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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SEVENTH SESSION

H. F. No. 1596

04/27/2011 Authored by Torkelson and Kieffer

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance

1.1 A bill for an act
1.2 relating to natural resources; modifying local water management; amending
1.3 Minnesota Statutes 2010, sections 103B.101, by adding a subdivision; 103B.311,
1.4 subdivision 4; 103B.3369.

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

1.6 Section 1. Minnesota Statutes 2010, section 103B.101, is amended by adding a
1.7 subdivision to read:

1.8 Subd. 14. Local water management coordination. The Board of Water and Soil
1.9 Resources may adopt, by resolution, policies or orders that allow a comprehensive plan,
1.10 local water management plan, watershed management plan, or total maximum daily load
1.11 implementation plan developed or amended and adopted and approved according to this
1.12 chapter and chapters 103C, 103D, and 114D to serve as substitutes for one another. The
1.13 board shall, to the extent practical, incorporate a watershed approach when adopting the
1.14 resolutions. The board shall work with local government stakeholders to foster mutual
1.15 understanding and develop recommendations for local water management and related
1.16 state water management policy and programs. The board may convene informal working
1.17 groups or work teams to develop information, education, and recommendations.

1.18 Sec. 2. Minnesota Statutes 2010, section 103B.311, subdivision 4, is amended to read:

1.19 Subd. 4. **Water plan requirements.** (a) A local water management plan must:
1.20 (1) cover the entire area within a county;
1.21 (2) address water problems in the context of watershed units and groundwater
1.22 systems;

2.1 (3) be based upon principles of sound hydrologic management of water, effective
2.2 environmental protection, and efficient management;

2.3 (4) be consistent with local water management plans prepared by counties and
2.4 watershed management organizations wholly or partially within a single watershed unit or
2.5 groundwater system; and

2.6 (5) the local water management plan must specify the period covered by the
2.7 local water management plan and must extend at least five years but no more than ten
2.8 years from the date the board approves the local water management plan. Local water
2.9 management plans that contain revision dates inconsistent with this section must comply
2.10 with that date, provided it is not more than ten years beyond the date of board approval.
2.11 ~~A two-year extension~~ Extensions of the revision date of a local water management plan
2.12 may be granted by the board, ~~provided no projects are ordered or commenced during the~~
2.13 ~~period of the extension.~~

2.14 (b) Existing water and related land resources plans, including plans related to
2.15 agricultural land preservation programs developed pursuant to chapter 40A, must be
2.16 fully utilized in preparing the local water management plan. Duplication of the existing
2.17 plans is not required.

2.18 Sec. 3. Minnesota Statutes 2010, section 103B.3369, is amended to read:

2.19 **103B.3369 LOCAL WATER RESOURCES RESTORATION, PROTECTION,**
2.20 **AND MANAGEMENT PROGRAM.**

2.21 Subdivision 1. **Assistance priorities.** State agencies may give priority to local
2.22 requests that are part of or responsive to a comprehensive plan, local water management
2.23 plan, or watershed management plan developed or amended and adopted and approved
2.24 according to this chapter or chapter 103C or 103D when administering programs for
2.25 water-related financial and technical assistance.

2.26 Subd. 2. **Establishment.** A local water resources restoration, protection, and
2.27 management program is established. The board may provide financial assistance to local
2.28 units of government for activities that restore, protect, or manage water and related land
2.29 quality. The activities include planning, zoning, official controls, best management
2.30 practices, capital projects, and other activities to implement a comprehensive plan, local
2.31 water management plans plan, or watershed management plan developed or amended and
2.32 adopted and approved according to this chapter or chapter 103C or 103D.

2.33 Subd. 4. **Contracts.** A local unit of government may contract to implement
2.34 programs. An explanation of the program responsibilities proposed to be contracted must
2.35 accompany grant requests. A local unit of government that contracts is responsible for

3.1 ensuring that state funds are properly expended and for providing an annual report to the
3.2 board describing expenditures of funds and program accomplishments.

3.3 Subd. 5. **Financial assistance.** A base grant may be awarded to a county that
3.4 provides a match utilizing a water implementation tax or other local source. A water
3.5 implementation tax that a county intends to use as a match to the base grant must be levied
3.6 at a rate determined by the board. ~~The minimum amount of the water implementation tax~~
3.7 ~~shall be a tax rate times the adjusted net tax capacity of the county for the preceding year.~~
3.8 ~~The rate shall be the rate, rounded to the nearest .001 of a percent, that, when applied to~~
3.9 ~~the adjusted net tax capacity for all counties, raises the amount of \$1,500,000. The base~~
3.10 ~~grant will be in an amount equal to \$37,500 less the amount raised by the local match.~~
3.11 ~~If the amount necessary to implement the local water plan for the county is less than~~
3.12 ~~\$37,500, the amount of the base grant shall be the amount that, when added to the match~~
3.13 ~~amount, equals the amount required to implement the plan. For counties where the tax~~
3.14 ~~rate generates an amount equal to or greater than \$18,750, the base grant shall be in an~~
3.15 ~~amount equal to \$18,750.~~ The board may award performance-based grants to local units
3.16 of government that are responsible for implementing elements of applicable portions of
3.17 watershed management plans or local water management plans developed or amended and
3.18 adopted and approved according to this chapter or chapter 103C or 103D. The board may
3.19 award performance-based grants to local units of government to carry out total maximum
3.20 daily load (TMDL) implementation plans as defined in section 114D.15 if the board has
3.21 reviewed and approved the TMDL implementation plan, as requested by a local unit of
3.22 government, according to the procedures for approving comprehensive plans, watershed
3.23 management plans, or local water management plans in this chapter or chapter 103C
3.24 or 103D.

3.25 Subd. 6. **Limitations.** (a) Grants provided to implement programs under this
3.26 section must be reviewed by the state agency having statutory program authority to
3.27 assure compliance with minimum state standards. At the request of the state agency
3.28 commissioner, the board shall revoke the portion of a grant used to support a program
3.29 not in compliance.

3.30 (b) Grants provided to develop or revise local water management plans may not be
3.31 awarded for a time longer than two years.

3.32 (c) A local unit of government may not request or be awarded grants for project
3.33 implementation unless a comprehensive plan, local water management water plan has
3.34 been adopted, or watershed management plan has been developed or amended and adopted
3.35 and approved according to this chapter or chapter 103C or 103D.

4.1 Subd. 7. **Performance criteria.** The board shall develop and utilize
4.2 performance-based criteria for local water resources restoration, protection, and
4.3 management programs and project grants. The criteria may include, but are not limited to,
4.4 science-based assessments, organizational capacity, priority resource issues, community
4.5 outreach and support, partnership potential, and program and project delivery efficiency
4.6 and effectiveness.