

CHAPTER 2--S.F.No. 1

An act relating to state government; appropriating money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; establishing policy on milkweed; providing for rehearsal and storage space for state band; modifying provisions of Lessard-Sams Outdoor Heritage Council and the Clean Water Council; modifying Water Law; modifying requirements for use of and eligibility for legacy funds; modifying previous appropriations; requiring a report; amending Minnesota Statutes 2014, sections 16B.24, by adding a subdivision; 85.53, subdivision 2; 97A.056, subdivisions 8, 11, by adding subdivisions; 103A.206; 103B.101, by adding a subdivision; 103C.101, by adding a subdivision; 103C.401, subdivision 1; 103C.501, subdivision 5; 114D.30, subdivision 2; 114D.50, subdivision 4; 129D.17, subdivision 2; Laws 2012, chapter 264, article 1, section 2, subdivision 5; Laws 2013, chapter 137, article 1, section 2, subdivision 10; article 2, section 6; article 3, section 4; Laws 2014, chapter 256, article 1, section 2, subdivision 5; Laws 2014, chapter 295, sections 10, subdivision 12; 12; Laws 2014, chapter 312, article 14, section 7; proposing coding for new law in Minnesota Statutes, chapters 84; 103B.

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

ARTICLE 1**OUTDOOR HERITAGE FUND****Section 1. OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2016" and "2017" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2016, and June 30, 2017, respectively. The "first year" is fiscal year 2016. The "second year" is fiscal year 2017. The "biennium" is fiscal years 2016 and 2017, respectively. The appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2016</u>	<u>2017</u>

Sec. 2. OUTDOOR HERITAGE FUND

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>97,198,000</u>	<u>\$</u>	<u>607,000</u>
--	------------------	--------------------------	------------------	-----------------------

This appropriation is from the outdoor heritage fund.
The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Prairies40,948,000-0-**(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase VII**

\$4,570,000 in the first year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land and permanent conservation easement acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Acquisition - Phase VII

\$7,452,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project - Phase VI

\$4,032,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire native prairie, wetlands, and savanna and restore and enhance grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-

Sams Outdoor Heritage Council no later than 180 days following the close of The Nature Conservancy's fiscal year. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in the Minnesota Prairie Conservation Plan.

(d) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition - Phase V

\$3,430,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Accelerated Native Prairie Bank Protection - Phase IV

\$3,740,000 in the first year is to the commissioner of natural resources to implement the Minnesota Prairie Conservation Plan through the acquisition of permanent conservation easements to protect native prairie and grasslands. Up to \$165,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(f) Minnesota Buffers for Wildlife and Water - Phase V

\$4,544,000 in the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements to protect and enhance habitat by expanding the clean water fund riparian buffer program for at least equal wildlife benefits from buffers on private land. Up to \$72,500 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(g) Cannon River Headwaters Habitat Complex - Phase V

\$1,380,000 in the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley

\$1,800,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Prairie Chicken Society to acquire and restore lands in the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or for designation and management as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Protecting and Restoring Minnesota's Important Bird Areas

\$1,730,000 in the first year is to the commissioner of natural resources for agreements to acquire conservation easements within important bird areas

identified in the Minnesota Prairie Conservation Plan, to be used as follows: \$408,000 is to Audubon Minnesota and \$1,322,000 is to Minnesota Land Trust, of which up to \$100,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(j) Wild Rice River Corridor Habitat Restoration

\$2,270,000 in the first year is to the commissioner of natural resources for an agreement with the Wild Rice Watershed District to acquire land in fee and permanent conservation easement and to restore river and related habitat in the Wild Rice River corridor. A list of proposed acquisitions and restorations must be provided as part of the required accomplishment plan.

(k) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VII

\$4,880,000 in the first year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairie communities on wildlife management areas, scientific and natural areas, state forest land, and land under native prairie bank easements. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(l) Enhanced Public Land Grasslands - Phase II

\$1,120,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to enhance and restore habitat on public lands. A list of proposed land restorations and enhancements must be provided as part of the final report.

Subd. 3. Forests

12,634,000

-0-

(a) Camp Ripley Partnership - Phase V

\$1,500,000 in the first year is to the Board of Water and Soil Resources in cooperation with the Morrison County Soil and Water Conservation District to acquire permanent conservation easements within the boundaries of the Minnesota National Guard Compatible Use Buffer to protect forest wildlife

habitat. Up to \$55,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(b) Southeast Minnesota Protection and Restoration - Phase III

\$2,910,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8; to acquire land in fee for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; for state forest purposes under Minnesota Statutes, section 86A.05, subdivision 7; and to enhance grasslands, forest, and savanna. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) Protecting Pinelands Sands Aquifer Forestlands - Phase II

\$2,180,000 in the first year is to the commissioner of natural resources to acquire forest lands in Cass and Wadena Counties for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for state forests under Minnesota Statutes, section 86A.05, subdivision 7. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Protect Key Forest Lands in Cass County - Phase VI

\$442,000 in the first year is to the commissioner of natural resources for an agreement with Cass County to acquire land in fee in Cass County for forest wildlife habitat or to prevent forest fragmentation. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(e) Critical Shoreland Protection Program - Phase III

\$1,690,000 in the first year is to the commissioner of natural resources for an agreement with Minnesota

Land Trust to acquire permanent conservation easements along rivers and lakes in the northern forest region. Up to \$220,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements must be provided as part of the required accomplishment plan.

(f) Mississippi Headwaters Habitat Partnership

\$3,002,000 in the first year is to the commissioner of natural resources to acquire lands in fee and for permanent conservation easements in the Mississippi Headwaters and for agreements as follows: \$1,217,000 to The Trust for Public Land; and \$824,000 to Minnesota Land Trust, of which up to \$80,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(g) Southeast Forest Habitat Enhancement

\$910,000 in the first year is to the commissioner of natural resources to enhance forests in southeastern Minnesota. A list of proposed land enhancements must be provided as part of the required accomplishment plan.

Subd. 4. Wetlands

20,390,000

-0-

(a) Accelerating the Waterfowl Production Area Acquisition - Phase VII

\$7,620,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Shallow Lake and Wetland Protection Program - Phase IV

\$9,040,000 in the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) Wild Rice Shoreland Protection Program - Phase IV

\$131,000 in the first year is to the commissioner of natural resources for the acquisition of land in fee and \$1,469,000 is to the Board of Water and Soil Resources to acquire permanent conservation easements on wild rice lake shoreland habitat for native wild rice bed protection. Of this amount, up to \$90,000 to the Board of Water and Soil Resources is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed fee land acquisitions must be included as part of the required accomplishment plan by the Department of Natural Resources and a list of permanent conservation easements must be provided as part of the final report by the Board of Water and Soil Resources.

(d) Accelerated Shallow Lakes and Wetlands Enhancement - Phase VII

\$2,130,000 in the first year is to the commissioner of natural resources to enhance and restore shallow lakes statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

Subd. 5. Habitats

22,368,000

-0-

(a) DNR Aquatic Habitat - Phase VII

\$4,540,000 in the first year is to the commissioner of natural resources to acquire interests in land in fee and permanent conservation easements for aquatic management purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, to acquire interests in land in permanent conservation easements for fish and wildlife habitat under Minnesota Statutes, section 84.66, and to restore and

enhance aquatic habitat. Up to \$130,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(b) Metro Big Rivers - Phase VI

\$2,000,000 in the first year is to the commissioner of natural resources for agreements to acquire land in fee and in permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$475,000 to Minnesota Valley National Wildlife Refuge Trust, Inc.; \$275,000 to Friends of the Mississippi River; \$400,000 to Great River Greening; \$375,000 to Minnesota Land Trust; and \$475,000 to The Trust for Public Land. Up to \$60,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(c) Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase VII

\$1,890,000 in the first year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers and streams in Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(d) Lake Bemidji South Shore Restoration and Enhancement

\$1,650,000 in the first year is to the commissioner of natural resources for an agreement with the city of Bemidji to restore and enhance fish habitat on Lake Bemidji. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(e) Sand Hill River Fish Passage

\$990,000 in the first year is to the commissioner of natural resources for an agreement with the Sand Hill River Watershed District to restore fish habitat in the Sand Hill River watershed. A list of proposed restorations must be provided as part of the required accomplishment plan.

(f) Shell Rock River Watershed Habitat Restoration Program - Phase IV

\$2,414,000 in the first year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to protect, restore, and enhance aquatic habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(g) Lake Nokomis Integrated Habitat Enhancement

\$444,000 in the first year is to the commissioner of natural resources for an agreement with the Minneapolis Park and Recreation Board to enhance aquatic habitat on Lake Nokomis. A list of proposed enhancements must be provided as part of the required accomplishment plan.

(h) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat - Phase VII

\$8,440,000 in the first year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, \$3,692,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or greater. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of this appropriation, \$596,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in

fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or a charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority must be given to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2018. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. Administration

858,000

607,000

(a) Contract Management

\$150,000 in the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner shall

provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on the expenditure of this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended prior to the Lessard-Sams Outdoor Heritage Council's approval of the accomplishment plan.

(b) Legislative Coordinating Commission

\$608,000 in the first year and \$607,000 in the second year are to the Legislative Coordinating Commission for administrative expenses of the Lessard-Sams Outdoor Heritage Council and for compensation and expense reimbursement of council members. This appropriation is available until June 30, 2017. Minnesota Statutes, section 16A.281, applies to this appropriation.

(c) Technical Evaluation Panel

\$100,000 in the first year is to the commissioner of natural resources for a technical evaluation panel to conduct up to ten restoration evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

(d) Land Acquisition Report

The staff of the Lessard-Sams Outdoor Heritage Council, in consultation with the commissioner of natural resources, shall prepare a report on outdoor heritage fund land acquisitions as of June 30, 2015, that includes:

- (1) the total number of acres, by county and by type, acquired in fee and the percentage of land in each county acquired in fee;
- (2) the average price paid per acre, by county, for lands acquired in fee;
- (3) the total number of acres, by county, for land acquired in easement;
- (4) the average price paid per acre, by county, for land acquired in easement;
- (5) the total number of acres, by county, estimated to be acquired in fee and the total number of acres, by

county, estimated to be acquired in easement over the life of the outdoor heritage fund if the current rate of acquisition continues;

(6) the number and percentage of sellers by category, including the number of corporate and other private sellers, nonprofit sellers, and public sellers;

(7) the total amount of property taxes paid during the five years prior to acquisition, including statewide business property taxes, if any, on the acres acquired in fee by county;

(8) the total of payment-in-lieu of tax payments made for lands acquired with outdoor heritage funds and the estimate of future payment-in-lieu of tax payments based on the estimated total number of acres acquired over the life of the outdoor heritage fund; and

(9) the total amount of land acquired in fee by the state, excluding lands acquired by the commissioner of transportation, with any funds over the last ten years.

The Lessard-Sams Outdoor Heritage Council must submit the report to the Legislative Coordinating Commission, and the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources, the outdoor heritage fund, and finance and the house of representatives Committee on Ways and Means by January 15, 2016. The report must be posted on the Web site required under Minnesota Statutes, section 3.303, subdivision 10.

Subd. 7. Availability of Appropriation

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise provided, the amounts

in this section are available until June 30, 2018. For acquisition of real property, the amounts in this section are available until June 30, 2019, if a binding agreement with a landowner or purchase agreement is entered into by June 30, 2018, and closed no later than June 30, 2019. Money for restoration or enhancement is available until June 30, 2020, or five years after acquisition, whichever is later, in order to complete initial restoration or enhancement work. If a project receives at least 15 percent of its funding from federal funds, the time period of the appropriation may be extended to equal the availability of federal funding to a maximum of six years, provided the federal funding was confirmed and included within the first draft accomplishment plan. Money appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public use facilities must have a minimal impact on habitat in acquired lands.

Subd. 8. Payment Conditions and Capital Equipment Expenditures

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2015, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice, or binding agreement with the landowner, and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash flow

needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 9. Mapping

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must provide geographic information to the Lessard-Sams Outdoor Heritage Council for mapping any lands acquired in fee with money appropriated in this section and open to public taking of fish and game. The commissioner of natural resources shall include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

Subd. 10. Disability Access

Where appropriate, grant recipients of the outdoor heritage fund, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Subd. 11. Monarch Butterfly Habitat

When feasible, a recipient of funds appropriated in this section is encouraged to use conservation practices that promote monarch butterfly habitat, including planting and maintaining vegetation beneficial to monarchs and minimizing the use of pesticides.

Sec. 3. [84.974] MILKWEED.

When feasible, the commissioner of natural resources is encouraged to plant milkweed.

Sec. 4. Minnesota Statutes 2014, section 97A.056, subdivision 8, is amended to read:

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

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

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

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

(b) The owner of the land shall submit the total net revenues determined under paragraph (a), clause (3), to the state no later than 60 days after the land is transferred to the state.

Sec. 5. Minnesota Statutes 2014, section 97A.056, is amended by adding a subdivision to read:

Subd. 20. **Donations.** A recipient shall not accept a monetary donation or payment from an owner of land that is acquired in fee in whole or in part with an appropriation from the outdoor heritage fund that exceeds the documented expenses that are directly related to and necessary for activities specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council, unless expressly approved by the Lessard-Sams Outdoor Heritage Council in the accomplishment plan. This subdivision does not apply to donations that are not connected with the acquisition transaction or bargain sales, as defined by Code of Federal Regulations, title 26, section 1.1011-2, provided that the purchase price reimbursed by the state does not exceed the purchase price paid by the recipient.

EFFECTIVE DATE. This section is effective July 1, 2016, and applies to money appropriated on or after that date.

Sec. 6. Minnesota Statutes 2014, section 97A.056, is amended by adding a subdivision to read:

Subd. 21. **Haying and grazing.** Lands acquired with money appropriated from the outdoor heritage fund may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is being implemented prior to the emergency declaration may continue.

Sec. 7. Laws 2012, chapter 264, article 1, section 2, subdivision 5, is amended to read:

Subd. 5. Habitats	-0-	28,620,000
--------------------------	-----	------------

(a) **DNR Aquatic Habitat - Phase IV**

\$3,480,000 in the second year is to the commissioner of natural resources to acquire interests in land in

fee or permanent conservation easements for aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, and to restore and enhance aquatic habitat. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$25,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(b) Metro Big Rivers Habitat - Phase III

\$3,680,000 in the second year is to the commissioner of natural resources for agreements to acquire interests in land in fee or permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$1,000,000 to the Minnesota Valley National Wildlife Refuge Trust, Inc.; \$375,000 to the Friends of the Mississippi; \$375,000 to Great River Greening; \$930,000 to The Minnesota Land Trust; and \$1,000,000 to The Trust for Public Land. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$51,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(c) Dakota County Riparian and Lakeshore Protection and Management - Phase III

\$480,000 in the second year is to the commissioner of natural resources for an agreement with Dakota County to acquire permanent conservation

easements and restore and enhance habitats along the Mississippi, Cannon, and Vermillion Rivers. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$20,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(d) Lower St. Louis River Habitat Restoration

\$3,670,000 in the second year is to the commissioner of natural resources to restore habitat in the lower St. Louis River estuary. A list of proposed projects must be provided as part of the required accomplishment plan.

(e) Coldwater Fish Habitat Enhancement - Phase IV

\$2,120,000 in the second year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance coldwater fish lake, river, and stream habitats in Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Grand Marais Creek Outlet Restoration

\$2,320,000 in the second year is to the commissioner of natural resources for an agreement with the Red Lake Watershed District to restore and enhance stream and related habitat in Grand Marais Creek. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(g) Knife River Habitat Restoration

\$380,000 in the second year is to the commissioner of natural resources for an agreement with the Lake Superior Steelhead Association to restore trout habitat in the Upper Knife River Watershed. A list of

proposed restorations must be provided as part of the required accomplishment plan. Notwithstanding rules of the commissioner of natural resources, restorations conducted pursuant to this paragraph may be accomplished by excavation.

(h) Protect Aquatic Habitat from Asian Invasive Carp

\$7,500,000 in the second year is to the commissioner of natural resources ~~to for design, construct, operate, and evaluate~~ construction, including acquisition, operation, and evaluation of structural deterrents for Asian invasive carp to protect Minnesota's aquatic habitat. Use of this money requires a one-to-one match for projects on state boundary waters.

(i) Outdoor Heritage Conservation Partners Grant Program - Phase IV

\$4,990,000 in the second year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from appropriations in this paragraph for projects that have a total project cost exceeding \$575,000. \$366,000 of this appropriation may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority

shall be given to projects associated with existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; and aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2016. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summaries that are prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Sec. 8. Laws 2013, chapter 137, article 1, section 2, subdivision 10, is amended to read:

Subd. 10. Appropriations Carryforward; Fee Title Acquisition

The availability of the appropriation for the following project is extended to ~~July~~ September 1, 2015: Laws 2010, chapter 361, article 1, section 2, subdivision 5, paragraph (h), Washington County St. Croix River Land Protection, and the appropriation may be spent on acquisition of land in fee title to protect habitat associated with the St. Croix River Valley. A list of proposed acquisitions must be provided as part of the accomplishment plan.

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

Sec. 9. Laws 2014, chapter 256, article 1, section 2, subdivision 5, is amended to read:

Subd. 5. Habitats

-0-

30,890,000

(a) DNR Aquatic Habitat - Phase VI

\$2,560,000 in the second year is to the commissioner of natural resources to acquire interests in land in fee and permanent conservation easements for aquatic management purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, and to restore and enhance aquatic habitat. Up to \$32,500 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(b) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes

\$2,130,000 in the second year is to the commissioner of natural resources for agreements with the Leech Lake Area Watershed Foundation and Minnesota Land Trust to acquire land in fee and permanent conservation easements to sustain healthy fish habitat on lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties as follows: \$1,150,300 to Leech Lake Area Watershed Foundation; and \$979,700 to Minnesota Land Trust, of which up to \$120,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Habitat Protection in Dakota County - Phase V

\$1,190,000 in the second year is to the commissioner of natural resources for a contract with Dakota County to acquire permanent conservation easements and land in fee and to restore and enhance habitats in rivers and lake watersheds in Dakota County. Up to \$15,000 to Dakota County is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that

is already being implemented may continue. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(d) Metro Big Rivers - Phase V

\$2,650,000 in the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$600,000 to Minnesota Valley National Wildlife Refuge Trust, Inc.; \$160,000 to Friends of the Mississippi River; \$400,000 to Great River Greening; \$590,000 to Minnesota Land Trust, of which up to \$77,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17; and \$900,000 to The Trust for Public Land. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(e) Mustinka River Fish and Wildlife Habitat Corridor Rehabilitation

\$2,440,000 in the second year is to the commissioner of natural resources for an agreement with the Bois de Sioux Watershed District to acquire land in fee and to restore natural systems associated with the Mustinka River located within the Bois de Sioux Watershed. Lands acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase VI

\$1,900,000 in the second year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers and streams in Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(g) St. Louis River Restoration Initiative - Phase II

\$2,290,000 in the second year is to the commissioner of natural resources to restore habitat in the lower St. Louis River estuary. Of this appropriation, up to \$500,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations must be provided as part of the required accomplishment plan.

(h) Knife River Habitat Rehabilitation - Phase II

\$1,410,000 in the second year is to the commissioner of natural resources for an agreement with the Lake Superior Steelhead Association to enhance trout habitat in the Knife River watershed. A list of proposed enhancements must be provided as part of the required accomplishment plan.

(i) Restoration and Enhancement of Washington County Public Lands

\$430,000 in the second year is to the commissioner of natural resources for an agreement with Washington County to restore and enhance habitat on public lands in Washington County. A restoration and enhancement plan and a list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(j) Wirth Park Enhancements

\$600,000 in the second year is to the commissioner of natural resources for an agreement with the Minneapolis Park Board to enhance riparian and upland habitat within Wirth Park in Hennepin County. A restoration and enhancement plan and a list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) Evaluate Effectiveness of Aquatic Invasive Species Prevention Strategies

\$4,040,000 in the second year is to the commissioner of natural resources for an agreement with the Central Minnesota Initiative Fund to develop a series of pilot projects to enhance aquatic habitat by preventing the spread of aquatic invasive species, including pilot projects conducting education and outreach, inspection and decontamination, enforcement, and other activities. All pilot projects must be conducted on a reimbursement basis and require a match of nonoutdoor heritage fund dollars. A required evaluation of results must be funded with nonoutdoor heritage fund dollars. The required evaluation must evaluate the efficacy of inspection and decontamination activities utilized in any of the pilot projects in preventing the spread of aquatic invasive species. A list of pilot projects must be included in the required final report. This appropriation is available until June 30, 2019. The accomplishment plan must accelerate the start of the pilot project.

(l) Albert Lea Lake Management and Invasive Species Control Structure - Supplement

\$700,000 in the second year is added to the appropriation contained in Laws 2013, chapter 137, article 1, section 2, subdivision 5, paragraph (h), to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to construct structural deterrents and lake level controls.

(m) Conservation Partners Legacy Grant Program - Phase VI

\$4,550,000 in the second year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of this appropriation, ~~\$460,000~~ \$265,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may

acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority shall be given to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2018. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and

fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

(n) Conservation Partners Legacy Metro Grant Program

\$4,000,000 in the second year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in the seven-county metropolitan area and cities with a population of 50,000 or greater. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of this appropriation, ~~\$70,000~~ \$250,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority shall be given to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic

management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2018. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2014.

Sec. 10. **PAYMENT-IN-LIEU OF TAX ALTERNATIVES; RECOMMENDATIONS.**

The commissioner of management and budget, in consultation with the commissioners of natural resources and revenue, the Association of Minnesota Counties, and the Minnesota Association of Townships, shall examine alternatives to payment-in-lieu of tax payments under Minnesota Statutes, sections 477A.10 to 477A.14, including a trust fund approach, that would apply to land acquired with money from the outdoor heritage fund and other dedicated funds. The examination must take into account the ongoing costs to the state and local units of government associated with the acquisition of the land and any constitutional constraints. The commissioner of management and budget shall submit recommendations to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources, legacy funds, and taxes no later than January 15, 2016.

ARTICLE 2

CLEAN WATER FUND

Section 1. **CLEAN WATER FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2016" and "2017" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016.

"The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017. The appropriations in this article are onetime.

APPROPRIATIONS
Available for the Year
Ending June 30
2016 **2017**

Sec. 2. CLEAN WATER

Subdivision 1. <u>Total Appropriation</u>	\$	<u>116,263,000</u>	\$	<u>112,039,000</u>
--	-----------	---------------------------	-----------	---------------------------

The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2016 appropriations are available until June 30, 2017, and fiscal year 2017 appropriations are available until June 30, 2018. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. Disability Access

Where appropriate, grant recipients of clean water funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Sec. 3. <u>DEPARTMENT OF AGRICULTURE</u>	\$	<u>8,584,000</u>	\$	<u>5,082,000</u>
---	-----------	-------------------------	-----------	-------------------------

(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface water and groundwater and to use data collected to assess pesticide use practices.

(b) \$2,586,000 the first year and \$2,585,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater in areas vulnerable to groundwater degradation; monitoring for pesticides when nitrate is detected; promoting, developing, and evaluating regional and crop-specific nutrient best management practices; assessing best management practice adoption; education and technical support from University of Minnesota Extension; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, 2018.

(c) \$75,000 the first year and \$75,000 the second year are for administering clean water funds managed through the agriculture best management practices loan program. Any unencumbered balance at the end of the second year shall be added to the corpus of the loan fund.

(d) \$1,125,000 the first year and \$1,125,000 the second year are for technical assistance, research, and demonstration projects on proper implementation of best management practices and more precise information on nonpoint contributions to impaired waters. This appropriation is available until June 30, 2020.

(e) \$788,000 the first year and \$787,000 the second year are for research to quantify and reduce agricultural contributions to impaired waters and for development and evaluation of best management practices to protect and restore water resources. This appropriation is available until June 30, 2020.

(f) \$50,000 the first year and \$50,000 the second year are for a research inventory database containing water-related research activities. Costs for information technology development or support for this research inventory database may be paid to the Office of MN.IT Services. This appropriation is available until June 30, 2018.

(g) \$2,500,000 the first year is to implement the Minnesota agricultural water quality certification program statewide. The commissioner of agriculture shall consult with the United States Department of Agriculture to determine whether other state

spending would qualify as a match for the agricultural water quality certification program funds available from the federal government. By January 1, 2016, the commissioner shall submit a report on funding recommendations to the Clean Water Council and the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over agriculture, the environment and natural resources, and the clean water fund. Funds appropriated in this paragraph are available until June 30, 2016, and the commissioner may request additional funding for this program for fiscal year 2017.

(h) \$110,000 the first year and \$110,000 the second year are to provide funding for a regional irrigation water quality specialist through University of Minnesota Extension.

(i) \$1,000,000 the first year is for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and to protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices.

(j) A portion of the funds in this section may be used for programs to train state and local outreach staff in the intersection between agricultural economics and agricultural conservation.

Sec. 4. PUBLIC FACILITIES AUTHORITY

\$ 9,250,000 \$ 9,250,000

(a) \$9,000,000 the first year and \$9,000,000 the second year are for the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation is available until June 30, 2020.

(b) \$250,000 the first year and \$250,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until June 30, 2020.

(c) If there are any uncommitted funds at the end of each fiscal year under paragraph (a) or (b), the Public

(e) \$275,000 the first year and \$275,000 the second year are for storm water research and guidance.

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

(g) \$900,000 the first year and \$900,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts.

(h) \$3,623,000 the first year and \$3,622,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protection of groundwater, including base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are otherwise failing. Counties that receive base grants must report the number of sewage noncompliant properties upgraded through SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buy-out. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. These required reports are to be part of established annual reporting for SSTS programs. Counties that conduct SSTS inventories or those with an ordinance in place that requires an SSTS to be inspected as a condition of transferring property or as a condition of obtaining a local permit must be given priority for competitive grants under this paragraph. Of this amount, \$750,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed \$500,000 for the biennium. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures.

(i) \$275,000 the first year and \$275,000 the second year are for a storm water best management practice performance evaluation and technology transfer program to enhance data and information management of storm water best management practices; evaluate best management performance and effectiveness to support meeting total maximum daily loads; develop standards and incorporate state of the art guidance using minimal impact design standards as the model; and implement a knowledge and technology transfer system across local government, industry, and regulatory sectors for pass-through to the University of Minnesota. This appropriation is available until June 30, 2018.

(j) \$50,000 the first year and \$50,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(k) \$1,000,000 the first year and \$1,000,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated Voyageurs National Park Clean Water Project Comprehensive Plan to restore the water quality of waters within Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be matched by at least 25 percent from sources other than the clean water fund.

(l) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations in this section encumbered on or before June 30, 2017, as grants or contracts are available until June 30, 2020.

Sec. 6. **DEPARTMENT OF NATURAL RESOURCES** \$ **9,000,000** \$ **9,000,000**

(a) \$2,000,000 the first year and \$2,000,000 the second year are for stream flow monitoring.

(b) \$1,300,000 the first year and \$1,300,000 the second year are for lake Index of Biological Integrity (IBI) assessments.

(c) \$135,000 the first year and \$135,000 the second year are for assessing mercury and other contaminants

of fish, including monitoring to track the status of impaired waters over time.

(d) \$1,940,000 the first year and \$1,940,000 the second year are for developing targeted, science-based watershed restoration and protection strategies.

(e) \$1,375,000 the first year and \$1,375,000 the second year are for water supply planning, aquifer protection, and monitoring activities.

(f) \$1,000,000 the first year and \$1,000,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities.

(g) \$675,000 the first year and \$675,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; assessing effectiveness of forestry best management practices for water quality; and developing a biomonitoring database.

(h) \$250,000 the first year and \$250,000 the second year are for developing county geologic atlases.

(i) \$325,000 the first year and \$325,000 the second year are for analysis and mapping in each county related to compliance with riparian buffer or alternate practice requirements and to provide statewide coordination and guidance to local units of government for implementation of buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources' Web site.

Sec. 7. BOARD OF WATER AND SOIL RESOURCES

\$ 56,841,000 \$ 56,322,000

(a) \$4,875,000 the first year and \$4,875,000 the second year are for grants to local government units organized for the management of water in a watershed or subwatershed that have multiyear plans that will result in a significant reduction in water pollution in a selected subwatershed. The grants may be used for

establishment of riparian buffers; practices to store water for natural treatment and infiltration, including rain gardens; capturing storm water for reuse; stream bank, shoreland, and ravine stabilization; enforcement activities; and implementation of best management practices for feedlots within riparian areas and other practices demonstrated to be most effective in protecting, enhancing, and restoring water quality in lakes, rivers, and streams and protecting groundwater from degradation. Grant recipients must identify a nonstate match and may use other legacy funds to supplement projects funded under this paragraph. Grants awarded under this paragraph are available for four years and priority must be given to the best designed plans each year.

(b) \$10,187,000 the first year and \$10,188,000 the second year are for grants to protect and restore surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. A portion of these funds may be used to seek administrative efficiencies through shared resources by multiple local governmental units.

(c) \$6,000,000 the first year and \$6,000,000 the second year are for targeted local resource protection and enhancement grants and statewide program enhancements for technical assistance, citizen and community outreach, and training and certification, as well as projects, practices, and programs that supplement or otherwise exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation, including compliance.

(d) \$950,000 the first year and \$950,000 the second year are to provide state oversight and accountability, evaluate results, provide implementation tools, and measure the value of conservation program implementation by local governments, including submission to the legislature by March 1 each even-numbered year a biennial report prepared by the board, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, detailing the recipients, the projects funded under this section, and the amount of pollution reduced.

(e) \$2,500,000 the first year and \$2,500,000 the second year are for grants to local units of government to enhance compliance with riparian buffer or alternate practice requirements.

(f) \$4,875,000 the first year and \$4,875,000 the second year are to restore or preserve permanent conservation on riparian buffers adjacent to lakes, rivers, streams, and tributaries, to keep water on the land in order to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. This appropriation may be used for restoration of riparian buffers permanently protected by easements purchased with this appropriation or contracts to achieve permanent protection for riparian buffers or stream bank restorations when the riparian buffers have been restored. Up to \$344,000 is for deposit in a monitoring and enforcement account.

(g) \$1,750,000 the first year and \$1,750,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for fee title acquisition to permanently protect groundwater supply sources on wellhead protection areas or for otherwise assuring long-term protection of groundwater supply sources as described under alternative management tools in the Department of Agriculture's Nitrogen Fertilizer Management Plan, including low nitrogen cropping systems or implementing nitrogen fertilizer best management

practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring Conservation Reserve Program contracts. Up to \$52,500 is for deposit in a monitoring and enforcement account.

(h) \$750,000 the first year and \$750,000 the second year are for community partner grants to local units of government for: (1) structural or vegetative management practices that reduce storm water runoff from developed or disturbed lands to reduce the movement of sediment, nutrients, and pollutants for restoration, protection, or enhancement of water quality in lakes, rivers, and streams and to protect groundwater and drinking water; and (2) installation of proven and effective water retention practices including, but not limited to, rain gardens and other vegetated infiltration basins and sediment control basins in order to keep water on the land. The projects must be of long-lasting public benefit, include a local match, and be consistent with TMDL implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. Local government unit costs may be used as a match.

(i) \$84,000 the first year and \$84,000 the second year are for a technical evaluation panel to conduct ten restoration evaluations under Minnesota Statutes, section 114D.50, subdivision 6.

(j) \$2,100,000 the first year and \$2,100,000 the second year are for assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D.

(k) \$750,000 the first year and \$750,000 the second year are for technical assistance and grants for the conservation drainage program in consultation with the Drainage Work Group, coordinated under Minnesota Statutes, section 103B.101, subdivision

13, that includes projects to improve multipurpose water management under Minnesota Statutes, section 103E.015.

(l) \$9,000,000 the first year and \$9,000,000 the second year are to purchase and restore permanent conservation sites via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. This work may be done in cooperation with the United States Department of Agriculture with a first priority use to accomplish a conservation reserve enhancement program, or equivalent, in the state. Up to \$1,285,000 is for deposit in a monitoring and enforcement account.

(m) \$1,000,000 the first year and \$1,000,000 the second year are to purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but threatened with degradation. Up to \$190,000 is for deposit in a monitoring and enforcement account.

(n) \$500,000 the first year and \$500,000 the second year are for a program to systematically collect data and produce county, watershed, and statewide estimates of soil erosion caused by water and wind along with tracking adoption of conservation measures to address erosion.

(o) \$11,000,000 the first year and \$11,000,000 the second year are for payments to soil and water conservation districts for the purposes of Minnesota Statutes, sections 103C.321 and 103C.331. From this appropriation, each soil and water conservation district shall receive an increase in its base funding of \$100,000 per year. Money remaining after the base increase is available for matching grants to soil and water conservation districts based on county allocations to soil and water conservation districts. The board and other agencies may reduce the amount of grants to a county by an amount equal to any reduction in the county's allocation to a soil and water conservation district from the county's previous-year allocation when the board determines that the reduction was disproportionate. The second-

year appropriation cancels if new buffer requirements are not enacted in 2015.

(p) \$520,000 the first year is for a grant to Washington County for a water quality improvement project that will improve water quality and restore an essential backwater aquatic area by reconnecting Grey Cloud Slough to the main channel of the Mississippi River Area. This appropriation is not available until at least an equal amount is committed from nonstate sources.

(q) The Board of Water and Soil Resources must consider the inclusion of environmentally suitable annuals the next time the board establishes or revises vegetation establishment and enhancement guidelines for the purposes of riparian buffers.

(r) The board shall contract for delivery of services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for up to \$500,000 the first year and up to \$500,000 the second year.

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

(t) The board shall require grantees to specify the outcomes that will be achieved by the grants prior to any grant awards.

(u) The appropriations in this section are available until June 30, 2020. Returned grant funds are available until expended and shall be regranted consistent with the purposes of this section.

Sec. 8. **DEPARTMENT OF HEALTH**

\$ **4,013,000** **\$** **3,812,000**

(a) \$1,100,000 the first year and \$1,100,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standards exist, including accelerating the development of health risk limits and improving the capacity of the department's laboratory to analyze unregulated contaminants. The commissioner shall

contract with the Board of Regents of the University of Minnesota to provide an independent review of the department's drinking water contaminants of emerging concern program. The review must include an assessment of the process used by the department to rank contaminants that are threats to drinking water supplies and include a comparison of efforts at the department with efforts by other states and the United States Environmental Protection Agency. The review must be submitted to the Clean Water Council and the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources by June 1, 2016.

(b) \$1,900,000 the first year and \$1,900,000 the second year are for protection of drinking water sources.

(c) \$113,000 the first year and \$112,000 the second year are for cost-share assistance to public and private well owners for up to 50 percent of the cost of sealing unused wells.

(d) \$125,000 the first year and \$125,000 the second year are to develop and deliver groundwater restoration and protection strategies for use on a watershed scale for use in local water planning efforts and to provide resources to local governments for drinking water source protection activities.

(e) \$325,000 the first year and \$325,000 the second year are for studying the occurrence and magnitude of contaminants in private wells and developing guidance to ensure that new well placement minimizes the potential for risks, in cooperation with the commissioner of agriculture.

(f) \$275,000 the first year and \$75,000 the second year are for development and implementation of a groundwater virus monitoring plan, including an epidemiological study to determine the association between groundwater virus concentration and community illness rates.

(g) \$175,000 the first year and \$175,000 the second year are to prepare a comprehensive study of and recommendations for regulatory and nonregulatory

approaches to water reuse for use in the development of state policy for water reuse in Minnesota.

(h) Unless otherwise specified, the appropriations in this section are available until June 30, 2019.

Sec. 9. METROPOLITAN COUNCIL	\$	<u>1,225,000</u>	\$	<u>1,225,000</u>
-------------------------------------	----	------------------	----	------------------

(a) \$975,000 the first year and \$975,000 the second year are to implement projects that address emerging drinking water supply threats, provide cost-effective regional solutions, leverage interjurisdictional coordination, support local implementation of water supply reliability projects, and prevent degradation of groundwater resources in the metropolitan area. These projects will provide to communities:

(1) potential solutions to leverage regional water use through utilization of surface water, storm water, wastewater, and groundwater;

(2) an analysis of infrastructure requirements for different alternatives;

(3) development of planning level cost estimates, including capital cost and operation cost;

(4) identification of funding mechanisms and an equitable cost-sharing structure for regionally beneficial water supply development projects; and

(5) development of subregional groundwater models.

(b) \$250,000 the first year and \$250,000 the second year are for the water demand reduction grant program to encourage implementation of water demand reduction measures by municipalities in the metropolitan area to ensure the reliability and protection of drinking water supplies.

Sec. 10. Minnesota Statutes 2014, section 103A.206, is amended to read:

103A.206 SOIL AND WATER CONSERVATION POLICY.

Maintaining and enhancing the quality of soil and water for the environmental and economic benefits they produce, preventing degradation, and restoring degraded soil and water resources of this state contribute greatly to the health, safety, economic well-being, and general welfare of this state and its citizens. Land occupiers have the responsibility to implement practices that conserve the soil and water resources of the state. Soil and water conservation measures implemented on private lands in this state provide benefits to

the general public by reducing erosion, sedimentation, siltation, water pollution, and damages caused by floods. The soil and water conservation policy of the state is to encourage land occupiers to conserve soil, water, and the natural resources they support through the implementation of practices that:

- (1) control or prevent erosion, sedimentation, siltation, and related pollution in order to preserve natural resources;
- (2) ensure continued soil health, as defined under section 103C.101, subdivision 10a, and soil productivity;
- (3) protect water quality;
- (4) prevent impairment of dams and reservoirs;
- (5) reduce damages caused by floods;
- (6) preserve wildlife;
- (7) protect the tax base; and
- (8) protect public lands and waters.

Sec. 11. Minnesota Statutes 2014, section 103B.101, is amended by adding a subdivision to read:

Subd. 16. **Water quality practices; standardized specifications.** The Board of Water and Soil Resources shall work with state and federal agencies, academic institutions, local governments, practitioners, and stakeholders to foster mutual understanding and provide recommendations for standardized specifications for water quality and soil conservation protection and improvement practices and projects. The board may convene working groups or work teams to develop information, education, and recommendations.

Sec. 12. **[103B.801] COMPREHENSIVE WATERSHED MANAGEMENT PLANNING PROGRAM.**

Subdivision 1. **Definitions.** The definitions under section 103B.3363, subdivisions 2 to 4, apply to this section.

Subd. 2. **Program purposes.** The purposes of the comprehensive watershed management plan program under section 103B.101, subdivision 14, paragraph (a), are to:

- (1) align local water planning purposes and procedures under chapters 103B, 103C, and 103D on watershed boundaries to create a systematic, watershed-wide, science-based approach to watershed management;
- (2) acknowledge and build off existing local government structure, water plan services, and local capacity;
- (3) incorporate and make use of data and information, including watershed restoration and protection strategies under section 114D.26;
- (4) solicit input and engage experts from agencies, citizens, and stakeholder groups;

(5) focus on implementation of prioritized and targeted actions capable of achieving measurable progress; and

(6) serve as a substitute for a comprehensive plan, local water management plan, or watershed management plan developed or amended, approved, and adopted, according to chapter 103B, 103C, or 103D.

Subd. 3. **Coordination.** The board shall develop policies for coordination and development of comprehensive watershed management plans. To ensure effectiveness and accountability in meeting the purposes of subdivision 2, these policies must address, at a minimum:

(1) a boundary framework consistent with section 103B.101, subdivision 14, paragraph (a), and procedures, requirements, and criteria for establishing or modifying the framework consistent with the goals of section 103A.212. The metropolitan area, as defined under section 473.121, subdivision 2, may be considered for inclusion in the boundary framework. If included, the metropolitan area is not excluded from the water management programs under sections 103B.201 to 103B.255;

(2) requirements for coordination, participation, and commitment between local government units in the development, approval, adoption, and implementation of comprehensive watershed management plans within planning boundaries identified according to this subdivision;

(3) requirements for consistency with state agency-adopted water and natural resources-related plans and documents required by chapters 103A, 103B, 103C, 103D, 103E, 103F, 103G, and 114D; and

(4) procedures for plan development, review, and approval consistent with the intent of sections 103B.201, 103B.255, 103B.311, 103B.321, 103D.401, and 103D.405. If the procedures in these sections are contradictory as applied to a specific proceeding, the board must establish a forum where the public interest conflicts involved can be presented and, by consideration of the whole body of water law, the controlling policy can be determined and apparent inconsistencies resolved.

Subd. 4. **Plan content.** The board shall develop policies for required comprehensive watershed management plan content consistent with comprehensive local water management planning. To ensure effectiveness and accountability in meeting the purposes of subdivision 2, plan content must include, at a minimum:

(1) an analysis and prioritization of issues and resource concerns;

(2) measurable goals to address the issues and concerns, including but not limited to:

(i) restoration, protection, and preservation of natural surface water and groundwater storage and retention systems;

(ii) minimization of public capital expenditures needed to correct flooding and water quality problems;

(iii) restoration, protection, and improvement of surface water and groundwater quality;

(iv) establishment of more uniform local policies and official controls for surface water and groundwater management;

(v) identification of priority areas for wetland enhancement, restoration, and establishment;

(vi) identification of priority areas for riparian zone management and buffers;

(vii) prevention of erosion and soil transport into surface water systems;

(viii) promotion of groundwater recharge;

(ix) protection and enhancement of fish and wildlife habitat and water recreational facilities; and

(x) securing other benefits associated with the proper management of surface water and groundwater;

(3) a targeted implementation schedule describing at a minimum the actions, locations, timeline, estimated costs, method of measurement, and identification of roles and responsible government units;

(4) a description of implementation programs, including how the implementation schedule will be achieved and how the plan will be administered and coordinated between local water management responsibilities; and

(5) a land and water resource inventory.

Subd. 5. Timelines; administration. (a) The board shall develop and adopt, by June 30, 2016, a transition plan for development, approval, adoption, and coordination of plans consistent with section 103A.212. The transition plan must include a goal of completing statewide transition to comprehensive watershed management plans by 2025. The metropolitan area may be considered for inclusion in the transition plan.

(b) The board may use the authority under section 103B.3369, subdivision 9, to support development or implementation of a comprehensive watershed management plan under this section.

Subd. 6. Authority. Notwithstanding any laws to the contrary, the authorities granted to local government through chapters 103B, 103C, and 103D are retained when a comprehensive watershed management plan is adopted as a substitute for a watershed management plan required under section 103B.231, a county groundwater plan authorized under section 103B.255, a county water plan authorized under section 103B.311, a comprehensive plan authorized under section 103C.331, or a watershed management plan required under section 103D.401 or 103D.405.

Sec. 13. Minnesota Statutes 2014, section 103C.101, is amended by adding a subdivision to read:

Subd. 10a. Soil health. "Soil health" means the continued capacity of soil to function as a vital living system that sustains plants, animals, and humans. Indicators of soil health include water infiltration capacity; organic matter content; water holding capacity; biological capacity to break down plant residue and other substances and to maintain soil aggregation; nutrient sequestration and cycling capacity; carbon sequestration; and soil resistance.

Sec. 14. Minnesota Statutes 2014, section 103C.401, subdivision 1, is amended to read:

Subdivision 1. **Powers and duties.** In addition to the powers and duties of the state board provided by other law, the state board shall:

(1) offer to assist the district boards to implement their programs;

(2) keep the district boards of the state informed of the activities and experience of other districts and facilitate cooperation and an interchange of advice and experience among the districts;

(3) coordinate the programs and activities of the districts with appropriate agencies by advice and consultation;

(4) approve or disapprove the plans or programs of districts relating to the use of state funds administered by the state board;

(5) secure the cooperation and assistance of agencies in the work of the districts and develop a program to advise and assist appropriate agencies in obtaining state and federal funds for erosion, sedimentation, flooding, and agriculturally related pollution control programs;

(6) develop and implement a public information program concerning the districts' activities and programs, the problems and preventive practices relating to erosion control, sedimentation, agriculturally related pollution, flood prevention, and the advantages of formation of districts in areas where their organization is desirable;

(7) consolidate districts without a hearing or a referendum;

(8) assist the statewide program to inventory and classify the types of soils in the state as determined by the Minnesota Cooperative Soil Survey;

(9) identify research needs and cooperate with other public agencies in research concerning the nature and extent of erosion, sedimentation, flooding and agriculturally related pollution, the amounts and sources of sediment and pollutants delivered to the waters of the state, and long-term soil productivity;

(10) develop structural, land use management practice, and other programs to reduce or prevent soil erosion, sedimentation, flooding, and agriculturally related pollution;

(11) develop a system of priorities to identify the erosion, flooding, sediment, and agriculturally related pollution problem areas that most need control systems;

(12) ensure compliance with statewide programs and policies established by the state board by advice, consultation, and approval of grant agreements with the districts; ~~and~~

(13) service requests from districts to consolidate districts across county boundaries and facilitate other agreed-to reorganizations of districts with other districts or other local units of government, including making grants, within the limits of available funds, to offset the cost of consolidation or reorganization; and

(14) develop and implement a state-led technical training and certification program.

Sec. 15. Minnesota Statutes 2014, section 103C.501, subdivision 5, is amended to read:

Subd. 5. **Contracts by districts.** (a) A district board may contract on a cost-share basis to furnish financial aid to a land occupier or to a state agency for permanent systems for erosion or sedimentation control or water quality or water quantity improvements that are consistent with the district's comprehensive and annual work plans.

(b) A district board, with approval from the state board and consistent with state board rules and policies, may contract on a cost-share basis to furnish financial aid to a land occupier for nonstructural land management practices that are part of a planned erosion control or water quality improvement plan.

~~(b)~~ (c) The duration of the contract must, at a minimum, be the time required to complete the planned systems. A contract must specify that the land occupier is liable for monetary damages and penalties in an amount up to 150 percent of the financial assistance received from the district, for failure to complete the systems or practices in a timely manner or maintain the systems or practices as specified in the contract.

~~(e)~~ (d) A contract may provide for cooperation or funding with federal agencies. A land occupier or state agency may provide the cost-sharing portion of the contract through services in kind.

~~(d)~~ (e) The state board or the district board may not furnish any financial aid for practices designed only to increase land productivity.

~~(e)~~ (f) When a district board determines that long-term maintenance of a system or practice is desirable, the board may require that maintenance be made a covenant upon the land for the effective life of the practice. A covenant under this subdivision shall be construed in the same manner as a conservation restriction under section 84.65.

Sec. 16. Minnesota Statutes 2014, section 114D.30, subdivision 2, is amended to read:

Subd. 2. **Membership; appointment.** (a) The commissioners of natural resources, agriculture, health, and the Pollution Control Agency, ~~and the executive director of the Board of Water and Soil Resources,~~ the Board of Regents of the University of Minnesota, and the Metropolitan Council shall each appoint one person from their respective ~~agency-entity~~ to serve as a nonvoting member of the council. Two members of the house of representatives, including one member from the majority party and one member from the minority party, appointed by the speaker and two senators, including one member from the majority party and one member from the minority party, appointed according to the rules of the senate shall serve at the pleasure of the appointing authority as nonvoting members of the council. ~~Agency and legislative Members appointed under this paragraph serve as nonvoting members of the council.~~

(b) ~~Nineteen~~ Seventeen voting members of the council shall be appointed by the governor as follows:

(1) two members representing statewide farm organizations;

(2) two members representing business organizations;

(3) two members representing environmental organizations;

(4) one member representing soil and water conservation districts;

(5) one member representing watershed districts;

(6) one member representing nonprofit organizations focused on improvement of Minnesota lakes or streams;

(7) two members representing organizations of county governments, one member representing the interests of rural counties and one member representing the interests of counties in the seven-county metropolitan area;

(8) two members representing organizations of city governments;

~~(9) one member representing the Metropolitan Council established under section 473.123;~~

- ~~(10)~~ (9) one member representing township officers;
- ~~(11)~~ (10) one member representing the interests of tribal governments;
- ~~(12)~~ (11) one member representing statewide hunting organizations; and
- ~~(13)~~ one member representing the University of Minnesota or a Minnesota state university; and
- ~~(14)~~ (12) one member representing statewide fishing organizations.

Members appointed under this paragraph must not be registered lobbyists or legislators. In making appointments, the governor must attempt to provide for geographic balance. The members of the council appointed by the governor are subject to the advice and consent of the senate.

Sec. 17. Laws 2013, chapter 137, article 2, section 6, is amended to read:

Sec. 6. DEPARTMENT OF NATURAL RESOURCES	\$	12,635,000 <u>12,135,000</u>	\$	9,450,000 <u>8,950,000</u>
--	----	--	----	--

- (a) \$2,000,000 the first year and \$2,000,000 the second year are for stream flow monitoring, including the installation of additional monitoring gauges, and monitoring necessary to determine the relationship between stream flow and groundwater.
- (b) \$1,300,000 the first year and \$1,300,000 the second year are for lake Index of Biological Integrity (IBI) assessments.
- (c) \$135,000 the first year and \$135,000 the second year are for assessing mercury contamination and other contaminants of fish, including monitoring to track the status of waters impaired by mercury and mercury reduction efforts over time.
- (d) \$1,850,000 the first year and \$1,850,000 the second year are for developing targeted, science-based watershed restoration and protection strategies, including regional technical assistance for TMDL plans and development of a watershed assessment tool, in cooperation with the commissioner of the Pollution Control Agency. By January 15, 2016, the commissioner shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over environment and natural resources policy and finance providing the outcomes to lakes, rivers, streams, and groundwater achieved with this appropriation and recommendations.

(e) \$1,375,000 the first year and \$1,375,000 the second year are for water supply planning, aquifer protection, and monitoring activities.

(f) \$1,000,000 the first year and \$1,000,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities, including water quality protection in forested watersheds.

(g) \$675,000 the first year and \$675,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; assessing effectiveness of forestry best management practices for water quality; and developing an ecological monitoring database.

(h) \$615,000 the first year and \$615,000 the second year are for developing county geologic atlases.

(i) \$85,000 the first year is to develop design standards and best management practices for public water access sites to maintain and improve water quality by avoiding shoreline erosion and runoff.

(j) \$3,000,000 the first year is for beginning to develop and designate groundwater management areas under Minnesota Statutes, section 103G.287, subdivision 4. The commissioner, in consultation with the commissioners of the Pollution Control Agency, health, and agriculture, shall establish a uniform statewide hydrogeologic mapping system that will include designated groundwater management areas. The mapping system must include wellhead protection areas, special well construction areas, groundwater provinces, groundwater recharge areas, and other designated or geographical areas related to groundwater. This mapping system shall be used to implement all groundwater-related laws and for reporting and evaluations. This appropriation is available until June 30, 2017.

~~(k) \$500,000 the first year and \$500,000 the second year are for grants to counties and other local units of government to adopt and implement~~

~~advanced shoreland protection measures. The grants awarded under this paragraph shall be for up to \$100,000 and must be used to restore and enhance riparian areas to protect, enhance, and restore water quality in lakes, rivers, and streams. Grant recipients must submit a report to the commissioner on the outcomes achieved with the grant. To be eligible for a grant under this paragraph, a county or other local unit of government must be adopting or have adopted an ordinance for the subdivision, use, redevelopment, and development of shoreland that has been approved by the commissioner of natural resources as having advanced shoreland protection measures. An ordinance must meet or exceed the following standards:~~

~~(1) requires new sewage treatment systems to be set back at least 100 feet from the ordinary high water level for recreational development shorelands and 75 feet for general development lake shorelands;~~

~~(2) requires redevelopment and new development on shoreland to have at least a 50-foot vegetative buffer. An access path and recreational use area may be allowed;~~

~~(3) requires mitigation when any variance to standards designed to protect lakes, rivers, and streams is granted;~~

~~(4) requires best management practices to be used to control storm water and sediment as part of a land alteration;~~

~~(5) includes other criteria developed by the commissioner; and~~

~~(6) has been adopted by July 1, 2015.~~

~~An ordinance that does not exceed all the standards in clauses (1) to (5) is considered to meet the requirement if the commissioner determines that the ordinance provides significantly greater protection for both waters and shoreland than those standards.~~

~~The commissioner of natural resources may develop additional criteria for the grants awarded under this paragraph. In developing the criteria, the~~

~~commissioner shall consider the proposed changes to the department's shoreland rules discussed during the rulemaking process authorized under Laws 2007, chapter 57, article 1, section 4, subdivision 3. This appropriation is available until spent.~~

~~(k)~~ \$100,000 the first year is for the commissioner of natural resources for rulemaking under Minnesota Statutes, section 116G.15, subdivision 7.

Sec. 18. Laws 2014, chapter 312, article 14, section 7, is amended to read:

Sec. 7. REPURPOSE OF 2011 APPROPRIATION.

The remaining balance of the appropriation in Laws 2011, First Special Session chapter 6, article 2, section 6, paragraph (g), to the commissioner of natural resources for shoreland stewardship, TMDL implementation coordination, providing technical assistance, and maintaining and updating data may be used for stream flow and groundwater monitoring, including the installation of additional monitoring gauges, and monitoring necessary to determine the relationship between stream flow and groundwater, and is available until June 30, ~~2015~~ 2016.

Sec. 19. CANCELLATION OF PRIOR APPROPRIATIONS.

(a) The unspent balance of the appropriation to the Public Facilities Authority for the clean water legacy phosphorus reduction grant program under Minnesota Statutes 2012, section 446A.074, in Laws 2009, chapter 172, article 2, section 3, paragraph (b), is canceled.

(b) The unspent balance of the appropriation to the Public Facilities Authority for the clean water legacy phosphorus reduction grant program under Minnesota Statutes 2012, section 446A.074, in Laws 2011, First Special Session chapter 6, article 2, section 4, paragraph (b), is canceled.

(c) \$1,000,000 of the appropriation to the Board of Water and Soil Resources in Laws 2013, chapter 137, article 2, section 7, paragraph (e), is canceled.

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

ARTICLE 3

PARKS AND TRAILS FUND

Section 1. **PARKS AND TRAILS FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the parks and trails fund and are available for the fiscal years indicated for each purpose. The figures "2016" and "2017" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017. All appropriations in this article are onetime.

APPROPRIATIONS
Available for the Year
Ending June 30
2016 **2017**

Sec. 2. PARKS AND TRAILS**Subdivision 1. Total Appropriation**

	\$	<u>43,628,000</u>	\$	<u>45,722,000</u>
--	----	--------------------------	----	--------------------------

The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2016 appropriations are available until June 30, 2018, and fiscal year 2017 appropriations are available until June 30, 2019. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. Disability Access

Where appropriate, grant recipients of parks and trails funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Sec. 3. <u>DEPARTMENT OF NATURAL RESOURCES</u>	\$	<u>26,391,000</u>	\$	<u>27,655,000</u>
---	----	--------------------------	----	--------------------------

(a) \$17,237,000 the first year and \$18,067,000 the second year are for state parks, recreation areas, and trails to:

- (1) connect people to the outdoors;
- (2) acquire land and create opportunities;

(3) maintain existing holdings; and

(4) improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan.

(b) \$8,618,000 the first year and \$9,033,000 the second year are for grants for parks and trails of regional significance outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants must be based on the recommendations to the commissioner from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. The second year appropriation in this paragraph includes money for: a grant to the St. Louis and Lake Counties Regional Railroad Authority to design, engineer, acquire right-of-way, and construct a segment of the Mesabi Trail from Embarrass to near the intersection of County Road 26, Whalston Road, and Trunk Highway 135 toward Tower; and up to \$400,000 for a grant to the city of La Crescent to design, engineer, acquire right-of-way, and construct a segment of the Wagon Wheel Trail. Grants funded under this paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the Greater Minnesota Regional Parks and Trails Strategic Plan adopted by the Greater Minnesota Regional Parks and Trails Commission on April 22, 2015. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, \$356,000 in fiscal year 2016 and \$362,000 in fiscal year 2017 are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(c) By January 15, 2016, the Greater Minnesota Regional Parks and Trails Commission shall submit a

list of projects, ranked in priority order, that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2017 to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(d) By January 15, 2016, the Greater Minnesota Regional Parks and Trails Commission shall submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(e) \$536,000 the first year and \$555,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced Web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee. Of this amount, \$260,000 the first year shall be used for a grant to the University of Minnesota Center for Changing Landscapes to complete a legacy tracking project and to implement a survey on use patterns, user needs, and perceptions related to parks and trails in Minnesota. The tracking project and survey work must be done in collaboration with the Department of Natural Resources, Metropolitan Council, and Greater Minnesota Regional Parks and Trails Commission.

(f) The commissioner shall contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least \$1,000,000 the first year and \$1,000,000 the second year.

(g) The implementing agencies receiving appropriations under this section shall give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

- (2) restoration, including erosion repair, along Pleasure Creek and the Mississippi River Regional Trail at the Coon Rapids Dam Regional Park;
 - (3) a new playground and surfacing at Lake George Regional Park;
 - (4) land acquisition for the Rice Creek Chain of Lakes Park Reserve;
 - (5) improvements at the Rice Creek Chain of Lakes Park Reserve, including maintenance shop rehabilitation, road and parking construction, fencing, beach improvements, and roof repairs;
 - (6) trail reconstruction under East River Road on the Rice Creek West Regional Trail;
 - (7) contracts with Conservation Corps Minnesota;
 - (8) a volunteer or resource coordinator position;
 - (9) a landscape designer or architect;
 - (10) design, engineering, and construction of the Central Anoka County Regional Trail;
 - (11) road rehabilitation at Lake George Regional Park;
 - (12) reconstruction of a retaining wall on the Mississippi River Regional Trail;
 - (13) a trail connection on the Mississippi River Regional Trail to connect Mississippi West Regional Park to the city of Ramsey;
 - (14) improvements of the Heritage Laboratory/Day Camp at the Rice Creek Chain of Lakes Park Reserve; and
 - (15) trail reconstruction on the Rice Creek North Regional Trail from Lexington Avenue to Golden Lake Elementary School.
- (c) \$289,000 the first year and \$292,000 the second year are for grants to the city of Bloomington to reconstruct parking lots at the Hyland-Bush-Anderson Lakes Park Reserve.
- (d) \$294,000 the first year and \$297,000 the second year are for grants to Carver County to connect the

Minnesota River Bluffs Regional Trail and Southwest Regional Trail and for trail and bridge construction on the Minnesota River Bluff Regional Trail.

(e) \$1,174,000 the first year and \$1,183,000 the second year are for grants to Dakota County for:

(1) engineering to extend the Mississippi River Regional Trail and Big Rivers Regional Trails, including extensions to St. Paul, and to provide a connection to Lilydale Regional Trail;

(2) a trail connection for the Mississippi River Regional Trail to connect St. Paul and to construct a bridge over railroad tracks;

(3) engineering and construction of regional trail segments throughout the county;

(4) engineering and construction of a bridge and trails through the Minnesota Zoological Garden on the North Creek Regional Greenway; and

(5) resource management of the county's parks and trails system.

(f) \$3,221,000 the first year and \$3,246,000 the second are for grants to the Minneapolis Park and Recreation Board for:

(1) design and construction of trail loops, river access areas, landscapes, and storm water management improvements at Above the Falls Regional Park;

(2) land acquisition at Above the Falls Regional Park;

(3) a master plan and trail design for Central Mississippi Riverfront Regional Park;

(4) planning and design for the Central Riverfront including the water works and the Mississippi Whitewater Park sites;

(5) trail, path, and shoreline improvements and play area rehabilitation at Nokomis-Hiawatha Regional Park;

(6) trail, shoreline, water access, picnic, sailboat facility, and concession improvements at Minneapolis Chain of Lakes Regional Park;

(7) a bird sanctuary, trail stabilization, habitat restoration, accessibility improvements, and construction of new entrances at Minneapolis Chain of Lakes Regional Park;

(8) a trail connection for the Minnehaha Parkway Regional Trail below Lyndale Avenue; and

(9) trail work at Theodore Wirth Regional Park.

(g) \$1,299,000 the first year and \$1,309,000 the second year are for grants to Ramsey County for:

(1) wayfinding for cross-country ski trails at Battle Creek Regional Park, Tamarack Nature Center, and Grass-Vadnais-Snail Lakes Regional Park;

(2) contracts with Conservation Corps Minnesota;

(3) design and construction of an early learning center at Tamarack Nature Center and pedestrian connections, landscape restoration, signage, and other site amenities at Bald Eagle-Otter Lakes Regional Park;

(4) improvements to Tamarack Nature Center;

(5) building and supporting a volunteer corps for Tamarack Nature Center and Discovery Hollow;

(6) trail development to connect Tamarack Nature Center to the Otter Lake boat launch;

(7) a trail on Vadnais Lake, storm water management improvements, and site amenities at Grass-Vadnais-Snail Lakes Regional Park;

(8) trail development and connection, storm water management improvements, and site amenities at Rice Creek North Regional Trail; and

(9) the Bruce Vento Regional Trail.

(h) \$2,378,000 the first year and \$2,397,000 the second year are for grants to the city of Saint Paul for:

(1) an education coordinator;

(2) a volunteer coordinator;

(3) Como Regional Park shuttle operation;

- (4) a trail connection to connect Harriet Island to the Mississippi Regional Trail;
- (5) Estabrook Road reconstruction and lighting upgrades at Como Regional Park; and
- (6) a trail connection and railroad bridge reconstruction at Lilydale Regional Park.
 - (i) \$550,000 the first year and \$554,000 the second year are for grants to Scott County for construction at Cedar Lake Farm Regional Park.
 - (j) \$3,669,000 the first year and \$3,697,000 the second year are for grants to Three Rivers Park District for:
 - (1) a trail connection to connect Grand Rounds to Nine Mile Creek Trail;
 - (2) a ~~trail bridge over~~ safe trail crossing of County State-Aid Highway 19 for the Lake Minnetonka LRT Regional Trail;
 - (3) trail construction on the Crystal Lake Regional Trail;
 - (4) trail construction on the Bassett Creek Regional Trail;
 - (5) trail construction on the Twin Lakes Regional Trail; and
 - (6) trail construction on the Nine Mile Creek Regional Trail.
 - (k) \$821,000 the first year and \$827,000 the second year are for grants to Washington County for:
 - (1) parking, buildings, and other improvements at the Swim Pond in Lake Elmo Park Reserve;
 - (2) design and construction of the Point Douglas Regional Trail, which connects to Wisconsin; and
 - (3) paving improvements to Hardwood Creek Regional Trail, which may include new trail sections toward Bald Eagle Regional Park.
 - (l) \$1,682,000 the first year and \$1,695,000 the second year are for grants to implementing agencies for land acquisition within Metropolitan Council approved

regional parks and trails master plan boundaries as provided under Minnesota Statutes, section 85.53, subdivision 3, clause (4).

(m) A recipient of a grant awarded under this section must give consideration to Conservation Corps Minnesota for possible use of corps services to contract for restoration and enhancement services.

(n) For projects with the potential to need historic preservation services, a recipient of a grant awarded under this section must give consideration to the Northern Bedrock Conservation Corps for possible use of the corps' services.

(o) By January 15, 2015, the council shall submit a list of projects, ranked in priority order, that contains the council's recommendations for funding from the parks and trails fund for the 2016 and 2017 biennium to the chairs and ranking minority members of the senate and house of representatives committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

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

Sec. 6. MESABI TRAIL GRANT EXTENSION.

Notwithstanding Minnesota Statutes, section 16A.28, or other law to the contrary, \$512,000 of the money appropriated in fiscal year 2013 under Laws 2011, First Special Session chapter 6, article 3, section 3, paragraph (c), clause (1), for grants under Minnesota Statutes, section 85.535, is available until June 30, 2017. The commissioner of natural resources shall extend the \$512,000 grant to the St. Louis and Lake Counties Regional Railroad Authority for extension of the Mesabi Trail to June 30, 2017.

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

ARTICLE 4

ARTS AND CULTURAL HERITAGE FUND

Section 1. ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2016" and "2017" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2016, and June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017. All appropriations in this article are onetime.

APPROPRIATIONS
Available for the Year
Ending June 30
2016 **2017**

Sec. 2. ARTS AND CULTURAL HERITAGE

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>61,542,000</u>	<u>\$</u>	<u>63,262,000</u>
--	------------------	--------------------------	------------------	--------------------------

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with the Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditures. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2016 appropriations are available until June 30, 2017, and fiscal year 2017 appropriations are available until June 30, 2018. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

<u>Subd. 3. Minnesota State Arts Board</u>	<u>26,819,000</u>	<u>31,312,000</u>
---	--------------------------	--------------------------

(a) These amounts are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established within this appropriation must be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

(b) Arts and Arts Access Initiatives

\$21,155,000 the first year and \$25,350,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

(c) Arts Education

\$4,248,000 the first year and \$4,472,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

(d) Arts and Cultural Heritage

\$1,416,000 the first year and \$1,490,000 the second year are for events and activities that represent the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

(e) Up to 4.5 percent of the funds appropriated in paragraphs (b) to (d) may be used by the board for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability.

(f) Up to thirty percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

(g) Any unencumbered balance remaining under this section in the first year does not cancel, but is available for the second year of the biennium.

Subd. 4. Minnesota Historical Society13,985,00015,015,000

(a) These amounts are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society

and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement and not substitute for traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2019. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Historic Preservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

(b) Historical Grants and Programs

(1) Statewide Historic and Cultural Grants

\$5,525,000 the first year and \$6,000,000 the second year are for history programs and projects operated or conducted by or through local, county, regional, or other historical or cultural organizations or for activities to preserve significant historic and cultural resources. Funds are to be distributed through a competitive grant process. The Minnesota Historical Society shall administer these funds using established grant mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

(2) Statewide History Programs

\$5,525,000 the first year and \$6,000,000 the second year are for programs and purposes related to the historical and cultural heritage of the state of Minnesota conducted by the Minnesota Historical Society.

(3) History Partnerships

\$2,060,000 the first year and \$2,140,000 the second year are for partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to

Minnesota's history and cultural heritage in all regions of the state.

(4) Statewide Survey of Historical and Archaeological Sites

\$300,000 the first year and \$300,000 the second year are for a contract or contracts to be awarded on a competitive basis to conduct statewide surveys of Minnesota's sites of historical, archaeological, and cultural significance. Results of the surveys must be published in a searchable form and available to the public on a cost-free basis. The Minnesota Historical Society, the Office of the State Archaeologist, and the Indian Affairs Council shall each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys. The oversight board shall consult with the Departments of Transportation and Natural Resources.

(5) Digital Library

\$300,000 the first year and \$300,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society shall cooperate with the Minitex interlibrary loan system and shall jointly share this appropriation for these purposes.

(6) Historic Recognition Grants Program

\$275,000 the first year and \$275,000 the second year are for a competitive grants program to provide grants for projects carried out by nonprofit organizations or public entities that preserve, recognize, and promote the historic legacy of Minnesota, with a focus on commemoration of Minnesota's role in the American Civil War. The Minnesota Historical Society shall work collaboratively with the Governor's Civil War Commemorative Task Force to determine project priorities. Funds may be used for projects administered or delivered by the Minnesota Historical Society in cooperation with the task force.

Subd. 5. Department of Education

2,200,000

2,200,000

These amounts are appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities

in the arts, history, literary arts, and cultural heritage of Minnesota. These funds must be allocated using the formulas in Minnesota Statutes, section 134.355, subdivisions 3, 4, and 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. These funds may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries. These funds must be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2017, as grants or contracts in this subdivision are available until June 30, 2019.

Subd. 6. Department of Administration

12,398,000

8,785,000

(a) These amounts are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary to the administration of grants in this section.

(b) Grant agreements entered into by the commissioner and recipients of appropriations under this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

(c) Veterans Rest Camp

\$113,000 the first year is for the Disabled Veterans Rest Camp Association for the veterans rest camp on Big Marine Lake for parks, trails, and recreation areas.

(d) Minnesota Public Radio

\$1,600,000 each year is for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(e) Association of Minnesota Public Educational Radio Stations

\$1,600,000 each year is appropriated for a grant to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19.

(f) Public Television

\$3,700,000 the first year and \$3,700,000 the second year are for grants to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18.

(g) Wilderness Inquiry

\$200,000 each year is for grants to Wilderness Inquiry to preserve Minnesota's outdoor history, culture, and heritage by connecting Minnesota youth to natural resources.

(h) Como Park Zoo

\$1,000,000 each year is for the Como Park Zoo for program development that features education programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

(i) Science Museum of Minnesota

\$600,000 each year is for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach and expansion of the museum's American Indian initiatives programs.

(j) Lake Superior Center Authority

\$250,000 the first year is for development, preparation, and construction of an exhibit on the unsalted seas to preserve Minnesota's history and cultural heritage related to fresh water lakes.

(k) Capitol Art Preservation

\$3,250,000 the first year is for restoration and preservation of the fine art located in the State Capitol complex.

(l) Lake Superior Zoo

\$75,000 each year is for development of educational exhibits using animals and the environment.

(m) Minnesota State Band

\$10,000 each year is for a grant to the Minnesota State Band to promote and increase public performances across Minnesota.

Subd. 7. Minnesota Zoo

1,750,000

1,750,000

These amounts are appropriated to the Minnesota Zoological Board for programs and development of the Minnesota Zoological Garden and to provide access and education related to programs on the cultural heritage of Minnesota.

Subd. 8. Minnesota Humanities Center

2,465,000

2,075,000

(a) These amounts are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use up to 4.5 percent of the following grants to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota Humanities Center must develop a written plan to issue the grants in this subdivision and shall submit the plan for review and approval by the Department of Administration. The written plan must require the Humanities Center to create and adhere to grant policies that are similar to those established pursuant to Minnesota Statutes, section 16B.97, subdivision (4), paragraph (a), clause (1).

No grants awarded in this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

(b) Programs and Purposes

\$850,000 each year is for programs and purposes of the Minnesota Humanities Center. Of this amount, \$100,000 each year may be used for the veterans' voices program.

The Minnesota Humanities Center may consider museums and organizations celebrating the identities of Minnesotans for grants from these funds.

(c) Heritage Grants Program

\$300,000 the first year is for a competitive grants program to provide grants to preserve and promote the cultural heritage of Minnesota.

Of this amount, \$50,000 in the first year is for a grant to the city of St. Paul to plan and design a garden to commemorate unrepresented cultural gardens in Phalen Park in the city of St. Paul and \$150,000 in the first year is for a grant to Ramsey County to develop and install activity facilities in Ramsey County parks for culturally relevant games that are reflective of the current demographics in Ramsey County.

The Minnesota Humanities Center shall operate a competitive grants program to provide grants for programs, including but not limited to: music, film, television, radio, recreation, or the design and use of public spaces that preserves and honors the cultural heritage of Minnesota. Grants made under this paragraph must not be used for travel costs inside or outside of the state.

(d) Children's Museum Grants

\$950,000 each year is for arts and cultural heritage grants to children's museums.

Of this amount, \$500,000 each year is for the Minnesota Children's Museum, including the Minnesota Children's Museum in Rochester; \$150,000 each year is for the Duluth Children's Museum; \$150,000 each year is for the Grand Rapids Children's Museum; and \$150,000 each year is for the Southern Minnesota Children's Museum.

(e) Civics Programs

\$150,000 each year is for grants to the Minnesota Civic Education Coalition: Kids Voting St. Paul, the Learning Law and Democracy Foundation, and YMCA Youth in Government to conduct civics education programs for the civic and cultural development of Minnesota youth. Civics education is the study of constitutional principles and the democratic foundation of our national, state, and local institutions and the study of political processes and structures of government, grounded in the understanding of constitutional government under the rule of law.

(f) Ka Joog Fanka Program

\$125,000 each year is for a grant to Ka Joog for the Fanka Program to provide arts education and

workshops, mentor programs, and community engagement events throughout Minnesota.

(g) Council on Disability

\$90,000 the first year is for a grant to the Minnesota State Council on Disability to produce and broadcast programs to preserve Minnesota's disability history and culture. These funds are available until June 30, 2018.

Subd. 9. Perpich Center for Arts Education

600,000

800,000

(a) These amounts are appropriated to the Board of Directors of the Perpich Center for Arts Education for the program under paragraph (c).

(b) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2017, are available until June 30, 2019.

(c) Turnaround Arts Program

\$600,000 the first year and \$800,000 the second year are for the Turnaround Arts program to assist schools and programs throughout the state.

Subd. 10. Indian Affairs Council

1,325,000

1,325,000

(a) \$990,000 each year is for the Indian Affairs Council to provide grants to preserve Dakota and Ojibwe Indian language and to foster education programs and immersion programs in Dakota and Ojibwe language.

(b) \$125,000 each year is to the Indian Affairs Council for a grant to the Niigaane Ojibwe Immersion School.

(c) \$125,000 each year is to the Indian Affairs Council for a grant to the Wicoie Nandagikendan Urban Immersion Project.

(d) \$10,000 each year is to the Indian Affairs Council for a Dakota and Ojibwe language working group coordinated by the Indian Affairs Council.

(e) \$75,000 each year is for the Indian Affairs Council to carry out responsibilities under Minnesota Statutes, section 307.08, to comply with Public Law 101-601, the Native American Graves Protection and Repa-

triation Act, and to develop an osteology laboratory and repository for American Indian human remains.

Subd. 11. Disability Access

Where appropriate, grant recipients of arts and cultural heritage funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this section.

Sec. 3. Laws 2014, chapter 295, section 10, subdivision 12, is amended to read:

Subd. 12. St. Paul - Minnesota Children's Museum

7,485,000

For a grant to the city of St. Paul to predesign, design, construct, furnish, and equip an expansion and renovation of the Minnesota Children's Museum. The expansion and exhibit upgrades should incorporate the latest research on early learning, allow for new state-of-the art education facilities, and increase the capacity of visitors to galleries and programming areas. This appropriation is not available until the commissioner of management and budget has determined that at least ~~an equal amount~~ \$4,000,000 has been committed from nonstate sources. Amounts expended for this project by nonstate sources since October 1, 2010, shall count toward the nonstate match.

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

Sec. 4. Laws 2014, chapter 295, section 12, is amended to read:

Sec. 12. MINNESOTA HISTORICAL SOCIETY

\$

1,400,000

To the Minnesota Historical Society to be allocated to county and local jurisdictions as matching money for historic preservation projects of a capital nature, as provided in Minnesota Statutes, section 138.0525. Notwithstanding Minnesota Statutes, section 138.0525, of this amount: (1) \$50,000 is for a grant to the Fulda Heritage Society to expand the display areas for historic materials; (2) \$250,000 is

for a grant to the Gunflint Trail Historical Society to complete phase two of the Chik-Wauk Museum and Nature Center. Work within the National Register of Historic Places property shall be approved by the Minnesota Historical Society; and (3) up to \$250,000 is for a grant to the Hibbing School District to plan, design, and engineer the preservation and reconstruction of the historic Hibbing High School Auditorium.

ARTICLE 5

GENERAL PROVISIONS; ALL LEGACY FUNDS

Section 1. Minnesota Statutes 2014, section 16B.24, is amended by adding a subdivision to read:

Subd. 12. **State band.** The commissioner must provide free rehearsal and storage space in the same building in the Capitol Area to an entity known as the Minnesota State Band, which is a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code.

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

Sec. 2. Minnesota Statutes 2014, section 85.53, subdivision 2, is amended to read:

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

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

(c) A state agency or other recipient of a direct appropriation from the parks and trails fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available.

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

(e) Money from the parks and trails fund may only be spent on projects located in Minnesota.

(f) When practicable, a direct recipient of an appropriation from the parks and trails fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009,

chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(g) Future eligibility for money from the parks and trails fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the parks and trails fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the parks and trails fund until the recipient demonstrates compliance to the legislative auditor.

Sec. 3. Minnesota Statutes 2014, section 97A.056, subdivision 11, is amended to read:

Subd. 11. **Recipient requirements.** (a) A state agency or other recipient of a direct appropriation from the outdoor heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available.

(b) When practicable, a direct recipient of an appropriation from the outdoor heritage fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(c) Future eligibility for money from the outdoor heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the outdoor heritage fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the outdoor heritage fund until the recipient demonstrates compliance to the legislative auditor.

Sec. 4. Minnesota Statutes 2014, section 114D.50, subdivision 4, is amended to read:

Subd. 4. **Expenditures; accountability.** (a) A project receiving funding from the clean water fund must meet or exceed the constitutional requirements to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater and drinking water from degradation. Priority may be given

to projects that meet more than one of these requirements. A project receiving funding from the clean water fund shall include measurable outcomes, as defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the results. A project must be consistent with current science and incorporate state-of-the-art technology.

(b) Money from the clean water fund shall be expended to balance the benefits across all regions and residents of the state.

(c) A state agency or other recipient of a direct appropriation from the clean water fund must compile and submit all information for proposed and funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available. Information classified as not public under section 13D.05, subdivision 3, paragraph (d), is not required to be placed on the Web site.

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

(e) Money from the clean water fund may only be spent on projects that benefit Minnesota waters.

(f) When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(g) Future eligibility for money from the clean water fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the clean water fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the clean water fund until the recipient demonstrates compliance to the legislative auditor.

(h) Money from the clean water fund may be used to leverage federal funds through execution of formal project partnership agreements with federal agencies consistent with respective federal agency partnership agreement requirements.

Sec. 5. Minnesota Statutes 2014, section 129D.17, subdivision 2, is amended to read:

Subd. 2. **Expenditures; accountability.** (a) Funding from the arts and cultural heritage fund may be spent only for arts, arts education, and arts access, and to preserve Minnesota's history and cultural heritage.

A project or program receiving funding from the arts and cultural heritage fund must include measurable outcomes, and a plan for measuring and evaluating the results. A project or program must be consistent with current scholarship, or best practices, when appropriate and must incorporate state-of-the-art technology when appropriate.

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

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

(d) A state agency or other recipient of a direct appropriation from the arts and cultural heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, whichever comes first. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available.

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

(f) All money from the arts and cultural heritage fund must be for projects located in Minnesota.

(g) When practicable, a direct recipient of an appropriation from the arts and cultural heritage fund shall prominently display on the recipient's Web site home page the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a Web page that includes both the contact information that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(h) Future eligibility for money from the arts and cultural heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the arts and cultural heritage fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the arts and cultural heritage fund until the recipient demonstrates compliance to the legislative auditor.

Presented to the governor June 13, 2015

Signed by the governor June 13, 2015, 1:49 p.m.