

A bill for 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; modifying certain outdoor heritage provisions; establishing accounts; modifying the Clean Water Legacy Act; revising membership and duties of the Clean Water Council; establishing State Capitol Preservation Commission; providing appointments; establishing reporting and other requirements for legacy fund recipients; amending Minnesota Statutes 2010, sections 3.303, subdivision 10; 85.013, by adding a subdivision; 85.53, subdivision 2; 97A.056, subdivision 2, by adding subdivisions; 114D.10; 114D.20, subdivisions 1, 2, 3, 6, 7; 114D.30; 114D.35; 114D.50, subdivision 4; 116.195; 129D.17, subdivision 2; 129D.18, subdivisions 3, 4; 129D.19, subdivision 5; Laws 2009, chapter 172, article 1, section 2, subdivisions 3, 15; article 2, section 4, as amended; article 4, section 9, subdivision 5; Laws 2010, chapter 361, article 1, section 2, subdivision 14; proposing coding for new law in Minnesota Statutes, chapters 15B; 16B; 84; 138; repealing Minnesota Statutes 2010, sections 84.02, subdivisions 1, 2, 3, 4, 6, 7, 8; 114D.45.

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

ARTICLE 1

OUTDOOR HERITAGE FUND

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

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

2.1					<u>APPROPRIATIONS</u>
2.2					<u>Available for the Year</u>
2.3					<u>Ending June 30</u>
2.4					<u>2012</u> <u>2013</u>
2.5	Sec. 2. <u>OUTDOOR HERITAGE</u>				
2.6	<u>Subdivision 1. Total Appropriation</u>	\$	<u>92,123,000</u>	\$	<u>471,000</u>
2.7	<u>This appropriation is from the outdoor</u>				
2.8	<u>heritage fund. The amounts that may be</u>				
2.9	<u>spent for each purpose are specified in the</u>				
2.10	<u>following subdivisions.</u>				
2.11	<u>Subd. 2. Prairies and Grasslands</u>		<u>35,324,000</u>		<u>-0-</u>
2.12	<u>(a) Wildlife Management Area, Scientific</u>				
2.13	<u>and Natural Areas, and Prairie Bank</u>				
2.14	<u>Easement Acquisition - Phase III</u>				
2.15	<u>\$4,690,000 the first year is to the</u>				
2.16	<u>commissioner of natural resources to:</u>				
2.17	<u>(1) acquire land in fee for wildlife</u>				
2.18	<u>management area purposes under Minnesota</u>				
2.19	<u>Statutes, sections 86A.05, subdivision 8, and</u>				
2.20	<u>97A.145;</u>				
2.21	<u>(2) acquire land in fee for scientific and</u>				
2.22	<u>natural area purposes under Minnesota</u>				
2.23	<u>Statutes, sections 84.033 and 86A.05,</u>				
2.24	<u>subdivision 5; and</u>				
2.25	<u>(3) acquire native prairie bank easements</u>				
2.26	<u>under Minnesota Statutes, section 84.96.</u>				
2.27	<u>Of this amount, \$759,000 is for transfer</u>				
2.28	<u>to the outdoor heritage land management</u>				
2.29	<u>account in the special revenue fund for the</u>				
2.30	<u>purposes specified in Minnesota Statutes,</u>				
2.31	<u>section 97A.056, subdivision 1a.</u>				
2.32	<u>A list of proposed land or permanent</u>				
2.33	<u>conservation easement acquisitions must</u>				
3.1	<u>be provided as part of the required</u>				

3.2 accomplishment plan. The accomplishment
3.3 plan must include an easement monitoring
3.4 and enforcement plan. Money appropriated
3.5 from the outdoor heritage fund for easement
3.6 acquisition may be used to establish a
3.7 monitoring and enforcement fund as
3.8 approved in the accomplishment plan,
3.9 and subject to subdivision 15. An annual
3.10 financial report is required for any monitoring
3.11 and enforcement fund established, including
3.12 expenditures from the fund.

3.13 **(b) Accelerated Prairie Restoration and**
3.14 **Enhancement on DNR Lands - Phase III**

3.15 \$1,652,000 the first year is to the
3.16 commissioner of natural resources to
3.17 accelerate the restoration and enhancement
3.18 on wildlife management areas, scientific and
3.19 natural areas, and land under native prairie
3.20 bank easements.

3.21 **(c) Minnesota Buffers for Wildlife and**
3.22 **Water**

3.23 \$2,249,000 the first year is to the Board of
3.24 Water and Soil Resources in cooperation
3.25 with Pheasants Forever to acquire permanent
3.26 conservation easements to enhance habitat
3.27 by expanding riparian wildlife buffers on
3.28 private land. A list of proposed easement
3.29 acquisitions must be provided as part of
3.30 the required accomplishment plan. The
3.31 accomplishment plan must include an
3.32 easement monitoring and enforcement
3.33 plan. Money appropriated from the outdoor
3.34 heritage fund for easement acquisition
3.35 may be used to establish a monitoring
4.1 and enforcement fund as approved in

4.2 the accomplishment plan and subject to
4.3 subdivision 15. An annual financial report is
4.4 required for any monitoring and enforcement
4.5 fund established, including expenditures
4.6 from the fund.

4.7 **(d) Northern Tallgrass Prairie National**
4.8 **Wildlife Refuge Land Acquisition - Phase**
4.9 **III**

4.10 \$1,720,000 the first year is to the
4.11 commissioner of natural resources for an
4.12 agreement with The Nature Conservancy
4.13 to acquire land or permanent easements
4.14 within the Northern Tallgrass Prairie Habitat
4.15 Preservation Area in western Minnesota for
4.16 addition to the Northern Tallgrass Prairie
4.17 National Wildlife Refuge. A list of proposed
4.18 land acquisitions must be provided as part
4.19 of the required accomplishment plan. The
4.20 accomplishment plan must include an
4.21 easement monitoring and enforcement plan.

4.22 **(e) Minnesota Prairie Recovery Project -**
4.23 **Phase II**

4.24 \$4,500,000 the first year is to the
4.25 commissioner of natural resources for an
4.26 agreement with The Nature Conservancy to
4.27 acquire native prairie and savanna and restore
4.28 and enhance grasslands and savanna. A list of
4.29 proposed land acquisitions must be provided
4.30 as part of the required accomplishment plan.
4.31 Acquisitions, restorations, and enhancements
4.32 must be within the two existing and two
4.33 additional pilot focus areas contained in
4.34 the accomplishment plan. Annual income
4.35 statements and balance sheets for income
5.1 and expenses from land acquired with

5.2 appropriations from the outdoor heritage
5.3 fund must be submitted to the Lessard-Sams
5.4 Outdoor Heritage Council.

5.5 **(f) Cannon River Headwaters Habitat**
5.6 **Complex - Phase I**

5.7 \$1,877,000 the first year is to the
5.8 commissioner of natural resources for an
5.9 agreement with The Trust for Public Land
5.10 to acquire and restore lands in the Cannon
5.11 River watershed for wildlife management
5.12 area purposes under Minnesota Statutes,
5.13 section 86A.05, subdivision 8, or aquatic
5.14 management areas under Minnesota Statutes,
5.15 sections 86A.05, subdivision 14, and 97C.02.
5.16 Of this amount, \$344,000 is for transfer
5.17 to the outdoor heritage land management
5.18 account in the special revenue fund for the
5.19 purposes specified in Minnesota Statutes,
5.20 section 97A.056, subdivision 1a. A list of
5.21 proposed land acquisitions must be provided
5.22 as part of the required accomplishment plan.

5.23 **(g) Accelerating the Wildlife Management**
5.24 **Area Program - Phase III**

5.25 \$6,691,000 the first year is to the
5.26 commissioner of natural resources for an
5.27 agreement with Pheasants Forever to acquire
5.28 prairie and other habitat areas for wildlife
5.29 management area purposes under Minnesota
5.30 Statutes, section 86A.05, subdivision 8. Of
5.31 this amount, \$1,191,000 is for transfer to the
5.32 outdoor heritage land management account
5.33 in the special revenue fund for the purposes
5.34 specified in Minnesota Statutes, section
5.35 97A.056, subdivision 1a. A list of proposed

6.1 land acquisitions must be provided as part of
6.2 the required accomplishment plan.

6.3 **(h) Accelerating the Waterfowl Production**
6.4 **Area Program - Phase III**

6.5 \$9,815,000 the first year is to the
6.6 commissioner of natural resources for
6.7 an agreement with Pheasants Forever to
6.8 accelerate the acquisition of wetlands and
6.9 grasslands to be added to the waterfowl
6.10 production area system in Minnesota in
6.11 cooperation with the United States Fish and
6.12 Wildlife Service. A list of proposed land
6.13 acquisitions must be provided as part of the
6.14 required accomplishment plan.

6.15 **(i) The Green Corridor Legacy Program -**
6.16 **Phase III**

6.17 \$2,130,000 the first year is to the
6.18 commissioner of natural resources for
6.19 an agreement with the Redwood Area
6.20 Development Corporation to acquire land
6.21 for wildlife management area purposes
6.22 under Minnesota Statutes, section 86A.05,
6.23 subdivision 8, or aquatic management
6.24 areas under Minnesota Statutes, sections
6.25 86A.05, subdivision 14, and 97C.02. Of
6.26 this amount, \$359,000 is for transfer to the
6.27 outdoor heritage land management account
6.28 in the special revenue fund for the purposes
6.29 specified in Minnesota Statutes, section
6.30 97A.056, subdivision 1a. A list of proposed
6.31 land acquisitions must be provided as part of
6.32 the required accomplishment plan.

6.33 **(j) Native Prairie Report**

6.34 By January 15, 2012, the Lessard-Sams
6.35 Outdoor Heritage Council shall submit a

7.1 report to the chairs and ranking minority
7.2 members of the house of representatives
7.3 and senate committees and divisions with
7.4 jurisdiction over the outdoor heritage fund
7.5 and environment and natural resources
7.6 finance and policy that details the amount
7.7 of native prairie protected, enhanced,
7.8 and restored with outdoor heritage fund
7.9 appropriations for fiscal years 2010, 2011,
7.10 and 2012. The report must include:
7.11 (1) the total number of acres of native prairie
7.12 that have been protected; and
7.13 (2) the total number of acres of native prairie
7.14 that have been restored.

7.15 Subd. 3. **Forests**

16,039,000

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7.16 **(a) Minnesota Forests for the Future -**
7.17 **Phase III**

7.18 \$5,409,000 the first year is to the
7.19 commissioner of natural resources to
7.20 acquire forest and wetland habitat through
7.21 working forest easements and fee acquisition
7.22 under the Minnesota forests for the future
7.23 program pursuant to Minnesota Statutes,
7.24 section 84.66. A conservation easement
7.25 acquired with money appropriated under this
7.26 paragraph must comply with subdivision
7.27 13. A list of proposed land acquisitions
7.28 must be provided as part of the required
7.29 accomplishment plan. The accomplishment
7.30 plan must include an easement monitoring
7.31 and enforcement plan. Money appropriated
7.32 from the outdoor heritage fund for easement
7.33 acquisition may be used to establish a
7.34 monitoring and enforcement fund as
7.35 approved in the accomplishment plan

8.1 and subject to subdivision 15. An annual
8.2 financial report is required for any monitoring
8.3 and enforcement fund established, including
8.4 expenditures from the fund.

8.5 **(b) LaSalle Lake: Protecting Critical**
8.6 **Mississippi Headwaters Habitat**

8.7 \$5,709,000 the first year is to the
8.8 commissioner of natural resources for an
8.9 agreement with The Trust for Public Land
8.10 to acquire land adjacent to LaSalle Lake in
8.11 Hubbard County. Of this amount, \$1,077,000
8.12 is for transfer to the outdoor heritage land
8.13 management account in the special revenue
8.14 fund for the purposes specified in Minnesota
8.15 Statutes, section 97A.056, subdivision
8.16 1a. A list of proposed land acquisitions
8.17 must be provided as part of the required
8.18 accomplishment plan. If the acquisition
8.19 is not completed by July 15, 2012, or if a
8.20 balance remains after acquisition of land, the
8.21 money under this paragraph is available for
8.22 acquisition under subdivision 2, paragraph
8.23 (a).

8.24 **(c) Accelerated Forest Habitat**
8.25 **Enhancement - Phase II**

8.26 \$826,000 the first year is to the commissioner
8.27 of natural resources to restore and enhance
8.28 lands in state forests, pursuant to Minnesota
8.29 Statutes, section 89.021.

8.30 **(d) Northeastern Minnesota Sharp-Tailed**
8.31 **Grouse Habitat Partnership - Phase II**

8.32 \$1,199,000 the first year is to the
8.33 commissioner of natural resources for
8.34 an agreement with Pheasants Forever in
8.35 cooperation with the Minnesota Sharp-Tailed

9.1 Grouse Society to acquire and enhance
9.2 lands for wildlife management area purposes
9.3 under Minnesota Statutes, section 86A.05,
9.4 subdivision 8. Of this amount, \$211,000
9.5 is for transfer to the outdoor heritage land
9.6 management account in the special revenue
9.7 fund for the purposes specified in Minnesota
9.8 Statutes, section 97A.056, subdivision
9.9 1a. A list of proposed land acquisitions
9.10 must be provided as part of the required
9.11 accomplishment plan.

9.12 **(e) Lower Mississippi River Habitat**
9.13 **Partnership - Phase II**

9.14 \$863,000 the first year is to the commissioner
9.15 of natural resources to acquire and enhance
9.16 habitat in the lower Root River and
9.17 lower Zumbro River watersheds, pursuant
9.18 to Minnesota Statutes, section 86A.05,
9.19 subdivisions 7 and 8. Of this amount,
9.20 \$156,000 is for transfer to the outdoor
9.21 heritage land management account in the
9.22 special revenue fund for the purposes
9.23 specified in Minnesota Statutes, section
9.24 97A.056, subdivision 1a. A list of proposed
9.25 land acquisitions must be provided as part of
9.26 the required accomplishment plan.

9.27 **(f) Protect Key Forest Habitat Lands in**
9.28 **Cass County - Phase II**

9.29 \$604,000 the first year is to the commissioner
9.30 of natural resources for an agreement with
9.31 Cass County to acquire land in fee for forest
9.32 wildlife habitat. A list of proposed land
9.33 acquisitions must be provided as part of the
9.34 required accomplishment plan.

9.35 **(g) State Forest Acquisition**

10.1	<u>\$1,429,000 the first year is to the</u>		
10.2	<u>commissioner of natural resources to acquire</u>		
10.3	<u>land in fee and permanent management</u>		
10.4	<u>access easements for state forests under</u>		
10.5	<u>Minnesota Statutes, section 86A.05,</u>		
10.6	<u>subdivision 7. Of this amount, \$224,000</u>		
10.7	<u>is for transfer to the outdoor heritage land</u>		
10.8	<u>management account in the special revenue</u>		
10.9	<u>fund for the purposes specified in Minnesota</u>		
10.10	<u>Statutes, section 97A.056, subdivision</u>		
10.11	<u>1a. A list of proposed land acquisitions</u>		
10.12	<u>must be provided as part of the required</u>		
10.13	<u>accomplishment plan.</u>		
10.14	<u>Subd. 4. Wetlands</u>	<u>15,934,000</u>	<u>-0-</u>
10.15	<u>(a) Reinvest in Minnesota Wetlands</u>		
10.16	<u>Reserve Acquisition and Restoration</u>		
10.17	<u>Program Partnership - Phase III</u>		
10.18	<u>\$13,000,000 the first year is to the Board</u>		
10.19	<u>of Water and Soil Resources to acquire</u>		
10.20	<u>permanent conservation easements and</u>		
10.21	<u>restore wetlands and associated upland</u>		
10.22	<u>habitat in cooperation with the United States</u>		
10.23	<u>Department of Agriculture Wetlands Reserve</u>		
10.24	<u>Program. A list of proposed land acquisitions</u>		
10.25	<u>must be provided as part of the required</u>		
10.26	<u>accomplishment plan. The accomplishment</u>		
10.27	<u>plan must include an easement monitoring</u>		
10.28	<u>and enforcement plan. Money appropriated</u>		
10.29	<u>from the outdoor heritage fund for easement</u>		
10.30	<u>acquisition may be used to establish a</u>		
10.31	<u>monitoring and enforcement fund as</u>		
10.32	<u>approved in the accomplishment plan</u>		
10.33	<u>and subject to subdivision 15. An annual</u>		
10.34	<u>financial report is required for any monitoring</u>		
10.35	<u>and enforcement fund established, including</u>		

11.1 expenditures from the fund and a description
11.2 of monitoring and enforcement activities.

11.3 **(b) Accelerated Shallow Lakes and**
11.4 **Wetlands Restoration and Enhancement -**
11.5 **Phase III**

11.6 \$936,000 the first year is to the commissioner
11.7 of natural resources to develop engineering
11.8 designs for shallow lakes and wetlands and
11.9 restore and enhance shallow lakes.

11.10 **(c) Shallow Lake Shoreland Protection:**
11.11 **Wild Rice Lakes**

11.12 \$1,998,000 the first year is to the
11.13 commissioner of natural resources for an
11.14 agreement with Ducks Unlimited and the
11.15 Board of Water and Soil Resources to acquire
11.16 wild rice lake shoreland habitat in fee and
11.17 as permanent conservation easements as
11.18 follows: \$500,000 to the Department of
11.19 Natural Resources; \$1,100,000 to the Board
11.20 of Water and Soil Resources; \$291,000 to
11.21 Ducks Unlimited; and \$107,000 for transfer
11.22 to the outdoor heritage land management
11.23 account in the special revenue fund for the
11.24 purposes specified in Minnesota Statutes,
11.25 section 97A.056, subdivision 1a. A list of
11.26 proposed land acquisitions must be provided
11.27 as part of the required accomplishment plan.

11.28 The accomplishment plan must include
11.29 an easement monitoring and enforcement
11.30 plan. Money appropriated from the outdoor
11.31 heritage fund for easement acquisition
11.32 may be used to establish a monitoring
11.33 and enforcement fund as approved in
11.34 the accomplishment plan and subject to
11.35 subdivision 15. An annual financial report is

12.1 required for any monitoring and enforcement
12.2 fund established, including expenditures
12.3 from the fund.

12.4 Subd. 5. **Habitat** 24,086,000 -0-

12.5 **(a) Accelerated Aquatic Management**

12.6 **Area Habitat Program - Phase III**

12.7 \$7,061,000 the first year is to the
12.8 commissioner of natural resources to
12.9 acquire interests in land in fee or permanent
12.10 conservation easements for aquatic
12.11 management areas under Minnesota Statutes,
12.12 sections 86A.05, subdivision 14, and 97C.02,
12.13 to restore and enhance aquatic habitat.

12.14 Of this amount, \$561,000 is for transfer
12.15 to the outdoor heritage land management
12.16 account in the special revenue fund for the
12.17 purposes specified in Minnesota Statutes,
12.18 section 97A.056, subdivision 1a. A list
12.19 of proposed acquisitions and stream and
12.20 lake habitat restorations and enhancements
12.21 must be provided as part of the required
12.22 accomplishment plan. The accomplishment
12.23 plan must include an easement monitoring
12.24 and enforcement plan. Money appropriated
12.25 from the outdoor heritage fund for easement
12.26 acquisition may be used to establish a
12.27 monitoring and enforcement fund as
12.28 approved in the accomplishment plan
12.29 and subject to subdivision 15. An annual
12.30 financial report is required for any monitoring
12.31 and enforcement fund established, including
12.32 expenditures from the fund.

12.33 **(b) Coldwater Fish Habitat Enhancement**

12.34 **Program - Phase III**

13.1 \$1,533,000 the first year is to the
13.2 commissioner of natural resources for an
13.3 agreement with Minnesota Trout Unlimited
13.4 to restore, enhance, and protect cold water
13.5 river and stream habitats in Minnesota. A list
13.6 of proposed projects, describing types and
13.7 locations of restorations and enhancements,
13.8 must be provided as part of the required
13.9 accomplishment plan.

13.10 **(c) Land Addition to the Janet Johnson**

13.11 **Memorial Wildlife Management Area**

13.12 \$707,000 the first year is to the commissioner
13.13 of natural resources for an agreement with
13.14 Chisago County to acquire land in fee to
13.15 be added to the Janet Johnson Memorial
13.16 Wildlife Management Area under Minnesota
13.17 Statutes, section 86A.05, subdivision 8. Of
13.18 this amount, \$130,000 is for transfer to the
13.19 outdoor heritage land management account
13.20 in the special revenue fund for the purposes
13.21 specified in Minnesota Statutes, section
13.22 97A.056, subdivision 1a. A list of proposed
13.23 land acquisitions must be provided as part of
13.24 the required accomplishment plan.

13.25 **(d) Metro Big Rivers Habitat - Phase II**

13.26 \$5,481,000 the first year is to the
13.27 commissioner of natural resources for
13.28 agreements to acquire interests in land in
13.29 fee or permanent conservation easements
13.30 and to restore and enhance natural systems
13.31 associated with the Mississippi, Minnesota,
13.32 and St. Croix Rivers as follows: \$960,000
13.33 to the Minnesota Valley National Wildlife
13.34 Refuge Trust, Inc.; \$150,000 to Great River
13.35 Greening; \$840,000 to Minnesota Land

14.1 Trust; \$150,000 to Friends of the Mississippi
14.2 River; \$2,900,000 to The Trust for Public
14.3 Land; and \$481,000 for transfer to the
14.4 outdoor heritage land management account
14.5 in the special revenue fund for the purposes
14.6 specified in Minnesota Statutes, section
14.7 97A.056, subdivision 1a. A list of proposed
14.8 projects, describing types and locations of
14.9 acquisitions, restorations, and enhancements,
14.10 must be provided as part of the required
14.11 accomplishment plan. The accomplishment
14.12 plan must include an easement monitoring
14.13 and enforcement plan. Money appropriated
14.14 from the outdoor heritage fund for easement
14.15 acquisition may be used to establish a
14.16 monitoring and enforcement fund as
14.17 approved in the accomplishment plan
14.18 and subject to subdivision 15. An annual
14.19 financial report is required for any monitoring
14.20 and enforcement fund established, including
14.21 expenditures from the fund.

14.22 **(e) Protecting Sensitive Shorelands in**
14.23 **North Central Minnesota**

14.24 \$1,098,000 the first year is to the
14.25 commissioner of natural resources for
14.26 agreements with the Leech Lake Watershed
14.27 Foundation and the Minnesota Land Trust
14.28 as follows: \$339,000 to the Leech Lake
14.29 Watershed Foundation; \$741,000 to the
14.30 Minnesota Land Trust; and \$18,000 to the
14.31 Department of Natural Resources to pay for
14.32 acquisition-related expenses and monitoring
14.33 costs of donated permanent conservation
14.34 easements on sensitive shorelands in north
14.35 central Minnesota. A list of proposed land
14.36 acquisitions must be provided as part of

15.1 the required accomplishment plan. The
15.2 accomplishment plan must include an
15.3 easement monitoring and enforcement
15.4 plan. Money appropriated from the outdoor
15.5 heritage fund for easement acquisition
15.6 may be used to establish a monitoring
15.7 and enforcement fund as approved in
15.8 the accomplishment plan and subject to
15.9 subdivision 15. An annual financial report is
15.10 required for any monitoring and enforcement
15.11 fund established, including expenditures
15.12 from the fund.

15.13 **(f) Restoring Native Habitat and Water**

15.14 **Quality to Shell Rock River - Phase II**

15.15 \$2,577,000 the first year is to the
15.16 commissioner of natural resources for
15.17 an agreement with the Shell Rock River
15.18 Watershed District to acquire land in fee
15.19 at the headwaters of the Shell Rock River
15.20 for aquatic management area purposes
15.21 under Minnesota Statutes, sections 86A.05,
15.22 subdivision 14, and 97C.02, to restore
15.23 and enhance aquatic habitat. The leases
15.24 for gravel mining existing at the time of
15.25 acquisition may not be extended and all gross
15.26 income generated from mining operations
15.27 must be transferred to the commissioner of
15.28 management and budget and credited to the
15.29 outdoor heritage fund. A list of proposed
15.30 land acquisitions must be provided as part of
15.31 the required accomplishment plan.

15.32 **(g) Outdoor Heritage Conservation**

15.33 **Partners Grant Program - Phase III**

15.34 \$5,629,000 the first year is to the
15.35 commissioner of natural resources for a

16.1 program to provide competitive, matching
16.2 grants of up to \$400,000 to local, regional,
16.3 state, and national organizations for
16.4 enhancement, restoration, or protection of
16.5 forests, wetlands, prairies, and habitat for
16.6 fish, game, or wildlife in Minnesota. Grants
16.7 shall not be made for activities required to
16.8 fulfill the duties of owners of lands subject
16.9 to conservation easements. Grants shall
16.10 not be made from appropriations in this
16.11 paragraph for projects that have a total
16.12 project cost exceeding \$475,000. \$319,000
16.13 of this appropriation may be spent for
16.14 personnel costs and other administrative
16.15 costs. Grantees may acquire land or interests
16.16 in land. Easements must be permanent.
16.17 Land acquired in fee must be open to
16.18 hunting and fishing during the open season
16.19 unless otherwise provided by state law. The
16.20 program shall require a match of at least ten
16.21 percent from nonstate sources for grants of
16.22 \$100,000 or less and a match of at least 15
16.23 percent from nonstate sources for grants over
16.24 \$100,000. Up to one-third of the match may
16.25 be in-kind resources. For grant applications
16.26 of \$25,000 or less, the commissioner shall
16.27 provide a separate, simplified application
16.28 process. The criteria for evaluating grant
16.29 applications over \$25,000 must include the
16.30 amount of habitat restored, enhanced, or
16.31 protected; local support; encouragement
16.32 of a local conservation culture; urgency;
16.33 capacity to achieve multiple benefits;
16.34 habitat benefits provided; consistency with
16.35 current conservation science; adjacency
16.36 to protected lands; full funding of the

17.1 project; supplementing existing funding;
17.2 public access for hunting and fishing during
17.3 the open season; sustainability; degree
17.4 of collaboration; and use of native plant
17.5 materials. All projects must conform to
17.6 the Minnesota statewide conservation and
17.7 preservation plan. Wildlife habitat projects
17.8 must also conform to the Minnesota wildlife
17.9 action plan. Subject to the evaluation
17.10 criteria and requirements of this paragraph
17.11 and Minnesota Statutes, the commissioner
17.12 of natural resources shall give priority to
17.13 organizations that have a history of receiving
17.14 or charter to receive private contributions
17.15 for local conservation or habitat projects
17.16 when evaluating projects of equal value. If
17.17 acquiring land or a conservation easement,
17.18 priority shall be given to projects associated
17.19 with existing wildlife management areas
17.20 under Minnesota Statutes, section 86A.05,
17.21 subdivision 8; scientific and natural areas
17.22 under Minnesota Statutes, sections 84.033
17.23 and 86A.05, subdivision 5; and aquatic
17.24 management areas under Minnesota Statutes,
17.25 sections 86A.05, subdivision 14, and 97C.02.
17.26 All restoration or enhancement projects
17.27 must be on land permanently protected by a
17.28 conservation easement or public ownership
17.29 or in public waters as defined in Minnesota
17.30 Statutes, section 103G.005, subdivision
17.31 15. Priority shall be given to restoration
17.32 and enhancement projects on public lands.
17.33 Subdivision 9 applies to grants awarded
17.34 under this paragraph. This appropriation is
17.35 available until June 30, 2015. No less than
17.36 five percent of the amount of each grant

18.1 must be held back from reimbursement until
18.2 the grant recipient has completed a grant
18.3 accomplishment report by the deadline and
18.4 in the form prescribed by and satisfactory to
18.5 the Lessard-Sams Outdoor Heritage Council.
18.6 The commissioner shall provide notice of the
18.7 grant program in the 2011 game and fish law
18.8 summaries that are prepared under Minnesota
18.9 Statutes, section 97A.051, subdivision 2.

18.10	<u>Subd. 6. Administration</u>	<u>740,000</u>	<u>471,000</u>
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18.11 **(a) Contract Management**

18.12 \$175,000 the first year is to the commissioner
18.13 of natural resources for contract management
18.14 duties assigned in this section. The
18.15 commissioner shall provide documentation
18.16 to the Legislative Coordinating Commission
18.17 on the expenditure of these funds.

18.18 **(b) Legislative Coordinating Commission**

18.19 (1) \$471,000 the first year and \$471,000
18.20 the second year are to the Legislative
18.21 Coordinating Commission for two years of
18.22 administrative expenses of the Lessard-Sams
18.23 Outdoor Heritage Council and for two years
18.24 of compensation and expense reimbursement
18.25 of council members.

18.26 (2) \$13,000 the first year is to the Legislative
18.27 Coordinating Commission for the Web site
18.28 required under Minnesota Statutes, section
18.29 3.303, subdivision 10.

18.30 **(c) Technical Assistance Panel**

18.31 \$84,000 the first year is to the commissioner
18.32 of natural resources for a technical assistance
18.33 panel to conduct up to ten restoration audits

19.1 under Minnesota Statutes, section 97A.056,
19.2 subdivision 10.

19.3 **Subd. 7. Availability of Appropriation**

19.4 Money appropriated in this section may
19.5 not be spent on activities unless they are
19.6 directly related to and necessary for a
19.7 specific appropriation and are specified
19.8 in the accomplishment plan. Money
19.9 appropriated in this section must not be
19.10 spent on indirect costs or other institutional
19.11 overhead charges that are not directly related
19.12 to and necessary for a specific appropriation.

19.13 Unless otherwise provided, the amounts
19.14 in this section are available until June 30,
19.15 2014, when projects must be completed and
19.16 final accomplishments reported. Funds for
19.17 restoration or enhancement are available
19.18 until June 30, 2016, or four years after
19.19 acquisition, whichever is later, in order to
19.20 complete restoration or enhancement work.

19.21 If a project receives federal funds, the time
19.22 period of the appropriation is extended to
19.23 equal the availability of federal funding.

19.24 Funds appropriated for fee title acquisition
19.25 of land may be used to restore, enhance, and
19.26 provide for the public use of land acquired
19.27 with the appropriation. Public use facilities
19.28 must have a minimal impact on habitat on
19.29 acquired lands.

19.30 **Subd. 8. Accomplishment Plans**

19.31 It is a condition of acceptance of the
19.32 appropriations made under this section that
19.33 the agency or entity using the appropriation
19.34 submit to the Lessard-Sams Outdoor
19.35 Heritage Council an accomplishment plan

20.1 and periodic accomplishment reports in
20.2 the form determined by the council. The
20.3 accomplishment plan must identify the
20.4 project manager responsible for expending
20.5 the appropriation and the final product. The
20.6 accomplishment plan must account for the
20.7 use of the appropriation and outcomes of
20.8 the expenditure in measures of wetlands,
20.9 prairies, forests, and fish, game, and wildlife
20.10 habitat restored, protected, and enhanced.
20.11 The plan must include an evaluation of
20.12 results. None of the money provided in this
20.13 section may be expended unless the council
20.14 has approved the pertinent accomplishment
20.15 plan.

20.16 Subd. 9. **Project Requirements**

20.17 (a) As a condition of accepting an
20.18 appropriation made under this section, an
20.19 agency or entity receiving an appropriation
20.20 must comply with this subdivision for any
20.21 project funded in whole or in part with funds
20.22 from the appropriation.

20.23 (b) All conservation easements acquired with
20.24 money appropriated under this section must:
20.25 (1) be permanent; (2) specify the parties to
20.26 the easement; (3) specify all of the provisions
20.27 of an agreement that are permanent; (4)
20.28 specify the habitat types and location
20.29 being protected; (5) where appropriate for
20.30 conservation or water protection outcomes,
20.31 require the grantor to employ practices
20.32 retaining water on the eased land as long as
20.33 practicable; (6) specify the responsibilities
20.34 of the parties for habitat enhancement and
20.35 restoration and the associated costs of these

21.1 activities; (7) be sent to the office of the
21.2 Lessard-Sams Outdoor Heritage Council; (8)
21.3 include a long-term stewardship plan and
21.4 identify the sources and amount of funding
21.5 for monitoring and enforcing the easement
21.6 agreement; and (9) identify the parties
21.7 responsible for monitoring and enforcing the
21.8 easement agreement.

21.9 (c) For all restorations, a recipient must
21.10 prepare and retain an ecological restoration
21.11 and management plan that, to the degree
21.12 practicable, is consistent with current
21.13 conservation science and ecological goals
21.14 for the restoration site. Consideration should
21.15 be given to soil, geology, topography, and
21.16 other relevant factors that would provide
21.17 the best chance for long-term success and
21.18 durability of the restoration projects. The
21.19 plan must include the proposed timetable for
21.20 implementing the restoration, including, but
21.21 not limited to, site preparation, establishment
21.22 of diverse plant species, maintenance, and
21.23 additional enhancement to establish the
21.24 restoration; identify long-term maintenance
21.25 and management needs of the restoration
21.26 and how the maintenance, management,
21.27 and enhancement will be financed; and use
21.28 current conservation science to achieve the
21.29 best restoration.

21.30 (d) For new lands acquired, a recipient
21.31 must prepare a restoration and management
21.32 plan in compliance with paragraph (c),
21.33 including identification of sufficient funding
21.34 for implementation.

22.1 (e) To ensure public accountability for the
22.2 use of public funds, a recipient must provide
22.3 to the Lessard-Sams Outdoor Heritage
22.4 Council documentation of the process
22.5 used to select parcels acquired in fee or as
22.6 permanent conservation easements and must
22.7 provide the council with documentation
22.8 of all related transaction costs, including,
22.9 but not limited to, appraisals, legal fees,
22.10 recording fees, commissions, other similar
22.11 costs, and donations. This information
22.12 must be provided for all parties involved
22.13 in the transaction. The recipient must
22.14 also report to the Lessard-Sams Outdoor
22.15 Heritage Council any difference between the
22.16 acquisition amount paid to the seller and the
22.17 state-certified or state-reviewed appraisal, if
22.18 a state-certified or state-reviewed appraisal
22.19 was conducted. Acquisition data such
22.20 as appraisals may remain private during
22.21 negotiations but must ultimately be made
22.22 public according to Minnesota Statutes,
22.23 chapter 13.

22.24 (f) Except as otherwise provided in this
22.25 section, all restoration and enhancement
22.26 projects funded with money appropriated
22.27 under this section must be on land
22.28 permanently protected by a conservation
22.29 easement or public ownership or in public
22.30 waters as defined in Minnesota Statutes,
22.31 section 103G.005, subdivision 15.

22.32 (g) To the extent an appropriation is used to
22.33 acquire an interest in real property, a recipient
22.34 of an appropriation under this section must
22.35 provide to the Lessard-Sams Outdoor
22.36 Heritage Council and the commissioner

23.1 of management and budget an analysis of
23.2 increased operations and maintenance costs
23.3 likely to be incurred by public entities as
23.4 a result of the acquisition and of how these
23.5 costs are to be paid.

23.6 (h) A recipient of money under this section
23.7 must erect signage according to Laws 2009,
23.8 chapter 172, article 5, section 10.

23.9 **Subd. 10. Payment Conditions and Capital**
23.10 **Equipment Expenditures**

23.11 All agreements, grants, or contracts referred
23.12 to in this section must be administered on
23.13 a reimbursement basis unless otherwise
23.14 provided in this section. Notwithstanding
23.15 Minnesota Statutes, section 16A.41,
23.16 expenditures directly related to each
23.17 appropriation's purpose made on or after July
23.18 1, 2011, are eligible for reimbursement unless
23.19 otherwise provided in this section. Periodic
23.20 reimbursement must be made upon receiving
23.21 documentation that the deliverable items
23.22 articulated in the approved accomplishment
23.23 plan have been achieved, including partial
23.24 achievements as evidenced by approved
23.25 progress reports. Reasonable amounts may
23.26 be advanced to projects to accommodate
23.27 cash flow needs, support future management
23.28 of acquired lands, or match a federal share.
23.29 The advances must be approved as part of
23.30 the accomplishment plan. Capital equipment
23.31 expenditures for specific items in excess of
23.32 \$10,000 must be itemized in and approved as
23.33 part of the accomplishment plan.

23.34 **Subd. 11. Purchase of Recycled and Recyclable**
23.35 **Materials**

24.1 A political subdivision, public or private
24.2 corporation, or other entity that receives an
24.3 appropriation under this section must use the
24.4 appropriation in compliance with Minnesota
24.5 Statutes, sections 16B.121, regarding
24.6 purchase of recycled, repairable, and durable
24.7 materials, and 16B.122, regarding purchase
24.8 and use of paper stock and printing.

24.9 Subd. 12. **Accessibility**

24.10 Structural and nonstructural facilities must
24.11 meet the design standards in the Americans
24.12 with Disabilities Act (ADA) accessibility
24.13 guidelines.

24.14 Subd. 13. **Land Acquisition Restrictions**

24.15 (a) An interest in real property, including, but
24.16 not limited to, an easement or fee title that
24.17 is acquired with money appropriated under
24.18 this section must be used in perpetuity or for
24.19 the specific term of an easement interest for
24.20 the purpose for which the appropriation was
24.21 made.

24.22 (b) A recipient of funding who acquires
24.23 an interest in real property subject to this
24.24 subdivision may not alter the intended use
24.25 of the interest in real property or convey
24.26 any interest in the real property acquired
24.27 with the appropriation without the prior
24.28 review and approval of the Lessard-Sams
24.29 Outdoor Heritage Council or its successor.
24.30 The council shall notify the chairs and
24.31 ranking minority members of the legislative
24.32 committees and divisions with jurisdiction
24.33 over the outdoor heritage fund at least 15
24.34 business days before approval under this
24.35 paragraph. The council shall establish

25.1 procedures to review requests from recipients
25.2 to alter the use of or convey an interest in
25.3 real property. These procedures shall allow
25.4 for the replacement of the interest in real
25.5 property with another interest in real property
25.6 meeting the following criteria: (1) the
25.7 interest must be at least equal in fair market
25.8 value, as certified by the commissioner
25.9 of natural resources, to the interest being
25.10 replaced; and (2) the interest must be in a
25.11 reasonably equivalent location and have a
25.12 reasonably equivalent useful conservation
25.13 purpose compared to the interest being
25.14 replaced, taking into consideration all effects
25.15 from fragmentation of the whole habitat.

25.16 (c) A recipient of funding who acquires an
25.17 interest in real property under paragraph
25.18 (a) must separately record a notice of
25.19 funding restrictions in the appropriate local
25.20 government office where the conveyance
25.21 of the interest in real property is filed. The
25.22 notice of funding agreement must contain:
25.23 (1) a legal description of the interest in real
25.24 property covered by the funding agreement;
25.25 (2) a reference to the underlying funding
25.26 agreement; (3) a reference to this section; and
25.27 (4) the following statement: "This interest
25.28 in real property shall be administered in
25.29 accordance with the terms, conditions, and
25.30 purposes of the grant agreement controlling
25.31 the acquisition of the property. The interest
25.32 in real property, or any portion of the interest
25.33 in real property, shall not be sold, transferred,
25.34 pledged, or otherwise disposed of or further
25.35 encumbered without obtaining the prior
25.36 written approval of the Lessard-Sams

26.1 Outdoor Heritage Council or its successor.
26.2 The ownership of the interest in real property
26.3 shall transfer to the state if: (1) the holder of
26.4 the interest in real property fails to comply
26.5 with the terms and conditions of the grant
26.6 agreement or accomplishment plan; or
26.7 (2) restrictions are placed on the land that
26.8 preclude its use for the intended purpose as
26.9 specified in the appropriation."

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

26.11 By December 1 each year, a recipient of
26.12 money appropriated under this section that
26.13 is used for the acquisition of an interest in
26.14 real property, including, but not limited to,
26.15 an easement or fee title, must submit annual
26.16 reports on the status of the real property to
26.17 the Lessard-Sams Outdoor Heritage Council
26.18 or its successor in a form determined by the
26.19 council. The responsibility for reporting
26.20 under this section may be transferred by
26.21 the recipient of the appropriation to another
26.22 person or entity that holds the interest in the
26.23 real property. To complete the transfer of
26.24 reporting responsibility, the recipient of the
26.25 appropriation must: (1) inform the person
26.26 to whom the responsibility is transferred of
26.27 that person's reporting responsibility; (2)
26.28 inform the person to whom the responsibility
26.29 is transferred of the property restrictions
26.30 under subdivision 13; and (3) provide written
26.31 notice to the council of the transfer of
26.32 reporting responsibility, including contact
26.33 information for the person to whom the
26.34 responsibility is transferred. After the
26.35 transfer, the person or entity that holds the

27.1 interest in the real property is responsible for
27.2 reporting requirements under this section.

27.3 Subd. 15. **Easement Monitoring and**
27.4 **Enforcement Requirements**

27.5 Money appropriated under this section
27.6 for easement monitoring and enforcement
27.7 may be spent only on activities included in
27.8 an easement monitoring and enforcement
27.9 plan contained within the accomplishment
27.10 plan. Money received for monitoring
27.11 and enforcement, including earnings on
27.12 the money received, shall be kept in a
27.13 monitoring and enforcement fund held by
27.14 the organization and dedicated to monitoring
27.15 and enforcing conservation easements within
27.16 Minnesota. Within 120 days after the close
27.17 of the entity's fiscal year, an entity receiving
27.18 appropriations for easement monitoring
27.19 and enforcement must provide an annual
27.20 financial report to the Lessard-Sams Outdoor
27.21 Heritage Council on the easement monitoring
27.22 and enforcement fund as specified in the
27.23 accomplishment plan. Money appropriated
27.24 under this section for monitoring and
27.25 enforcement of easements and earnings on
27.26 the money appropriated shall revert to the
27.27 state if: (1) the easement transfers to the
27.28 state under subdivision 13; (2) the holder of
27.29 the easement fails to file an annual report
27.30 and then fails to cure that default within 30
27.31 days of notification of the default by the
27.32 state; or (3) the holder of the easement fails
27.33 to comply with the terms of the monitoring
27.34 and enforcement plan contained within the
27.35 accomplishment plan and fails to cure that

28.1 default within 90 days of notification of the
28.2 default by the state.

28.3 **Subd. 16. Successor Organizations**

28.4 The Lessard-Sams Outdoor Heritage Council
28.5 may approve the continuation of a project
28.6 with an organization that has adopted
28.7 a new name. Continuation of a project
28.8 with an organization that has undergone
28.9 a significant change in mission, structure,
28.10 or purpose requires: (1) notice to the
28.11 chairs of the legislative committees with
28.12 relevant jurisdiction; and (2) presentation
28.13 by the council of proposed legislation either
28.14 ratifying or rejecting continued involvement
28.15 with the new organization.

28.16 **Subd. 17. Appropriations Adjustment**

28.17 **(a) Mississippi River Bluffland Prairie**
28.18 **Protection Initiative**

28.19 Of the amount appropriated in Laws 2009,
28.20 chapter 172, article 1, section 2, subdivision
28.21 2, paragraph (f), \$65,000 is for deposit in
28.22 a monitoring and enforcement account as
28.23 authorized in subdivision 15.

28.24 **(b) Critical Shoreline Habitat Protection**
28.25 **Program**

28.26 Of the amount appropriated in Laws 2010,
28.27 chapter 361, article 1, section 2, subdivision
28.28 3, paragraph (a), \$187,000 is for deposit in
28.29 a monitoring and enforcement account as
28.30 authorized in subdivision 15.

28.31 **(c) Riparian and Lakeshore Protection in**
28.32 **Dakota County**

28.33 Of the amount appropriated in Laws 2010,
28.34 chapter 361, article 1, section 2, subdivision

29.1 5, paragraph (d), \$80,000 is for deposit in
29.2 a monitoring and enforcement account as
29.3 authorized in subdivision 15.

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

29.5 Of the amount appropriated in Laws 2010,
29.6 chapter 361, article 1, section 2, subdivision
29.7 5, paragraph (e), \$12,000 is for deposit in
29.8 a monitoring and enforcement account as
29.9 authorized in subdivision 15.

29.10 Sec. 3. **[84.68] FORESTS FOR THE FUTURE CONSERVATION EASEMENT**
29.11 **ACCOUNT.**

29.12 Subdivision 1. **Account established; sources.** The forests for the future
29.13 conservation easement account is created in the natural resources fund in the state treasury.
29.14 The following revenue shall be deposited in the account:

- 29.15 (1) contributions to the account or specified for any purposes of the account;
29.16 (2) financial contributions required under section 84.66, subdivision 11, or other
29.17 applicable law; and
29.18 (3) money appropriated or transferred for the purposes described in subdivision 2.

29.19 Interest earned on money in the account accrues to the account.

29.20 Subd. 2. **Appropriation; purposes of account.** Money in the forests for the future
29.21 conservation easement account is appropriated annually to the commissioner of natural
29.22 resources and may be spent only to cover the costs of managing forests for the future
29.23 conservation easements held by the Department of Natural Resources, including costs
29.24 incurred from monitoring, landowner contracts, record keeping, processing landowner
29.25 notices, requests for approval or amendments, and enforcement.

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

29.27 Sec. 4. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
29.28 to read:

29.29 Subd. 1a. **Outdoor heritage land management account.** An outdoor heritage
29.30 land management account is created as an account in the special revenue fund. The
29.31 State Board of Investment shall ensure the account is invested under section 11A.24.
29.32 The commissioner of management and budget shall credit to the account all money
29.33 appropriated to the account and all money earned by the account. The principal of the

30.1 account and any unexpended earnings must be invested and reinvested by the State Board
30.2 of Investment. Nothing in this section limits the source of contributions to the account.
30.3 No more than five and one-half percent of the market value of the account as of June
30.4 30 of the prior fiscal year is appropriated to the commissioner of natural resources to
30.5 pay for future restoration and enhancement of lands purchased in fee with monies from
30.6 the outdoor heritage fund and held by the state and to reimburse the general fund for
30.7 payments made under sections 97A.061, subdivision 1, and 477A.12 for lands purchased
30.8 with funds from the outdoor heritage fund.

30.9 Sec. 5. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
30.10 to read:

30.11 Subd. 1b. **Definitions.** For the purpose of appropriations from the outdoor heritage
30.12 fund, "recipient" means the entity responsible for deliverables financed by the outdoor
30.13 heritage fund.

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

30.15 Sec. 6. Minnesota Statutes 2010, section 97A.056, subdivision 2, is amended to read:

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

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

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

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

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

30.24 (5) two members of the house of representatives appointed by the speaker of the
30.25 house.

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

30.27 In making appointments, the governor, senate Subcommittee on Committees of the
30.28 Committee on Rules and Administration, and the speaker of the house shall consider
30.29 geographic balance, gender, age, ethnicity, and varying interests including hunting and
30.30 fishing. The governor's appointments to the council are subject to the advice and consent
30.31 of the senate.

30.32 (c) Public members appointed under paragraph (a) shall have practical experience
30.33 or expertise or demonstrated knowledge in the science, policy, or practice of restoring,

protecting, and enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 7. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 11. **Commissioner approval; acquisitions.** The commissioner must agree in writing to each proposed acquisition of land or interest in land purchased with an appropriation from the outdoor heritage fund that is intended to be transferred to the commissioner. Prior to signing the written agreement, the commissioner must determine that the acquisition meets the Department of Natural Resources' precision acquisition goals.

Sec. 8. Laws 2009, chapter 172, article 1, section 2, subdivision 3, is amended to read:

Subd. 3. Forests	18,000,000	18,000,000
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\$18,000,000 in fiscal year 2010 and \$18,000,000 in fiscal year 2011 are to the commissioner of natural resources to acquire land or permanent working forest easements on private forests in areas identified through the Minnesota forests for the future program under Minnesota Statutes, section 84.66.

Up to \$750,000 in fiscal year 2011 may be transferred to the forests for the future conservation easement account and used for the purposes specified under Minnesota Statutes, section 84.68, subdivision 2.

Priority must be given to acquiring land or interests in private lands within existing Minnesota state forest boundaries. Any easements acquired must have a forest management plan as defined in Minnesota Statutes, section 290C.02, subdivision 7.

A list of proposed fee title and easement

33.1 acquisitions must be provided as part of the
33.2 required accomplishment plan. ~~The fiscal~~
33.3 ~~year 2011 appropriation is available only for~~
33.4 ~~acquisitions that, by August 15, 2009, are:~~
33.5 ~~(1) subject to a binding agreement with the~~
33.6 ~~commissioner; and~~
33.7 ~~(2) matched by at least \$9,000,000 in private~~
33.8 ~~donations.~~

33.9 Sec. 9. Laws 2009, chapter 172, article 1, section 2, subdivision 15, is amended to read:

33.10 **Subd. 15. Real Property Interest Report**

33.11 By December 1 each year, a recipient of
33.12 money appropriated under this section that
33.13 is used for the acquisition of an interest in
33.14 real property, including but not limited to
33.15 an easement or fee title, must submit annual
33.16 reports on the status of the real property to
33.17 the Lessard Outdoor Heritage Council or
33.18 its successor in a form determined by the
33.19 council. The responsibility for reporting
33.20 under this section may be transferred by
33.21 the recipient of the appropriation to another
33.22 person or entity that holds the interest in the
33.23 real property. To complete the transfer of
33.24 reporting responsibility, the recipient of the
33.25 appropriation must:

33.26 (1) inform the person to whom the
33.27 responsibility is transferred of that person's
33.28 reporting responsibility;

33.29 (2) inform the person to whom the
33.30 responsibility is transferred of the property
33.31 restrictions under subdivision 14; and

33.32 (3) provide written notice to the council
33.33 of the transfer of reporting responsibility,

34.1 including contact information for the person
34.2 to whom the responsibility is transferred.
34.3 ~~Before the transfer, the entity receiving~~
34.4 ~~the transfer of property must certify to the~~
34.5 ~~Lessard Outdoor Heritage Council, or its~~
34.6 ~~successor, acceptance of all obligations and~~
34.7 ~~responsibilities held by the prior owner.~~

34.8 After the transfer, the person or entity that
34.9 holds the interest in the real property is
34.10 responsible for reporting requirements under
34.11 this section.

34.12 Sec. 10. Laws 2010, chapter 361, article 1, section 2, subdivision 14, is amended to
34.13 read:

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

34.15 By December 1 each year, a recipient of
34.16 money appropriated under this section that
34.17 is used for the acquisition of an interest in
34.18 real property, including, but not limited to,
34.19 an easement or fee title, must submit annual
34.20 reports on the status of the real property to
34.21 the Lessard-Sams Outdoor Heritage Council
34.22 or its successor in a form determined by the
34.23 council. The responsibility for reporting
34.24 under this section may be transferred by
34.25 the recipient of the appropriation to another
34.26 person or entity that holds the interest in the
34.27 real property. To complete the transfer of
34.28 reporting responsibility, the recipient of the
34.29 appropriation must: (1) inform the person
34.30 to whom the responsibility is transferred of
34.31 that person's reporting responsibility; (2)
34.32 inform the person to whom the responsibility
34.33 is transferred of the property restrictions
34.34 under subdivision 13; and (3) provide written

35.1 notice to the council of the transfer of
35.2 reporting responsibility, including contact
35.3 information for the person to whom the
35.4 responsibility is transferred; and (4) provide
35.5 the Lessard-Sams Outdoor Heritage Council
35.6 or its successor written documentation from
35.7 the person or entity holding the interest in
35.8 real property certifying its acceptance of all
35.9 reporting obligations and responsibilities
35.10 previously held by the recipient of the
35.11 appropriation. After the transfer, the person
35.12 or entity that holds the interest in the
35.13 real property is responsible for reporting
35.14 requirements under this section.

35.15 Sec. 11. **REPEALER.**
35.16 Minnesota Statutes 2010, section 84.02, subdivisions 1, 2, 3, 4, 6, 7, and 8, are
35.17 repealed.

35.18 **ARTICLE 2**
35.19 **CLEAN WATER FUND**

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

35.21 The sums shown in the columns marked "Appropriations" are appropriated to the
35.22 agencies and for the purposes specified in this article. The appropriations are from the
35.23 clean water fund, and are available for the fiscal years indicated for allowable activities
35.24 under the Minnesota Constitution, article XI, section 15. "The first year" is fiscal year
35.25 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and
35.26 2013. The appropriations in this article are onetime.

35.27	<u>APPROPRIATIONS</u>			
35.28	<u>Available for the Year</u>			
35.29	<u>Ending June 30</u>			
35.30		<u>2012</u>		<u>2013</u>
35.31	Sec. 2. <u>CLEAN WATER</u>			
35.32	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>89,903,000</u>	<u>\$ 88,454,000</u>

36.1 The amounts that may be spent for each
36.2 purpose are specified in the following
36.3 sections.
36.4 Subd. 2. **Availability of Appropriation**

36.5 Money appropriated in this article may
36.6 not be spent on activities unless they are
36.7 directly related to and necessary for a specific
36.8 appropriation. Money appropriated in this
36.9 article must not be spent on indirect costs
36.10 or other institutional overhead charges that
36.11 are not directly related to and necessary for
36.12 a specific appropriation. Notwithstanding
36.13 Minnesota Statutes, section 16A.28, and
36.14 unless otherwise specified in this article,
36.15 fiscal year 2012 appropriations are available
36.16 until June 30, 2013, and fiscal year 2013
36.17 appropriations are available until June 30,
36.18 2014. If a project receives federal funds, the
36.19 time period of the appropriation is extended
36.20 to equal the availability of federal funding.

36.21 Sec. 3. **DEPARTMENT OF AGRICULTURE** \$ **8,200,000** \$ **8,200,000**

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

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

37.1 (c) \$5,000,000 the first year and \$5,000,000
37.2 the second year are for the agriculture best
37.3 management practices loan program. At
37.4 least \$4,000,000 the first year and at least
37.5 \$4,400,000 the second year are for transfer to
37.6 the clean water agricultural best management
37.7 practices loan account and are available
37.8 for pass-through to local governments
37.9 and lenders for low-interest loans. Any
37.10 unencumbered balance that is not used for
37.11 pass-through to local governments does not
37.12 cancel at the end of the first year and is
37.13 available for the second year.

37.14 (d) \$700,000 the first year and \$700,000
37.15 the second year are for pilot projects
37.16 and technical assistance on proper
37.17 implementation of best management
37.18 practices for nonpoint contributions to
37.19 impaired waters. This appropriation is
37.20 available until spent.

37.21 (e) \$1,050,000 the first year and \$1,050,000
37.22 the second year are for research to quantify
37.23 agricultural contributions to impaired waters
37.24 and for development and evaluation of
37.25 best management practices to protect and
37.26 restore water resources while maintaining
37.27 productivity. This appropriation is available
37.28 until spent.

37.29 (f) \$250,000 the first year and \$250,000 the
37.30 second year are for a research inventory
37.31 database containing water-related research
37.32 activities that have been publicly funded.

37.33 **Sec. 4. PUBLIC FACILITIES AUTHORITY \$ 16,710,000 \$ 16,710,000**

38.1 (a) \$11,185,000 the first year and \$11,185,000
38.2 the second year are for the total maximum
38.3 daily load (TMDL) grant program under
38.4 Minnesota Statutes, section 446A.073. This
38.5 appropriation is available until spent.

38.6 (b) \$4,275,000 the first year and \$4,275,000
38.7 the second year are for the clean water legacy
38.8 phosphorus reduction grant program under
38.9 Minnesota Statutes, section 446A.074. This
38.10 appropriation is available until spent.

38.11 (c) \$1,250,000 the first year and \$1,250,000
38.12 the second year are for small community
38.13 wastewater treatment grants and loans under
38.14 Minnesota Statutes, section 446A.075. This
38.15 appropriation is available until spent.

38.16 (d) If there are any uncommitted funds at the
38.17 end of each fiscal year under paragraph (a),
38.18 (b), or (c), the Public Facilities Authority
38.19 may transfer the remaining funds to eligible
38.20 projects under any of the programs listed
38.21 under this section, based on their priority
38.22 rank on the Pollution Control Agency's
38.23 project priority list.

38.24 **Sec. 5. POLLUTION CONTROL AGENCY \$ 23,100,000 \$ 22,600,000**

38.25 (a) \$7,500,000 the first year and \$7,500,000
38.26 the second year are for completion of 20
38.27 percent of the needed statewide assessments
38.28 of surface water quality and trends. Of
38.29 this amount, \$100,000 the first year and
38.30 \$100,000 the second year are for grants
38.31 to the Red River Watershed Management
38.32 Board to enhance and expand the existing
38.33 water quality and watershed monitoring river
38.34 watch activities in the schools in the Red

39.1 River of the North. The Red River Watershed
39.2 Management Board shall provide a report to
39.3 the commissioner of the Pollution Control
39.4 Agency and the legislative committees and
39.5 divisions with jurisdiction over environment
39.6 and natural resources finance and policy and
39.7 the clean water fund by February 15, 2013,
39.8 on the expenditure of these funds.

39.9 (b) \$9,400,000 the first year and \$9,400,000
39.10 the second year are to develop total maximum
39.11 daily load (TMDL) studies and TMDL
39.12 implementation plans for waters listed on
39.13 the United States Environmental Protection
39.14 Agency approved impaired waters list in
39.15 accordance with Minnesota Statutes, chapter
39.16 114D. The agency shall complete an average
39.17 of ten percent of the TMDL's each year over
39.18 the biennium.

39.19 (c) \$1,125,000 the first year and \$1,125,000
39.20 the second year are for groundwater
39.21 assessment, including enhancing the
39.22 ambient monitoring network, modeling,
39.23 and continuing to monitor for and assess
39.24 contaminants of emerging concern.

39.25 (d) \$750,000 the first year and \$750,000
39.26 the second year are for water quality
39.27 improvement in the lower St. Louis River
39.28 and Duluth harbor. This appropriation must
39.29 be matched by a rate of 65 percent nonstate
39.30 funds to 35 percent state funds.

39.31 (e) \$1,250,000 the first year and \$1,250,000
39.32 the second year are for the clean water
39.33 partnership program to provide grants
39.34 to protect and improve the basins and
39.35 watersheds of the state and provide financial

40.1 and technical assistance to study waters
40.2 with nonpoint source pollution problems.
40.3 Priority shall be given to projects preventing
40.4 impairments and degradation of lakes, rivers,
40.5 streams, and groundwater in accordance
40.6 with Minnesota Statutes, section 114D.20,
40.7 subdivision 2, clause (4). Any balance
40.8 remaining in the first year does not cancel
40.9 and is available for the second year.

40.10 (f) \$400,000 the first year and \$400,000 the
40.11 second year are for storm water research and
40.12 guidance.

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

40.16 (h) \$800,000 the first year and \$800,000
40.17 the second year are for national pollutant
40.18 discharge elimination system wastewater and
40.19 storm water TMDL implementation efforts.

40.20 (i) \$225,000 the first year and \$225,000
40.21 the second year are transferred to the
40.22 commissioner of administration for the
40.23 Environmental Quality Board in cooperation
40.24 with the United States Geological Survey
40.25 to characterize groundwater flow and
40.26 aquifer properties in the I-94 corridor in
40.27 cooperation with local units of government.
40.28 This appropriation is available until June 30,
40.29 2014.

40.30 (j) \$500,000 the first year is for a wild rice
40.31 standards study.

40.32 Notwithstanding Minnesota Statutes, section
40.33 16A.28, the appropriations encumbered on or
40.34 before June 30, 2013, as grants or contracts in
40.35 this section are available until June 30, 2016.

41.1	Sec. 6. <u>DEPARTMENT OF NATURAL</u>			
41.2	<u>RESOURCES</u>	\$	<u>11,160,000</u>	\$ <u>10,160,000</u>
41.3	<u>(a) \$1,825,000 the first year and \$1,825,000</u>			
41.4	<u>the second year are for the continuation and</u>			
41.5	<u>expansion of stream flow monitoring.</u>			
41.6	<u>(b) \$1,150,000 the first year and \$1,150,000</u>			
41.7	<u>the second year are for lake Index of</u>			
41.8	<u>Biological Integrity (IBI) assessments,</u>			
41.9	<u>including assessment of 400 additional lakes</u>			
41.10	<u>and technical analysis to develop an aquatic</u>			
41.11	<u>plant IBI analysis. The commissioner shall</u>			
41.12	<u>work with the commissioner of the Pollution</u>			
41.13	<u>Control Agency on the development of an</u>			
41.14	<u>assessment tool.</u>			
41.15	<u>(c) \$130,000 the first year and \$130,000</u>			
41.16	<u>the second year are for assessing mercury</u>			
41.17	<u>contamination of fish, including monitoring</u>			
41.18	<u>to track the status of waters impaired by</u>			
41.19	<u>mercury and mercury reduction efforts over</u>			
41.20	<u>time.</u>			
41.21	<u>(d) \$1,730,000 the first year and \$1,730,000</u>			
41.22	<u>the second year are for TMDL development</u>			
41.23	<u>and TMDL implementation plans for waters</u>			
41.24	<u>listed on the United States Environmental</u>			
41.25	<u>Protection Agency approved impaired waters</u>			
41.26	<u>list in accordance with Minnesota Statutes,</u>			
41.27	<u>chapter 114D, and for development of a</u>			
41.28	<u>watershed assessment tool.</u>			
41.29	<u>(e) \$1,500,000 the first year and \$1,500,000</u>			
41.30	<u>the second year are for water supply</u>			
41.31	<u>planning, aquifer protection, and monitoring</u>			
41.32	<u>activities.</u>			
41.33	<u>(f) \$450,000 the first year and \$450,000 the</u>			
41.34	<u>second year are for establishing a Web-based</u>			

42.1 electronic permitting system to capture water
42.2 appropriation use information.

42.3 (g) \$1,725,000 the first year and \$1,725,000
42.4 the second year are for shoreland
42.5 stewardship, TMDL implementation
42.6 coordination, providing technical assistance
42.7 to the Drainage Work Group and Drainage
42.8 Management Team, and maintaining and
42.9 updating data. Of this amount, \$235,000
42.10 each year is for maintaining and updating
42.11 watershed boundaries and integrating
42.12 high-resolution digital elevation data with
42.13 watershed modeling and \$40,000 each year
42.14 is for a biomonitoring database. TMDL
42.15 implementation coordination efforts shall be
42.16 focused on major watersheds with TMDL
42.17 implementation plans, including forested
42.18 watersheds.

42.19 (h) \$1,350,000 the first year and \$1,350,000
42.20 the second year are to acquire and distribute
42.21 high-resolution digital elevation data using
42.22 light detection and ranging to aid with
42.23 impaired waters modeling and TMDL
42.24 implementation under Minnesota Statutes,
42.25 chapter 114D. The money shall be used to
42.26 collect data for areas of the state that have
42.27 not acquired such data prior to January
42.28 1, 2007, or to complete acquisition and
42.29 distribution of the data for those areas of
42.30 the state that have not previously received
42.31 state funds for acquiring and distributing the
42.32 data. The distribution of data acquired under
42.33 this paragraph must be conducted under
42.34 the auspices of the Minnesota Geospatial
42.35 Information Office, which shall receive up
42.36 to 2.5 percent of the appropriation in this

43.1 paragraph to support coordination of data
43.2 acquisition and distribution. Mapping and
43.3 data set distribution under this paragraph
43.4 must be completed within three years of
43.5 funds availability. The commissioner shall
43.6 utilize department staff whenever possible.
43.7 The commissioner may contract for services
43.8 only if the services cannot otherwise be
43.9 provided by the department.

43.10 (i) \$300,000 the first year and \$300,000
43.11 the second year are for delivery of decision
43.12 support tools through outreach, education,
43.13 and citizen engagement.

43.14 (j) \$1,000,000 the first year is for
43.15 implementation of the metropolitan
43.16 groundwater monitoring and protection
43.17 activities under Minnesota Laws 2010,
43.18 chapter 361, article 2, section 4, subdivision
43.19 2.

43.20	Sec. 7. <u>BOARD OF WATER AND SOIL</u>			
43.21	<u>RESOURCES</u>	<u>\$</u>	<u>27,234,000</u>	<u>\$</u> <u>27,234,000</u>

43.22 (a) \$13,750,000 the first year and
43.23 \$13,750,000 the second year are for
43.24 pollution reduction and restoration grants
43.25 to local government units and joint powers
43.26 organizations of local government units to
43.27 protect surface water and drinking water; to
43.28 keep water on the land; to protect, enhance,
43.29 and restore water quality in lakes, rivers,
43.30 and streams; and to protect groundwater
43.31 and drinking water, including feedlot water
43.32 quality and subsurface sewage treatment
43.33 system (SSTS) projects and stream bank,
43.34 stream channel, and shoreline restoration
43.35 projects. The projects must be of long-lasting

44.1 public benefit, include a match, and be
44.2 consistent with TMDL implementation plans
44.3 or local water management plans.

44.4 (b) \$3,000,000 the first year and \$3,000,000
44.5 the second year are for targeted local
44.6 resource protection and enhancement grants.

44.7 The board shall give priority consideration
44.8 to projects and practices that complement,
44.9 supplement, or exceed current state standards
44.10 for protection, enhancement, and restoration
44.11 of water quality in lakes, rivers, and streams
44.12 or that protect groundwater from degradation.

44.13 Of this amount, at least \$1,500,000 each year
44.14 is for SSTS county implementation.

44.15 (c) \$900,000 the first year and \$900,000 the
44.16 second year are to provide state oversight
44.17 and accountability, evaluate results, and
44.18 measure the value of conservation program
44.19 implementation by local governments,
44.20 including submission to the legislature
44.21 by March 1 each year an annual report
44.22 prepared by the board, in consultation with
44.23 the commissioners of natural resources,
44.24 health, agriculture, and the Pollution Control
44.25 Agency, detailing the recipients and projects
44.26 funded under this section. The board shall
44.27 require grantees to specify the outcomes that
44.28 will be achieved by the grants prior to any
44.29 grant awards.

44.30 (d) \$1,000,000 the first year and \$1,000,000
44.31 the second year are for technical assistance
44.32 and grants for the conservation drainage
44.33 program in consultation with the Drainage
44.34 Work Group that consists of projects to
44.35 retrofit existing drainage systems with

45.1 water quality improvement practices,
45.2 evaluate outcomes, and provide outreach
45.3 to landowners, public drainage authorities,
45.4 drainage engineers and contractors, and
45.5 others.

45.6 (e) \$6,000,000 the first year and \$6,000,000
45.7 the second year are to purchase and restore
45.8 permanent conservation easements on
45.9 riparian buffers adjacent to public waters,
45.10 excluding wetlands, to keep water on the
45.11 land in order to decrease sediment, pollutant,
45.12 and nutrient transport; reduce hydrologic
45.13 impacts to surface waters; and increase
45.14 infiltration for groundwater recharge. The
45.15 riparian buffers must be at least 50 feet
45.16 unless there is a natural impediment, a road,
45.17 or other impediment beyond the control
45.18 of the landowner. This appropriation may
45.19 be used for restoration of riparian buffers
45.20 protected by easements purchased with
45.21 this appropriation and for stream bank
45.22 restorations when the riparian buffers have
45.23 been restored.

45.24 (f) \$1,000,000 the first year and \$1,000,000
45.25 the second year are for permanent
45.26 conservation easements on wellhead
45.27 protection areas under Minnesota Statutes,
45.28 section 103F.515, subdivision 2, paragraph
45.29 (d). Priority must be placed on land that
45.30 is located where the vulnerability of the
45.31 drinking water supply is designated as high
45.32 or very high by the commissioner of health.

45.33 (g) \$1,500,000 the first year and \$1,500,000
45.34 the second year are for community partners
45.35 grants to local units of government for:

46.1 (1) structural or vegetative management
46.2 practices that reduce storm water runoff
46.3 from developed or disturbed lands to reduce
46.4 the movement of sediment, nutrients, and
46.5 pollutants for restoration, protection, or
46.6 enhancement of water quality in lakes, rivers,
46.7 and streams and to protect groundwater
46.8 and drinking water; and (2) installation
46.9 of proven and effective water retention
46.10 practices including, but not limited to, rain
46.11 gardens and other vegetated infiltration
46.12 basins and sediment control basins in order
46.13 to keep water on the land. The projects
46.14 must be of long-lasting public benefit,
46.15 include a local match, and be consistent with
46.16 TMDL implementation plans or local water
46.17 management plans. Local government unit
46.18 staff and administration costs may be used
46.19 as a match.

46.20 (h) \$84,000 the first year and \$84,000 the
46.21 second year are for a technical assistance
46.22 panel to conduct up to ten restoration audits
46.23 under Minnesota Statutes, section 114D.50,
46.24 subdivision 6.

46.25 (i) The board shall contract for services
46.26 with Conservation Corps Minnesota for
46.27 restoration, maintenance, and other activities
46.28 under this section for \$500,000 the first year
46.29 and \$500,000 the second year.

46.30 (j) The board may shift grant or cost-share
46.31 funds in this section and may adjust the
46.32 technical and administrative assistance
46.33 portion of the funds to leverage federal or
46.34 other nonstate funds or to address oversight

47.1	<u>responsibilities or high-priority needs</u>			
47.2	<u>identified in local water management plans.</u>			
47.3	<u>(k) The appropriations in this section are</u>			
47.4	<u>available until spent.</u>			
47.5	Sec. 8. <u>DEPARTMENT OF HEALTH</u>	\$	<u>2,988,000</u>	\$ <u>3,050,000</u>
47.6	<u>(a) \$1,020,000 the first year and \$1,020,000</u>			
47.7	<u>the second year are for addressing public</u>			
47.8	<u>health concerns related to contaminants</u>			
47.9	<u>found in Minnesota drinking water for which</u>			
47.10	<u>no health-based drinking water standard</u>			
47.11	<u>exists.</u>			
47.12	<u>(b) \$1,415,000 the first year and \$1,415,000</u>			
47.13	<u>the second year are for protection of drinking</u>			
47.14	<u>water sources.</u>			
47.15	<u>(c) \$250,000 the first year and \$250,000 the</u>			
47.16	<u>second year are for cost-share assistance to</u>			
47.17	<u>public and private well owners for up to 50</u>			
47.18	<u>percent of the cost of sealing unused wells.</u>			
47.19	<u>(d) \$303,000 the first year and \$365,000 the</u>			
47.20	<u>second year are to expand the county well</u>			
47.21	<u>index.</u>			
47.22	Sec. 9. <u>METROPOLITAN COUNCIL</u>	\$	<u>500,000</u>	\$ <u>500,000</u>
47.23	<u>\$500,000 the first year and \$500,000 the</u>			
47.24	<u>second year are for implementation of the</u>			
47.25	<u>master water supply plan developed under</u>			
47.26	<u>Minnesota Statutes, section 473.1565.</u>			
47.27	Sec. 10. <u>LEGISLATURE</u>	\$	<u>14,000</u>	\$ <u>-0-</u>
47.28	<u>\$14,000 the first year is for the Legislative</u>			
47.29	<u>Coordinating Commission for the costs of</u>			
47.30	<u>developing and implementing a Web site to</u>			
47.31	<u>contain information on projects receiving</u>			

48.1 appropriations from the clean water fund and
48.2 other constitutionally dedicated funds.

48.3 Sec. 11. **CARRYFORWARD**

48.4 (a) The appropriations in Laws 2009, chapter
48.5 172, article 2, section 4, paragraph (g), as
48.6 amended by Laws 2010, chapter 361, article
48.7 2, section 2, are available until June 30,
48.8 2013, and may be spent to continue research
48.9 and testing on the potential for coal tar
48.10 contamination of waters, on the study of
48.11 treatment and disposal options, and for grants
48.12 to local units of government.

48.13 (b) The appropriation in Laws 2010, chapter
48.14 361, article 2, section 4, subdivision 1, for
48.15 nitrogen and nitrate water quality standards
48.16 rulemaking is available until June 30, 2012.

48.17 (c) The appropriations in Laws 2009, chapter
48.18 172, article 2, section 4, paragraph (a),
48.19 as amended by Laws 2010, chapter 361,
48.20 article 2, section 2, for total maximum
48.21 daily load (TMDL) study development and
48.22 implementation are available until June 30,
48.23 2014.

48.24 (d) The appropriations in Laws 2009, chapter
48.25 172, article 2, section 2, paragraph (d),
48.26 for research and pilot projects related to
48.27 ways agricultural practices contribute to
48.28 restoring impaired waters and assist with the
48.29 development of TMDL plans, are available
48.30 until spent.

48.31 Sec. 12. Minnesota Statutes 2010, section 114D.10, is amended to read:

48.32 **114D.10 LEGISLATIVE PURPOSE AND FINDINGS.**

Subdivision 1. **Purpose.** The purpose of the Clean Water Legacy Act is to protect, ~~enhance, and restore, and preserve the~~ water quality of Minnesota's surface waters in lakes, rivers, and streams and to protect groundwater from degradation, by providing authority, direction, and resources to achieve and maintain water quality standards for groundwater and surface waters as, including the standards required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d), and other applicable state and federal regulations.

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

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

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

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

Sec. 13. Minnesota Statutes 2010, section 114D.20, subdivision 1, is amended to read:

Subdivision 1. **Coordination and cooperation.** In implementing this chapter, public agencies and private entities shall take into consideration the relevant provisions of local and other applicable water management, conservation, land use, land management, and development plans and programs. Public agencies with authority for local water management, conservation, land use, land management, and development plans shall take into consideration the manner in which their plans affect the implementation of this chapter. Public agencies shall identify opportunities to participate and assist in the successful implementation of this chapter, including the funding or technical assistance needs, if any, that may be necessary. In implementing this chapter, public agencies shall endeavor to engage the cooperation of organizations and individuals whose activities affect the quality of groundwater or surface waters, including point and nonpoint sources of pollution, and who have authority and responsibility for water management, planning, and protection. To the extent practicable, public agencies shall endeavor to enter into formal and informal agreements and arrangements with federal agencies and departments to jointly utilize staff and educational, technical, and financial resources to deliver programs or conduct activities to achieve the intent of this chapter, including efforts

50.1 under the federal Clean Water Act and other federal farm and soil and water conservation
50.2 programs. Nothing in this chapter affects the application of silvicultural exemptions under
50.3 any federal, state, or local law or requires silvicultural practices more stringent than those
50.4 recommended in the timber harvesting and forest management guidelines adopted by the
50.5 Minnesota Forest Resources Council under section 89A.05.

50.6 Sec. 14. Minnesota Statutes 2010, section 114D.20, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

50.25 Sec. 15. Minnesota Statutes 2010, section 114D.20, subdivision 3, is amended to read:

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

50.28 (1) develop regional and watershed TMDL's and TMDL implementation plans, and
50.29 TMDL's and TMDL implementation plans for multiple pollutants, where reasonable and
50.30 feasible;

50.31 (2) maximize use of available organizational, technical, and financial resources to
50.32 perform sampling, monitoring, and other activities to identify degraded groundwater and
50.33 impaired waters, including use of citizen monitoring and citizen monitoring data used
50.34 by the Pollution Control Agency in assessing water quality ~~must meet~~ that meets the

51.1 requirements in Appendix D of the Volunteer Surface Water Monitoring Guide, Minnesota
51.2 Pollution Control Agency (2003);

51.3 (3) maximize opportunities for restoration of degraded groundwater and impaired
51.4 waters, by prioritizing and targeting of available programmatic, financial, and technical
51.5 resources and by providing additional state resources to complement and leverage
51.6 available resources;

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

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

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

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

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

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

51.26 Sec. 16. Minnesota Statutes 2010, section 114D.20, subdivision 6, is amended to read:

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

51.31 (1) coordinate with and utilize existing local authorities and infrastructure for
51.32 implementation;

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

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

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

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

Sec. 17. Minnesota Statutes 2010, section 114D.20, subdivision 7, is amended to read:

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

Sec. 18. Minnesota Statutes 2010, section 114D.30, is amended to read:

114D.30 CLEAN WATER COUNCIL.

Subdivision 1. **Creation; duties.** A Clean Water Council is created to advise on the administration and implementation of this chapter, and foster coordination and cooperation as described in section 114D.20, subdivision 1. The council may also advise on the development of appropriate processes for expert scientific review as described in section 114D.35, subdivision 2. The Pollution Control Agency shall provide administrative support for the council with the support of other member agencies. The members of the council shall elect a chair from the ~~nonagency voting~~ members of the council.

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 shall each appoint one person from their respective agency to serve as a nonvoting member of the council. ~~Agency members serve as nonvoting members 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 additional nonagency voting~~ members of the council shall be appointed by the governor as follows:

- 53.1 (1) two members representing statewide farm organizations;
- 53.2 (2) two members representing business organizations;
- 53.3 (3) two members representing environmental organizations;
- 53.4 (4) one member representing soil and water conservation districts;
- 53.5 (5) one member representing watershed districts;
- 53.6 (6) one member representing nonprofit organizations focused on improvement of
- 53.7 Minnesota lakes or streams;
- 53.8 (7) two members representing organizations of county governments, one member
- 53.9 representing the interests of rural counties and one member representing the interests of
- 53.10 counties in the seven-county metropolitan area;
- 53.11 (8) two members representing organizations of city governments;
- 53.12 (9) one member representing the Metropolitan Council established under section
- 53.13 473.123;
- 53.14 (10) one member representing township ~~officer~~ officers;
- 53.15 (11) one member representing the interests of tribal governments;
- 53.16 (12) one member representing statewide hunting organizations;
- 53.17 (13) one member representing the University of Minnesota or a Minnesota state
- 53.18 university; and
- 53.19 (14) one member representing statewide fishing organizations.

53.20 Members appointed under ~~clauses (1) to (14)~~ this paragraph must not be registered

53.21 lobbyists or legislators. In making appointments, the governor must attempt to provide for

53.22 geographic balance. The members of the council appointed by the governor are subject

53.23 to the advice and consent of the senate.

53.24 Subd. 3. **Conflict of interest.** A Clean Water Council member may not participate

53.25 in or vote on a decision of the council relating to an organization in which the member has

53.26 either a direct or indirect personal financial interest. While serving on the Clean Water

53.27 Council, a member shall avoid any potential conflict of interest.

53.28 Subd. 4. **Terms; compensation; removal.** ~~The initial terms of members~~

53.29 ~~representing state agencies and the Metropolitan Council expire on the first Monday in~~

53.30 ~~January 2007. Thereafter,~~ The terms of members representing the state agencies and the

53.31 Metropolitan Council are four years and are coterminous with the governor. The terms

53.32 of other nonlegislative members of the council shall be as provided in section 15.059,

53.33 subdivision 2. Members may serve until their successors are appointed and qualify.

53.34 Compensation and removal of nonlegislative council members is as provided in section

53.35 15.059, subdivisions 3 and 4. Compensation of legislative members is as determined

by the appointing authority. A vacancy on the council may be filled by the appointing authority provided in subdivision 1 for the remainder of the unexpired term.

Subd. 5. **Implementation plan.** The Clean Water Council shall recommend a plan for implementation of this chapter and the provisions of article XI, section 15, of the Minnesota Constitution relating to clean water. The recommended plan shall address general procedures and time frames for implementing this chapter, and shall include a more specific implementation work plan for the next fiscal biennium and a framework for setting priorities to address impaired waters consistent with section 114D.20, subdivisions 2 to 7. The council shall issue ~~the first recommended plan under this subdivision by December 1, 2005, and shall issue~~ a revised plan by December 1 of each even-numbered year thereafter.

Subd. 6. **Recommendations on appropriation of funds.** (a) The Clean Water Council shall recommend to the governor and the legislature the manner in which money from the clean water ~~legacy account~~ fund should be appropriated for the purposes ~~identified in section 114D.45, subdivision 3~~ stated in article XI, section 15, of the Minnesota Constitution and section 114D.50.

(b) The council's recommendations must:

(1) be to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation and ensure that at least five percent of the clean water fund is spent only to protect drinking water sources;

(2) be consistent with the purposes, policies, goals, and priorities in ~~sections 114D.05 to 114D.35, this chapter, and shall~~

(3) allocate adequate support and resources to identify degraded groundwater and impaired waters, develop TMDL's, implement restoration of groundwater and impaired waters, and provide assistance and incentives to prevent groundwater and surface waters from becoming degraded or impaired and improve the quality of surface waters which are listed as impaired but have no approved TMDL.

(c) The council must recommend methods of ensuring that awards of grants, loans, or other funds from the clean water ~~legacy account~~ fund specify the outcomes to be achieved as a result of the funding and specify standards to hold the recipient accountable for achieving the desired outcomes. Expenditures from the ~~account~~ fund must be appropriated by law.

Subd. 7. **Biennial report to legislature.** By December 1 of each even-numbered year, the council shall submit a report to the legislature on the activities for which money has been or will be spent for the current biennium, the activities for which money is recommended to be spent in the next biennium, and the impact on economic development of the implementation of efforts to protect and restore groundwater and the impaired waters

program. The report due on December 1, 2014, must include an evaluation of the progress made through June 30, 2014, in implementing this chapter and the provisions of article XI, section 15, of the Minnesota Constitution relating to clean water, the need for funding of future implementation ~~of those sections~~, and recommendations for the sources of funding.

Sec. 19. Minnesota Statutes 2010, section 114D.35, is amended to read:

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

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

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

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

Sec. 20. Minnesota Statutes 2010, section 116.195, is amended to read:

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

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

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

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

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

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

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

Subd. 2. **Grants for capital project design.** The agency shall make grant awards to political subdivisions for up to 50 percent of the costs to predesign and design capital projects that demonstrate the beneficial use of wastewater or storm water. ~~The maximum amount for a grant under this subdivision is \$500,000.~~ The grant agreement must provide that the predesign and design work being funded is public information and available to anyone without charge. The agency must make the predesign and design work available on its Web site.

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

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

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

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

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

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

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

57.11 Sec. 21. Laws 2009, chapter 172, article 2, section 4, as amended by Laws 2010,
57.12 chapter 361, article 2, section 2, is amended to read:

57.13 Sec. 4. **POLLUTION CONTROL AGENCY \$ 24,076,000 \$ 27,630,000**

57.14 (a) \$9,000,000 the first year and \$9,000,000
57.15 the second year are to develop total
57.16 maximum daily load (TMDL) studies and
57.17 TMDL implementation plans for waters
57.18 listed on the United States Environmental
57.19 Protection Agency approved impaired
57.20 waters list in accordance with Minnesota
57.21 Statutes, chapter 114D. The agency shall
57.22 complete an average of ten percent of the
57.23 TMDLs each year over the biennium. Of
57.24 this amount, \$348,000 the first year is to
57.25 retest the comprehensive assessment of the
57.26 biological conditions of the lower Minnesota
57.27 River and its tributaries within the Lower
57.28 Minnesota River Major Watershed, as
57.29 previously assessed from 1976 to 1992 under
57.30 the Minnesota River Assessment Project
57.31 (MRAP). The assessment must include the
57.32 same fish species sampling at the same 116
57.33 locations and the same macroinvertebrate

58.1 sampling at the same 41 locations as the
58.2 MRAP assessment. The assessment must:
58.3 (1) include an analysis of the findings; and
58.4 (2) identify factors that limit aquatic life in
58.5 the Minnesota River.

58.6 Of this amount, \$250,000 the first year is
58.7 for a pilot project for the development of
58.8 total maximum daily load (TMDL) studies
58.9 conducted on a watershed basis within
58.10 the Buffalo River watershed in order to
58.11 protect, enhance, and restore water quality
58.12 in lakes, rivers, and streams. The pilot
58.13 project shall include all necessary field
58.14 work to develop TMDL studies for all
58.15 impaired subwatersheds within the Buffalo
58.16 River watershed and provide information
58.17 necessary to complete reports for most of the
58.18 remaining watersheds, including analysis of
58.19 water quality data, identification of sources
58.20 of water quality degradation and stressors,
58.21 load allocation development, development
58.22 of reports that provide protection plans
58.23 for subwatersheds that meet water quality
58.24 standards, and development of reports that
58.25 provide information necessary to complete
58.26 TMDL studies for subwatersheds that do not
58.27 meet water quality standards, but are not
58.28 listed as impaired.

58.29 (b) \$500,000 the first year is for development
58.30 of an enhanced TMDL database to manage
58.31 and track progress. Of this amount, \$63,000
58.32 the first year is to promulgate rules. By
58.33 November 1, 2010, the commissioner shall
58.34 submit a report to the chairs of the house of
58.35 representatives and senate committees with

59.1 jurisdiction over environment and natural
59.2 resources finance on the outcomes achieved
59.3 with this appropriation.

59.4 (c) \$1,500,000 the first year and \$3,169,000
59.5 the second year are for grants under
59.6 Minnesota Statutes, section 116.195, to
59.7 political subdivisions for up to 50 percent of
59.8 the costs to predesign, design, and implement
59.9 capital projects that use storm water or
59.10 treated municipal wastewater instead of
59.11 groundwater from drinking water aquifers,
59.12 in order to demonstrate the beneficial use
59.13 of wastewater or storm water, including
59.14 the conservation and protection of water
59.15 resources. Of this amount, \$1,000,000 the
59.16 first year is for grants to ethanol plants that
59.17 are within one and one-half miles of a city for
59.18 improvements that use storm water or reuse
59.19 greater than 300,000 gallons of wastewater
59.20 per day. This appropriation is available until
59.21 spent.

59.22 (d) \$1,125,000 the first year and \$1,125,000
59.23 the second year are for groundwater
59.24 assessment and drinking water protection to
59.25 include:

59.26 (1) the installation and sampling of at least
59.27 30 new monitoring wells;

59.28 (2) the analysis of samples from at least 40
59.29 shallow monitoring wells each year for the
59.30 presence of endocrine disrupting compounds;
59.31 and

59.32 (3) the completion of at least four to
59.33 five groundwater models for TMDL and
59.34 watershed plans.

60.1 (e) \$2,500,000 the first year is for the clean
60.2 water partnership program. Priority shall be
60.3 given to projects preventing impairments and
60.4 degradation of lakes, rivers, streams, and
60.5 groundwater in accordance with Minnesota
60.6 Statutes, section 114D.20, subdivision 2,
60.7 clause (4). Any balance remaining in the first
60.8 year does not cancel and is available for the
60.9 second year.

60.10 (f) \$896,000 the first year is to establish
60.11 a network of water monitoring sites, to
60.12 include at least 20 additional sites, in public
60.13 waters adjacent to wastewater treatment
60.14 facilities across the state to assess levels of
60.15 endocrine-disrupting compounds, antibiotic
60.16 compounds, and pharmaceuticals as required
60.17 in this article. The data must be placed on
60.18 the agency's Web site.

60.19 (g) \$155,000 the first year is to provide
60.20 notification of the potential for coal tar
60.21 contamination, establish a storm water
60.22 pond inventory schedule, and develop best
60.23 management practices for treating and
60.24 cleaning up contaminated sediments as
60.25 required in this article. \$490,000 the second
60.26 year is to provide grants to local units of
60.27 government for up to 50 percent of the costs
60.28 to implement best management practices to
60.29 treat or clean up contaminated sediments
60.30 in storm water ponds and other waters as
60.31 defined under this article. Local governments
60.32 must have adopted an ordinance for the
60.33 restricted use of undiluted coal tar sealants
60.34 in order to be eligible for a grant, unless a
60.35 statewide restriction has been implemented.
60.36 A grant awarded under this paragraph must

61.1 not exceed \$100,000. Up to \$145,000 of the
61.2 appropriation in the second year may be used
61.3 to complete work required under section 28,
61.4 paragraph (c).

61.5 (h) \$350,000 the first year and \$600,000 the
61.6 second year are for a restoration project in
61.7 the lower St. Louis River and Duluth harbor
61.8 in order to improve water quality. This
61.9 appropriation must be matched by nonstate
61.10 money at a rate of at least \$2 for every \$1 of
61.11 state money.

61.12 (i) \$150,000 the first year and \$196,000 the
61.13 second year are for grants to the Red River
61.14 Watershed Management Board to enhance
61.15 and expand existing river watch activities in
61.16 the Red River of the North. The Red River
61.17 Watershed Management Board shall provide
61.18 a report that includes formal evaluation
61.19 results from the river watch program to the
61.20 commissioners of education and the Pollution
61.21 Control Agency and to the legislative natural
61.22 resources finance and policy committees
61.23 and K-12 finance and policy committees by
61.24 February 15, 2011.

61.25 (j) \$200,000 the first year and \$300,000 the
61.26 second year are for coordination with the
61.27 state of Wisconsin and the National Park
61.28 Service on comprehensive water monitoring
61.29 and phosphorus reduction activities in the
61.30 Lake St. Croix portion of the St. Croix
61.31 River. The Pollution Control Agency
61.32 shall work with the St. Croix Basin Water
61.33 Resources Planning Team and the St. Croix
61.34 River Association in implementing the
61.35 water monitoring and phosphorus reduction

62.1 activities. This appropriation is available
62.2 to the extent matched by nonstate sources.
62.3 Money not matched by November 15, 2010,
62.4 cancels for this purpose and is available for
62.5 the purposes of paragraph (a).

62.6 (k) \$7,500,000 the first year and \$7,500,000
62.7 the second year are for completion of 20
62.8 percent of the needed statewide assessments
62.9 of surface water quality and trends. Of this
62.10 amount, \$175,000 the first year and \$200,000
62.11 the second year are for monitoring and
62.12 analyzing endocrine disruptors in surface
62.13 waters.

62.14 (l) \$100,000 the first year and \$150,000
62.15 the second year are for civic engagement
62.16 in TMDL development. The agency shall
62.17 develop a plan for expenditures under
62.18 this paragraph. The agency shall give
62.19 consideration to civic engagement proposals
62.20 from basin or sub-basin organizations,
62.21 including the Mississippi Headwaters Board,
62.22 the Minnesota River Joint Powers Board,
62.23 Area II Minnesota River Basin Projects,
62.24 and the Red River Basin Commission.

62.25 By November 15, 2009, the plan shall be
62.26 submitted to the house and senate chairs
62.27 and ranking minority members of the
62.28 environmental finance divisions.

62.29 (m) \$5,000,000 the second year is for
62.30 groundwater protection or prevention of
62.31 groundwater degradation activities. By
62.32 January 15, 2010, the commissioner, in
62.33 consultation with the commissioner of
62.34 natural resources, the Board of Water and
62.35 Soil Resources, and other agencies, shall

63.1 submit a report to the chairs of the house of
63.2 representatives and senate committees with
63.3 jurisdiction over the clean water fund on the
63.4 intended use of these funds. The legislature
63.5 must approve expenditure of these funds by
63.6 law.

63.7 Notwithstanding Minnesota Statutes, section
63.8 16A.28, the appropriations encumbered on or
63.9 before June 30, 2011, as grants or contracts in
63.10 this section are available until June 30, 2013.

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

63.12 Sec. 22. **CIVIC ENGAGEMENT AND PUBLIC EDUCATION.**

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

63.15 Sec. 23. **REPEALER.**

63.16 Minnesota Statutes 2010, section 114D.45, is repealed.

63.17 **ARTICLE 3**
63.18 **PARKS AND TRAILS FUND**

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

63.20 The sums shown in the columns marked "Appropriations" are appropriated to
63.21 the agencies and for the purposes specified in this article. The appropriations are from
63.22 the parks and trails fund, or another named fund, and are available for the fiscal years
63.23 indicated for each purpose. "The first year" is fiscal year 2012. "The second year" is
63.24 fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. Appropriations for the
63.25 fiscal year ending June 30, 2012, are effective the day following final enactment. All
63.26 appropriations in this article are onetime.

63.27	<u>APPROPRIATIONS</u>			
63.28	<u>Available for the Year</u>			
63.29	<u>Ending June 30</u>			
63.30		<u>2012</u>		<u>2013</u>

63.31 Sec. 2. **PARKS AND TRAILS**

63.32	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>38,635,000</u>	<u>\$</u>	<u>38,630,000</u>
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64.1 The amounts that may be spent for each
64.2 purpose are specified in the following
64.3 sections.

64.4 Subd. 2. **Availability of Appropriation**

64.5 Money appropriated in this article may
64.6 not be spent on activities unless they are
64.7 directly related to and necessary for a specific
64.8 appropriation. Money appropriated in this
64.9 article must not be spent on indirect costs
64.10 or other institutional overhead charges that
64.11 are not directly related to and necessary for
64.12 a specific appropriation. Notwithstanding
64.13 Minnesota Statutes, section 16A.28, and
64.14 unless otherwise specified in this article,
64.15 fiscal year 2012 appropriations are available
64.16 until June 30, 2014, and fiscal year 2013
64.17 appropriations are available until June 30,
64.18 2015. If a project receives federal funds, the
64.19 time period of the appropriation is extended
64.20 to equal the availability of federal funding.

64.21	Sec. 3. <u>DEPARTMENT OF NATURAL</u>			
64.22	<u>RESOURCES</u>	<u>\$</u>	<u>24,033,000</u>	<u>\$</u> <u>23,193,000</u>

64.23 (a) \$14,597,000 the first year and
64.24 \$15,437,000 the second year are for state
64.25 parks, recreation areas, and trails to:

64.26 (1) connect people to the outdoors;
64.27 (2) acquire land and create opportunities;
64.28 (3) maintain existing holdings, including
64.29 developing and redeveloping facilities,
64.30 and improving accessibility and energy
64.31 efficiency; and

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

65.1 (b) \$2,100,000 the first year is for acquisition
65.2 of land adjacent to LaSalle Lake in Hubbard
65.3 County for a state recreation area. If the
65.4 acquisition is not completed by July 15,
65.5 2012, or if a balance remains after the
65.6 acquisition of the land, the money under this
65.7 paragraph is available for acquisitions under
65.8 paragraph (a), clause (2).

65.9 (c) \$7,298,000 the first year and \$7,718,000
65.10 the second year are for parks and trails of
65.11 regional or statewide significance as follows:

65.12 (1) \$7,123,000 the first year and \$7,718,000
65.13 the second year are for grants under
65.14 Minnesota Statutes, section 85.535, to
65.15 acquire, develop, improve, and restore
65.16 parks and trails of regional or statewide
65.17 significance; and

65.18 (2) \$175,000 the first year is for a grant to the
65.19 Greater Minnesota Regional Park and Trail
65.20 Coalition to: define and develop information,
65.21 including the number of users and potential
65.22 users of greater Minnesota regional parks
65.23 and trails; collect and compile details on
65.24 the facilities within the greater Minnesota
65.25 regional park system; and develop a plan for
65.26 high priority park and trail acquisition and
65.27 development opportunities. No local match
65.28 is required for this grant.

65.29 Up to 2.5 percent of the total appropriation
65.30 may be used for administering the grants.

65.31 (d) \$38,000 the first year and \$38,000 the
65.32 second year are for a technical assistance
65.33 panel to conduct up to ten restoration audits
65.34 under Minnesota Statutes, section 85.53,
65.35 subdivision 5.

66.1 (e) The commissioner shall contract for
66.2 services with Conservation Corps Minnesota
66.3 for restoration, maintenance, and other
66.4 activities under this section for at least
66.5 \$1,000,000 the first year and \$1,000,000 the
66.6 second year.

66.7 (f) The commissioner of natural resources
66.8 shall convene and facilitate a working
66.9 group of nine members to develop
66.10 recommendations for the allocation of the
66.11 parks and trails fund. The working group
66.12 shall have representatives from metropolitan
66.13 parks and trails, greater Minnesota parks
66.14 and trails, and the Department of Natural
66.15 Resources Parks and Trails Division. The
66.16 recommendations shall be submitted no later
66.17 than November 15, 2012, and presented to
66.18 the governor for consideration in the budget
66.19 for fiscal years 2014 and 2015.

66.20 Sec. 4. METROPOLITAN COUNCIL \$ **14,597,000** \$ **15,437,000**

66.21 (a) \$14,597,000 the first year and
66.22 \$15,437,000 the second year are to be
66.23 distributed as required under Minnesota
66.24 Statutes, section 85.53, subdivision 3.

66.25 (b) Grant agreements entered into by the
66.26 Metropolitan Council and recipients of
66.27 money appropriated under this section shall
66.28 ensure that the funds are used to supplement
66.29 and not substitute for traditional sources of
66.30 funding.

66.31	Sec. 5. LEGISLATURE	\$	7,000	\$	-0-
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66.32 \$7,000 the first year is for the Legislative
66.33 Coordinating Commission for the costs of
66.34 developing and implementing a Web site to

67.1 contain information on projects receiving
67.2 appropriations from the parks and trails fund
67.3 and other constitutionally dedicated funds.

67.4 Sec. 6. Minnesota Statutes 2010, section 85.013, is amended by adding a subdivision
67.5 to read:

67.6 Subd. 15a. LaSalle Lake State Recreation Area, Hubbard County.

67.7 Sec. 7. **LASALLE LAKE STATE RECREATION AREA.**

67.8 Subdivision 1. LaSalle Lake State Recreation Area, Hubbard County. The
67.9 LaSalle Lake State Recreation Area is established in Hubbard County.

67.10 Subd. 2. **Boundaries.** The following described lands are located within the
67.11 boundaries of the LaSalle Lake State Recreation Area, all in Hubbard County:

67.12 (1) the Southwest Quarter of the Southwest Quarter and the Northwest Quarter of the
67.13 Southwest Quarter, except the East 10 acres thereof, of Section 29; the Northeast Quarter
67.14 of the Northeast Quarter, the Northwest Quarter of the Northeast Quarter, the Southwest
67.15 Quarter of the Northeast Quarter, the Northeast Quarter of the Southwest Quarter, the
67.16 Southeast Quarter of the Northwest Quarter, the Southeast Quarter of the Northeast
67.17 Quarter, and Government Lots 2, 3, 4, 5, 6, 7, 8, and 9, of Section 30; Government Lots 1,
67.18 2, 5, 6, 7, 8, 9, and 10, of Section 31; and Government Lots 1 and 4 of Section 32; all in
67.19 Township 145 North, Range 35 West; and

67.20 (2) Government Lot 12, Section 19, Township 145 North, Range 35.

67.21 Subd. 3. **Administration.** The commissioner of natural resources shall administer
67.22 the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to
67.23 existing rules and regulations for state recreation areas. LaSalle Lake State Recreation
67.24 Area shall be administered as a satellite unit of Itasca State Park.

67.25 Sec. 8. **LASALLE LAKE STATE RECREATION AREA MANAGEMENT**
67.26 **OPTIONS.**

67.27 By March 1, 2012, the commissioner of natural resources shall submit a report to
67.28 the senate and house of representatives committees and divisions with jurisdiction over
67.29 natural resources policy and finance evaluating options for the management of the resort
67.30 within the LaSalle Lake State Recreation Area, including an evaluation of the option
67.31 to lease the resort to a nonstate entity. The evaluation shall include potential financial
67.32 arrangements or mechanisms that would make the equivalent of local taxes or payments in
67.33 lieu of taxes the responsibility of the nonstate entity.

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 first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. All appropriations in this article are onetime.

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

Sec. 2. ARTS AND CULTURAL HERITAGE

Subdivision 1. <u>Total Appropriation</u>	\$	<u>51,135,000</u>	\$	<u>50,129,000</u>
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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. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2012 appropriations are available until June 30, 2013, and fiscal year 2013 appropriations are available until June 30, 2014. If a project receives federal funds, the

69.1 time period of the appropriation is extended
69.2 to equal the availability of federal funding.

69.3	<u>Subd. 3. Minnesota State Arts Board</u>	<u>21,824,000</u>	<u>21,824,000</u>
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69.4 These amounts are appropriated to the
69.5 Minnesota State Arts Board for arts, arts
69.6 education, and arts access. Grant agreements
69.7 entered into by the Minnesota State Arts
69.8 Board and other recipients of appropriations
69.9 in this subdivision shall ensure that
69.10 these funds are used to supplement and
69.11 not substitute for traditional sources of
69.12 funding. Appropriations made directly
69.13 to the Minnesota State Arts Board shall
69.14 supplement, and shall not substitute for,
69.15 traditional sources of funding. Each grant
69.16 program established within this appropriation
69.17 shall be separately administered from other
69.18 state appropriations for program planning
69.19 and outcome measurements, but may take
69.20 into consideration other state resources
69.21 awarded in the selection of applicants and
69.22 grant award size.

69.23 **Arts and Arts Access Initiatives.**
69.24 \$16,660,000 the first year and \$16,660,000
69.25 the second year are to support Minnesota
69.26 artists and arts organizations in creating,
69.27 producing, and presenting high-quality arts
69.28 activities; to overcome barriers to accessing
69.29 high-quality arts activities; and to instill the
69.30 arts into the community and public life in
69.31 this state.

69.32 A portion of these funds may be used to:
69.33 (1) pay attendance fees and travel costs
69.34 for youth to visit art museums, arts
69.35 performances, or other arts activities; or

70.1 (2) bring artists to schools, libraries, or other
70.2 community centers or organizations for
70.3 teaching, training, or performance purposes.

70.4 **Arts Education.** \$3,450,000 the first year
70.5 and \$3,450,000 the second year are for
70.6 high-quality, age-appropriate arts education
70.7 for Minnesotans of all ages to develop
70.8 knowledge, skills, and understanding of the
70.9 arts.

70.10 A portion of this appropriation may be used
70.11 for grants to school districts to provide
70.12 materials or resources to teachers, students,
70.13 and parents to promote achievement of K-12
70.14 academic standards in the arts.

70.15 **Arts and Cultural Heritage.** \$1,080,000
70.16 the first year and \$1,080,000 the second year
70.17 are for events and activities that represent the
70.18 diverse cultural arts traditions, including folk
70.19 and traditional artists and art organizations,
70.20 represented in this state.

70.21 **Administration, Fiscal Oversight, and**
70.22 **Accountability.** \$634,000 the first year
70.23 and \$634,000 the second year are for
70.24 administration of grant programs, delivering
70.25 technical services, providing fiscal oversight
70.26 for the statewide system, and ensuring
70.27 accountability for these state resources.

70.28 **Census.** The Minnesota State Arts Board, in
70.29 partnership with regional arts councils, shall
70.30 maintain a census of Minnesota artists and
70.31 artistic organizations.

70.32 Thirty percent of the total appropriated to
70.33 each of the categories established in this
70.34 subdivision is for grants to the regional arts

71.1	<u>councils. This percentage does not apply to</u>		
71.2	<u>administrative costs.</u>		
71.3	<u>Subd. 4. Department of Education</u>	<u>3,455,000</u>	<u>3,455,000</u>
71.4	<u>These amounts are appropriateded to the</u>		
71.5	<u>commissioner of education for grants</u>		
71.6	<u>allocated using existing formulas under</u>		
71.7	<u>Minnesota Statutes, section 134.355, to the</u>		
71.8	<u>12 Minnesota regional library systems, to</u>		
71.9	<u>provide educational opportunities in the arts,</u>		
71.10	<u>history, literary arts, and cultural heritage</u>		
71.11	<u>of Minnesota. These funds may be used</u>		
71.12	<u>to sponsor programs provided by regional</u>		
71.13	<u>libraries or to provide grants to local arts and</u>		
71.14	<u>cultural heritage programs for programs in</u>		
71.15	<u>partnership with regional libraries.</u>		
71.16	<u>Subd. 5. Minnesota Historical Society</u>	<u>12,250,000</u>	<u>12,250,000</u>
71.17	<u>These amounts are appropriateded to the</u>		
71.18	<u>governing board of the Minnesota Historical</u>		
71.19	<u>Society to preserve and enhance access to</u>		
71.20	<u>Minnesota's history and its cultural and</u>		
71.21	<u>historical resources. Grant agreements</u>		
71.22	<u>entered into by the Minnesota Historical</u>		
71.23	<u>Society and other recipients of appropriations</u>		
71.24	<u>in this subdivision shall ensure that</u>		
71.25	<u>these funds are used to supplement and</u>		
71.26	<u>not substitute for traditional sources of</u>		
71.27	<u>funding. Funds directly appropriated to the</u>		
71.28	<u>Minnesota Historical Society shall be used to</u>		
71.29	<u>supplement, and not substitute for, traditional</u>		
71.30	<u>sources of funding. Notwithstanding</u>		
71.31	<u>Minnesota Statutes, section 16A.28, for</u>		
71.32	<u>historic preservation projects that improve</u>		
71.33	<u>historic structures, the amounts are available</u>		
71.34	<u>until June 30, 2015.</u>		

72.1 **Statewide Historic and Cultural Grants.**
72.2 \$5,250,000 the first year and \$5,250,000
72.3 the second year are for history programs
72.4 and projects operated or conducted by or
72.5 through local, county, regional, or other
72.6 historical or cultural organizations; or for
72.7 activities to preserve significant historic
72.8 and cultural resources. Funds are to be
72.9 distributed through a competitive grants
72.10 process. The Minnesota Historical Society
72.11 shall administer these funds using established
72.12 grants mechanisms, with assistance from
72.13 the advisory committee created under Laws
72.14 2009, chapter 172, article 4, section 2,
72.15 subdivision 4, paragraph (b), item (ii).

72.16 **Programs.** \$5,000,000 the first year and
72.17 \$5,000,000 the second year are for programs
72.18 and purposes related to the historical and
72.19 cultural heritage of the state of Minnesota,
72.20 conducted by the Minnesota Historical
72.21 Society.

72.22 **History Partnerships.** \$1,500,000 the
72.23 first year and \$1,500,000 the second year
72.24 are for partnerships involving multiple
72.25 organizations, which may include the
72.26 Minnesota Historical Society, to preserve and
72.27 enhance access to Minnesota's history and
72.28 cultural heritage in all regions of the state.

72.29 **Statewide Survey of Historical and**
72.30 **Archaeological Sites.** \$250,000 the first
72.31 year and \$250,000 the second year are
72.32 for a contract or contracts to be let on a
72.33 competitive basis to conduct statewide
72.34 surveys of Minnesota's sites of historical,
72.35 archaeological, and cultural significance.

73.1 Results of this survey must be published in
73.2 a searchable form, available to the public on
73.3 a cost-free basis. The Minnesota Historical
73.4 Society, the Office of the State Archaeologist,
73.5 and the Indian Affairs Council shall each
73.6 appoint a representative to an oversight
73.7 board to select contractors and direct the
73.8 conduct of these surveys. The oversight
73.9 board shall consult with the Departments of
73.10 Transportation and Natural Resources.

73.11 **Digital Library.** \$250,000 the first year and
73.12 \$250,000 the second year are for a digital
73.13 library project to preserve, digitize, and share
73.14 Minnesota images, documents, and historical
73.15 materials. The Minnesota Historical Society
73.16 shall cooperate with the Minitex interlibrary
73.17 loan system and shall jointly share this
73.18 appropriation for these purposes.

73.19	<u>Subd. 6. Department of Administration</u>	<u>7,400,000</u>	<u>6,400,000</u>
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73.20 These amounts are appropriated to the
73.21 commissioner of administration for grants
73.22 to the named organizations for the purposes
73.23 specified in this subdivision. Up to one
73.24 percent of funds may be used by the
73.25 commissioner for grants administration.

73.26 Grant agreements entered into by
73.27 the commissioner and recipients of
73.28 appropriations in this subdivision must
73.29 ensure that money appropriated in this
73.30 subdivision is used to supplement and not
73.31 substitute for traditional sources of funding.

73.32 **Public Broadcasting Grants.** \$6,400,000
73.33 the first year and \$6,400,000 the second
73.34 year are for a competitive Arts and

74.1 Cultural Heritage Grants Program-Public
74.2 Broadcasting.

74.3 The commissioner shall solicit proposals
74.4 and award grants to entities that create,
74.5 produce, acquire, or distribute programs that
74.6 educate, enhance, or promote local, regional,
74.7 or statewide items of artistic, cultural, or
74.8 historic significance. The commissioner
74.9 shall give preference to projects that
74.10 expand Minnesotans' access to knowledge,
74.11 information, arts, state history, or cultural
74.12 heritage.

74.13 **Veterans Camps.** \$450,000 the first year
74.14 is for grants of \$400,000 to the Disabled
74.15 Veterans Rest Camp located on Big Marine
74.16 Lake in Washington County and \$50,000 to
74.17 the Veterans on the Lake Resort located on
74.18 Fall Lake in St. Louis County.

74.19 **State Capitol Preservation Commission.**
74.20 \$550,000 the first year is for the purposes of
74.21 Minnesota Statutes, section 16B.2405. This
74.22 appropriation is available until spent.

74.23	<u>Subd. 7. Department of Natural Resources</u>	<u>1,100,000</u>	<u>1,100,000</u>
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74.24 These amounts are appropriated to the
74.25 commissioner of natural resources for a
74.26 competitive Arts and Cultural Heritage
74.27 Grants Program-Zoos.

74.28 The commissioner shall solicit proposals
74.29 and award grants to zoos for projects and
74.30 programs that promote the arts or preserve
74.31 Minnesota's history and cultural heritage.

74.32 The commissioner shall give preference to
74.33 projects and programs that incorporate arts,
74.34 culture, and history into zoo programming
74.35 or that increase knowledge and awareness

75.1 of the way that history and culture affect
75.2 people's lives and that illustrate how that
75.3 knowledge can help Minnesotans make
75.4 informed decisions for the future.

75.5 Subd. 8. **Minnesota Humanities Center** 3,700,000 3,700,000

75.6 These amounts are appropriated to the board
75.7 of directors of the Minnesota Humanities
75.8 Center for the purposes specified in this
75.9 subdivision.

75.10 **Programs and Purposes.** \$325,000 the first
75.11 year and \$325,000 the second year are for
75.12 programs and purposes of the Minnesota
75.13 Humanities Center.

75.14 The Minnesota Humanities Center may
75.15 consider museums and organizations
75.16 celebrating the identities of Minnesotans for
75.17 grants from these funds. The Minnesota
75.18 Humanities Center may develop a written
75.19 plan for the competitive issuance of these
75.20 grants and, if developed, shall submit
75.21 that plan for review and approval by the
75.22 Department of Administration.

75.23 **Humanities Grants.** \$3,375,000 the first
75.24 year and \$3,375,000 the second year are for
75.25 a competitive Arts and Cultural Heritage
75.26 Grants Program-Humanities.

75.27 The board of directors shall solicit proposals
75.28 and award grants to entities for projects
75.29 and programs that maintain or promote
75.30 our cultural heritage. The board shall fund
75.31 programs and projects that collectively
75.32 preserve both our tangible and intangible
75.33 cultural heritage as well as those that
75.34 recognize museums as venues for arts and
75.35 cultural experiences.

76.1	<u>Subd. 9. Perpich Center For Arts Education</u>	<u>.....</u>	<u>.....</u>
76.2	<u>These amounts are appropriated to the board</u>		
76.3	<u>of directors of the Perpich Center for Arts</u>		
76.4	<u>Education for arts, arts education, and arts</u>		
76.5	<u>access and to preserve Minnesota's history</u>		
76.6	<u>and cultural heritage.</u>		
76.7	<u>Notwithstanding Minnesota Statutes, section</u>		
76.8	<u>16A.28, the appropriations encumbered on or</u>		
76.9	<u>before June 30, 2013, as grants or contracts</u>		
76.10	<u>in this subdivision are available until June</u>		
76.11	<u>30, 2015.</u>		
76.12	<u>Subd. 10. Department of Agriculture</u>	<u>1,400,000</u>	<u>1,400,000</u>
76.13	<u>These amounts are appropriated to</u>		
76.14	<u>the commissioner of agriculture for a</u>		
76.15	<u>competitive Arts and Cultural Heritage</u>		
76.16	<u>Grants Program-County Arts, Education,</u>		
76.17	<u>History, and Cultural Preservation.</u>		
76.18	<u>The commissioner shall solicit proposals</u>		
76.19	<u>and award grants to counties for programs</u>		
76.20	<u>and projects that promote the arts, arts</u>		
76.21	<u>education, history, or cultural heritage.</u>		
76.22	<u>The commissioner shall give preference</u>		
76.23	<u>to programs and projects that: provide</u>		
76.24	<u>lifelong educational activities meant to</u>		
76.25	<u>impart knowledge, teach a new creative skill,</u>		
76.26	<u>or further develop an existing skill in any</u>		
76.27	<u>arts discipline; preserve both tangible and</u>		
76.28	<u>intangible cultural heritage; or ensure that</u>		
76.29	<u>culturally significant structures and resources</u>		
76.30	<u>will be preserved for future generations.</u>		
76.31	<u>Subd. 11. Legislature</u>	<u>8,000</u>	<u>0</u>
76.32	<u>These amounts are appropriated to the</u>		
76.33	<u>Legislative Coordinating Commission to</u>		
76.34	<u>operate the Web site for dedicated funds</u>		

77.1 required under Minnesota Statutes, section
77.2 3.303, subdivision 10.

77.3 Sec. 3. **[15B.32] STATE CAPITOL PRESERVATION COMMISSION.**

77.4 Subdivision 1. **Definitions.** (a) As used in this section, the terms defined in this
77.5 subdivision have the following meanings.

77.6 (b) "Commission" means the State Capitol Preservation Commission created under
77.7 this section.

77.8 (c) "Capitol Area" means the geographic area defined in section 15B.02.

77.9 (d) "Board" means the Capitol Area Architectural and Planning Board created under
77.10 section 15B.03.

77.11 (e) "Predesign" has the meaning given in section 16B.335, subdivision 3, paragraph
77.12 (a).

77.13 Subd. 2. **Membership.** The State Capitol Preservation Commission consists of 22
77.14 members, appointed as follows:

77.15 (1) the governor;

77.16 (2) the lieutenant governor;

77.17 (3) the attorney general;

77.18 (4) the chief justice of the Supreme Court, or the chief justice's designee, who shall
77.19 be a member of the Supreme Court;

77.20 (5) the majority leader of the senate or the majority leader's designee, who shall be
77.21 a member of the senate;

77.22 (6) the speaker of the house or the speaker's designee, who shall be a member of the
77.23 house of representatives;

77.24 (7) two members of the senate, including one member from the majority party
77.25 appointed by the majority leader and one member from the minority party appointed by
77.26 the minority leader;

77.27 (8) two members of the house of representatives, including one member appointed
77.28 by the speaker of the house and one member from the minority party appointed by the
77.29 minority leader;

77.30 (9) the chair and ranking minority member of the house of representatives committee
77.31 with jurisdiction over capital investment and the chair and ranking minority member of
77.32 the senate committee with jurisdiction over capital investment;

77.33 (10) the commissioner of administration or the commissioner's designee;

77.34 (11) the commissioner of public safety or the commissioner's designee;

(12) the executive director of the Minnesota Historical Society or the executive director's designee;

(13) the executive secretary of the Capitol Area Architectural and Planning Board;
and

(14) four public members appointed by the governor.

Subd. 3. **Terms and compensation.** (a) A member serving on the commission because the member or the appointing authority for the member holds an elected or appointed office shall serve on the commission as long as the member or the appointing authority holds the office.

(b) Public members of the commission shall serve two-year terms. The public members may not serve for more than three consecutive terms.

(c) The removal of members and filling of vacancies on the commission are as provided in section 15.059. Public members may receive compensation and expenses as provided under section 15.059, subdivision 3.

Subd. 4. **Officers and meetings.** (a) The governor is the chair of the commission. The lieutenant governor is the vice-chair of the commission and may act as the chair of the commission in the absence of the governor. The governor may designate a staff member to attend commission meetings and vote on the governor's behalf in the absence of the governor.

(b) The commission shall meet at least quarterly and at other times at the call of the chair. Meetings of the commission are subject to chapter 13D.

Subd. 5. **Administrative support.** The commission may designate an executive secretary and obtain administrative support through a contract with a state agency or other means.

Subd. 6. **Duties.** (a) The commission:

(1) shall exercise ongoing coordination of the restoration, protection, risk management, and preservation of the Capitol building;

(2) shall consult with and advise the commissioner of administration, the board, and the Minnesota Historical Society regarding their applicable statutory responsibilities for and in the Capitol building;

(3) may assist in the selection of an architectural firm to assist in the preparation of the predesign plan for the restoration of the Capitol building;

(4) shall develop a comprehensive, multiyear, predesign plan for the restoration of the Capitol building, review the plan periodically, and, as appropriate, amend and modify the plan. The predesign plan shall identify appropriate and required functions of the Capitol building; identify and address space requirements for legislative, executive,

and judicial branch functions; and identify and address the long-term maintenance and preservation requirements of the Capitol building. In developing the predesign plan, the commission shall take into account the comprehensive plan for the Minnesota State Capitol Area, as amended in 2010, the rules governing zoning and design for the Capitol Area, parking, mass transit, citizen access including public access to the Capitol balcony, the tunnel system, information technology needs, energy efficiency, security, educational programs including public and school tours, and any additional space needs for the efficient operation of state government;

(5) shall develop and implement a comprehensive financial plan to fund the preservation and restoration of the Capitol building;

(6) shall provide annual reports about the condition of the Capitol building and its needs, as well as all activities related to the restoration of the Capitol building;

(7) shall for all capital infrastructure projects taking place in close proximity to the Capitol building and prior to commencement of actual construction work:

(i) review the preliminary and final design plans and construction practices of the project;

(ii) identify whether the actual construction work of the project or subsequent operations resulting from the project pose:

(A) risk to the structural integrity of the Capitol building; or

(B) a reasonable likelihood of other adverse physical impacts to the Capitol building, including but not limited to increased costs for building maintenance and preservation; and

(iii) submit a recommendation to the commissioner of administration identifying whether or not the commissioner should approve the project for commencement of construction as provided under section 16B.2405; and

(8) may solicit gifts, grants, or donations of any kind from any private or public source to carry out the purposes of this section. All gifts, grants, or donations received by the commission shall be deposited in a State Capitol preservation account established in the special revenue fund. Money in the account is appropriated to the commissioner of administration for the activities of the commission and implementation of the predesign plan under this section.

(b) By January 15 of each year, the commission shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over the commission regarding the activities and efforts of the commission in the preceding calendar year, including recommendations adopted by the commission, the comprehensive financial plan required under paragraph (a), clause (5), and any proposed draft legislation necessary to implement the recommendations of the commission.

80.1 Subd. 7. **Expiration.** Notwithstanding section 15.059, subdivision 5, the State
80.2 Capitol Preservation Commission does not expire.

80.3 **Sec. 4. [15B.34] CAPITOL BUILDING POWERS AND DUTIES.**

80.4 The board shall:

80.5 (1) jointly, with the commissioner of administration and the Minnesota Historical
80.6 Society, establish standards and policies for the repair, furnishing, appearance, and
80.7 cleanliness of and change to the public and ceremonial areas of the Capitol building;

80.8 (2) review and approve plans and specifications and any changes to approved plans
80.9 and specifications involving the alteration of the public and ceremonial areas and the
80.10 exterior of the Capitol building;

80.11 (3) jointly, with the Minnesota Historical Society, review and approve the design,
80.12 structural composition, and location of all monuments, memorials, or works of art
80.13 presently located in the public and ceremonial areas of the State Capitol, or that will be
80.14 placed in the public or ceremonial areas, according to section 138.68; and

80.15 (4) assist the State Capitol Preservation Commission with performance of its duties
80.16 as needed.

80.17 **Sec. 5. [16B.2405] CAPITOL BUILDING POWERS AND DUTIES.**

80.18 The commissioner, upon receipt of funding for these purposes, shall:

80.19 (1) maintain and operate the Capitol building and grounds according to section
80.20 16B.24 and other applicable law;

80.21 (2) designate a project manager to oversee and manage predesign, design, and
80.22 construction contracts and funding for all modifications to the Capitol building;

80.23 (3) manage design and construction projects and funding for the Capitol building
80.24 according to section 16B.31 and other applicable law;

80.25 (4) lease space in the Capitol building, as provided in section 16B.24, to state
80.26 agencies, constitutional officers, and the court administrator on behalf of the judicial
80.27 branch and allocate space in the Capitol building to the legislative branch as determined
80.28 by the commission;

80.29 (5) provide information about the Capitol building to the commission, legislative
80.30 bodies, and others as needed regarding maintenance, operation, leasing, condition
80.31 assessments, design, and construction projects;

80.32 (6) for each project for which a recommendation by the State Capitol Preservation
80.33 Commission is submitted under section 15B.32, subdivision 6, paragraph (a), clause (7),
80.34 evaluate the recommendation and, notwithstanding any other law to the contrary, either (i)

81.1 approve the project where such approval is a prerequisite for commencement of actual
81.2 construction work or (ii) identify specific remediation requirements necessary to approve
81.3 the project upon subsequent review by the commissioner; and
81.4 (7) assist the State Capitol Preservation Commission with performance of its duties
81.5 as needed.

81.6 Sec. 6. Minnesota Statutes 2010, section 129D.18, subdivision 3, is amended to read:

81.7 Subd. 3. **Conditions.** (a) A public station receiving funds appropriated under this
81.8 section must:

81.9 (1) make programs produced with these funds available for broadcast to all other
81.10 public stations eligible to receive grants under this section;

81.11 (2) offer free ~~public performance rights for~~ classroom use of programs produced
81.12 with these funds to public educational institutions, excluding those materials for which
81.13 public television stations do not have rights to distribute;

81.14 (3) archive programs produced with these funds and make the programs available
81.15 for future use through encore broadcast or other distribution, including online; and

81.16 (4) ensure that underwriting credit is given to the Minnesota arts and cultural
81.17 heritage fund.

81.18 (b) Programs produced in partnership with other mission-centered nonprofit
81.19 organizations may be used by the partnering organization for their own educational or
81.20 promotional purposes.

81.21 Sec. 7. Minnesota Statutes 2010, section 129D.18, subdivision 4, is amended to read:

81.22 Subd. 4. **Reporting.** A public station receiving funds appropriated under this section
81.23 must report annually by January 15 to the commissioner, the Legislative Coordinating
81.24 Commission, and the chairs and ranking minority members of the senate and house
81.25 of representatives committees and divisions having jurisdiction over arts and cultural
81.26 heritage policy and finance regarding how the previous year's grant funds were expended.
81.27 ~~This~~ In addition to all information required of each recipient of money from the arts and
81.28 cultural heritage fund under section 3.303, subdivision 10, the report must contain specific
81.29 information for each program produced and broadcast, including the cost of production,
81.30 the number of stations broadcasting the program, estimated viewership, the number of
81.31 hours of legacy program content available for streaming on Web site downloads sites,
81.32 and other related measures. If the programs produced include educational material, the
81.33 public station must report on these efforts.

Sec. 8. Minnesota Statutes 2010, section 129D.19, subdivision 5, is amended to read:

Subd. 5. **Reporting.** A noncommercial radio station receiving funds appropriated under this section must report annually by January 15 to the commissioner, the Legislative Coordinating Commission, and the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over arts and cultural heritage policy and finance regarding how the previous year's grant funds were expended. ~~This~~ In addition to all information required of each recipient of money from the arts and cultural heritage fund under section 3.303, subdivision 10, the report must contain specific information for each program produced and broadcast, including the cost of production, the number of stations broadcasting the program, estimated number of listeners, and other related measures. If the programs produced include educational material, the noncommercial radio station must report on these efforts.

Sec. 9. **[138.70] CAPITOL BUILDING POWERS AND DUTIES.**

The Minnesota Historical Society shall:

(1) assist and advise in research and preservation of historical features of the Capitol building, appropriate custodial policies, and maintaining and repairing works of art according to section 138.69;

(2) jointly, with the Capitol Area Architectural and Planning Board, review and approve the design, structural composition, and location of all monuments, memorials, or works of art presently located in the public and ceremonial areas of the Capitol building, or proposed for placement in the public or ceremonial areas, according to section 138.68;

(3) assist with planning and design of restoration and renovations of the Capitol building in order to provide public access and education through public interpretive programs according to the society's statutory responsibilities under section 138.69; and

(4) assist the State Capitol Preservation Commission with performance of its duties as needed.

Sec. 10. Laws 2009, chapter 172, article 4, section 9, subdivision 5, is amended to read:

Subd. 5. **Report.** The working group must report its findings and recommendations, including draft legislation, if necessary, to the Indian Affairs Council and the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over early childhood through grade 12 education ~~and~~ higher education, and arts and cultural heritage policy or finance by February 15, 2011, and again by February 15, 2012. ~~The committee working group expires on February 16, 2011~~ 2013.

Sec. 11. **STATE CAPITOL PRESERVATION COMMISSION APPOINTMENTS
AND FIRST MEETING.**

The appointing authorities designated in Minnesota Statutes, section 15B.32, subdivision 2, must complete their initial appointments to the commission no later than August 1, 2011. The governor, or the governor's designee, shall convene the first meeting of the commission within 30 days after the appointments required under this section have been completed.

ARTICLE 5

GENERAL PROVISIONS; ALL LEGACY FUNDS

Section 1. Minnesota Statutes 2010, section 3.303, subdivision 10, is amended to read:

Subd. 10. **Constitutionally dedicated funding accountability.** (a) The Legislative Coordinating Commission shall develop and maintain a user-friendly, public-oriented Web site that informs, educates, and demonstrates to the public how the constitutionally dedicated funds in the arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and trails fund, and environment and natural resources trust fund are being expended to meet the requirements established for each fund in the state constitution. Information provided on the Web site must include, but is not limited to:

(1) information on all project proposals received by the Outdoor Heritage Council and the Legislative-Citizen Commission on Minnesota Resources;

(2) information on all projects receiving funding, including:
(i) the name of the project and a project description;
(ii) the name, telephone number, members of the board or equivalent governing body, and e-mail address of the funding recipient and, when applicable, the Web site address where the public can directly access detailed information on the recipient's receipt and use of money for the project;

(iii) the amount and source of funding, including the fiscal year of the appropriation;

(iv) the amount and source of any additional funding or leverage;

(v) the duration of the project;

(vi) the number of full-time equivalents funded under the project. For the purposes of this item, "full-time equivalent" means a position directly attributed to the receipt of money from one or more of the funds covered under this section, calculated as the total number of hours planned for the position divided by 2,088;

(vii) the direct expenses and administration costs of the project;

(viii) proposed measurable outcomes and the plan for measuring and evaluating the results;

(ix) for pass-through, noncompetitive grants, the entity acting as the fiscal agent or administering agency and a point of contact for additional information; and

(x) for competitive grants, the name and a brief description of the qualifications of all board members or members of an equivalent governing body ultimately responsible for awarding the grants, as well as any grantmaking advisory group. In addition, an entity that awards competitive grants, including but not limited to a state agency or any statewide, regional, or local organization, must report whether an employee, decision maker, advisory group member, or other person involved in the grant process disclosed a conflict of interest or potential conflict of interest. If the entity reports that a conflict of interest or potential conflict of interest was disclosed, the entity must provide the Legislative Coordinating Commission with a contact person for additional information and the Legislative Coordinating Commission must post this information on the Web site. An entity that awards competitive grants must obtain and apply the conflict of interest policies developed by the commissioner of administration under section 16B.98, subdivision 3, unless the entity maintains and applies its own documented conflict of interest policies which are substantially similar to the commissioner of administration's policies;

(3) actual measured outcomes and evaluation of projects as required under sections 85.53, subdivision 2; 114D.50, subdivision ~~2~~ 4; and 129D.17, subdivision 2;

(4) education about the areas and issues the projects address, including, when feasible, maps of where projects have been undertaken;

(5) all frameworks developed for future uses of each fund; and

(6) methods by which members of the public may apply for project funds under any of the constitutionally dedicated funds.

(b) As soon as practicable or by the deadline specified in the enabling law, whichever comes first, a state agency or other recipient of a direct appropriation from a fund covered under this section shall submit the information required under paragraph (a) and, when applicable, compile and submit the same information for any grant recipient or other subrecipient of funding. All information for proposed and funded projects, including the proposed measurable outcomes, must be made available on the Web site as soon as practicable. Information on the measured outcomes and evaluation must be posted as soon as it becomes available. The costs of these activities shall be paid out of the arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and trails fund, and the environment and natural resources trust fund proportionately. For purposes of this section, "measurable outcomes" means outcomes, indicators, or other performance measures that may be quantified or otherwise measured in order to measure the effectiveness of a project or program in meeting its intended goal or purpose.

85.1 (c) The Legislative Coordinating Commission shall be responsible for receiving all
85.2 ten-year plans and 25-year frameworks for each of the constitutionally dedicated funds. To
85.3 the extent practicable, staff for the commission shall provide assistance and oversight to
85.4 these planning efforts and shall coordinate public access to hearings and public meetings
85.5 for all planning efforts.

85.6 Sec. 2. Minnesota Statutes 2010, section 85.53, subdivision 2, is amended to read:

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

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

85.17 (c) ~~At~~ A state agency or other recipient of a direct appropriation from the parks and
85.18 trails fund must compile and submit all information for funded projects or programs,
85.19 including the proposed measurable outcomes and all other items required under section
85.20 3.303, subdivision 10, must be made available on to the Legislative Coordinating
85.21 Commission as soon as practicable or by the deadline specified in the enabling law,
85.22 whichever comes first. The Legislative Coordinating Commission must post submitted
85.23 information on the Web site required under section 3.303, subdivision 10, as soon as
85.24 practicable. Information on the measured outcomes and evaluation must be posted as soon
85.25 as it becomes available.

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

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

85.32 (f) A state agency or other recipient of money from the parks and trails fund shall
85.33 prominently display on the state agency's or other recipient's Web site home page, when
85.34 applicable, the legacy logo required under Laws 2009, chapter 172, article 5, section
85.35 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 dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient 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.

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

Subd. 12. **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 the deadline specified in the enabling law, 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) A state agency or other recipient of money from the outdoor heritage fund shall prominently display on the state agency's or other recipient's Web site home page, when applicable, 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 dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient 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.

Sec. 4. Minnesota Statutes 2010, 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) ~~At~~ 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, must be made available on the Web site and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by the deadline specified in the enabling law, whichever comes first. Information on the measured outcomes and evaluation must be posted 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) A state agency or other recipient of money from the clean water fund shall prominently display on the state agency's or other recipient's Web site home page, when applicable, 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 dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient 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.

88.1 (g) Future eligibility for money from the clean water fund is contingent upon a state
88.2 agency or other recipient satisfying all applicable requirements in this section, as well as
88.3 any additional requirements contained in applicable session law.

88.4 Sec. 5. Minnesota Statutes 2010, section 129D.17, subdivision 2, is amended to read:

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

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

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

88.18 (d) ~~At~~ A state agency or other recipient of a direct appropriation from the arts and
88.19 cultural heritage fund must compile and submit all information for funded projects or
88.20 programs, including the proposed measurable outcomes and all other items required under
88.21 section 3.303, subdivision 10, must be made available on to the Legislative Coordinating
88.22 Commission Web site, as soon as practicable or by the deadline specified in the enabling
88.23 law, whichever comes first. Information on the measured outcomes and evaluation must
88.24 be posted The Legislative Coordinating Commission must post submitted information on
88.25 the Web site required under section 3.303, subdivision 10, as soon as it becomes available.

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

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

88.32 (g) A state agency or other recipient of money from the arts and cultural heritage
88.33 fund shall prominently display on the state agency's or other recipient's Web site home
88.34 page, when applicable, the legacy logo required under Laws 2009, chapter 172, article 5,
88.35 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 dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient 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.

Sec. 6. APPLICABILITY.

Sections 7 to 10 apply to any appropriation for fiscal year 2012 or 2013 from a legacy fund. For the purposes of sections 7 to 10, "legacy fund" means the outdoor heritage fund, the clean water fund, the parks and trails fund, or the arts and cultural heritage fund

Sec. 7. GENERAL PROVISIONS.

Subdivision. 1. **Grants.** Grants funded by a legacy fund must be implemented according to Minnesota Statutes, section 16B.98, and the responsible entity must account for all expenditures of funds.

Subd. 2. **Constitution.** A recipient of money from a legacy fund must comply with the Minnesota Constitution, article XI, section 15, and may not substitute money received from a legacy fund for a traditional source of funding.

Sec. 8. LEGACY FUNDS RECIPIENT REPORT.

(a) A state agency or other recipient of a direct appropriation from a legacy fund shall submit a report to the Legislative Reference Library as provided under Minnesota Statutes, section 3.195, and to the Legislative Coordinating Commission that contains all of the information required under Minnesota Statutes, section 3.303, subdivision 10.

(b) A state agency or other recipient of a direct appropriation from a legacy fund must submit a report containing all available and required information by January 15, 2012, for appropriations in fiscal year 2012, and January 15, 2013, for appropriations in fiscal year 2013. If the nature of a funded project is such that all required information is not yet available by the applicable reporting deadline, a state agency or other recipient of a direct appropriation must submit any additional information required under Minnesota Statutes, section 3.303, subdivision 10, as soon as practicable.

90.1 Sec. 9. IN THE EVENT OF A LAWSUIT.

90.2 (a) An appropriation or portion of an appropriation from a legacy fund is canceled to
90.3 the extent that a court determines that the appropriation unconstitutionally substitutes for
90.4 a traditional source of funding.

90.5 (b) Any grant contract or similar agreement that awards money from a legacy fund
90.6 must contain the information in paragraph (a).

90.7 Sec. 10. LEGACY ACCOUNTING; TECHNICAL ASSISTANCE.

90.8 No later than January 1, 2012, the commissioner of management and budget shall
90.9 finalize guidance and best practices to assist state agencies in uniformly accounting for
90.10 their expenditure of legacy funds. The commissioner shall make this information available
90.11 to all state agencies identified in this act.

APPENDIX
Article locations in H1061-2

ARTICLE 1	OUTDOOR HERITAGE FUND	Page.Ln 1.19
ARTICLE 2	CLEAN WATER FUND	Page.Ln 35.18
ARTICLE 3	PARKS AND TRAILS FUND	Page.Ln 63.17
ARTICLE 4	ARTS AND CULTURAL HERITAGE FUND	Page.Ln 68.1
ARTICLE 5	GENERAL PROVISIONS; ALL LEGACY FUNDS	Page.Ln 83.8

84.02 DEFINITIONS.

Subdivision 1. **Definitions.** For purposes of this chapter, the terms defined in this section shall have the meanings given them.

Subd. 2. **Best management practice for native prairie restoration.** "Best management practice for native prairie restoration" means using seeds collected from a native prairie within the same county or within 25 miles of the county's border, but not across the boundary of an ecotype region.

Subd. 3. **Created grassland.** "Created grassland" means a restoration using seeds or plants with origins outside of the state of Minnesota.

Subd. 4. **Ecotype region.** "Ecotype region" means the following ecological subsections and counties based on the Department of Natural Resources map, "County Landscape Groupings Based on Ecological Subsections," dated February 15, 2007.

Ecotype Region	Counties or portions thereof:
Rochester Plateau, Blufflands, and Oak Savanna	Houston, Winona, Fillmore, Wabasha, Goodhue, Mower, Freeborn, Steele, Olmsted, Rice, Waseca, Dakota, Dodge
Anoka Sand Plain, Big Woods, and St. Paul Baldwin Plains and Moraines	Anoka, Hennepin, Ramsey, Washington, Chisago, Scott, Carver, McLeod, Wright, Benton, Isanti, Le Sueur, Sherburne
Inner Coteau and Coteau Moraines	Lincoln, Lyon, Pipestone, Rock, Murray, Nobles, Jackson, Cottonwood
Red River Prairie (South)	Traverse, Wilkin, Clay, Becker
Red River Prairie (North) and Aspen Parklands	Kittson, Roseau, Red Lake, Pennington, Marshall, Clearwater, Mahnommen, Polk, Norman
Minnesota River Prairie (North)	Big Stone, Pope, Stevens, Grant, Swift, Chippewa, Meeker, Kandiyohi, Renville, Lac qui Parle, Yellow Medicine
Minnesota River Prairie (South)	Nicollet, Redwood, Brown, Watonwan, Martin, Faribault, Blue Earth, Sibley
Hardwood Hills	Douglas, Morrison, Otter Tail, Stearns, Todd

Subd. 6. **Native prairie species of a local ecotype.** "Native prairie species of a local ecotype" means a genetically differentiated population of a species that has at least one trait (morphological, biochemical, fitness, or phenological) that is evolutionarily adapted to local environmental conditions, notably plant competitors, pathogens, pollinators, soil microorganisms, growing season length, climate, hydrology, and soil.

Subd. 7. **Restored native prairie.** "Restored native prairie" means a restoration using at least 25 representative and biologically diverse native prairie plant species of a local ecotype originating in the same county as the restoration site or within 25 miles of the county's border, but not across the boundary of an ecotype region.

Subd. 8. **Restored prairie.** "Restored prairie" means a restoration using at least 25 representative and biologically diverse native prairie plant species originating from the same ecotype region in which the restoration occurs.

114D.45 CLEAN WATER LEGACY ACCOUNT.

Subdivision 1. **Creation.** The clean water legacy account is created as an account in the environmental fund. Money in the account must be made available for the implementation of this chapter and sections 446A.073, 446A.074, and 446A.075, without supplanting or taking the place of any other funds which are currently available or may become available from any other source, whether federal, state, local, or private, for implementation of those sections.

Subd. 2. **Sources of revenue.** The following revenues must be deposited in the clean water legacy account:

- (1) money transferred to the account; and
- (2) interest accrued on the account.

APPENDIX

Repealed Minnesota Statutes: H1061-2

Subd. 3. **Purposes.** Subject to appropriation by the legislature, the clean water legacy account may be spent for the following purposes:

(1) to provide grants, loans, and technical assistance to public agencies and others who are participating in the process of identifying impaired waters, developing TMDL's, implementing restoration plans for impaired waters, and monitoring the effectiveness of restoration;

(2) to support measures to prevent waters from becoming impaired and to improve the quality of waters that are listed as impaired but do not have an approved TMDL addressing the impairment;

(3) to provide grants and loans for wastewater and storm water treatment projects through the Public Facilities Authority;

(4) to support the efforts of public agencies associated with subsurface sewage treatment systems and financial assistance for upgrading and replacing the systems; and

(5) to provide funds to state agencies to carry out their responsibilities under this chapter.