric service at retail must be assessed and billed  
93.18 in accordance with the procedures provided in section 216B.62, to the extent that these  
93.19 procedures do not conflict with this subdivision.

93.20           **EFFECTIVE DATE.** This section is effective the day following final enactment.

93.21           Sec. 2. Minnesota Statutes 2008, section 116C.779, subdivision 1, is amended to read:

93.22           Subdivision 1. **Renewable development account.** (a) The public utility that owns  
93.23 the Prairie Island nuclear generating plant must transfer to a renewable development  
93.24 account ~~\$16,000,000 annually~~ \$500,000 each year for each dry cask containing spent fuel  
93.25 that is located at the Prairie Island power plant for each year the plant is in operation, and  
93.26 \$7,500,000 each year the plant is not in operation if ordered by the commission pursuant  
93.27 to paragraph (d). The fund transfer must be made if nuclear waste is stored in a dry cask at  
93.28 the independent spent-fuel storage facility at Prairie Island for any part of a year. Funds  
93.29 in the account may be expended only for development of renewable energy sources.  
93.30 Preference must be given to development of renewable energy source projects located  
93.31 within the state. The utility that owns a nuclear generating plant is eligible to apply for  
93.32 renewable development fund grants. The utility's proposals must be evaluated by the  
93.33 renewable development fund board in a manner consistent with that used to evaluate other  
93.34 renewable development fund project proposals.

94.1 (b) The public utility that owns the Monticello nuclear generating plant must transfer  
94.2 to the renewable development account \$350,000 each year for each dry cask containing  
94.3 spent fuel that is located at the Monticello nuclear power plant for each year the plant is  
94.4 in operation, and \$5,250,000 each year the plant is not in operation if ordered by the  
94.5 commission pursuant to paragraph (d). The fund transfer must be made if nuclear waste  
94.6 is stored in a dry cask at the independent spent-fuel storage facility at Monticello for  
94.7 any part of a year.

94.8 (c) Expenditures from the account may only be made after approval by order of the  
94.9 Public Utilities Commission upon a petition by the public utility.

94.10 (d) After discontinuation of operation of the Prairie Island nuclear plant or the  
94.11 Monticello nuclear plant and each year spent nuclear fuel is stored in dry cask at the  
94.12 discontinued facility, the commission shall require the public utility to pay \$7,500,000 for  
94.13 the discontinued Prairie Island facility and \$5,250,000 for the discontinued Monticello  
94.14 facility for any year in which the commission finds, by the preponderance of the evidence,  
94.15 that the public utility did not make a good faith effort to remove the spent nuclear  
94.16 fuel stored at the facility to a permanent or interim storage site out of the state. This  
94.17 determination shall be made at least every two years.

94.18 EFFECTIVE DATE. This section is effective when 32 dry casks containing spent  
94.19 fuel are located at the Prairie Island nuclear plant.

94.20 Sec. 3. [116C.7791] REBATES FOR SOLAR PHOTOVOLTAIC MODULES.

94.21 Subdivision 1. Definitions. For the purpose of this section, the following terms  
94.22 have the meanings given.

94.23 (a) "Installation" means an array of solar photovoltaic modules attached to a building  
94.24 that will use the electricity generated by the solar photovoltaic modules or placed on a  
94.25 facility or property proximate to that building.

94.26 (b) "Manufactured" means:

94.27 (1) the material production of solar photovoltaic modules, including the tabbing,  
94.28 stringing, and lamination processes; or

94.29 (2) the production of interconnections of low-voltage photoactive elements that  
94.30 produce the final useful photovoltaic output by a manufacturer operating in this state on  
94.31 the effective date of this section.

94.32 (c) "Qualified owner" means an owner of a qualified property, but does not include  
94.33 an entity engaged in the business of generating or selling electricity at retail, or an  
94.34 unregulated subsidiary of such an entity.

95.1 (d) "Qualified property" means a residence, multifamily residence, business, or  
95.2 publicly owned building located in the assigned service area of the utility subject to  
95.3 section 116C.779.

95.4 (e) "Solar photovoltaic module" means the smallest, nondivisible, self-contained  
95.5 physical structure housing interconnected photovoltaic cells and providing a single direct  
95.6 current of electrical output.

95.7 Subd. 2. **Establishment.** The utility subject to section 116C.779 shall establish  
95.8 a program to provide rebates to an owner of a qualified property for installing solar  
95.9 photovoltaic modules manufactured in Minnesota after December 31, 2009. Any solar  
95.10 photovoltaic modules installed under this program and any expenses incurred by the  
95.11 utility operating the program shall be treated the same as solar installations and related  
95.12 expenses under section 216B.241.

95.13 Subd. 3. **Rebate eligibility.** (a) To be eligible for a rebate under this section, a  
95.14 solar photovoltaic module:

95.15 (1) must be manufactured in Minnesota;

95.16 (2) must be installed on a qualified property as part of a system whose generating  
95.17 capacity does not exceed 40 kilowatts;

95.18 (3) must be certified by Underwriters Laboratory, must have received the ETL  
95.19 listed mark from Intertek, or must have an equivalent certification from an independent  
95.20 testing agency;

95.21 (4) may or may not be connected to a utility grid;

95.22 (5) must be installed, or reviewed and approved, by a person certified as a solar  
95.23 photovoltaic installer by the North American Board of Certified Energy Practitioners; and

95.24 (6) may not be used to sell, transmit, or distribute the electrical energy at retail,  
95.25 nor to provide end-use electricity to an offsite facility of the electrical energy generator.  
95.26 On-site generation is allowed to the extent provided for in section 216B.1611.

95.27 (b) To be eligible for a rebate under this section, an applicant must have applied for  
95.28 and been awarded a rebate or other form of financial assistance available exclusively to  
95.29 owners of properties on which solar photovoltaic modules are installed that is offered by:

95.30 (1) the utility serving the property on which the solar photovoltaic modules are to  
95.31 be installed; or

95.32 (2) this state, under an authority other than this section.

95.33 (c) An applicant who is otherwise ineligible for a rebate under paragraph (b) is  
95.34 eligible if the applicant's failure to secure a rebate or other form of financial assistance is  
95.35 due solely to a lack of available funds on the part of a utility or this state.

96.1 Subd. 4. **Rebate amount and payment.** (a) The amount of a rebate under this  
96.2 section is the difference between the sum of all rebates described in subdivision 3,  
96.3 paragraph (b), awarded to the applicant and \$5 per watt of installed generating capacity.

96.4 (b) Notwithstanding paragraph (a), the amount of all rebates or other forms of  
96.5 financial assistance awarded to an applicant by a utility and the state, including any rebate  
96.6 paid under this section, net of applicable federal income taxes applied at the highest  
96.7 applicable income tax rates, must not exceed 60 percent of the total installed cost of  
96.8 the solar photovoltaic modules.

96.9 (c) Rebates must be awarded to eligible applicants beginning July 1, 2010.

96.10 (d) The rebate must be paid out proportionately in five consecutive annual  
96.11 installments.

96.12 Subd. 5. **Rebate program funding.** (a) The following amounts must be allocated  
96.13 from the renewable development account established in section 116C.779 to a separate  
96.14 account for the purpose of providing the rebates for solar photovoltaic modules specified  
96.15 in this section:

96.16 (1) \$2,000,000 in fiscal year 2011;

96.17 (2) \$4,000,000 in fiscal year 2012;

96.18 (3) \$5,000,000 in fiscal year 2013;

96.19 (4) \$5,000,000 in fiscal year 2014; and

96.20 (5) \$5,000,000 in fiscal year 2015.

96.21 (b) If, by the end of fiscal year 2015, insufficient qualified owners have applied for  
96.22 and met the requirements for rebates under this section to exhaust the funds available, any  
96.23 remaining balance shall be returned to the account established under section 116C.779.

96.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

96.25 Sec. 4. Minnesota Statutes 2008, section 116J.437, subdivision 1, is amended to read:

96.26 Subdivision 1. **Definitions.** (a) For the purpose of this section, the following terms  
96.27 have the meanings given.

96.28 (b) "Green economy" means products, processes, methods, technologies, or services  
96.29 intended to do one or more of the following:

96.30 (1) increase the use of energy from renewable sources, including through achieving  
96.31 the renewable energy standard established in section 216B.1691;

96.32 (2) achieve the statewide energy-savings goal established in section 216B.2401,  
96.33 including energy savings achieved by the conservation investment program under section  
96.34 216B.241;

97.1 (3) achieve the greenhouse gas emission reduction goals of section 216H.02,  
97.2 subdivision 1, including through reduction of greenhouse gas emissions, as defined in  
97.3 section 216H.01, subdivision 2, or mitigation of the greenhouse gas emissions through,  
97.4 but not limited to, carbon capture, storage, or sequestration;

97.5 (4) monitor, protect, restore, and preserve the quality of surface waters, including  
97.6 actions to further the purposes of the Clean Water Legacy Act as provided in section  
97.7 114D.10, subdivision 1; ~~or~~

97.8 (5) expand the use of biofuels, including by expanding the feasibility or reducing the  
97.9 cost of producing biofuels or the types of equipment, machinery, and vehicles that can  
97.10 use biofuels, including activities to achieve the biofuels 25 by 2025 initiative in sections  
97.11 41A.10, subdivision 2, and 41A.11; or

97.12 (6) increase the use of green chemistry, as defined in section 116.9401.

97.13 For the purpose of clause (3), "green economy" includes strategies that reduce carbon  
97.14 emissions, such as utilizing existing buildings and other infrastructure, and utilizing mass  
97.15 transit or otherwise reducing commuting for employees.

97.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

97.17 Sec. 5. Minnesota Statutes 2008, section 216B.16, subdivision 14, is amended to read:

97.18 Subd. 14. **Low-income electric rate discount.** A public utility shall fund an  
97.19 affordability program for low-income customers in an amount based on a 50 percent  
97.20 electric rate discount on the first ~~300~~ 400 kilowatt-hours consumed in a billing period for  
97.21 low-income residential customers of the utility. For the purposes of this subdivision,  
97.22 "low-income" describes a customer who is receiving assistance from the federal  
97.23 low-income home energy assistance program. The affordability program must be designed  
97.24 to target participating customers with the lowest incomes and highest energy costs in order  
97.25 to lower the percentage of income they devote to energy bills, increase their payments,  
97.26 and lower costs associated with collection activities on their accounts. For low-income  
97.27 customers who are 62 years of age or older or disabled, the program must, in addition to  
97.28 any other program benefits, include a 50 percent electric rate discount on the first ~~300~~ 400  
97.29 kilowatt-hours consumed in a billing period. For the purposes of this subdivision, "public  
97.30 utility" includes only those public utilities with more than 200,000 residential electric  
97.31 service customers. The commission may issue orders necessary to implement, administer,  
97.32 and recover the costs of the program on a timely basis.

97.33 Sec. 6. Minnesota Statutes 2008, section 216B.16, subdivision 15, is amended to read:

98.1           Subd. 15. **Low-income affordability programs.** (a) The commission must  
98.2 consider ability to pay as a factor in setting utility rates and may establish affordability  
98.3 programs for low-income residential ratepayers in order to ensure affordable, reliable,  
98.4 and continuous service to low-income utility customers. Affordability programs may  
98.5 include inverted block rates in which lower energy prices are made available to lower  
98.6 usage customers. By September 1, 2007, a public utility serving low-income residential  
98.7 ratepayers who use natural gas for heating must file an affordability program with the  
98.8 commission. For purposes of this subdivision, "low-income residential ratepayers" means  
98.9 ratepayers who receive energy assistance from the low-income home energy assistance  
98.10 program (LIHEAP).

98.11           (b) Any affordability program the commission orders a utility to implement must:

98.12           (1) lower the percentage of income that participating low-income households devote  
98.13 to energy bills;

98.14           (2) increase participating customer payments over time by increasing the frequency  
98.15 of payments;

98.16           (3) decrease or eliminate participating customer arrears;

98.17           (4) lower the utility costs associated with customer account collection activities; and

98.18           (5) coordinate the program with other available low-income bill payment assistance  
98.19 and conservation resources.

98.20           (c) In ordering affordability programs, the commission may require public utilities to  
98.21 file program evaluations that measure the effect of the affordability program on:

98.22           (1) the percentage of income that participating households devote to energy bills;

98.23           (2) service disconnections; and

98.24           (3) frequency of customer payments, utility collection costs, arrearages, and bad  
98.25 debt.

98.26           (d) The commission must issue orders necessary to implement, administer, and  
98.27 evaluate affordability programs, and to allow a utility to recover program costs, including  
98.28 administrative costs, on a timely basis. The commission may not allow a utility to recover  
98.29 administrative costs, excluding start-up costs, in excess of five percent of total program  
98.30 costs, or program evaluation costs in excess of two percent of total program costs. The  
98.31 commission must permit deferred accounting, with carrying costs, for recovery of program  
98.32 costs incurred during the period between general rate cases.

98.33           (e) Public utilities may use information collected or created for the purpose of  
98.34 administering energy assistance to administer affordability programs.

99.1       Sec. 7. **[216B.1695] ENVIRONMENTAL PROJECTS; ADVANCE**  
99.2 **DETERMINATION OF PRUDENCE.**

99.3       Subdivision 1. **Qualifying project.** A public utility may petition the commission for  
99.4 an advance determination of prudence for a project undertaken to comply with federal  
99.5 or state air quality standards of states in which the utility's electric generation facilities  
99.6 are located, if the project has an expected jurisdictional cost to Minnesota ratepayers of  
99.7 at least \$10,000,000. A project is undertaken to comply with federal or state air quality  
99.8 standards if it is required:

99.9       (1) by the state in which the generation facility is located in a state implementation  
99.10 plan, permit, or order; or

99.11       (2) to comply with section 111 or 112 of the federal Clean Air Act, United States  
99.12 Code, title 42, section 7411 or 7412.

99.13       Subd. 2. **Regulatory cost assessments and reports.** A utility requesting an  
99.14 advance determination under subdivision 1 must, as part of the evidence required when  
99.15 filing a petition under subdivision 3, provide to the Public Utilities Commission and the  
99.16 Pollution Control Agency an assessment of all anticipated state and federal environmental  
99.17 regulations related to the production of electricity from the utility's facility subject to  
99.18 the filing, including regulations relating to:

99.19       (1) air pollution by nitrogen oxide and sulphur dioxide, including an assumption that  
99.20 Minnesota will be included in the federal Clean Air Interstate Rule region, hazardous air  
99.21 pollutants, carbon dioxide, particulates, and ozone;

99.22       (2) coal waste; and

99.23       (3) water consumption and water pollution.

99.24       In addition, the utility shall provide an assessment of the financial and operational  
99.25 impacts of these pending regulations applicable to the generating facility that is the  
99.26 subject of the filing and provide a range of regulatory response scenarios that include, but  
99.27 are not limited to:

99.28       (1) the installation of pollution control equipment;

99.29       (2) the benefits of the retirement or repowering of the plant that is the subject of  
99.30 the filing with cleaner fuels considering the costs of complying with state and federal  
99.31 environmental regulations; and

99.32       (3) the use of pollution allowances to achieve compliance.

99.33       The utility shall consult with interested stakeholders in establishing the scope of the  
99.34 regulatory, financial, and operational assessments prior to or during the 60-day period of  
99.35 the notice under subdivision 4.

100.1 Subd. 3. **Petition.** A petition filed under this section must include a description of  
100.2 the project, evidence supporting the project's reasonableness, a discussion of project  
100.3 alternatives, a project implementation schedule, a cost estimate and support for the  
100.4 reasonableness of the estimated cost, and a description of the public utility's efforts to  
100.5 ensure the lowest reasonable costs. Following receipt of the Pollution Control Agency's  
100.6 verification under subdivision 4, the commission shall allow opportunity for oral and  
100.7 written comment on the petition. The commission shall make a final determination on  
100.8 the petition within ten months of its filing date. The commission must make findings  
100.9 in support of its determination.

100.10 Subd. 4. **Verification.** At least 60 days prior to filing a petition to the commission  
100.11 under subdivision 3, the utility shall file notice with the Pollution Control Agency that  
100.12 describes the project and how it qualifies under subdivision 1. The Pollution Control  
100.13 Agency shall, within 60 days of receipt of the notice, verify that the project qualifies under  
100.14 subdivision 1, and shall forward written verification to the commission.

100.15 Subd. 5. **Cost recovery.** The utility may begin recovery of costs that have been  
100.16 incurred by the utility in connection with implementation of the project in the next rate  
100.17 case following an advance determination of prudence. The commission shall review the  
100.18 costs incurred by the utility for the project. The utility must show that the project costs  
100.19 are reasonable and necessary, and demonstrate its efforts to ensure the lowest reasonable  
100.20 project costs. Notwithstanding the commission's prior determination of prudence, it may  
100.21 accept, modify, or reject any of the project costs. The commission may determine whether  
100.22 to require an allowance for funds used during construction offset.

100.23 Subd. 6. **Expiration.** A petition for an advance determination of prudence may not  
100.24 be filed after December 31, 2015.

100.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

100.26 Sec. 8. Minnesota Statutes 2008, section 216B.2401, is amended to read:

100.27 **216B.2401 ENERGY CONSERVATION POLICY GOAL.**

100.28 It is the energy policy of the state of Minnesota to achieve annual energy savings  
100.29 equal to 1.5 percent of annual retail energy sales of electricity and natural gas directly  
100.30 through energy conservation improvement programs and rate design, such as inverted  
100.31 block rates in which lower energy prices are made available to lower usage residential  
100.32 customers, and indirectly through energy codes and appliance standards, programs  
100.33 designed to transform the market or change consumer behavior, energy savings resulting

101.1 from efficiency improvements to the utility infrastructure and system, and other efforts to  
101.2 promote energy efficiency and energy conservation.

101.3 Sec. 9. Minnesota Statutes 2008, section 216B.62, is amended by adding a subdivision  
101.4 to read:

101.5 Subd. 3a. **Supplemental staffing assessment.** In addition to other assessments in  
101.6 subdivision 3, the commission may assess up to \$800,000 per year for supplemental  
101.7 staffing to implement requirements of this chapter. The amount in this subdivision shall  
101.8 be assessed to the several public utilities in proportion to their respective gross operating  
101.9 revenues from retail sales of gas or electric service within the state during the last calendar  
101.10 year, shall be deposited into an account in the special revenue fund, and appropriated to  
101.11 the commission. An assessment made under this subdivision is not subject to the cap on  
101.12 assessments provided in subdivision 3 or any other law.

101.13 Sec. 10. Minnesota Statutes 2008, section 326B.106, subdivision 12, is amended to  
101.14 read:

101.15 Subd. 12. **Separate metering for electric service.** The standards concerning heat  
101.16 loss, illumination, and climate control adopted pursuant to subdivision 1, shall require  
101.17 that electrical service to individual dwelling units in buildings containing two or more  
101.18 units be separately metered, with individual metering readily accessible to the individual  
101.19 occupants. The standards authorized by this subdivision shall only apply to buildings  
101.20 constructed after the effective date of the amended standards. Buildings intended for  
101.21 occupancy primarily by persons who are 62 years of age or older or disabled, supportive  
101.22 housing, or ~~which~~ buildings that contain a majority of units not equipped with complete  
101.23 kitchen facilities, shall be exempt from the provisions of this subdivision. For purposes  
101.24 of this section, "supportive housing" means housing made available to individuals and  
101.25 families with multiple barriers to obtaining and maintaining housing, including those who  
101.26 are formerly homeless or at risk of homelessness and those who have a mental illness,  
101.27 substance abuse disorder, debilitating disease, or a combination of these conditions.

101.28 Sec. 11. **[383B.1588] ENERGY FORWARD PRICING MECHANISMS.**

101.29 Subdivision 1. **Definitions.** The following definitions apply in this section.

101.30 (a) "Energy" means natural gas, heating oil, diesel fuel, unleaded fuel, or any other  
101.31 energy source, except electric, used in Hennepin County operations.

101.32 (b) "Forward pricing mechanism" means either:

102.1 (1) a contract or financial instrument that obligates Hennepin County to buy or sell a  
102.2 specified amount of an energy commodity at a future date and at a set price; or

102.3 (2) an option to buy or sell the contract or financial instrument.

102.4 Subd. 2. **Authority provided.** Notwithstanding any other law to the contrary,  
102.5 the Hennepin County Board of Commissioners may use forward pricing mechanisms  
102.6 for budget risk reduction.

102.7 Subd. 3. **Conditions.** (a) Forward pricing transactions made under this section must  
102.8 be made only under the conditions in this subdivision.

102.9 (b) The amount of energy forward priced must not exceed the estimated energy  
102.10 usage for Hennepin County operations for the period of time covered by the forward  
102.11 pricing mechanism.

102.12 (c) The holding period and expiration date for any forward pricing mechanism must  
102.13 not exceed 24 months from the trade date of the transaction.

102.14 (d) Separate accounts must be established for each operational energy for which  
102.15 forward pricing mechanisms are used under this section.

102.16 Subd. 4. **Written policies and procedures.** Before exercising authority under  
102.17 subdivision 2, the Hennepin County Board of Commissioners must have written policies  
102.18 and procedures governing the use of forward pricing mechanisms.

102.19 Subd. 5. **Oversight process.** (a) Before exercising authority under subdivision 2,  
102.20 the Hennepin County Board of Commissioners must establish an oversight process that  
102.21 provides for review of the county's used of forward pricing mechanisms.

102.22 (b) The process must include:

102.23 (1) internal or external audit reviews;

102.24 (2) annual reports to, and review by, an internal investment committee; and

102.25 (3) internal management control.

102.26 **EFFECTIVE DATE.** This section is effective without local approval the day  
102.27 following final enactment as provided under Minnesota Statutes, section 645.023,  
102.28 subdivision 1, paragraph (a).

102.29 **Sec. 12. [383B.82] WIND AND SOLAR BUSINESS ENTITY PARTICIPATION.**

102.30 To exercise the authority granted to counties under section 373.48, Hennepin County  
102.31 may be a limited partner in a partnership, a member of a limited liability company, or a  
102.32 shareholder in a corporation established for the purpose of constructing, acquiring, owning  
102.33 in whole or in part, financing, or operating a facility that generates electricity from wind  
102.34 or solar energy. Liability for Hennepin County is governed by section 466.04. Section

103.1 466.04 also governs liability for a limited liability company or a corporation, either of  
103.2 which is wholly owned by Hennepin County and formed under this section.

103.3 Sec. 13. Laws 1981, chapter 222, section 1, is amended to read:

103.4 Section 1. **MINNEAPOLIS AND ST. PAUL; RESIDENTIAL, COMMERCIAL,**  
103.5 **AND INDUSTRIAL ENERGY CONSERVATION PROGRAM; PURPOSE.**

103.6 The legislature finds and declares that the state faces potential serious shortages in  
103.7 energy resources and that implementing energy conservation measures requires expanded  
103.8 authority and technical capability in order to minimize the use of traditional energy  
103.9 sources in the housing ~~sector~~, commercial, and industrial sectors; that accomplishing  
103.10 energy conservation is a public purpose; and that it is in the public interest to authorize  
103.11 the city of Minneapolis and the city of St. Paul to provide ~~existing single family, existing~~  
103.12 ~~multifamily and existing rental housing~~ residential, commercial, and industrial property  
103.13 loans for energy improvements.

103.14 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
103.15 each of the cities of Minneapolis and St. Paul without local approval under Minnesota  
103.16 Statutes, section 645.023, subdivision 1, paragraph (a).

103.17 Sec. 14. Laws 1981, chapter 222, section 2, is amended to read:

103.18 Sec. 2. **~~RESIDENTIAL~~ ENERGY CONSERVATION PROGRAM.**

103.19 Notwithstanding any provision of law or charter to the contrary the city of  
103.20 Minneapolis and the city of St. Paul, individually or jointly are authorized to develop and  
103.21 administer a program or programs for the making or purchasing of energy improvement or  
103.22 energy rehabilitation loans with respect to ~~housing~~ residential, commercial, and industrial  
103.23 properties located anywhere within their respective boundaries on such terms and  
103.24 conditions as set forth in this act and an ordinance which shall be adopted by the governing  
103.25 body or bodies of the municipality or municipalities establishing the program. At least 75  
103.26 percent of the proceeds of each energy improvement or energy rehabilitation loan shall  
103.27 be used for ~~housing property~~ repairs and, improvements, and equipment (1) which the  
103.28 city determines are (a) used or useful to conserve energy or (b) to convert or retrofit  
103.29 an existing structure for the purpose of using an energy source which does not depend  
103.30 on nuclear or nonrenewable petroleum based resources, and (2) which, when installed  
103.31 or completed, will ~~with respect to each housing unit~~ directly result in a cost effective  
103.32 reduction of energy use from nuclear or nonrenewable petroleum based resources. The  
103.33 ordinance establishing the program shall establish the manner of determining whether the  
103.34 ~~housing~~ repairs and, improvements, and equipment will directly result in the required cost

104.1 effective reduction of energy use. Loans may be made without regard to income level  
104.2 of the loan recipient, shall bear interest at a rate or rates as are established by the city or  
104.3 cities, shall be for a term of not to exceed 20 years, and may be secured by a mortgage  
104.4 or other security interest. The powers granted to each city by sections 1 to 5 of this act  
104.5 are supplemental and in addition to those granted by Minnesota Statutes, Chapter 462C,  
104.6 Chapter 469, and any other law or charter.

104.7 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
104.8 each of the cities of Minneapolis and St. Paul without local approval under Minnesota  
104.9 Statutes, section 645.023, subdivision 1, paragraph (a).

104.10 Sec. 15. Laws 1981, chapter 222, section 3, is amended to read:

104.11 Sec. 3. **LIMITATIONS.**

104.12 A program may be established pursuant to this act only after the city establishing the  
104.13 program determines that:

104.14 (1) There is a continued need to reduce consumption of energy from nonrenewable  
104.15 petroleum based resources.

104.16 (2) There are ~~housing units~~ properties within the jurisdiction of the city which are in  
104.17 need of energy improvements and energy rehabilitation.

104.18 (3) Private sources of financing are not reasonably available to provide the needed  
104.19 loans for energy improvements and energy rehabilitation.

104.20 (4) The types of energy improvements and energy rehabilitation will reduce the  
104.21 consumption of energy from nonrenewable petroleum based resources or from nuclear  
104.22 sources.

104.23 Findings made by the city pursuant to this section shall be conclusive and final.

104.24 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
104.25 each of the cities of Minneapolis and St. Paul without local approval under Minnesota  
104.26 Statutes, section 645.023, subdivision 1, paragraph (a).

104.27 Sec. 16. Laws 1981, chapter 222, section 4, subdivision 2, is amended to read:

104.28 Subd. 2. **Bonding and financial authority.** Notwithstanding the provisions of any  
104.29 other law, general or special to the contrary, and in addition to the authority contained in  
104.30 any other law, the city of Minneapolis and the city of St. Paul individually or jointly may  
104.31 exercise any and all of the same powers in relation to the making or purchasing of loans  
104.32 or other securities and in the issuing of revenue bonds or obligations in furtherance of  
104.33 the programs authorized by sections 1 to 5 as the Minnesota housing finance agency is

105.1 authorized to exercise under the provisions of Minnesota Statutes, Chapter 462A, without  
105.2 regard to any of the limitations set forth in Minnesota Statutes, Chapters 462C or 475.  
105.3 The revenue bonds or obligations shall be payable from revenues from the program and  
105.4 other city ~~housing~~ programs. The revenue bonds or obligations may be payable from  
105.5 other sources of city revenue which are derived from federal sources other than general  
105.6 revenue sharing, or private grant sources. The city shall not levy or pledge to levy any  
105.7 ad valorem tax upon real property for the purpose of paying principal of or interest on  
105.8 revenue bonds or obligations.

105.9 **EFFECTIVE DATE.** This section is effective the day following final enactment for  
105.10 each of the cities of Minneapolis and St. Paul without local approval under Minnesota  
105.11 Statutes, section 645.023, subdivision 1, paragraph (a).

105.12 Sec. 17. Laws 2009, chapter 37, article 2, section 13, is amended to read:

105.13 Sec. 13. **APPROPRIATIONS; CANCELLATIONS.**

105.14 (a) The remaining balance of the fiscal year 2009 special revenue fund appropriation  
105.15 for the Green Jobs Task Force under Laws 2008, chapter 363, article 6, section 3,  
105.16 subdivision 4, is transferred and appropriated to the commissioner of employment and  
105.17 economic development for the purposes of green enterprise assistance under Minnesota  
105.18 Statutes, section 116J.438. This appropriation is available until spent.

105.19 (b) The unencumbered balance of the fiscal year 2008 appropriation to the  
105.20 commissioner of commerce for the rural and energy development revolving loan  
105.21 fund under Laws 2007, chapter 57, article 2, section 3, subdivision 6, is canceled and  
105.22 reappropriated to the commissioner of commerce as follows:

105.23 (1) \$1,500,000 is for a grant to the Board of Trustees of the Minnesota State Colleges  
105.24 and Universities for the International Renewable Energy Technology Institute (IRETI) to  
105.25 be located at Minnesota State University, Mankato, as a public and private partnership to  
105.26 support applied research in renewable energy and energy efficiency to aid in the transfer of  
105.27 technology from Sweden to Minnesota and to support technology commercialization from  
105.28 companies located in Minnesota and throughout the world; and

105.29 (2) the remaining balance is for a grant to the Board of Regents of the University of  
105.30 Minnesota for the initiative for renewable energy and the environment to fund start up  
105.31 costs related to a national solar testing and certification laboratory to test, rate, and certify  
105.32 the performance of equipment and devices that utilize solar energy for heating and cooling  
105.33 air and water and for generating electricity.

105.34 This appropriation is available until expended.

106.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

106.2 Sec. 18. Laws 2009, chapter 138, article 2, section 4, is amended to read:

106.3 Sec. 4. **SMALL CITY ENERGY EFFICIENCY GRANT.**

106.4 Subdivision 1. **Program.** The commissioner shall make a grant for an innovative  
106.5 residential and commercial energy efficiency program in a small rural city with a  
106.6 population under 4,000 located in the service area of Minnesota Power that is currently  
106.7 working with that utility, the county housing and redevelopment authority, and other  
106.8 state and local housing organizations to enhance energy efficiency for residents and  
106.9 businesses. Stimulus funds must be matched \$1 for every \$4 of stimulus funds granted  
106.10 under this section and are available to the extent of the match. The program must include  
106.11 the following elements:

106.12 (1) provision of basic residential and commercial energy conservation measures;

106.13 (2) provision of more comprehensive residential and commercial energy  
106.14 conservation measures, including extensive retrofits and appliance upgrades; and

106.15 (3) ~~a plan to establish a revolving loan fund so that the program is sustainable over~~  
106.16 ~~time; and~~

106.17 ~~(4)~~ innovative financing options allowing residents and businesses to finance energy  
106.18 efficiency improvements, at least in part, with energy savings.

106.19 Subd. 2. **Report.** By ~~January 15, 2010, and~~ October 30, 2010, the city must submit  
106.20 a report measuring and assessing the program's effectiveness and energy savings to the  
106.21 commissioner and the chairs and ranking minority members of the senate and house of  
106.22 representatives committees with primary jurisdiction over energy policy and finance.

106.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

106.24 Sec. 19. **URBAN TRANSMISSION LINE; CERTIFICATE OF NEED**

106.25 **REQUIRED.**

106.26 (a) A high-voltage transmission line longer than one mile with a capacity of 100  
106.27 kilovolts or more that is located in a city of the first class in a zone within one mile of the  
106.28 transmission line in which population density exceeds 8,000 persons per square mile, and  
106.29 that runs parallel to and is within one-half mile of a below-grade bike and walking path  
106.30 that connects with other bike paths along a river, is subject to the provisions of Minnesota  
106.31 Statutes, section 216B.243.

106.32 (b) This section expires December 31, 2014.

107.1 **EFFECTIVE DATE.** This section is effective the day following final enactment  
107.2 and applies only to high-voltage transmission lines described in this section that are the  
107.3 subject of an application for a route permit under Minnesota Statutes, chapter 216E, that is  
107.4 pending before the Public Utilities Commission on March 15, 2010.

107.5 Sec. 20. **NEIGHBORHOOD ENERGY REDUCTION REPORT.**

107.6 Subdivision 1. **Report.** (a) By February 15, 2011, an organization with experience  
107.7 in energy conservation and energy planning at the neighborhood level that serves as  
107.8 project manager must submit a report to the chairs and ranking minority members of the  
107.9 senate and house of representatives committees with primary jurisdiction over energy  
107.10 policy that contains the following information:

107.11 (1) projections of the amount of energy that can be conserved and generated through  
107.12 the implementation of cost-effective energy efficiency investments; innovative energy  
107.13 storage projects, including thermal energy storage; smart-grid technologies; and energy  
107.14 produced from distributed generation projects fueled by solar photovoltaic and other  
107.15 renewable energy sources located in the focused study area designated in the application  
107.16 to the Minnesota Public Utilities Commission for a route permit for the high-voltage  
107.17 transmission line identified in section 19;

107.18 (2) for each energy-reducing or energy-generating element recommended,  
107.19 estimates of the amount of energy conserved or generated, the reduction in peak demand  
107.20 requirements in the focused study area, and the cost per unit of energy saved or generated;  
107.21 and

107.22 (3) an estimate of the number of green jobs that would be created through  
107.23 implementation of the report's recommendations.

107.24 (b) Requests by the project manager for information from the utility serving the  
107.25 focused study area may be made after the service of notice of and order for hearing made  
107.26 under Minnesota Statutes, section 216B.243, for the project described in section 19.  
107.27 Information requests with respect to the study are governed by the rules for contested case  
107.28 hearings in Minnesota Rules, part 1400.6700.

107.29 (c) The project manager may contract for portions of the work required to complete  
107.30 the report.

107.31 Subd. 2. **Community steering committee.** (a) The project manager shall convene  
107.32 a community steering committee to provide input to the report. Appointments to the  
107.33 steering committee must reflect the diversity of the focused study area, and include  
107.34 representatives of focused study area residents, including homeowners, building owners

108.1 and renters, businesses, churches, other institutions, including the Midtown Community  
108.2 Works Partnership, local hospitals, and local elected officials representing the focused  
108.3 study area. All meetings held by the community steering committee or any subcommittees  
108.4 it creates must be public meetings, with advance notice given to the public.

108.5 (b) The project manager shall seek to maximize the participation of focused study  
108.6 area residents, stakeholders, and institutions in recommending ideas to be included within  
108.7 the scope of the report and in reviewing initial and successive drafts of the report, including  
108.8 providing stipends for reasonable expenses when necessary to increase participation, but  
108.9 not including per diem payments. The project manager shall contact representatives of  
108.10 similar successful projects in other states to benefit from their experience and to learn  
108.11 about best practices for increasing public participation that can be replicated in Minnesota.  
108.12 The report must incorporate and respond to comments from the focused study area and  
108.13 the steering committee.

108.14 Subd. 3. **Energy savings.** The utility that serves the focused study area may apply  
108.15 energy savings resulting directly from the implementation of recommendations contained  
108.16 in the report regarding energy efficiency investments to its energy-savings goal under  
108.17 Minnesota Statutes, section 216B.241, subdivision 1c.

108.18 Subd. 4. **Certificate of need process.** No contested case evidentiary hearings for  
108.19 a certificate of need for the transmission line identified in section 19 may commence  
108.20 before April 1, 2011.

108.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

108.22 **Sec. 21. APPROPRIATION AND TRANSFER.**

108.23 (a) The utility subject to Minnesota Statutes, section 116C.779, shall transfer  
108.24 \$90,000 from the renewable development account established under that section to the  
108.25 commissioner of commerce, who shall deposit it in the special revenue fund.

108.26 (b) \$90,000 from the money deposited in the special revenue fund under paragraph  
108.27 (a) is appropriated to the commissioner of commerce for transfer to the city of Minneapolis  
108.28 for a grant to an organization with experience in energy conservation and energy planning  
108.29 at the neighborhood level that is selected by the city, in consultation with the Midtown  
108.30 Greenway Coalition and representatives of the neighborhoods in which the high-voltage  
108.31 transmission line described in section 19 is proposed to be located, and after project  
108.32 proposals have been reviewed, to serve as project manager for the purpose of completing  
108.33 the report required under section 20.

108.34 This is a onetime appropriation and is available until expended.



110.1 We request the adoption of this report and repassage of the bill.

110.2 Senate Conferees:

110.3 .....  
110.4 Ellen Anderson Tom Saxhaug

110.5 .....  
110.6 Satveer Chaudhary Dennis Frederickson

110.7 .....  
110.8 Sandy Rummel

110.9 House Conferees:

110.10 .....  
110.11 Mary Murphy Jean Wagenius

110.12 .....  
110.13 Will Morgan Rick Hansen

110.14 .....  
110.15 Gregory Davids