

A bill for an act

relating to waters; requiring watershed districts and water management organizations to submit information to counties; amending Minnesota Statutes 2006, sections 103B.211, subdivision 1; 103B.231, subdivision 14; 103D.351; 103D.911, subdivision 2.

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

Section 1. Minnesota Statutes 2006, section 103B.211, subdivision 1, is amended to read:

Subdivision 1. **Authority.** (a) Any agreement under section 471.59 to jointly or cooperatively manage or plan for the management of surface water in a watershed delineated pursuant to subdivision 2, as required by sections 103B.205 to 103B.255, may provide, in addition to other provisions authorized by section 471.59, for a joint board having:

(1) the authority to prepare, adopt, and implement a plan for the watershed meeting the requirements of section 103B.231;

(2) the authority to review and approve local water management plans as provided in section 103B.235;

(3) the authority of a watershed district under chapter 103D to regulate the use and development of land in the watershed when one or more of the following conditions exists:

(i) the local government unit exercising planning and zoning authority over the land under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.364, does not have a local water management plan approved and adopted in accordance with the requirements of section 103B.235 or has not adopted the implementation program described in the plan;

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(ii) an application to the local government unit for a permit for the use and development of land requires an amendment to or variance from the adopted local water management plan or implementation program of the local unit; or

(iii) the local government unit has authorized the organization to require permits for the use and development of land;

(4) the authority of a watershed district under section 103D.625, to accept the transfer of drainage systems in the watershed, to repair, improve, and maintain the transferred drainage systems, and to construct all new drainage systems and improvements of existing drainage systems in the watershed, provided that: (i) projects may be carried out under the powers granted in sections 103B.205 to 103B.255 or chapter 103D or 103E; and (ii) proceedings of the board with respect to the systems must be in conformance with the watershed plan adopted under section 103B.231 and subject to approval by all counties in which the watershed district is located;

(5) the authority of a watershed district under section 103D.911 to adopt a budget and decide on the total amount necessary to be raised from ad valorem tax levies to meet the budget, provided the budget is submitted to and approved by the county board of each county included in whole or in part within the boundaries of the watershed;

(6) the authority of a watershed district under section 103D.915 to certify its budget with the auditor of each county having territory within the joint powers watershed management organization;

(7) the authority of a watershed district under section 103D.901 to file approved assessment statements with each affected county; and

(8) other powers necessary to exercise the authority under clauses (1) to (3), including the power to enter into contracts for the performance of functions with governmental units or persons.

(b) The Board of Water and Soil Resources shall adopt rules prescribing minimum requirements for the content of watershed management organization joint powers agreements.

(c) Decisions by a joint powers board may not require more than a majority vote, except a decision on a capital improvement project, which may require no more than a two-thirds vote.

Sec. 2. Minnesota Statutes 2006, section 103B.231, subdivision 14, is amended to read:

Subd. 14. **Annual report.** The Board of Water and Soil Resources shall adopt rules establishing:

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(1) requirements for annual watershed management organization financial reports to the board, including a report on administrative, project, and other expenditures. The board shall require that an annual financial report be sent to the county board of each county included in whole or in part within the boundaries of the watershed;

(2) standards for annual financial audits by certified public accountants, procedures for the board to follow before ordering state financial and performance audits as determined by the board, and procedures for charging the costs of financial and performance audits to the watershed management organization; and

(3) requirements for the content of annual activity reports to the board, which must include the number and type of permits issued, complaints received, plan and ordinance violations, projects constructed, new officers installed, variances granted, status of local unit adoption and enforcement of model ordinance requirements, and financial conditions of the watershed management organization.

Sec. 3. Minnesota Statutes 2006, section 103D.351, is amended to read:

103D.351 ANNUAL REPORT.

(a) The managers must prepare a yearly report of the financial conditions of the watershed district, the status of all projects, the business transacted by the watershed district, other matters affecting the interests of the watershed district, and a discussion of the managers' plans for the succeeding year.

(b) Copies of the report must be transmitted to the Board of Water and Soil Resources, the commissioner, ~~and the director,~~ and the county board of each county in the watershed district within a reasonable time.

Sec. 4. Minnesota Statutes 2006, section 103D.911, subdivision 2, is amended to read:

Subd. 2. **Adoption; submission to county.** On or before September 15 of each year, the managers shall adopt a budget for the next year and decide on the total amount necessary to be raised from ad valorem tax levies to meet the watershed district's budget and submit a copy of the budget to the county board of each county in the watershed district.