

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, subdivisions 2, 3, 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; article 2, section 3; 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.

		<u>APPROPRIATIONS</u> <u>Available for the Year</u> <u>Ending June 30</u>	
		<u>2012</u>	<u>2013</u>
2.1			
2.2			
2.3			
2.4			
2.5	Sec. 2. <u>OUTDOOR HERITAGE</u>		
2.6	Subdivision 1. <u>Total Appropriation</u>	<u>\$ 92,126,000</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	Subd. 2. <u>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 -0-
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	<u>required for any monitoring and enforcement</u>		
12.2	<u>fund established, including expenditures</u>		
12.3	<u>from the fund.</u>		
12.4	<u>Subd. 5. Habitat</u>	<u>24,086,000</u>	<u>-0-</u>
12.5	<u>(a) Accelerated Aquatic Management</u>		
12.6	<u>Area Habitat Program - Phase III</u>		
12.7	<u>\$7,061,000 the first year is to the</u>		
12.8	<u>commissioner of natural resources to</u>		
12.9	<u>acquire interests in land in fee or permanent</u>		
12.10	<u>conservation easements for aquatic</u>		
12.11	<u>management areas under Minnesota Statutes,</u>		
12.12	<u>sections 86A.05, subdivision 14, and 97C.02,</u>		
12.13	<u>to restore and enhance aquatic habitat.</u>		
12.14	<u>Of this amount, \$561,000 is for transfer</u>		
12.15	<u>to the outdoor heritage land management</u>		
12.16	<u>account in the special revenue fund for the</u>		
12.17	<u>purposes specified in Minnesota Statutes,</u>		
12.18	<u>section 97A.056, subdivision 1a. A list</u>		
12.19	<u>of proposed acquisitions and stream and</u>		
12.20	<u>lake habitat restorations and enhancements</u>		
12.21	<u>must be provided as part of the required</u>		
12.22	<u>accomplishment plan. The accomplishment</u>		
12.23	<u>plan must include an easement monitoring</u>		
12.24	<u>and enforcement plan. Money appropriated</u>		
12.25	<u>from the outdoor heritage fund for easement</u>		
12.26	<u>acquisition may be used to establish a</u>		
12.27	<u>monitoring and enforcement fund as</u>		
12.28	<u>approved in the accomplishment plan</u>		
12.29	<u>and subject to subdivision 15. An annual</u>		
12.30	<u>financial report is required for any monitoring</u>		
12.31	<u>and enforcement fund established, including</u>		
12.32	<u>expenditures from the fund.</u>		
12.33	<u>(b) Coldwater Fish Habitat Enhancement</u>		
12.34	<u>Program - Phase III</u>		

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>743,000</u>	<u>471,000</u>
-------	---------------------------------------	----------------	----------------

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
30.4 of the prior fiscal year is appropriated to the commissioner of natural resources to pay
30.5 for future restoration and enhancement of lands purchased in fee with monies from the
30.6 outdoor heritage fund and held by the state.

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

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

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

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

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

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

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

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

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

30.22 (5) two members of the house of representatives appointed by the speaker of the
30.23 house.

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

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

30.30 (c) Public members appointed under paragraph (a) shall have practical experience
30.31 or expertise or demonstrated knowledge in the science, policy, or practice of restoring,
30.32 protecting, and enhancing wetlands, prairies, forests, and habitat for fish, game, and
30.33 wildlife.

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

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

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

31.11 (2) one public member appointed by the senate Subcommittee on Committees of the
31.12 Committee on Rules and Administration for a term ending the first Monday in January
31.13 2011;

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

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

31.18 (5) one public member appointed by the senate Subcommittee on Committees of the
31.19 Committee on Rules and Administration for a term ending the first Monday in January
31.20 2013; and

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

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

31.27 (f) Compensation and removal of public members are as provided in section
31.28 15.0575. A vacancy on the council may be filled by the appointing authority for the
31.29 remainder of the unexpired term.

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

31.34 (h) Upon coordination with and approval by the Legislative Coordinating
31.35 Commission, the council may appoint nonpartisan staff and contract with consultants
31.36 as necessary to carry out the functions of the council. Up to one percent of the money

32.1 appropriated from the fund may be used to pay for administrative expenses of the council
32.2 and for compensation and expense reimbursement of council members.

32.3 Sec. 7. Minnesota Statutes 2010, section 97A.056, subdivision 3, is amended to read:

32.4 Subd. 3. **Council recommendations.** (a) The council shall make recommendations
32.5 to the legislature on appropriations of money from the outdoor heritage fund that are
32.6 consistent with the Constitution and state law and that will achieve the outcomes of
32.7 existing natural resource plans, including, but not limited to, the Minnesota Statewide
32.8 Conservation and Preservation Plan, that directly relate to the restoration, protection, and
32.9 enhancement of wetlands, prairies, forests, and habitat for fish, game, and wildlife, and that
32.10 prevent forest fragmentation, encourage forest consolidation, and expand restored native
32.11 prairie. In making recommendations, the council shall consider a range of options that
32.12 would best restore, protect, and enhance wetlands, prairies, forests, and habitat for fish,
32.13 game, and wildlife, and shall not adopt definitions of "restore", "protect", or "enhance" that
32.14 would limit the council from considering options that are consistent with the Constitution.

32.15 The council shall consider prevention measures to protect fish from aquatic invasive
32.16 species consistent with the Constitution, in order to protect habitat for fish. The council
32.17 shall submit its ~~initial~~ recommendations to the legislature no later than ~~April 1, 2009~~.
32.18 ~~Subsequent recommendations shall be submitted no later than~~ January 15 each year. The
32.19 council shall present its recommendations to the senate and house of representatives
32.20 committees with jurisdiction over the environment and natural resources budget by
32.21 February 15 in odd-numbered years, and within the first four weeks of the legislative
32.22 session in even-numbered years. The council's budget recommendations to the legislature
32.23 shall be separate from the Department of Natural Resource's budget recommendations.

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

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

32.32 (d) The council may make recommendations to the Legislative-Citizen Commission
32.33 on Minnesota Resources on scientific research that will assist in restoring, protecting, and
32.34 enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife, preventing

- 33.1 forest fragmentation, encouraging forest consolidation, and expanding restored native
33.2 prairie.
- 33.3 (e) Recommendations of the council, including approval of recommendations for the
33.4 outdoor heritage fund, require an affirmative vote of at least nine members of the council.
- 33.5 (f) The council may work with the Clean Water Council, the Legislative-Citizen
33.6 Commission on Minnesota Resources, the Board of Water and Soil Resources, soil and
33.7 water conservation districts, and experts from Minnesota State Colleges and Universities
33.8 and the University of Minnesota in developing the council's recommendations.
- 33.9 (g) The council shall develop and implement a process that ensures that citizens
33.10 and potential recipients of funds are included throughout the process, including the
33.11 development and finalization of the council's recommendations. The process must include
33.12 a fair, equitable, and thorough process for reviewing requests for funding and a clear and
33.13 easily understood process for ranking projects.
- 33.14 (h) The council shall use the regions of the state based upon the ecological
33.15 regions and subregions developed by the Department of Natural Resources and establish
33.16 objectives for each region and subregion to achieve the purposes of the fund outlined
33.17 in the state constitution.
- 33.18 (i) The council shall develop and submit to the Legislative Coordinating Commission
33.19 plans for the first ten years of funding, and a framework for 25 years of funding, consistent
33.20 with statutory and constitutional requirements. The council may use existing plans from
33.21 other legislative, state, and federal sources, as applicable.

33.22 Sec. 8. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision
33.23 to read:

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

33.30 Sec. 9. Laws 2009, chapter 172, article 1, section 2, subdivision 3, is amended to read:

33.31 Subd. 3. Forests	18,000,000	18,000,000
33.32 \$18,000,000 in fiscal year 2010 and		
33.33 \$18,000,000 in fiscal year 2011 are to the		
33.34 commissioner of natural resources to acquire		

34.1 land or permanent working forest easements
34.2 on private forests in areas identified through
34.3 the Minnesota forests for the future program
34.4 under Minnesota Statutes, section 84.66.

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

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

34.16 A list of proposed fee title and easement
34.17 acquisitions must be provided as part of the
34.18 required accomplishment plan. ~~The fiscal~~
34.19 ~~year 2011 appropriation is available only for~~
34.20 ~~acquisitions that, by August 15, 2009, are:~~

34.21 ~~(1) subject to a binding agreement with the~~
34.22 ~~commissioner; and~~

34.23 ~~(2) matched by at least \$9,000,000 in private~~
34.24 ~~donations.~~

34.25 Sec. 10. Laws 2009, chapter 172, article 1, section 2, subdivision 15, is amended to
34.26 read:

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

34.28 By December 1 each year, a recipient of
34.29 money appropriated under this section that
34.30 is used for the acquisition of an interest in
34.31 real property, including but not limited to
34.32 an easement or fee title, must submit annual
34.33 reports on the status of the real property to
34.34 the Lessard Outdoor Heritage Council or

35.1 its successor in a form determined by the
35.2 council. The responsibility for reporting
35.3 under this section may be transferred by
35.4 the recipient of the appropriation to another
35.5 person or entity that holds the interest in the
35.6 real property. To complete the transfer of
35.7 reporting responsibility, the recipient of the
35.8 appropriation must:

35.9 (1) inform the person to whom the
35.10 responsibility is transferred of that person's
35.11 reporting responsibility;

35.12 (2) inform the person to whom the
35.13 responsibility is transferred of the property
35.14 restrictions under subdivision 14; and

35.15 (3) provide written notice to the council
35.16 of the transfer of reporting responsibility,
35.17 including contact information for the person
35.18 to whom the responsibility is transferred.

35.19 ~~Before the transfer, the entity receiving~~
35.20 ~~the transfer of property must certify to the~~
35.21 ~~Lessard Outdoor Heritage Council, or its~~
35.22 ~~successor, acceptance of all obligations and~~
35.23 ~~responsibilities held by the prior owner.~~

35.24 After the transfer, the person or entity that
35.25 holds the interest in the real property is
35.26 responsible for reporting requirements under
35.27 this section.

35.28 Sec. 11. Laws 2010, chapter 361, article 1, section 2, subdivision 14, is amended to
35.29 read:

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

35.31 By December 1 each year, a recipient of
35.32 money appropriated under this section that
35.33 is used for the acquisition of an interest in
35.34 real property, including, but not limited to,

36.1 an easement or fee title, must submit annual
36.2 reports on the status of the real property to
36.3 the Lessard-Sams Outdoor Heritage Council
36.4 or its successor in a form determined by the
36.5 council. The responsibility for reporting
36.6 under this section may be transferred by
36.7 the recipient of the appropriation to another
36.8 person or entity that holds the interest in the
36.9 real property. To complete the transfer of
36.10 reporting responsibility, the recipient of the
36.11 appropriation must: (1) inform the person
36.12 to whom the responsibility is transferred of
36.13 that person's reporting responsibility; (2)
36.14 inform the person to whom the responsibility
36.15 is transferred of the property restrictions
36.16 under subdivision 13; and (3) provide written
36.17 notice to the council of the transfer of
36.18 reporting responsibility, including contact
36.19 information for the person to whom the
36.20 responsibility is transferred; ~~and (4) provide~~
36.21 ~~the Lessard-Sams Outdoor Heritage Council~~
36.22 ~~or its successor written documentation from~~
36.23 ~~the person or entity holding the interest in~~
36.24 ~~real property certifying its acceptance of all~~
36.25 ~~reporting obligations and responsibilities~~
36.26 ~~previously held by the recipient of the~~
36.27 ~~appropriation.~~ After the transfer, the person
36.28 or entity that holds the interest in the
36.29 real property is responsible for reporting
36.30 requirements under this section.

36.31 Sec. 12. **REPEALER.**

36.32 Minnesota Statutes 2010, section 84.02, subdivisions 1, 2, 3, 4, 6, 7, and 8, are
36.33 repealed.

ARTICLE 2

CLEAN WATER FUND

Section 1. CLEAN WATER FUND APPROPRIATIONS.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund, and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. "The 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.

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

Sec. 2. CLEAN WATER

Subdivision 1. <u>Total Appropriation</u>	\$	<u>89,906,000</u>	\$	<u>88,454,000</u>
---	----	-------------------	----	-------------------

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

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must 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

38.1 time period of the appropriation is extended
38.2 to equal the availability of federal funding.

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

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

38.9 (b) \$850,000 the first year and \$850,000
38.10 the second year are to increase monitoring
38.11 and evaluate trends in the concentration of
38.12 nitrates in groundwater in high-risk areas
38.13 and regionally and to promote and evaluate
38.14 regional and crop-specific nutrient best
38.15 management practices. This appropriation is
38.16 available until spent.

38.17 (c) \$5,000,000 the first year and \$5,000,000
38.18 the second year are for the agriculture best
38.19 management practices loan program. At
38.20 least \$4,000,000 the first year and at least
38.21 \$4,400,000 the second year are for transfer to
38.22 the clean water agricultural best management
38.23 practices loan account and are available
38.24 for pass-through to local governments
38.25 and lenders for low-interest loans. Any
38.26 unencumbered balance that is not used for
38.27 pass-through to local governments does not
38.28 cancel at the end of the first year and is
38.29 available for the second year.

38.30 (d) \$700,000 the first year and \$700,000
38.31 the second year are for pilot projects
38.32 and technical assistance on proper
38.33 implementation of best management
38.34 practices for nonpoint contributions to

- 39.1 impaired waters. This appropriation is
- 39.2 available until spent.
- 39.3 (e) \$1,050,000 the first year and \$1,050,000
- 39.4 the second year are for research to quantify
- 39.5 agricultural contributions to impaired waters
- 39.6 and for development and evaluation of
- 39.7 best management practices to protect and
- 39.8 restore water resources while maintaining
- 39.9 productivity. This appropriation is available
- 39.10 until spent.
- 39.11 (f) \$250,000 the first year and \$250,000 the
- 39.12 second year are for a research inventory
- 39.13 database containing water-related research
- 39.14 activities that have been publicly funded.
- 39.15 Sec. 4. **PUBLIC FACILITIES AUTHORITY** \$ **16,710,000** \$ **16,710,000**
- 39.16 (a) \$11,185,000 the first year and \$11,185,000
- 39.17 the second year are for the total maximum
- 39.18 daily load (TMDL) grant program under
- 39.19 Minnesota Statutes, section 446A.073. This
- 39.20 appropriation is available until spent.
- 39.21 (b) \$4,275,000 the first year and \$4,275,000
- 39.22 the second year are for the clean water legacy
- 39.23 phosphorus reduction grant program under
- 39.24 Minnesota Statutes, section 446A.074. This
- 39.25 appropriation is available until spent.
- 39.26 (c) \$1,250,000 the first year and \$1,250,000
- 39.27 the second year are for small community
- 39.28 wastewater treatment grants and loans under
- 39.29 Minnesota Statutes, section 446A.075. This
- 39.30 appropriation is available until spent.
- 39.31 (d) If there are any uncommitted funds at the
- 39.32 end of each fiscal year under paragraph (a),
- 39.33 (b), or (c), the Public Facilities Authority
- 39.34 may transfer the remaining funds to eligible

40.1 projects under any of the programs listed
40.2 under this section, based on their priority
40.3 rank on the Pollution Control Agency's
40.4 project priority list.

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

40.6 (a) \$7,500,000 the first year and \$7,500,000
40.7 the second year are for completion of 20
40.8 percent of the needed statewide assessments
40.9 of surface water quality and trends. Of
40.10 this amount, \$100,000 the first year and
40.11 \$100,000 the second year are for grants
40.12 to the Red River Watershed Management
40.13 Board to enhance and expand the existing
40.14 water quality and watershed monitoring river
40.15 watch activities in the schools in the Red
40.16 River of the North. The Red River Watershed
40.17 Management Board shall provide a report to
40.18 the commissioner of the Pollution Control
40.19 Agency and the legislative committees and
40.20 divisions with jurisdiction over environment
40.21 and natural resources finance and policy and
40.22 the clean water fund by February 15, 2013,
40.23 on the expenditure of these funds.

40.24 (b) \$9,400,000 the first year and \$9,400,000
40.25 the second year are to develop total maximum
40.26 daily load (TMDL) studies and TMDL
40.27 implementation plans for waters listed on
40.28 the United States Environmental Protection
40.29 Agency approved impaired waters list in
40.30 accordance with Minnesota Statutes, chapter
40.31 114D. The agency shall complete an average
40.32 of ten percent of the TMDL's each year over
40.33 the biennium.

40.34 (c) \$1,125,000 the first year and \$1,125,000
40.35 the second year are for groundwater

41.1 assessment, including enhancing the
41.2 ambient monitoring network, modeling,
41.3 and continuing to monitor for and assess
41.4 contaminants of emerging concern.

41.5 (d) \$750,000 the first year and \$750,000
41.6 the second year are for water quality
41.7 improvement in the lower St. Louis River
41.8 and Duluth harbor. This appropriation must
41.9 be matched by a rate of 65 percent nonstate
41.10 funds to 35 percent state funds.

41.11 (e) \$1,250,000 the first year and \$1,250,000
41.12 the second year are for the clean water
41.13 partnership program to provide grants
41.14 to protect and improve the basins and
41.15 watersheds of the state and provide financial
41.16 and technical assistance to study waters
41.17 with nonpoint source pollution problems.

41.18 Priority shall be given to projects preventing
41.19 impairments and degradation of lakes, rivers,
41.20 streams, and groundwater in accordance
41.21 with Minnesota Statutes, section 114D.20,
41.22 subdivision 2, clause (4). Any balance
41.23 remaining in the first year does not cancel
41.24 and is available for the second year.

41.25 (f) \$400,000 the first year and \$400,000 the
41.26 second year are for storm water research and
41.27 guidance.

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

41.31 (h) \$800,000 the first year and \$800,000
41.32 the second year are for national pollutant
41.33 discharge elimination system wastewater and
41.34 storm water TMDL implementation efforts.

42.1 (i) \$225,000 the first year and \$225,000
42.2 the second year are transferred to the
42.3 commissioner of administration for the
42.4 Environmental Quality Board in cooperation
42.5 with the United States Geological Survey
42.6 to characterize groundwater flow and
42.7 aquifer properties in the I-94 corridor in
42.8 cooperation with local units of government.

42.9 This appropriation is available until June 30,
42.10 2014.

42.11 (j) \$500,000 the first year is for a wild rice
42.12 standards study.
42.13 Notwithstanding Minnesota Statutes, section
42.14 16A.28, the appropriations encumbered on or
42.15 before June 30, 2013, as grants or contracts in
42.16 this section are available until June 30, 2016.

42.17	Sec. 6. <u>DEPARTMENT OF NATURAL</u>		
42.18	<u>RESOURCES</u>	<u>\$ 10,860,000</u>	<u>\$ 9,860,000</u>

42.19 (a) \$1,825,000 the first year and \$1,825,000
42.20 the second year are for the continuation and
42.21 expansion of stream flow monitoring.

42.22 (b) \$1,150,000 the first year and \$1,150,000
42.23 the second year are for lake Index of
42.24 Biological Integrity (IBI) assessments,
42.25 including assessment of 400 additional lakes
42.26 and technical analysis to develop an aquatic
42.27 plant IBI analysis. The commissioner shall
42.28 work with the commissioner of the Pollution
42.29 Control Agency on the development of an
42.30 assessment tool.

42.31 (c) \$130,000 the first year and \$130,000
42.32 the second year are for assessing mercury
42.33 contamination of fish, including monitoring
42.34 to track the status of waters impaired by

43.1 mercury and mercury reduction efforts over
43.2 time.

43.3 (d) \$1,730,000 the first year and \$1,730,000
43.4 the second year are for TMDL development
43.5 and TMDL implementation plans for waters
43.6 listed on the United States Environmental
43.7 Protection Agency approved impaired waters
43.8 list in accordance with Minnesota Statutes,
43.9 chapter 114D, and for development of a
43.10 watershed assessment tool.

43.11 (e) \$1,500,000 the first year and \$1,500,000
43.12 the second year are for water supply
43.13 planning, aquifer protection, and monitoring
43.14 activities.

43.15 (f) \$450,000 the first year and \$450,000 the
43.16 second year are for establishing a Web-based
43.17 electronic permitting system to capture water
43.18 appropriation use information.

43.19 (g) \$1,725,000 the first year and \$1,725,000
43.20 the second year are for shoreland
43.21 stewardship, TMDL implementation
43.22 coordination, providing technical assistance
43.23 to the Drainage Work Group and Drainage
43.24 Management Team, and maintaining and
43.25 updating data. Of this amount, \$235,000
43.26 each year is for maintaining and updating
43.27 watershed boundaries and integrating
43.28 high-resolution digital elevation data with
43.29 watershed modeling and \$40,000 each year
43.30 is for a biomonitoring database. TMDL
43.31 implementation coordination efforts shall be
43.32 focused on major watersheds with TMDL
43.33 implementation plans, including forested
43.34 watersheds.

44.1	<u>(h) \$1,350,000 the first year and \$1,350,000</u>			
44.2	<u>the second year are to acquire and distribute</u>			
44.3	<u>high-resolution digital elevation data using</u>			
44.4	<u>light detection and ranging to aid with</u>			
44.5	<u>impaired waters modeling and TMDL</u>			
44.6	<u>implementation under Minnesota Statutes,</u>			
44.7	<u>chapter 114D. The money shall be used to</u>			
44.8	<u>collect data for areas of the state that have</u>			
44.9	<u>not acquired such data prior to January</u>			
44.10	<u>1, 2007, or to complete acquisition and</u>			
44.11	<u>distribution of the data for those areas of</u>			
44.12	<u>the state that have not previously received</u>			
44.13	<u>state funds for acquiring and distributing the</u>			
44.14	<u>data. The distribution of data acquired under</u>			
44.15	<u>this paragraph must be conducted under</u>			
44.16	<u>the auspices of the Minnesota Geospatial</u>			
44.17	<u>Information Office, which shall receive up</u>			
44.18	<u>to 2.5 percent of the appropriation in this</u>			
44.19	<u>paragraph to support coordination of data</u>			
44.20	<u>acquisition and distribution. Mapping and</u>			
44.21	<u>data set distribution under this paragraph</u>			
44.22	<u>must be completed within three years of</u>			
44.23	<u>funds availability. The commissioner shall</u>			
44.24	<u>utilize department staff whenever possible.</u>			
44.25	<u>The commissioner may contract for services</u>			
44.26	<u>only if the services cannot otherwise be</u>			
44.27	<u>provided by the department.</u>			
44.28	<u>(i) \$1,000,000 the first year is for</u>			
44.29	<u>implementation of the metropolitan</u>			
44.30	<u>groundwater monitoring and protection</u>			
44.31	<u>activities under Minnesota Laws 2010,</u>			
44.32	<u>chapter 361, article 2, section 4, subdivision</u>			
44.33	<u>2.</u>			
44.34	Sec. 7. <u>BOARD OF WATER AND SOIL</u>			
44.35	<u>RESOURCES</u>	<u>\$</u>	<u>27,534,000</u>	<u>\$</u> <u>27,534,000</u>

45.1 (a) \$13,750,000 the first year and
45.2 \$13,750,000 the second year are for
45.3 pollution reduction and restoration grants
45.4 to local government units and joint powers
45.5 organizations of local government units to
45.6 protect surface water and drinking water; to
45.7 keep water on the land; to protect, enhance,
45.8 and restore water quality in lakes, rivers,
45.9 and streams; and to protect groundwater
45.10 and drinking water, including feedlot water
45.11 quality and subsurface sewage treatment
45.12 system (SSTS) projects and stream bank,
45.13 stream channel, and shoreline restoration
45.14 projects. The projects must be of long-lasting
45.15 public benefit, include a match, and be
45.16 consistent with TMDL implementation plans
45.17 or local water management plans.

45.18 (b) \$3,000,000 the first year and \$3,000,000
45.19 the second year are for targeted local
45.20 resource protection and enhancement grants.
45.21 The board shall give priority consideration
45.22 to projects and practices that complement,
45.23 supplement, or exceed current state standards
45.24 for protection, enhancement, and restoration
45.25 of water quality in lakes, rivers, and streams
45.26 or that protect groundwater from degradation.
45.27 Of this amount, at least \$1,500,000 each year
45.28 is for SSTS county implementation.

45.29 (c) \$900,000 the first year and \$900,000 the
45.30 second year are to provide state oversight
45.31 and accountability, evaluate results, and
45.32 measure the value of conservation program
45.33 implementation by local governments,
45.34 including submission to the legislature
45.35 by March 1 each year an annual report
45.36 prepared by the board, in consultation with

46.1 the commissioners of natural resources,
46.2 health, agriculture, and the Pollution Control
46.3 Agency, detailing the recipients and projects
46.4 funded under this section. The board shall
46.5 require grantees to specify the outcomes that
46.6 will be achieved by the grants prior to any
46.7 grant awards.

46.8 (d) \$1,000,000 the first year and \$1,000,000
46.9 the second year are for technical assistance
46.10 and grants for the conservation drainage
46.11 program in consultation with the Drainage
46.12 Work Group that consists of projects to
46.13 retrofit existing drainage systems with
46.14 water quality improvement practices,
46.15 evaluate outcomes, and provide outreach
46.16 to landowners, public drainage authorities,
46.17 drainage engineers and contractors, and
46.18 others.

46.19 (e) \$6,000,000 the first year and \$6,000,000
46.20 the second year are to purchase and restore
46.21 permanent conservation easements on
46.22 riparian buffers adjacent to public waters,
46.23 excluding wetlands, to keep water on the
46.24 land in order to decrease sediment, pollutant,
46.25 and nutrient transport; reduce hydrologic
46.26 impacts to surface waters; and increase
46.27 infiltration for groundwater recharge. The
46.28 riparian buffers must be at least 50 feet
46.29 unless there is a natural impediment, a road,
46.30 or other impediment beyond the control
46.31 of the landowner. This appropriation may
46.32 be used for restoration of riparian buffers
46.33 protected by easements purchased with
46.34 this appropriation and for stream bank
46.35 restorations when the riparian buffers have
46.36 been restored.

47.1 (f) \$1,300,000 the first year and \$1,300,000
47.2 the second year are for permanent
47.3 conservation easements on wellhead
47.4 protection areas under Minnesota Statutes,
47.5 section 103F.515, subdivision 2, paragraph
47.6 (d). Priority must be placed on land that
47.7 is located where the vulnerability of the
47.8 drinking water supply is designated as high
47.9 or very high by the commissioner of health.

47.10 (g) \$1,500,000 the first year and \$1,500,000
47.11 the second year are for community partners
47.12 grants to local units of government for:
47.13 (1) structural or vegetative management
47.14 practices that reduce storm water runoff
47.15 from developed or disturbed lands to reduce
47.16 the movement of sediment, nutrients, and
47.17 pollutants for restoration, protection, or
47.18 enhancement of water quality in lakes, rivers,
47.19 and streams and to protect groundwater
47.20 and drinking water; and (2) installation
47.21 of proven and effective water retention
47.22 practices including, but not limited to, rain
47.23 gardens and other vegetated infiltration
47.24 basins and sediment control basins in order
47.25 to keep water on the land. The projects
47.26 must be of long-lasting public benefit,
47.27 include a local match, and be consistent with
47.28 TMDL implementation plans or local water
47.29 management plans. Local government unit
47.30 staff and administration costs may be used
47.31 as a match.

47.32 (h) \$84,000 the first year and \$84,000 the
47.33 second year are for a technical assistance
47.34 panel to conduct up to ten restoration audits
47.35 under Minnesota Statutes, section 114D.50,
47.36 subdivision 6.

48.1 (i) The board shall contract for services
48.2 with Conservation Corps Minnesota for
48.3 restoration, maintenance, and other activities
48.4 under this section for \$500,000 the first year
48.5 and \$500,000 the second year.

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

48.13 (k) The appropriations in this section are
48.14 available until spent.

48.15 Sec. 8. **DEPARTMENT OF HEALTH** **\$** **2,988,000** **\$** **3,050,000**

48.16 (a) \$1,020,000 the first year and \$1,020,000
48.17 the second year are for addressing public
48.18 health concerns related to contaminants
48.19 found in Minnesota drinking water for which
48.20 no health-based drinking water standard
48.21 exists.

48.22 (b) \$1,415,000 the first year and \$1,415,000
48.23 the second year are for protection of drinking
48.24 water sources.

48.25 (c) \$250,000 the first year and \$250,000 the
48.26 second year are for cost-share assistance to
48.27 public and private well owners for up to 50
48.28 percent of the cost of sealing unused wells.

48.29 (d) \$303,000 the first year and \$365,000 the
48.30 second year are to expand the county well
48.31 index.

48.32 Sec. 9. **METROPOLITAN COUNCIL** **\$** **500,000** **\$** **500,000**

49.1 \$500,000 the first year and \$500,000 the
49.2 second year are for implementation of the
49.3 master water supply plan developed under
49.4 Minnesota Statutes, section 473.1565.

49.5	Sec. 10. <u>LEGISLATURE</u>	<u>\$</u>	<u>14,000</u>	<u>\$</u>	<u>-0-</u>
------	-----------------------------	-----------	---------------	-----------	------------

49.6 \$14,000 the first year is for the Legislative
49.7 Coordinating Commission for the costs of
49.8 developing and implementing a Web site to
49.9 contain information on projects receiving
49.10 appropriations from the clean water fund and
49.11 other constitutionally dedicated funds.

49.12 Sec. 11. **CARRYFORWARD**

49.13 (a) The appropriations in Laws 2009, chapter
49.14 172, article 2, section 4, paragraph (g), as
49.15 amended by Laws 2010, chapter 361, article
49.16 2, section 2, are available until June 30,
49.17 2013, and may be spent to continue research
49.18 and testing on the potential for coal tar
49.19 contamination of waters, on the study of
49.20 treatment and disposal options, and for grants
49.21 to local units of government.

49.22 (b) The appropriation in Laws 2010, chapter
49.23 361, article 2, section 4, subdivision 1, for
49.24 nitrogen and nitrate water quality standards
49.25 rulemaking is available until June 30, 2012.

49.26 (c) The appropriations in Laws 2009, chapter
49.27 172, article 2, section 4, paragraph (a),
49.28 as amended by Laws 2010, chapter 361,
49.29 article 2, section 2, for total maximum
49.30 daily load (TMDL) study development and
49.31 implementation are available until June 30,
49.32 2014.

50.1 (d) The appropriations in Laws 2009, chapter
50.2 172, article 2, section 2, paragraph (d),
50.3 for research and pilot projects related to
50.4 ways agricultural practices contribute to
50.5 restoring impaired waters and assist with the
50.6 development of TMDL plans, are available
50.7 until spent.

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

50.9 **114D.10 LEGISLATIVE PURPOSE AND FINDINGS.**

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

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

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

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

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

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

50.29 Subdivision 1. **Coordination and cooperation.** In implementing this chapter,
50.30 public agencies and private entities shall take into consideration the relevant provisions of
50.31 local and other applicable water management, conservation, land use, land management,
50.32 and development plans and programs. Public agencies with authority for local water
50.33 management, conservation, land use, land management, and development plans shall
50.34 take into consideration the manner in which their plans affect the implementation of

51.1 this chapter. Public agencies shall identify opportunities to participate and assist in the
51.2 successful implementation of this chapter, including the funding or technical assistance
51.3 needs, if any, that may be necessary. In implementing this chapter, public agencies shall
51.4 endeavor to engage the cooperation of organizations and individuals whose activities
51.5 affect the quality of groundwater or surface waters, including point and nonpoint sources
51.6 of pollution, and who have authority and responsibility for water management, planning,
51.7 and protection. To the extent practicable, public agencies shall endeavor to enter into
51.8 formal and informal agreements and arrangements with federal agencies and departments
51.9 to jointly utilize staff and educational, technical, and financial resources to deliver
51.10 programs or conduct activities to achieve the intent of this chapter, including efforts
51.11 under the federal Clean Water Act and other federal farm and soil and water conservation
51.12 programs. Nothing in this chapter affects the application of silvicultural exemptions under
51.13 any federal, state, or local law or requires silvicultural practices more stringent than those
51.14 recommended in the timber harvesting and forest management guidelines adopted by the
51.15 Minnesota Forest Resources Council under section 89A.05.

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

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

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

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

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

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

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

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

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

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

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

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

52.4 (1) develop regional and watershed TMDL's and TMDL implementation plans, and
52.5 TMDL's and TMDL implementation plans for multiple pollutants, where reasonable and
52.6 feasible;

52.7 (2) maximize use of available organizational, technical, and financial resources to
52.8 perform sampling, monitoring, and other activities to identify degraded groundwater and
52.9 impaired waters, including use of citizen monitoring and citizen monitoring data used
52.10 by the Pollution Control Agency in assessing water quality ~~must meet~~ that meets the
52.11 requirements in Appendix D of the Volunteer Surface Water Monitoring Guide, Minnesota
52.12 Pollution Control Agency (2003);

52.13 (3) maximize opportunities for restoration of degraded groundwater and impaired
52.14 waters, by prioritizing and targeting of available programmatic, financial, and technical
52.15 resources and by providing additional state resources to complement and leverage
52.16 available resources;

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

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

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

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

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

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

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

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

53.6 (1) coordinate with and utilize existing local authorities and infrastructure for
53.7 implementation;

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

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

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

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

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

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

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

53.23 **114D.30 CLEAN WATER COUNCIL.**

53.24 Subdivision 1. **Creation; duties.** A Clean Water Council is created to advise on the
53.25 administration and implementation of this chapter, and foster coordination and cooperation
53.26 as described in section 114D.20, subdivision 1. The council may also advise on the
53.27 development of appropriate processes for expert scientific review as described in section
53.28 114D.35, subdivision 2. The Pollution Control Agency shall provide administrative
53.29 support for the council with the support of other member agencies. The members of the
53.30 council shall elect a chair from the ~~nonagency voting~~ members of the council.

53.31 Subd. 2. **Membership; appointment.** (a) The commissioners of natural resources,
53.32 agriculture, health, and the Pollution Control Agency, and the executive director of the
53.33 Board of Water and Soil Resources shall each appoint one person from their respective
53.34 agency to serve as a nonvoting member of the council. ~~Agency members serve as~~

54.1 ~~nonvoting members of the council.~~ Two members of the house of representatives,
54.2 including one member from the majority party and one member from the minority party,
54.3 appointed by the speaker and two senators, including one member from the majority
54.4 party and one member from the minority party, appointed according to the rules of the
54.5 senate shall serve at the pleasure of the appointing authority as nonvoting members of
54.6 the council. Agency and legislative members appointed under this paragraph serve as
54.7 nonvoting members of the council.

54.8 (b) Nineteen additional nonagency voting members of the council shall be appointed
54.9 by the governor as follows:

- 54.10 (1) two members representing statewide farm organizations;
54.11 (2) two members representing business organizations;
54.12 (3) two members representing environmental organizations;
54.13 (4) one member representing soil and water conservation districts;
54.14 (5) one member representing watershed districts;
54.15 (6) one member representing nonprofit organizations focused on improvement of
54.16 Minnesota lakes or streams;
54.17 (7) two members representing organizations of county governments, one member
54.18 representing the interests of rural counties and one member representing the interests of
54.19 counties in the seven-county metropolitan area;
54.20 (8) two members representing organizations of city governments;
54.21 (9) one member representing the Metropolitan Council established under section
54.22 473.123;
54.23 (10) one member representing township ~~officer~~ officers;
54.24 (11) one member representing the interests of tribal governments;
54.25 (12) one member representing statewide hunting organizations;
54.26 (13) one member representing the University of Minnesota or a Minnesota state
54.27 university; and
54.28 (14) one member representing statewide fishing organizations.

54.29 Members appointed under ~~clauses (1) to (14)~~ this paragraph must not be registered
54.30 lobbyists or legislators. In making appointments, the governor must attempt to provide for
54.31 geographic balance. The members of the council appointed by the governor are subject
54.32 to the advice and consent of the senate.

54.33 Subd. 3. **Conflict of interest.** A Clean Water Council member may not participate
54.34 in or vote on a decision of the council relating to an organization in which the member has
54.35 either a direct or indirect personal financial interest. While serving on the Clean Water
54.36 Council, a member shall avoid any potential conflict of interest.

Subd. 4. **Terms; compensation; removal.** ~~The initial terms of members representing state agencies and the Metropolitan Council expire on the first Monday in January 2007. Thereafter,~~ The terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor. The terms of other nonlegislative members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of nonlegislative council members is as provided in section 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,

57.1 and others regarding the identification of impaired waters, development of TMDL's,
57.2 development of TMDL implementation plans, ~~and~~ implementation of restoration for
57.3 impaired waters, identification of degraded groundwater, and protection and restoration
57.4 of groundwater resources. Public agencies shall be responsible for implementing the
57.5 strategies.

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

57.7 **116.195 BENEFICIAL USE OF WASTEWATER AND STORM WATER;**
57.8 **CAPITAL GRANTS FOR DEMONSTRATION PROJECTS.**

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

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

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

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

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

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

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

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

57.32 The agency must consult with the Public Facilities Authority and the commissioner
57.33 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.

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

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

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

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

(a) \$9,000,000 the first year and \$9,000,000 the second year are to develop total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDLs each year over the biennium. Of this amount, \$348,000 the first year is to retest the comprehensive assessment of the biological conditions of the lower Minnesota River and its tributaries within the Lower

59.1 Minnesota River Major Watershed, as
59.2 previously assessed from 1976 to 1992 under
59.3 the Minnesota River Assessment Project
59.4 (MRAP). The assessment must include the
59.5 same fish species sampling at the same 116
59.6 locations and the same macroinvertebrate
59.7 sampling at the same 41 locations as the
59.8 MRAP assessment. The assessment must:
59.9 (1) include an analysis of the findings; and
59.10 (2) identify factors that limit aquatic life in
59.11 the Minnesota River.

59.12 Of this amount, \$250,000 the first year is
59.13 for a pilot project for the development of
59.14 total maximum daily load (TMDL) studies
59.15 conducted on a watershed basis within
59.16 the Buffalo River watershed in order to
59.17 protect, enhance, and restore water quality
59.18 in lakes, rivers, and streams. The pilot
59.19 project shall include all necessary field
59.20 work to develop TMDL studies for all
59.21 impaired subwatersheds within the Buffalo
59.22 River watershed and provide information
59.23 necessary to complete reports for most of the
59.24 remaining watersheds, including analysis of
59.25 water quality data, identification of sources
59.26 of water quality degradation and stressors,
59.27 load allocation development, development
59.28 of reports that provide protection plans
59.29 for subwatersheds that meet water quality
59.30 standards, and development of reports that
59.31 provide information necessary to complete
59.32 TMDL studies for subwatersheds that do not
59.33 meet water quality standards, but are not
59.34 listed as impaired.

60.1 (b) \$500,000 the first year is for development
60.2 of an enhanced TMDL database to manage
60.3 and track progress. Of this amount, \$63,000
60.4 the first year is to promulgate rules. By
60.5 November 1, 2010, the commissioner shall
60.6 submit a report to the chairs of the house of
60.7 representatives and senate committees with
60.8 jurisdiction over environment and natural
60.9 resources finance on the outcomes achieved
60.10 with this appropriation.

60.11 (c) \$1,500,000 the first year and \$3,169,000
60.12 the second year are for grants under
60.13 Minnesota Statutes, section 116.195, to
60.14 political subdivisions for up to 50 percent of
60.15 the costs to predesign, design, and implement
60.16 capital projects that use storm water or
60.17 treated municipal wastewater instead of
60.18 groundwater from drinking water aquifers,
60.19 in order to demonstrate the beneficial use
60.20 of wastewater or storm water, including
60.21 the conservation and protection of water
60.22 resources. Of this amount, \$1,000,000 the
60.23 first year is for grants to ethanol plants that
60.24 are within one and one-half miles of a city for
60.25 improvements that use storm water or reuse
60.26 greater than 300,000 gallons of wastewater
60.27 per day. This appropriation is available until
60.28 spent.

60.29 (d) \$1,125,000 the first year and \$1,125,000
60.30 the second year are for groundwater
60.31 assessment and drinking water protection to
60.32 include:

60.33 (1) the installation and sampling of at least
60.34 30 new monitoring wells;

61.1 (2) the analysis of samples from at least 40
61.2 shallow monitoring wells each year for the
61.3 presence of endocrine disrupting compounds;
61.4 and

61.5 (3) the completion of at least four to
61.6 five groundwater models for TMDL and
61.7 watershed plans.

61.8 (e) \$2,500,000 the first year is for the clean
61.9 water partnership program. Priority shall be
61.10 given to projects preventing impairments and
61.11 degradation of lakes, rivers, streams, and
61.12 groundwater in accordance with Minnesota
61.13 Statutes, section 114D.20, subdivision 2,
61.14 clause (4). Any balance remaining in the first
61.15 year does not cancel and is available for the
61.16 second year.

61.17 (f) \$896,000 the first year is to establish
61.18 a network of water monitoring sites, to
61.19 include at least 20 additional sites, in public
61.20 waters adjacent to wastewater treatment
61.21 facilities across the state to assess levels of
61.22 endocrine-disrupting compounds, antibiotic
61.23 compounds, and pharmaceuticals as required
61.24 in this article. The data must be placed on
61.25 the agency's Web site.

61.26 (g) \$155,000 the first year is to provide
61.27 notification of the potential for coal tar
61.28 contamination, establish a storm water
61.29 pond inventory schedule, and develop best
61.30 management practices for treating and
61.31 cleaning up contaminated sediments as
61.32 required in this article. \$490,000 the second
61.33 year is to provide grants to local units of
61.34 government for up to 50 percent of the costs
61.35 to implement best management practices to

62.1 treat or clean up contaminated sediments
62.2 in storm water ponds and other waters as
62.3 defined under this article. Local governments
62.4 must have adopted an ordinance for the
62.5 restricted use of undiluted coal tar sealants
62.6 in order to be eligible for a grant, unless a
62.7 statewide restriction has been implemented.
62.8 A grant awarded under this paragraph must
62.9 not exceed \$100,000. Up to \$145,000 of the
62.10 appropriation in the second year may be used
62.11 to complete work required under section 28,
62.12 paragraph (c).

62.13 (h) \$350,000 the first year and \$600,000 the
62.14 second year are for a restoration project in
62.15 the lower St. Louis River and Duluth harbor
62.16 in order to improve water quality. This
62.17 appropriation must be matched by nonstate
62.18 money at a rate of at least \$2 for every \$1 of
62.19 state money.

62.20 (i) \$150,000 the first year and \$196,000 the
62.21 second year are for grants to the Red River
62.22 Watershed Management Board to enhance
62.23 and expand existing river watch activities in
62.24 the Red River of the North. The Red River
62.25 Watershed Management Board shall provide
62.26 a report that includes formal evaluation
62.27 results from the river watch program to the
62.28 commissioners of education and the Pollution
62.29 Control Agency and to the legislative natural
62.30 resources finance and policy committees
62.31 and K-12 finance and policy committees by
62.32 February 15, 2011.

62.33 (j) \$200,000 the first year and \$300,000 the
62.34 second year are for coordination with the
62.35 state of Wisconsin and the National Park

63.1 Service on comprehensive water monitoring
63.2 and phosphorus reduction activities in the
63.3 Lake St. Croix portion of the St. Croix
63.4 River. The Pollution Control Agency
63.5 shall work with the St. Croix Basin Water
63.6 Resources Planning Team and the St. Croix
63.7 River Association in implementing the
63.8 water monitoring and phosphorus reduction
63.9 activities. This appropriation is available
63.10 to the extent matched by nonstate sources.
63.11 Money not matched by November 15, 2010,
63.12 cancels for this purpose and is available for
63.13 the purposes of paragraph (a).

63.14 (k) \$7,500,000 the first year and \$7,500,000
63.15 the second year are for completion of 20
63.16 percent of the needed statewide assessments
63.17 of surface water quality and trends. Of this
63.18 amount, \$175,000 the first year and \$200,000
63.19 the second year are for monitoring and
63.20 analyzing endocrine disruptors in surface
63.21 waters.

63.22 (l) \$100,000 the first year and \$150,000
63.23 the second year are for civic engagement
63.24 in TMDL development. The agency shall
63.25 develop a plan for expenditures under
63.26 this paragraph. The agency shall give
63.27 consideration to civic engagement proposals
63.28 from basin or sub-basin organizations,
63.29 including the Mississippi Headwaters Board,
63.30 the Minnesota River Joint Powers Board,
63.31 Area II Minnesota River Basin Projects,
63.32 and the Red River Basin Commission.
63.33 By November 15, 2009, the plan shall be
63.34 submitted to the house and senate chairs
63.35 and ranking minority members of the
63.36 environmental finance divisions.

64.1 (m) \$5,000,000 the second year is for
64.2 groundwater protection or prevention of
64.3 groundwater degradation activities. By
64.4 January 15, 2010, the commissioner, in
64.5 consultation with the commissioner of
64.6 natural resources, the Board of Water and
64.7 Soil Resources, and other agencies, shall
64.8 submit a report to the chairs of the house of
64.9 representatives and senate committees with
64.10 jurisdiction over the clean water fund on the
64.11 intended use of these funds. The legislature
64.12 must approve expenditure of these funds by
64.13 law.

64.14 Notwithstanding Minnesota Statutes, section
64.15 16A.28, the appropriations encumbered on or
64.16 before June 30, 2011, as grants or contracts in
64.17 this section are available until June 30, 2013.

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

64.19 Sec. 22. Laws 2010, chapter 361, article 2, section 3, is amended to read:

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

64.21 The appropriations in fiscal years ~~2011~~ 2010 and ~~2012~~ 2011 to the Department of
64.22 Natural Resources for high-resolution digital elevation data in Laws 2009, chapter 172,
64.23 article 2, section 5, paragraph (d), are available until June 30, 2012.

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

64.25 Sec. 23. **CIVIC ENGAGEMENT AND PUBLIC EDUCATION.**

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

64.28 Sec. 24. **REPEALER.**

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

ARTICLE 3

PARKS AND TRAILS FUND

Section 1. PARKS AND TRAILS FUND APPROPRIATIONS.

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

Subdivision 1. <u>Total Appropriation</u>	\$	<u>38,637,000</u>	\$	<u>38,630,000</u>
---	----	-------------------	----	-------------------

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

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must 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, 2014, and fiscal year 2013 appropriations are available until June 30, 2015. If a project receives federal funds, the

67.1 (2) \$175,000 the first year is for a grant to the
67.2 Greater Minnesota Regional Park and Trail
67.3 Coalition to: define and develop information,
67.4 including the number of users and potential
67.5 users of greater Minnesota regional parks
67.6 and trails; collect and compile details on
67.7 the facilities within the greater Minnesota
67.8 regional park system; and develop a plan for
67.9 high priority park and trail acquisition and
67.10 development opportunities. No local match
67.11 is required for this grant.

67.12 Up to 2.5 percent of the total appropriation
67.13 may be used for administering the grants.

67.14 (d) \$38,000 the first year and \$38,000 the
67.15 second year are for a technical assistance
67.16 panel to conduct up to ten restoration audits
67.17 under Minnesota Statutes, section 85.53,
67.18 subdivision 5.

67.19 (e) The commissioner shall contract for
67.20 services with Conservation Corps Minnesota
67.21 for restoration, maintenance, and other
67.22 activities under this section for at least
67.23 \$1,000,000 the first year and \$1,000,000 the
67.24 second year.

67.25 (f) The commissioner of natural resources
67.26 shall convene and facilitate a working
67.27 group of nine members to develop
67.28 recommendations for the allocation of the
67.29 parks and trails fund. The working group
67.30 shall have representatives from metropolitan
67.31 parks and trails, greater Minnesota parks
67.32 and trails, and the Department of Natural
67.33 Resources Parks and Trails Division. The
67.34 recommendations shall be submitted no later
67.35 than November 15, 2012, and presented to

68.1 the governor for consideration in the budget
68.2 for fiscal years 2014 and 2015.

68.3	Sec. 4. <u>METROPOLITAN COUNCIL</u>	\$	14,962,000	\$	15,437,000
------	-------------------------------------	----	------------	----	------------

68.4 (a) \$14,962,000 the first year and
68.5 \$15,437,000 the second year are to be
68.6 distributed as required under Minnesota
68.7 Statutes, section 85.53, subdivision 3.

68.8 (b) Grant agreements entered into by the
68.9 Metropolitan Council and recipients of
68.10 money appropriated under this section shall
68.11 ensure that the funds are used to supplement
68.12 and not substitute for traditional sources of
68.13 funding.

68.14	Sec. 5. LEGISLATURE	\$	7,000	\$	-0-
-------	---------------------	----	-------	----	-----

68.15 \$7,000 the first year is for the Legislative
68.16 Coordinating Commission for the costs of
68.17 developing and implementing a Web site to
68.18 contain information on projects receiving
68.19 appropriations from the parks and trails fund
68.20 and other constitutionally dedicated funds.

68.21 Sec. 6. Minnesota Statutes 2010, section 85.013, is amended by adding a subdivision

68.22 to read:

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

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

68.25 Subdivision 1. LaSalle Lake State Recreation Area, Hubbard County. The

68.26 LaSalle Lake State Recreation Area is established in Hubbard County.

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

68.29 (1) the Southwest Quarter of the Southwest Quarter and the Northwest Quarter of the
68.30 Southwest Quarter, except the East 10 acres thereof, of Section 29; the Northeast Quarter
68.31 of the Northeast Quarter, the Northwest Quarter of the Northeast Quarter, the Southwest
68.32 Quarter of the Northeast Quarter, the Northeast Quarter of the Southwest Quarter, the

Southeast Quarter of the Northwest Quarter, the Southeast Quarter of the Northeast Quarter, and Government Lots 2, 3, 4, 5, 6, 7, 8, and 9, of Section 30; Government Lots 1, 2, 5, 6, 7, 8, 9, and 10, of Section 31; and Government Lots 1 and 4 of Section 32; all in Township 145 North, Range 35 West; and

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

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

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

By March 1, 2012, the commissioner of natural resources shall submit a report to the senate and house of representatives committees and divisions with jurisdiction over natural resources policy and finance evaluating options for the management of the resort within the LaSalle Lake State Recreation Area, including an evaluation of the option to lease the resort to a nonstate entity. The evaluation shall include potential financial arrangements or mechanisms that would make the equivalent of local taxes or payments in 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>\$</u>	<u>52,537,000</u>	<u>\$</u>	<u>48,729,000</u>
--	------------------	--------------------------	------------------	--------------------------

70.1 The amounts that may be spent for each
70.2 purpose are specified in the following
70.3 subdivisions.
70.4 Subd. 2. **Availability of Appropriation**

70.5 Money appropriated in this article may
70.6 not be spent on activities unless they are
70.7 directly related to and necessary for a specific
70.8 appropriation. Money appropriated in this
70.9 article must not be spent on indirect costs
70.10 or other institutional overhead charges that
70.11 are not directly related to and necessary for
70.12 a specific appropriation. Notwithstanding
70.13 Minnesota Statutes, section 16A.28, and
70.14 unless otherwise specified in this article,
70.15 fiscal year 2012 appropriations are available
70.16 until June 30, 2013, and fiscal year 2013
70.17 appropriations are available until June 30,
70.18 2014. If a project receives federal funds, the
70.19 time period of the appropriation is extended
70.20 to equal the availability of federal funding.

70.21 <u>Subd. 3. Minnesota State Arts Board</u>	<u>21,824,000</u>	<u>21,824,000</u>
---	-------------------	-------------------

70.22 These amounts are appropriated to the
70.23 Minnesota State Arts Board for arts, arts
70.24 education, and arts access. Grant agreements
70.25 entered into by the Minnesota State Arts
70.26 Board and other recipients of appropriations
70.27 in this subdivision shall ensure that
70.28 these funds are used to supplement and
70.29 not substitute for traditional sources of
70.30 funding. Appropriations made directly
70.31 to the Minnesota State Arts Board shall
70.32 supplement, and shall not substitute for,
70.33 traditional sources of funding. Each grant
70.34 program established within this appropriation
70.35 shall be separately administered from other

71.1 state appropriations for program planning
71.2 and outcome measurements, but may take
71.3 into consideration other state resources
71.4 awarded in the selection of applicants and
71.5 grant award size.

71.6 **Arts and Arts Access Initiatives.**

71.7 \$16,660,000 the first year and \$16,660,000
71.8 the second year are to support Minnesota
71.9 artists and arts organizations in creating,
71.10 producing, and presenting high-quality arts
71.11 activities; to overcome barriers to accessing
71.12 high-quality arts activities; and to instill the
71.13 arts into the community and public life in
71.14 this state.

71.15 A portion of these funds may be used to:

71.16 (1) pay attendance fees and travel costs
71.17 for youth to visit art museums, arts
71.18 performances, or other arts activities; or

71.19 (2) bring artists to schools, libraries, or other
71.20 community centers or organizations for
71.21 teaching, training, or performance purposes.

71.22 **Arts Education.** \$3,450,000 the first year
71.23 and \$3,450,000 the second year are for
71.24 high-quality, age-appropriate arts education
71.25 for Minnesotans of all ages to develop
71.26 knowledge, skills, and understanding of the
71.27 arts.

71.28 A portion of this appropriation may be used
71.29 for grants to school districts to provide
71.30 materials or resources to teachers, students,
71.31 and parents to promote achievement of K-12
71.32 academic standards in the arts.

71.33 **Arts and Cultural Heritage.** \$1,080,000
71.34 the first year and \$1,080,000 the second year

72.1	<u>are for events and activities that represent the</u>		
72.2	<u>diverse cultural arts traditions, including folk</u>		
72.3	<u>and traditional artists and art organizations,</u>		
72.4	<u>represented in this state.</u>		
72.5	<u>Administration, Fiscal Oversight, and</u>		
72.6	<u>Accountability.</u> <u>\$634,000 the first year</u>		
72.7	<u>and \$634,000 the second year are for</u>		
72.8	<u>administration of grant programs, delivering</u>		
72.9	<u>technical services, providing fiscal oversight</u>		
72.10	<u>for the statewide system, and ensuring</u>		
72.11	<u>accountability for these state resources.</u>		
72.12	<u>Census.</u> <u>The Minnesota State Arts Board, in</u>		
72.13	<u>partnership with regional arts councils, shall</u>		
72.14	<u>maintain a census of Minnesota artists and</u>		
72.15	<u>artistic organizations.</u>		
72.16	<u>Thirty percent of the total appropriated to</u>		
72.17	<u>each of the categories established in this</u>		
72.18	<u>subdivision is for grants to the regional arts</u>		
72.19	<u>councils. This percentage does not apply to</u>		
72.20	<u>administrative costs.</u>		
72.21	<u>Subd. 4. Department of Education</u>	<u>3,455,000</u>	<u>3,455,000</u>
72.22	<u>These amounts are appropriateded to the</u>		
72.23	<u>commissioner of education for grants</u>		
72.24	<u>allocated using existing formulas under</u>		
72.25	<u>Minnesota Statutes, section 134.355, to the</u>		
72.26	<u>12 Minnesota regional library systems, to</u>		
72.27	<u>provide educational opportunities in the arts,</u>		
72.28	<u>history, literary arts, and cultural heritage</u>		
72.29	<u>of Minnesota. These funds may be used</u>		
72.30	<u>to sponsor programs provided by regional</u>		
72.31	<u>libraries or to provide grants to local arts and</u>		
72.32	<u>cultural heritage programs for programs in</u>		
72.33	<u>partnership with regional libraries.</u>		
72.34	<u>Subd. 5. Minnesota Historical Society</u>	<u>12,250,000</u>	<u>12,250,000</u>

73.1 These amounts are appropriated to the
73.2 governing board of the Minnesota Historical
73.3 Society to preserve and enhance access to
73.4 Minnesota's history and its cultural and
73.5 historical resources. Grant agreements
73.6 entered into by the Minnesota Historical
73.7 Society and other recipients of appropriations
73.8 in this subdivision shall ensure that
73.9 these funds are used to supplement and
73.10 not substitute for traditional sources of
73.11 funding. Funds directly appropriated to the
73.12 Minnesota Historical Society shall be used to
73.13 supplement, and not substitute for, traditional
73.14 sources of funding. Notwithstanding
73.15 Minnesota Statutes, section 16A.28, for
73.16 historic preservation projects that improve
73.17 historic structures, the amounts are available
73.18 until June 30, 2015.

73.19 **Statewide Historic and Cultural Grants.**
73.20 \$5,250,000 the first year and \$5,250,000
73.21 the second year are for history programs
73.22 and projects operated or conducted by or
73.23 through local, county, regional, or other
73.24 historical or cultural organizations; or for
73.25 activities to preserve significant historic
73.26 and cultural resources. Funds are to be
73.27 distributed through a competitive grants
73.28 process. The Minnesota Historical Society
73.29 shall administer these funds using established
73.30 grants mechanisms, with assistance from
73.31 the advisory committee created under Laws
73.32 2009, chapter 172, article 4, section 2,
73.33 subdivision 4, paragraph (b), item (ii).

73.34 **Programs.** \$5,000,000 the first year and
73.35 \$5,000,000 the second year are for programs
73.36 and purposes related to the historical and

74.1 cultural heritage of the state of Minnesota,
74.2 conducted by the Minnesota Historical
74.3 Society.

74.4 **History Partnerships.** \$1,500,000 the
74.5 first year and \$1,500,000 the second year
74.6 are for partnerships involving multiple
74.7 organizations, which may include the
74.8 Minnesota Historical Society, to preserve and
74.9 enhance access to Minnesota's history and
74.10 cultural heritage in all regions of the state.

74.11 **Statewide Survey of Historical and**
74.12 **Archaeological Sites.** \$250,000 the first
74.13 year and \$250,000 the second year are
74.14 for a contract or contracts to be let on a
74.15 competitive basis to conduct statewide
74.16 surveys of Minnesota's sites of historical,
74.17 archaeological, and cultural significance.

74.18 Results of this survey must be published in
74.19 a searchable form, available to the public on
74.20 a cost-free basis. The Minnesota Historical
74.21 Society, the Office of the State Archaeologist,
74.22 and the Indian Affairs Council shall each
74.23 appoint a representative to an oversight
74.24 board to select contractors and direct the
74.25 conduct of these surveys. The oversight
74.26 board shall consult with the Departments of
74.27 Transportation and Natural Resources.

74.28 **Digital Library.** \$250,000 the first year and
74.29 \$250,000 the second year are for a digital
74.30 library project to preserve, digitize, and share
74.31 Minnesota images, documents, and historical
74.32 materials. The Minnesota Historical Society
74.33 shall cooperate with the Minitex interlibrary
74.34 loan system and shall jointly share this
74.35 appropriation for these purposes.

75.1	<u>Subd. 6. Department of Administration</u>	<u>10,200,000</u>	<u>6,400,000</u>
75.2	<u>These amounts are appropriateded to the</u>		
75.3	<u>commissioner of administration for grants</u>		
75.4	<u>to the named organizations for the purposes</u>		
75.5	<u>specified in this subdivision. Up to one</u>		
75.6	<u>percent of funds may be used by the</u>		
75.7	<u>commissioner for grants administration.</u>		
75.8	<u>Grant agreements entered into by</u>		
75.9	<u>the commissioner and recipients of</u>		
75.10	<u>appropriations in this subdivision must</u>		
75.11	<u>ensure that money appropriated in this</u>		
75.12	<u>subdivision is used to supplement and not</u>		
75.13	<u>substitute for traditional sources of funding.</u>		
75.14	<u>Public Broadcasting Grants. \$6,400,000</u>		
75.15	<u>the first year and \$6,400,000 the second</u>		
75.16	<u>year are for a competitive Arts and</u>		
75.17	<u>Cultural Heritage Grants Program-Public</u>		
75.18	<u>Broadcasting.</u>		
75.19	<u>The commissioner shall solicit proposals</u>		
75.20	<u>and award grants to entities that create,</u>		
75.21	<u>produce, acquire, or distribute programs that</u>		
75.22	<u>educate, enhance, or promote local, regional,</u>		
75.23	<u>or statewide items of artistic, cultural, or</u>		
75.24	<u>historic significance. The commissioner</u>		
75.25	<u>shall give preference to projects that</u>		
75.26	<u>expand Minnesotans' access to knowledge,</u>		
75.27	<u>information, arts, state history, or cultural</u>		
75.28	<u>heritage.</u>		
75.29	<u>Veterans Camps. \$3,250,000 the first year</u>		
75.30	<u>is for grants of \$2,400,000 to the Disabled</u>		
75.31	<u>Veterans Rest Camp located on Big Marine</u>		
75.32	<u>Lake in Washington County and \$850,000 to</u>		
75.33	<u>the Veterans on the Lake Resort located on</u>		
75.34	<u>Fall Lake in St. Louis County.</u>		

77.1 The commissioner shall solicit proposals
77.2 and award grants to zoos for projects and
77.3 programs that promote the arts or preserve
77.4 Minnesota's history and cultural heritage.
77.5 The commissioner shall give preference to
77.6 projects and programs that incorporate arts,
77.7 culture, and history into zoo programming
77.8 or that increase knowledge and awareness
77.9 of the way that history and culture affect
77.10 people's lives and that illustrate how that
77.11 knowledge can help Minnesotans make
77.12 informed decisions for the future.
77.13 Subd. 8. Minnesota Humanities Center 3,700,000 3,700,000

77.14 These amounts are appropriated to the board
77.15 of directors of the Minnesota Humanities
77.16 Center for the purposes specified in this
77.17 subdivision.

77.18 **Programs and Purposes.** \$325,000 the first
77.19 year and \$325,000 the second year are for
77.20 programs and purposes of the Minnesota
77.21 Humanities Center.

77.22 The Minnesota Humanities Center may
77.23 consider museums and organizations
77.24 celebrating the identities of Minnesotans for
77.25 grants from these funds. The Minnesota
77.26 Humanities Center may develop a written
77.27 plan for the competitive issuance of these
77.28 grants and, if developed, shall submit
77.29 that plan for review and approval by the
77.30 Department of Administration.

77.31 **Councils of Color.** \$500,000 the first
77.32 year and \$500,000 the second year are for
77.33 competitive grants to the Council on Asian
77.34 Pacific Minnesotans, the Council on Black
77.35 Minnesotans, the Indian Affairs Council, and

78.1	<u>the Chicano Latino Affairs Council. Grants</u>		
78.2	<u>are for programs and cooperation between</u>		
78.3	<u>the Minnesota Humanities Center and the</u>		
78.4	<u>grant recipients for community events and</u>		
78.5	<u>programs that celebrate and preserve artistic,</u>		
78.6	<u>historical, and cultural heritage.</u>		
78.7	<u>Humanities Grants.</u> <u>\$2,875,000 the first</u>		
78.8	<u>year and \$2,875,000 the second year are for</u>		
78.9	<u>a competitive Arts and Cultural Heritage</u>		
78.10	<u>Grants Program-Humanities.</u>		
78.11	<u>The board of directors shall solicit proposals</u>		
78.12	<u>and award grants to entities for projects</u>		
78.13	<u>and programs that maintain or promote</u>		
78.14	<u>our cultural heritage. The board shall fund</u>		
78.15	<u>programs and projects that collectively</u>		
78.16	<u>preserve both our tangible and intangible</u>		
78.17	<u>cultural heritage as well as those that</u>		
78.18	<u>recognize museums as venues for arts and</u>		
78.19	<u>cultural experiences.</u>		
78.20	<u>Subd. 9. Perpich Center For Arts Education</u>	<u>.....</u>	<u>.....</u>
78.21	<u>These amounts are appropriated to the board</u>		
78.22	<u>of directors of the Perpich Center for Arts</u>		
78.23	<u>Education for arts, arts education, and arts</u>		
78.24	<u>access and to preserve Minnesota's history</u>		
78.25	<u>and cultural heritage.</u>		
78.26	<u>Notwithstanding Minnesota Statutes, section</u>		
78.27	<u>16A.28, the appropriations encumbered on or</u>		
78.28	<u>before June 30, 2013, as grants or contracts</u>		
78.29	<u>in this subdivision are available until June</u>		
78.30	<u>30, 2015.</u>		
78.31	<u>Subd. 10. Legislature</u>	<u>8,000</u>	<u>0</u>
78.32	<u>These amounts are appropriated to the</u>		
78.33	<u>Legislative Coordinating Commission to</u>		
78.34	<u>operate the Web site for dedicated funds</u>		

79.1 required under Minnesota Statutes, section
79.2 3.303, subdivision 10.

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

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

79.6 (b) "Commission" means the State Capitol Preservation Commission created under
79.7 this section.

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

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

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

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

79.15 (1) the governor;

79.16 (2) the lieutenant governor;

79.17 (3) the attorney general;

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

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

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

79.24 (7) two members of the senate, including one member from the majority party
79.25 appointed by the majority leader and one member from the minority party appointed by
79.26 the minority leader;

79.27 (8) two members of the house of representatives, including one member appointed
79.28 by the speaker of the house and one member from the minority party appointed by the
79.29 minority leader;

79.30 (9) the chair and ranking minority member of the house of representatives committee
79.31 with jurisdiction over capital investment and the chair and ranking minority member of
79.32 the senate committee with jurisdiction over capital investment;

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

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

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

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

80.5 (14) four public members appointed by the governor.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

82.4 The board shall:

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

82.8 (2) review and approve plans and specifications and any changes to approved plans
82.9 and specifications involving the alteration of the public and ceremonial areas and the
82.10 exterior of the Capitol building;

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

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

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

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

82.19 (1) maintain and operate the Capitol building and grounds according to section
82.20 16B.24 and other applicable law;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

84.14 The Minnesota Historical Society shall:

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

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

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

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

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

84.28 Subd. 5. **Report.** The working group must report its findings and recommendations,
84.29 including draft legislation, if necessary, to the Indian Affairs Council and the chairs and
84.30 ranking minority members of the legislative committees and divisions with jurisdiction
84.31 over early childhood through grade 12 education ~~and~~ higher education, and arts and
84.32 cultural heritage policy or finance by February 15, 2011, and again by February 15, 2012.
84.33 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.

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

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

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

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

87.17 (c) ~~At~~ A state agency or other recipient of a direct appropriation from the parks and
87.18 trails fund must compile and submit all information for funded projects or programs,
87.19 including the proposed measurable outcomes and all other items required under section
87.20 3.303, subdivision 10, must be made available on to the Legislative Coordinating
87.21 Commission as soon as practicable or by the deadline specified in the enabling law,
87.22 whichever comes first. The Legislative Coordinating Commission must post submitted
87.23 information on the Web site required under section 3.303, subdivision 10, as soon as
87.24 practicable. Information on the measured outcomes and evaluation must be posted as soon
87.25 as it becomes available.

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

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

87.32 (f) A state agency or other recipient of money from the parks and trails fund shall
87.33 prominently display on the state agency's or other recipient's Web site home page, when
87.34 applicable, the legacy logo required under Laws 2009, chapter 172, article 5, section
87.35 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.

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

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

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

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

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

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

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

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

90.32 (g) A state agency or other recipient of money from the arts and cultural heritage
90.33 fund shall prominently display on the state agency's or other recipient's Web site home
90.34 page, when applicable, the legacy logo required under Laws 2009, chapter 172, article 5,
90.35 section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by

91.1 the phrase "Click here for more information." When a person clicks on the legacy logo
91.2 image, the Web site must direct the person to a dedicated legacy page on the state agency's
91.3 or other recipient's Web site. The dedicated legacy page must prominently display both the
91.4 contact information for the state agency or other recipient that a person may use to obtain
91.5 additional information, as well as a link to the Legislative Coordinating Commission Web
91.6 site required under section 3.303, subdivision 10.

91.7 (h) Future eligibility for money from the arts and cultural heritage fund is contingent
91.8 upon a state agency or other recipient satisfying all applicable requirements in this section,
91.9 as well as any additional requirements contained in applicable session law.

91.10 **Sec. 6. APPLICABILITY.**

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

91.14 **Sec. 7. GENERAL PROVISIONS.**

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

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

91.21 Subd. 3. **Trusts and similar instruments.** A recipient of money from a legacy fund
91.22 must not use the money to fund a trust, endowment, or similar instrument unless:

91.23 (1) the entity reports no later than February 1 each year to the commissioner of
91.24 management and budget and the legislative committees with jurisdiction over legacy
91.25 funds regarding the recipient's use and fiduciary stewardship of legacy funds during the
91.26 period; and

91.27 (2) the entity submits to regular audits of the trust, endowment, or similar instrument
91.28 by the Office of the Legislative Auditor.

91.29 **Sec. 8. LEGACY FUNDS RECIPIENT REPORT.**

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

92.1 (b) A state agency or other recipient of a direct appropriation from a legacy fund
92.2 must submit a report containing all available and required information by January 15,
92.3 2012, for appropriations in fiscal year 2012, and January 15, 2013, for appropriations in
92.4 fiscal year 2013. If the nature of a funded project is such that all required information is
92.5 not yet available by the applicable reporting deadline, a state agency or other recipient of a
92.6 direct appropriation must submit any additional information required under Minnesota
92.7 Statutes, section 3.303, subdivision 10, as soon as practicable.

92.8 Sec. 9. **IN THE EVENT OF A LAWSUIT.**

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

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

92.14 Sec. 10. **LEGACY ACCOUNTING; TECHNICAL ASSISTANCE.**

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

92.19 Sec. 11. **LAND PURCHASES OUTSIDE SEVEN-COUNTY METROPOLITAN**
92.20 **AREA; MORATORIUM.**

92.21 Notwithstanding any law to the contrary, for a period of one year from the effective
92.22 date of this section, the Lessard-Sams Outdoor Heritage Council may not recommend
92.23 the purchase of any land outside the seven-county metropolitan area, except they may
92.24 purchase school trust lands to enhance the value of the trust.