

1.1 A bill for an act

1.2 relating to environment; providing for permitting efficiency; modifying  
1.3 environmental review requirements; appropriating money; amending Minnesota  
1.4 Statutes 2010, sections 14.05, by adding a subdivision; 41A.10, subdivision  
1.5 1; 84.027, by adding a subdivision; 115.03, by adding a subdivision; 116.07,  
1.6 subdivision 4a; 116J.035, by adding a subdivision; Minnesota Statutes 2011  
1.7 Supplement, sections 84.027, subdivision 14a; 116.03, subdivision 2b; 116D.04,  
1.8 subdivision 2a.

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

1.10 **ARTICLE 1**

1.11 **PERMITTING**

1.12 Section 1. Minnesota Statutes 2011 Supplement, section 84.027, subdivision 14a,  
1.13 is amended to read:

1.14 Subd. 14a. **Permitting efficiency.** (a) It is the goal of the state that environmental  
1.15 and resource management permits be issued or denied within 150 days of the submission  
1.16 of a ~~substantially completed~~ permit application. The commissioner of natural resources  
1.17 shall establish management systems designed to achieve the goal.

1.18 (b) The commissioner shall prepare semiannual permitting efficiency reports that  
1.19 include statistics on meeting the goal in paragraph (a). The reports are due February 1  
1.20 and August 1 each year. For permit applications that have not met the goal, the report  
1.21 must state the reasons for not meeting the goal, ~~steps that will be taken to complete action~~  
1.22 ~~on the application, and the expected timeline.~~ In stating the reasons for not meeting the  
1.23 goal, the commissioner shall separately identify delays caused by the responsiveness of  
1.24 the proposer, lack of staff, scientific or technical disagreements, or the level of public  
1.25 engagement. The report must specify the number of days from initial submission of the

2.1 application to the day of determination that the application is complete. The report for  
2.2 August 1 each year must aggregate the data for the year and assess whether program  
2.3 or system changes are necessary to achieve the goal. The report must be posted on the  
2.4 department's Web site and submitted to the governor and the chairs and ranking minority  
2.5 members of the house of representatives and senate committees having jurisdiction over  
2.6 natural resources policy and finance.

2.7 (c) The commissioner shall allow electronic submission of environmental review  
2.8 and permit documents to the department.

2.9 (d) Beginning July 1, 2011, within 30 business days of application for a permit  
2.10 subject to paragraph (a), the commissioner of natural resources shall notify the project  
2.11 proposer, in writing, ~~of whether or not the permit application is complete enough for~~  
2.12 ~~processing. If the permit is incomplete, the commissioner must identify where whether~~  
2.13 the application is complete or incomplete. If the commissioner determines that an  
2.14 application is incomplete, the notice to the applicant must enumerate all deficiencies exist,  
2.15 citing specific provisions of the applicable rules and statutes, and advise the applicant  
2.16 on how they the deficiencies can be remedied. A resubmittal of the application begins  
2.17 ~~a new 30-day review period. If the commissioner fails to notify the project proposer~~  
2.18 ~~of completeness within 30 business days, the application is deemed to be substantially~~  
2.19 ~~complete and subject to the 150-day permitting review period in paragraph (a) from the~~  
2.20 ~~date it was submitted.~~ This paragraph does not apply to an application for a permit that is  
2.21 subject to a grant or loan agreement under chapter 446A.

2.22 Sec. 2. Minnesota Statutes 2010, section 84.027, is amended by adding a subdivision  
2.23 to read:

2.24 Subd. 14b. **Irrevocability or suspensions of permits.** If, by July 1 of an  
2.25 odd-numbered year, a biennial appropriation law has not been enacted to fund air,  
2.26 water, and land programs at the department, existing permits shall not be terminated or  
2.27 suspended, provided the terms and conditions of the permit and local, state, and federal  
2.28 laws and rules are met, regardless of the state's capability to receive, review, or process  
2.29 fees, reports, or other filings.

2.30 Sec. 3. Minnesota Statutes 2010, section 115.03, is amended by adding a subdivision to  
2.31 read:

2.32 Subd. 8b. **Permit duration; state disposal system permits; animal feedlots.** State  
2.33 disposal system permits that are issued without a national pollutant discharge elimination

3.1 system permit to animal feedlots shall be issued for a term of ten years and are valid unless  
3.2 the animal feedlot is not in compliance with the terms of the permit.

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

3.4 Sec. 4. Minnesota Statutes 2011 Supplement, section 116.03, subdivision 2b, is  
3.5 amended to read:

3.6 Subd. 2b. **Permitting efficiency.** (a) It is the goal of the state that environmental and  
3.7 resource management permits be issued or denied within 150 days of the submission of a  
3.8 ~~substantially completed~~ permit application. The commissioner of the Pollution Control  
3.9 Agency shall establish management systems designed to achieve the goal.

3.10 (b) The commissioner shall prepare semiannual permitting efficiency reports that  
3.11 include statistics on meeting the goal in paragraph (a). The reports are due February 1  
3.12 and August 1 each year. For permit applications that have not met the goal, the report  
3.13 must state the reasons for not meeting the goal, ~~steps that will be taken to complete action~~  
3.14 ~~on the application, and the expected timeline.~~ In stating the reasons for not meeting the  
3.15 goal, the commissioner shall separately identify delays caused by the responsiveness of  
3.16 the proposer, lack of staff, scientific or technical disagreements, or the level of public  
3.17 engagement. The report must specify the number of days from initial submission of the  
3.18 application to the day of determination that the application is complete. The report for  
3.19 August 1 each year must aggregate the data for the year and assess whether program  
3.20 or system changes are necessary to achieve the goal. The report must be posted on the  
3.21 agency's Web site and submitted to the governor and the chairs and ranking minority  
3.22 members of the house of representatives and senate committees having jurisdiction over  
3.23 environment policy and finance.

3.24 (c) The commissioner shall allow electronic submission of environmental review  
3.25 and permit documents to the agency.

3.26 (d) Beginning July 1, 2011, within 30 business days of application for a permit  
3.27 subject to paragraph (a), the commissioner of the Pollution Control Agency shall notify  
3.28 the project proposer, in writing, ~~of whether or not the permit application is complete~~  
3.29 ~~enough for processing. If the permit is incomplete, the commissioner must identify where~~  
3.30 whether the application is complete or incomplete. If the commissioner determines that an  
3.31 application is incomplete, the notice to the applicant must enumerate all deficiencies exist,  
3.32 citing specific provisions of the applicable rules and statutes, and advise the applicant  
3.33 on how ~~they~~ the deficiencies can be remedied. A resubmittal of the application begins  
3.34 a new 30-day review period. If the commissioner fails to notify the project proposer  
3.35 of completeness within 30 business days, the application is deemed to be substantially

4.1 ~~complete and subject to the 150-day permitting review period in paragraph (a) from the~~  
4.2 ~~date it was submitted.~~ This paragraph does not apply to an application for a permit that is  
4.3 subject to a grant or loan agreement under chapter 446A.

4.4 (e) For purposes of this subdivision, "permit professional" means an individual not  
4.5 employed by the Pollution Control Agency who:

4.6 (1) has a professional engineer license issued by the state of Minnesota;

4.7 (2) has at least ten years of experience in the subject area of the permit; and

4.8 (3) abides by the duty of candor applicable to employees of the Pollution Control  
4.9 Agency under agency rules and complies with all applicable requirements for engineers  
4.10 under chapter 326.

4.11 (f) Upon the agency's request, an applicant relying on a permit professional must  
4.12 participate in a meeting with the agency before submitting an application:

4.13 (1) during the preapplication meeting, the applicant must submit at least the  
4.14 following:

4.15 (i) project description, including, but not limited to, scope of work, primary  
4.16 emissions points, discharge outfalls, and water intake points;

4.17 (ii) location of the project, including county, municipality, and location on the site;

4.18 (iii) business schedule for project completion; and

4.19 (iv) other information requested by the agency at least two weeks prior to the  
4.20 scheduled meeting; and

4.21 (2) during the preapplication meeting, the agency shall provide for the applicant at  
4.22 least the following:

4.23 (i) an overview of the permit review program;

4.24 (ii) a determination of which specific application or applications will be necessary  
4.25 to complete the project;

4.26 (iii) a statement notifying the applicant if the specific permit being sought requires a  
4.27 mandatory public hearing or comment period;

4.28 (iv) a review of the timetable established in the permit review program for the  
4.29 specific permit being sought; and

4.30 (v) a determination of what information must be included in the application,  
4.31 including a description of any required modeling or testing.

4.32 (g) The applicant may select a permit professional to undertake the preparation  
4.33 of the permit application and draft permit.

4.34 (h) The agency shall, within five business days of receipt of an application, notify the  
4.35 applicant and submitting permit professional that the application is complete or is denied,  
4.36 specifying the deficiencies of the application.

5.1 (i) Upon receipt of notice that the application is complete, the permit professional  
5.2 shall submit to the agency a timetable for submitting a draft permit. The permit  
5.3 professional shall submit a draft permit on or before the date provided in the timetable.  
5.4 Within 60 days after the close of the public comment period and public hearing, the  
5.5 commissioner shall notify the applicant whether the permit is approved.

5.6 (j) Nothing in this section shall be construed to modify:

5.7 (1) any requirement of law that is necessary to retain federal delegation to or  
5.8 assumption by the state; or

5.9 (2) the authority to implement a federal law or program.

5.10 (k) The permit application and draft permit shall identify or include as an appendix  
5.11 all studies and other sources of information used to substantiate the analysis contained in  
5.12 the permit application and draft period. The commissioner shall request additional studies,  
5.13 if needed, and the project proposer shall submit all additional studies and information  
5.14 necessary for the commissioner to perform the commissioner's responsibility to review,  
5.15 modify, and determine the completeness of the application and approve the draft permit.

5.16 (l) If, by July 1 of an odd-numbered year, a biennial appropriation law has not been  
5.17 enacted to fund air, water, and land programs at the agency, existing permits shall not be  
5.18 terminated or suspended, provided the terms and conditions of the permit and local, state,  
5.19 and federal laws and rules are met, regardless of the state's capability to receive, review,  
5.20 or process fees, reports, or other filings.

5.21 Sec. 5. Minnesota Statutes 2010, section 116.07, subdivision 4a, is amended to read:

5.22 Subd. 4a. **Permits.** (a) The Pollution Control Agency may issue, continue in  
5.23 effect or deny permits, under such conditions as it may prescribe for the prevention of  
5.24 pollution, for the emission of air contaminants, or for the installation or operation of  
5.25 any emission facility, air contaminant treatment facility, treatment facility, potential air  
5.26 contaminant storage facility, or storage facility, or any part thereof, or for the sources  
5.27 or emissions of noise pollution.

5.28 The Pollution Control Agency may also issue, continue in effect or deny permits,  
5.29 under such conditions as it may prescribe for the prevention of pollution, for the storage,  
5.30 collection, transportation, processing, or disposal of waste, or for the installation or  
5.31 operation of any system or facility, or any part thereof, related to the storage, collection,  
5.32 transportation, processing, or disposal of waste.

5.33 The agency may not issue a permit to a facility without analyzing and considering  
5.34 the cumulative levels and effects of past and current environmental pollution from all  
5.35 sources on the environment and residents of the geographic area within which the facility's

6.1 emissions are likely to be deposited, provided that the facility is located in a community in  
6.2 a city of the first class in Hennepin County that meets all of the following conditions:

6.3 (1) is within a half mile of a site designated by the federal government as an EPA  
6.4 superfund site due to residential arsenic contamination;

6.5 (2) a majority of the population are low-income persons of color and American  
6.6 Indians;

6.7 (3) a disproportionate percent of the children have childhood lead poisoning, asthma,  
6.8 or other environmentally related health problems;

6.9 (4) is located in a city that has experienced numerous air quality alert days of  
6.10 dangerous air quality for sensitive populations between February 2007 and February  
6.11 2008; and

6.12 (5) is located near the junctions of several heavily trafficked state and county  
6.13 highways and two one-way streets which carry both truck and auto traffic.

6.14 The Pollution Control Agency may revoke or modify any permit issued under this  
6.15 subdivision and section 116.081 whenever it is necessary, in the opinion of the agency, to  
6.16 prevent or abate pollution.

6.17 (b) The Pollution Control Agency has the authority for approval over the siting,  
6.18 expansion, or operation of a solid waste facility with regard to environmental issues.  
6.19 However, the agency's issuance of a permit does not release the permittee from any  
6.20 liability, penalty, or duty imposed by any applicable county ordinances. Nothing in this  
6.21 chapter precludes, or shall be construed to preclude, a county from enforcing land use  
6.22 controls, regulations, and ordinances existing at the time of the permit application and  
6.23 adopted pursuant to sections 366.10 to 366.181, 394.21 to 394.37, or 462.351 to 462.365,  
6.24 with regard to the siting, expansion, or operation of a solid waste facility.

6.25 (c) Except as prohibited by federal law, a person may commence construction,  
6.26 reconstruction, replacement, or modification of any facility prior to the issuance of a  
6.27 construction permit by the agency.

6.28 Sec. 6. Minnesota Statutes 2010, section 116J.035, is amended by adding a subdivision  
6.29 to read:

6.30 Subd. 8. **Environmental permits coordinator.** (a) The commissioner of  
6.31 employment and economic development shall, through the multiagency collaboration  
6.32 called "Minnesota Business First Stop" ensure the coordination, implementation, and  
6.33 administration of state and federal permits, including:

7.1 (1) establishing a mechanism in state government that will coordinate administrative  
7.2 decision-making procedures and related quasijudicial and judicial review pertaining to  
7.3 permits related to the state's air, land, and water resources;

7.4 (2) providing coordination and understanding between federal, state, and local  
7.5 governmental units in the administration of the various programs relating to air, water,  
7.6 and land resources;

7.7 (3) identifying all existing federal, state, and local permits and other approvals;  
7.8 compliance schedules; or other programs that pertain to the use of natural resources and  
7.9 protection of the environment; and

7.10 (4) recommending legislative or administrative modifications to existing permit  
7.11 programs to increase their efficiency and utility.

7.12 (b) A person proposing a project may apply to the environmental permits coordinator  
7.13 for assistance in obtaining necessary state permits and other approvals. Upon request, the  
7.14 environmental permits coordinator shall:

7.15 (1) provide a list of all federal, state, and local permits and other required approvals  
7.16 for the project;

7.17 (2) provide a plan that will coordinate federal, state, and local administrative  
7.18 decision-making practices, including monitoring, analysis and reporting, public comments  
7.19 and hearings, and issuances of permits and approvals;

7.20 (3) provide a timeline for the issuance of all federal, state, and local permits and  
7.21 other approvals required for the project;

7.22 (4) coordinate the execution of any memorandum of understanding between the  
7.23 person proposing a project and any federal, state, or local agency;

7.24 (5) coordinate all federal, state, or local public comment periods and hearings; and

7.25 (6) provide other assistance requested to facilitate final approval and issuance of all  
7.26 federal, state, and local permits and other approvals required for the project.

7.27 (c) As necessary, the environmental permits coordinator shall negotiate a schedule  
7.28 to assess the project proposer for reasonable costs that any state agency incurs in  
7.29 coordinating the implementation and administration of state permits, and the proposer  
7.30 shall pay the assessed costs to the environmental permits coordinator. Money received  
7.31 by the environmental permits coordinator must be credited to an account in the special  
7.32 revenue fund and is appropriated to the commissioner to cover the assessed costs incurred.

7.33 (d) The coordination of implementation and administration of state permits is not  
7.34 governmental action under section 116D.04.

7.35 (e) For the purposes of this subdivision:

7.36 (1) "agency" means:

8.1 (i) a state department, commission, board, or other agency of the state, however  
8.2 titled; or

8.3 (ii) a local governmental unit or instrumentality, only when that unit or  
8.4 instrumentality is acting within existing legal authority to grant or deny a permit that  
8.5 otherwise would be granted or denied by a state agency;

8.6 (2) "local governmental unit" means a county, city, town, or special district with  
8.7 legal authority to issue a permit;

8.8 (3) "permit" means a permit, certificate, certification, approval, compliance schedule,  
8.9 or other similar document pertaining to a regulatory or management program related to  
8.10 the protection, conservation, or use of or interference with the natural resources of land,  
8.11 air, or water that must be obtained from a state agency before constructing or operating a  
8.12 project in the state;

8.13 (4) "person" means an individual, an association or partnership, or a cooperative,  
8.14 municipal, public, or private corporation, including but not limited to a state agency  
8.15 and a county; and

8.16 (5) "project" means a new activity or an expansion of or addition to an existing  
8.17 activity, which is fixed in location and for which permits are required from an agency  
8.18 prior to construction or operation, including but not limited to industrial and commercial  
8.19 operations and developments.

## 8.20 **ARTICLE 2**

### 8.21 **ENVIRONMENTAL REVIEW**

8.22 Section 1. Minnesota Statutes 2010, section 14.05, is amended by adding a subdivision  
8.23 to read:

8.24 **Subd. 5a. Review of environmental assessment worksheets and environmental**  
8.25 **impact statements.** By December 1, 2012, and every five years thereafter, the  
8.26 Environmental Quality Board, Pollution Control Agency, Department of Natural  
8.27 Resources, and Department of Transportation, after consultation with political  
8.28 subdivisions, shall submit to the governor and the chairs of the house of representatives  
8.29 and senate committees having jurisdiction over environment and natural resources a list  
8.30 of mandatory environmental assessment worksheet or mandatory environmental impact  
8.31 statement categories for which the agency or a political subdivision is designated as the  
8.32 responsible government unit, and for each worksheet or statement category, a document  
8.33 including:

8.34 (1) intended outcomes of each worksheet or statement within each category;

8.35 (2) the cost to state and local government and the private sector; and

9.1 (3) an explanation of what information provided on the mandatory worksheet or  
9.2 statement within each category is not included in or provided for in an existing permit or  
9.3 other federal, state, or local law.

9.4 Sec. 2. Minnesota Statutes 2010, section 41A.10, subdivision 1, is amended to read:

9.5 Subdivision 1. **Definitions.** For the purposes of this section and section 103F.518,  
9.6 the terms defined in this subdivision have the meanings given them.

9.7 (a) "Cellulosic biofuel" means transportation fuel derived from cellulosic materials.

9.8 (b) "Cellulosic material" means an agricultural or wood feedstock primarily  
9.9 comprised of cellulose, hemicellulose, or lignin or a combination of those ingredients  
9.10 grown on agricultural lands or harvested timber lands.

9.11 (c) "Agricultural land" means land used for horticultural, row, close grown, pasture,  
9.12 and hayland crops; growing nursery stocks; animal feedlots; farm yards; associated  
9.13 building sites; and public and private drainage systems and field roads located on any of  
9.14 that land.

9.15 (d) "Cellulosic biofuel facility" means a facility at which cellulosic biofuel is  
9.16 produced.

9.17 (e) "Perennial crops" means agriculturally produced plants that have a life cycle of at  
9.18 least three years at the location where the plants are being cultivated.

9.19 (f) "Perennial cropping system" means an agricultural production system that  
9.20 utilizes a perennial crop.

9.21 (g) "Native species" means a plant species which was present in a defined area of  
9.22 Minnesota prior to European settlement (circa 1850). A defined area may be an ecological  
9.23 classification province. Wild-type varieties therefore are regional or local ecotypes that  
9.24 have not undergone a selection process.

9.25 (h) "Diverse native prairie" means a prairie planted from a mix of local Minnesota  
9.26 native prairie species. A selection from all available native prairie species may be made so  
9.27 as to match species appropriate to local site conditions.

9.28 (i) "Commissioner" means the commissioner of agriculture.

9.29 Sec. 3. Minnesota Statutes 2011 Supplement, section 116D.04, subdivision 2a, is  
9.30 amended to read:

9.31 Subd. 2a. **When prepared.** Where there is potential for significant environmental  
9.32 effects resulting from any major governmental action, the action shall be preceded by a  
9.33 detailed environmental impact statement prepared by the responsible governmental unit.  
9.34 The environmental impact statement shall be an analytical rather than an encyclopedic

10.1 document which describes the proposed action in detail, analyzes its significant  
10.2 environmental impacts, discusses appropriate alternatives to the proposed action and  
10.3 their impacts, and explores methods by which adverse environmental impacts of an  
10.4 action could be mitigated. The environmental impact statement shall also analyze those  
10.5 economic, employment and sociological effects that cannot be avoided should the action  
10.6 be implemented. To ensure its use in the decision-making process, the environmental  
10.7 impact statement shall be prepared as early as practical in the formulation of an action.  
10.8 ~~No mandatory environmental impact statement may be required for an ethanol plant,~~  
10.9 ~~as defined in section 41A.09, subdivision 2a, paragraph (b), that produces less than~~  
10.10 ~~125,000,000 gallons of ethanol annually and is located outside of the seven-county~~  
10.11 ~~metropolitan area.~~

10.12 (a) The board shall by rule establish categories of actions for which environmental  
10.13 impact statements and for which environmental assessment worksheets shall be prepared  
10.14 as well as categories of actions for which no environmental review is required under this  
10.15 section. A mandatory environmental assessment worksheet shall not be required for the  
10.16 expansion of an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph  
10.17 (b), or the conversion of an ethanol plant to a biobutanol facility or the expansion of a  
10.18 biobutanol facility as defined in section 41A.105, subdivision 1a, based on the capacity  
10.19 of the expanded or converted facility to produce alcohol fuel, but must be required if  
10.20 the ethanol plant meets or exceeds thresholds of other categories of actions for which  
10.21 environmental assessment worksheets must be prepared. The responsible governmental  
10.22 unit for an ethanol plant project for which an environmental assessment worksheet is  
10.23 prepared shall be the state agency with the greatest responsibility for supervising or  
10.24 approving the project as a whole. A mandatory environmental impact statement shall  
10.25 not be required for a facility or plant located outside the seven-county metropolitan  
10.26 area that produces less than 125,000,000 gallons of ethanol, biobutanol, or cellulosic  
10.27 biofuel annually, if the facility or plant is: an ethanol plant, as defined in section 41A.09,  
10.28 subdivision 2a, paragraph (b); a biobutanol facility, as defined in section 41A.105,  
10.29 subdivision 1a, clause (1); or a cellulosic biofuel facility as defined in section 41A.10,  
10.30 subdivision 1, paragraph (d).

10.31 (b) The responsible governmental unit shall promptly publish notice of the  
10.32 completion of an environmental assessment worksheet in a manner to be determined by  
10.33 the board and shall provide copies of the environmental assessment worksheet to the board  
10.34 and its member agencies. Comments on the need for an environmental impact statement  
10.35 may be submitted to the responsible governmental unit during a 30-day period following  
10.36 publication of the notice that an environmental assessment worksheet has been completed.

11.1 The responsible governmental unit's decision on the need for an environmental impact  
11.2 statement shall be based on the environmental assessment worksheet and the comments  
11.3 received during the comment period, and shall be made within 15 days after the close of  
11.4 the comment period. The board's chair may extend the 15-day period by not more than 15  
11.5 additional days upon the request of the responsible governmental unit.

11.6 (c) An environmental assessment worksheet shall also be prepared for a proposed  
11.7 action whenever material evidence accompanying a petition by not less than 100  
11.8 individuals who reside or own property in the state, submitted before the proposed  
11.9 project has received final approval by the appropriate governmental units, demonstrates  
11.10 that, because of the nature or location of a proposed action, there may be potential for  
11.11 significant environmental effects. Petitions requesting the preparation of an environmental  
11.12 assessment worksheet shall be submitted to the board. The chair of the board shall  
11.13 determine the appropriate responsible governmental unit and forward the petition to it.  
11.14 A decision on the need for an environmental assessment worksheet shall be made by  
11.15 the responsible governmental unit within 15 days after the petition is received by the  
11.16 responsible governmental unit. The board's chair may extend the 15-day period by not  
11.17 more than 15 additional days upon request of the responsible governmental unit.

11.18 (d) Except in an environmentally sensitive location where Minnesota Rules, part  
11.19 4410.4300, subpart 29, item B, applies, the proposed action is exempt from environmental  
11.20 review under this chapter and rules of the board, if:

11.21 (1) the proposed action is:

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

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

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

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

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

12.1 (f) An early and open process shall be utilized to limit the scope of the environmental  
12.2 impact statement to a discussion of those impacts, which, because of the nature or location  
12.3 of the project, have the potential for significant environmental effects. The same process  
12.4 shall be utilized to determine the form, content and level of detail of the statement as well  
12.5 as the alternatives which are appropriate for consideration in the statement. In addition,  
12.6 the permits which will be required for the proposed action shall be identified during the  
12.7 scoping process. Further, the process shall identify those permits for which information  
12.8 will be developed concurrently with the environmental impact statement. The board  
12.9 shall provide in its rules for the expeditious completion of the scoping process. The  
12.10 determinations reached in the process shall be incorporated into the order requiring the  
12.11 preparation of an environmental impact statement.

12.12 (g) The responsible governmental unit shall, to the extent practicable, avoid  
12.13 duplication and ensure coordination between state and federal environmental review  
12.14 and between environmental review and environmental permitting. Whenever practical,  
12.15 information needed by a governmental unit for making final decisions on permits or  
12.16 other actions required for a proposed project shall be developed in conjunction with the  
12.17 preparation of an environmental impact statement.

12.18 (h) An environmental impact statement shall be prepared and its adequacy  
12.19 determined within 280 days after notice of its preparation unless the time is extended by  
12.20 consent of the parties or by the governor for good cause. The responsible governmental  
12.21 unit shall determine the adequacy of an environmental impact statement, unless within 60  
12.22 days after notice is published that an environmental impact statement will be prepared,  
12.23 the board chooses to determine the adequacy of an environmental impact statement. If an  
12.24 environmental impact statement is found to be inadequate, the responsible governmental  
12.25 unit shall have 60 days to prepare an adequate environmental impact statement.

12.26 (i) The proposer of a specific action may include in the information submitted to the  
12.27 responsible governmental unit a preliminary draft environmental impact statement under  
12.28 this section on that action for review, modification, and determination of completeness and  
12.29 adequacy by the responsible governmental unit. A preliminary draft environmental impact  
12.30 statement prepared by the project proposer and submitted to the responsible governmental  
12.31 unit shall identify or include as an appendix all studies and other sources of information  
12.32 used to substantiate the analysis contained in the preliminary draft environmental impact  
12.33 statement. The responsible governmental unit shall require additional studies, if needed,  
12.34 and obtain from the project proposer all additional studies and information necessary for  
12.35 the responsible governmental unit to perform its responsibility to review, modify, and  
12.36 determine the completeness and adequacy of the environmental impact statement.

13.1       Sec. 4. **PILOT PROGRAM FOR ALTERNATIVE FORM OF**  
13.2 **ENVIRONMENTAL REVIEW.**

13.3           (a) The commissioner of the Pollution Control Agency and the commissioner  
13.4 of natural resources may jointly conduct a pilot program for an alternative form of  
13.5 environmental review as specified in this section. This pilot program is in addition to the  
13.6 alternate forms of environmental review that are authorized under Minnesota Statutes,  
13.7 section 116D.04, subdivision 4a. Minnesota Rules, part 4410.3600, does not apply to the  
13.8 pilot program authorized in this section.

13.9           (b) The commissioners may select up to three projects to be processed under the  
13.10 pilot program. The environmental review work for each project must commence before  
13.11 January 1, 2014, to remain eligible for proceeding under this program.

13.12           (c) The pilot program procedures are as follows:

13.13           (1) an environmental assessment worksheet is not required;

13.14           (2) a scoping document must be prepared that identifies the issues to be analyzed,  
13.15 the alternatives to be considered, and the studies to be undertaken. The scoping  
13.16 document results must be published at the same time as the notice of preparation of the  
13.17 environmental impact statement;

13.18           (3) any person may submit written comments within 20 days of publication of the  
13.19 notice for preparation of the environmental impact statement. The responsible government  
13.20 unit must consider modifying the scope of the project based on the comments;

13.21           (4) the environmental impact statement must be an analytical, rather than an  
13.22 encyclopedic, document that describes the proposed action in detail, analyzes the  
13.23 action's significant environmental impacts, discusses appropriate alternatives to the  
13.24 proposed action and the alternatives' impacts, and explores methods by which adverse  
13.25 environmental impacts of an action could be mitigated. The environmental impact  
13.26 statement must also analyze those economic, employment, and sociological effects that  
13.27 cannot be avoided should the action be implemented;

13.28           (5) if an impact analysis is needed for permitting, the impact analysis may be  
13.29 summarized for inclusion in the draft environmental impact statement rather than the full  
13.30 modeling and analysis being contained within the draft environmental impact statement.  
13.31 An impact analysis must identify the regulatory requirements, types of impact, and  
13.32 mitigation methods; and

13.33           (6) the responsible government unit must follow the procedural notice requirements  
13.34 for a draft environmental impact statement, final environmental impact statement, and  
13.35 notice of determination of adequacy for an environmental impact statement.

14.1 (d) A project proposed to be processed under the pilot program must meet all of the  
14.2 following criteria:

14.3 (1) the project meets or exceeds the threshold of a project requiring a mandatory  
14.4 environmental impact statement;

14.5 (2) if a combustion source is part of the project, natural gas is the only fuel;

14.6 (3) the project does not have any known projected drawdown effect on private wells;

14.7 (4) Class I air modeling demonstrates that the project will not cause adverse  
14.8 impacts; and

14.9 (5) the project is subject to Code of Federal Regulations, title 40, section 52.21, and  
14.10 the reviews required for a PSD (prevention of significant deterioration) permit, including  
14.11 control technology, ambient air, and Class I area impact analysis.

14.12 (e) A project may not be processed under the pilot program if the project:

14.13 (1) requires a federal environmental impact statement;

14.14 (2) is for mining metallic minerals by open pit or underground methods or is a new  
14.15 facility for processing metallic minerals mined by open pit or underground methods;

14.16 (3) is for mining nonferrous metallic minerals or is a new facility for processing  
14.17 nonferrous metallic minerals;

14.18 (4) is located in a karst area; or

14.19 (5) would result in a direct discharge of process water to surface water.

14.20 (f) For the selected projects, the responsible government unit must prepare the  
14.21 environmental impact statement according to this section. Notwithstanding Minnesota  
14.22 Statutes, section 116D.04, subdivision 2a, paragraph (i), the proposers of the specific  
14.23 project selected for the pilot program may not prepare or submit a preliminary draft  
14.24 environmental impact statement.

14.25 (g) The proposers are subject to the assessment of reasonable costs as provided  
14.26 in Minnesota Statutes, section 116D.045.

14.27 (h) By January 15, 2016, the commissioners shall report to the Environmental  
14.28 Quality Board on the outcomes of the pilot program and include any recommendations for  
14.29 statute or rule changes.

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

APPENDIX  
Article locations in UES1567-1

ARTICLE 1 PERMITTING ..... Page.Ln 1.10  
ARTICLE 2 ENVIRONMENTAL REVIEW ..... Page.Ln 8.20