A bill for an act
relating to state government; appropriating money from constitutionally dedicated funds for outdoor heritage purposes.

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

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 act. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this act mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. The appropriations in this act are onetime.

	APPROPRIATIONS Available for the Year Ending June 30	
	2010	**2011**
Sec. 2. **OUTDOOR HERITAGE**		
Subdivision 1. **Total Appropriation**	**$ 0**	**$ 58,939,000**
This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.		
Subd. 2. **Prairies**	0	18,093,000

(a) **Accelerated Prairie Grassland Restoration and Enhancement Program on DNR Lands**

$5,833,000 in fiscal year 2011 is to the commissioner of natural resources to accelerate the protection, restoration, and enhancement of native prairie vegetation. A list of proposed land acquisitions, restorations, and enhancements, describing the types and locations of acquisitions, restorations, and enhancements, must be provided as part of the required accomplishment plan. All restorations must comply with subdivision 9, paragraph (b).

(b) **The Green Corridor Legacy Program**

$1,651,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with the Redwood Area Communities Foundation or its successor to acquire and restore land for purposes allowed under the Minnesota Constitution, article XI, section 15, in Redwood, Renville, Brown, Nicollet, Murray, Lyon, Yellow Medicine, Chippewa, and Cottonwood Counties to be added to the state outdoor recreation system as defined in Minnesota Statutes, chapter 86A. A list of proposed fee title acquisitions must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition. All restorations must comply with subdivision 9, paragraph (b).

(c) **Prairie Heritage Fund - Acquisition and Restoration**

$3,015,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Pheasants Forever or its successor to acquire and restore land to be added to the state wildlife management area system. A list of proposed fee title acquisitions and a list of proposed restoration projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition. All restorations must comply with subdivision 9, paragraph (b).

(d) **Northern Tallgrass Prairie National Wildlife Refuge Protection**

$2,041,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with The Nature Conservancy or its successor to acquire land or permanent easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. A list of proposed fee title and permanent easement acquisitions must be provided as part of the required accomplishment plan. Land removed from this program shall transfer to the state. The accomplishment plan must include an easement stewardship plan.

(e) **Rum River - Cedar Creek Initiative**

$1,900,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Anoka County to acquire fee title to land at the confluence of the Rum River and Cedar Creek in Anoka County.

Land acquired in fee must remain open to hunting and fishing, consistent with the capacity of the land, during the open season, as determined by the commissioner of natural resources. All restorations must comply with subdivision 9, paragraph (b).

(f) **Minnesota Prairie Recovery Project**

$3,653,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with The Nature Conservancy or its successor for a pilot project to acquire interests in land and restore and enhance prairie and prairie/wetland habitat in the prairie regions of western and southwestern Minnesota. The Nature Conservancy may acquire land in fee or through permanent conservation easements. A list of proposed fee title and permanent conservation easements, and a list of proposed restorations and enhancements, must be provided as part of the required accomplishment plan. All restorations must comply with subdivision 9, paragraph (b). The commissioner of natural resources must agree to each acquisition of interest in land, restoration project, and enhancement project. The accomplishment plan must include an easement stewardship plan.

Subd. 3. **Forests**	0	5,603,000

(a) **Critical Shoreline Habitat Protection Program**

$816,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with the Minnesota Land Trust or its successor to acquire permanent conservation easements protecting critical shoreline habitats in Koochiching, Cook, Lake, and St. Louis County portions of the northern forest area in northern Minnesota and provide stewardship for those easements. A list of proposed conservation easement acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan.

(b) **Protect Key Industrial Forest Land Tracts in Central Minnesota**

$594,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Cass County to acquire lands that assist with gaining access for restoration and enhancement purposes to existing public land tracts. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) **Little Nokasippi River Wildlife Management Area**

$843,000 in fiscal year 2011 is to the commissioner of natural resources for acceleration of agency programs and cooperative agreements to acquire interests in land within the boundaries of the Minnesota National Guard Army compatible use buffer (ACUB) program. Of this appropriation, $225,000 is for the Department of Natural Resources to acquire land for wildlife management areas and $618,000 is for an agreement with the Board of Water and Soil Resources to acquire permanent conservation easements. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(d) **Accelerated Forest Wildlife Habitat Program**

$1,791,000 in fiscal year 2011 is to the commissioner of natural resources for acceleration of agency programs to acquire, in fee, land for state forests and restore and enhance state forest habitat. A list of projects including proposed fee title acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan. All restorations must comply with subdivision 9, paragraph (b).

(e) **Northeastern Minnesota Sharp-Tailed Grouse Habitat**

$1,559,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Pheasants Forever or its successor to acquire interests in land, and to restore and enhance habitat for sharp-tailed grouse in Kanabec, Aitkin, and St. Louis Counties in cooperation with the Minnesota Sharp-Tailed Grouse Society. A list of proposed acquisitions and a list of proposed restorations and enhancements must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each acquisition of interest in land, restoration project, and enhancement project. All restorations must comply with subdivision 9, paragraph (b).

Subd. 4. **Wetlands**	0	16,905,000

(a) **Accelerated Shallow Lake and Wetland Enhancement and Restoration Program**

$6,505,000 in fiscal year 2011 is to the commissioner of natural resources to assess, enhance, and restore shallow lake and wetland habitats, to acquire land in fee or through permanent conservation easements for shallow lake program restoration, and to provide stewardship for acquired easements in cooperation with Ducks Unlimited, Inc., or its successor. Of this appropriation, $1,463,000 is for the Department of Natural Resources agency program acceleration and $5,042,000 is for an agreement with Ducks Unlimited, Inc. A list of proposed projects, describing the types and locations of land acquisitions, restoration projects, and enhancement projects, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each acquisition, restoration project, and enhancement project. The accomplishment plan must include an easement stewardship plan. All restorations must comply with subdivision 9, paragraph (b).

(b) **Accelerate the Waterfowl Production Area Program in Minnesota**

$3,505,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Pheasants Forever or its successor to acquire and restore wetland and related upland habitats, in cooperation with the United States Fish and Wildlife Service and Ducks Unlimited, Inc. or its successor to be managed as waterfowl production areas. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan. All restorations must comply with subdivision 9, paragraph (b).

(c) **Reinvest in Minnesota Wetlands Reserve Program Acquisition and Restoration**

$6,895,000 in fiscal year 2011 is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore wetlands and associated uplands in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations, must be provided as part of the required accomplishment plan. All restorations must comply with subdivision 9, paragraph (b).

Subd. 5. **Habitat**	0	17,563,000

(a) **Metro Big Rivers Habitat Program**

$2,397,000 in fiscal year 2011 is to the commissioner of natural resources for agreements for projects to protect, restore, and enhance natural systems of the Minnesota River, St. Croix River, Mississippi River, and their major tributaries as follows: $500,000 with Minnesota Valley Trust or its successor for fee title land acquisition; $1,500,000 with the Trust for Public Land or its successor for fee title land acquisition; $227,300 with the Friends of the Mississippi River or its successor for restoration, enhancement, and conservation easement acquisition; and $169,700 with Great River Greening or its successor for restoration and enhancement.

The accomplishment plan must include an easement stewardship plan. All restorations must comply with subdivision 9, paragraph (b).

(b) **Accelerated Aquatic Management Area Acquisition**

$3,416,000 in fiscal year 2011 is to the commissioner of natural resources to accelerate land acquisition by fee title and easements to be added to the state aquatic management area system as defined in Minnesota Statutes, chapter 86A, and to restore and enhance stream habitat and lake habitat. Land acquired in fee must remain open to hunting and fishing, consistent with the capacity of the land, during the open season, as determined by the commissioner of natural resources. A list of proposed fee title and easement acquisitions, stream habitat restorations and enhancements, and lake habitat restorations and enhancements must be provided as part of the required accomplishment plan.

(c) **Cold Water River and Stream Restoration, Protection, and Enhancement**

$1,269,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Trout Unlimited or its successor to restore, enhance, and protect cold water river and stream habitats in Minnesota. A list of proposed acquisitions and a list of proposed projects, describing the types and locations of restorations and enhancements, must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition, restoration, and enhancement. All restorations must comply with subdivision 9, paragraph (b).

(d) **Dakota County Riparian and Lakeshore Protection and Restoration**

$2,097,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Dakota County for acquisition of permanent easements and enhancement and restoration of aquatic and associated upland habitat. A list of proposed acquisitions and restorations must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. All restorations must comply with subdivision 9, paragraph (b).

(e) **Valley Creek Protection Partnership**

$1,218,000 in fiscal year 2011 is to the commissioner of natural resources for agreements on projects to protect, restore, and enhance natural systems of Valley Creek in Washington County as follows: $838,000 with Minnesota Land Trust or its successor; $218,000 with Washington County; $100,000 with the Belwin Conservancy or its successor; $50,000 with Trout Unlimited or its successor; and $12,000 with the Valley Branch Watershed District. All restorations must comply with subdivision 9, paragraph (b).

(f) **Anoka Sand Plain Restoration and Enhancement**

$747,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Great River Greening or its successor to restore and enhance habitat on public property in the Anoka Sand Plain in Anoka, Chisago, Isanti, Benton, Washington, Morrison, and Sherburne Counties. All restorations must comply with subdivision 9, paragraph (b).

(g) **Lower Mississippi River Habitat Restoration Acceleration**

$1,000,000 in fiscal year 2011 is to the commissioner of natural resources to accelerate agency programs and for cooperative agreements to acquire land in the Root River watershed. A list of proposed acquisitions must be provided as part of the required accomplishment plan. The commissioner of natural resources must agree to each proposed acquisition, restoration, and enhancement. All restorations must comply with subdivision 9, paragraph (b).

(h) **Washington County St. Croix River Land Protection**

$1,033,000 in fiscal year 2011 is to the commissioner of natural resources for an agreement with Washington County to acquire permanent easements to protect habitat associated with the St. Croix River Valley. A list of proposed acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan.

(i) **Outdoor Heritage Conservation Partners Grant Program**

$4,386,000 in fiscal year 2011 is to the commissioner of natural resources for a pilot program to provide competitive, matching grants of up to $400,000 to local, regional, state, and national organizations, including government, for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. The commissioner of natural resources shall give priority to organizations that have a history or charter to receive private contributions for local conservation or habitat projects. Up to four percent of this appropriation may be used by the commissioner of natural resources for administering the grant program. Grantees may acquire land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The commissioner of natural resources must agree to each proposed acquisition of land or interest in land. The program shall require a cash match of at least ten percent nonstate funds. The criteria for evaluating grant applications must include amount of habitat restored, enhanced, or protected; local support; degree of collaboration; urgency; capacity to achieve multiple benefits; habitat benefits provided; consistency with sound conservation science; adjacency to protected lands; full funding of the project; supplementing existing funding; public access for hunting and fishing during the open season; sustainability; and use of native plant materials. All projects must conform to the Minnesota statewide conservation and preservation plan. Wildlife habitat projects must also conform to the Minnesota wildlife action plan. Priority may be given to projects acquiring land or easements associated with existing wildlife management areas. All restoration or enhancement projects must be on land permanently protected by conservation easement or public ownership. Subdivision 9 applies to grants awarded under this paragraph. All restorations must comply with subdivision 9, paragraph (b). This appropriation is available until June 30, 2014, at which time all grant project work must be completed and final products delivered, unless an earlier date is specified in the grant agreement. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council.

Subd. 6. **Administration and Other**	0	775,000

(a) **Contract Management**

$175,000 in fiscal year 2011 is to the commissioner of natural resources for contract management duties assigned in this section.

(b) **Legislative Coordinating Commission**

$600,000 in fiscal year 2011 is to the Legislative Coordinating Commission for administrative expenses of the Lessard-Sams Outdoor Heritage Council and for compensation and expense reimbursement of council members.

(c) **Lessard-Sams Outdoor Heritage Council Site Visit Exception**

Travel to and from site visits by council members that are paid for under paragraph (b) are not meetings of the council for the purpose of receiving information under Minnesota Statutes, section 97A.056, subdivision 5.

Subd. 7. **Availability of Appropriation**

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges. Unless otherwise provided, the amounts in this section are available until June 30, 2013, when projects must be completed and final accomplishments reported. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding. Funds appropriated for fee title acquisition of land may be used to restore and enhance land acquired with the appropriation.

Subd. 8. **Accomplishment Plans**

It is a condition of acceptance of the appropriations made by this section that the agency or entity using the appropriation shall submit to the council an accomplishment plan and periodic accomplishment reports in the form determined by the Lessard-Sams Outdoor Heritage Council. The accomplishment plan must account for the use of the appropriation and outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and wildlife habitat restored, protected, and enhanced. The plan must include an evaluation of results. None of the money provided in this section may be expended unless the council has approved the pertinent accomplishment plan.

Subd. 9. **Project Requirements**

(a) As a condition of accepting an appropriation in this section, any agency or entity receiving an appropriation must comply with this subdivision for any project funded in whole or in part with funds from the appropriation.

(b) To the extent possible, a person conducting restoration with money appropriated in this section must plant vegetation or sow seed only of ecotypes native to Minnesota, and preferably of the local ecotype, using a high diversity of species originating from as close to the restoration site as possible, and protect existing native prairies, grasslands, forests, wetlands, and other aquatic systems from genetic contamination.

(c) All conservation easements acquired with money appropriated in this section must: (1) be permanent; (2) specify the parties to an easement; (3) specify all of the provisions of an agreement that are permanent; (4) specify the responsibilities of the parties for habitat enhancement and restoration and the associated costs of these activities; (5) be sent to the office of the Lessard-Sams Outdoor Heritage Council; (6) include a long-term stewardship plan and identify the sources and amount of funding for monitoring and enforcing the easement agreement; and (7) identify the parties responsible for monitoring and enforcing the easement agreement.

(d) For all restorations, a recipient must prepare and retain an ecological restoration and management plan that, to the degree practicable, is consistent with the highest quality conservation and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success of the restoration projects. The plan shall include the proposed timetable for implementing the restoration, including, but not limited to, site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and use the best available science to achieve the best restoration.

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

(f) To ensure public accountability for the use of public funds, a recipient must provide to the Lessard-Sams Outdoor Heritage Council documentation of the selection process used to identify parcels acquired in fee or permanent conservation easement and provide the council with documentation of all related transaction costs, including, but not limited to, appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient shall also report to the Lessard-Sams Outdoor Heritage Council any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted. Acquisition data such as appraisals may remain private during negotiations but must ultimately be made public according to Minnesota Statutes, chapter 13.

(g) Except as otherwise provided in this section, all restoration and enhancement projects with money appropriated in this section must be on land permanently protected by a conservation easement or public ownership.

(h) To the extent an appropriation is used to acquire an interest in real property, a recipient of an appropriation under this section must provide to the Lessard-Sams Outdoor Heritage Council and the commissioner of management and budget an analysis of increased operations and maintenance costs likely to be incurred by public entities as a result of the acquisition and of how these costs are to be paid.

(i) A recipient of money from an appropriation in this section must give consideration to and make timely written contact with the Minnesota Conservation Corps for consideration of possible use of their services to contract for restoration and enhancement services. A copy of the written contact must be filed with the Lessard-Sams Outdoor Heritage Council within 15 days of execution.

(j) A recipient of money from this section must erect signage according to Laws 2009, chapter 172, article 5, section 10.

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

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2010, are eligible for reimbursement unless otherwise provided in this section. Periodic reimbursement must be made upon receiving documentation that the deliverable items articulated in the approved accomplishment plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash flow needs or to match federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of $10,000 must be approved as part of the accomplishment plan.

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

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

Subd. 12. **Accessibility**

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

Subd. 13. **Land Acquisition Restrictions**

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

(b) A recipient of funding who acquires an interest in real property subject to this subdivision may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the Lessard-Sams Outdoor Heritage Council or its successor.

The council shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria: (1) the interest is at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and (2) the interest is in a reasonably equivalent location and has a reasonably equivalent useful conservation purpose compared to the interest being replaced.

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain: (1) a legal description of the interest in real property covered by the funding agreement; (2) a reference to the underlying funding agreement; (3) a reference to this section; and (4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor Heritage Council or its successor.

The ownership of the interest in real property shall transfer to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or accomplishment plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation."

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

By December 1 each year, a recipient of money appropriated under this section that is used for the acquisition of an interest in real property, including, but not limited to, an easement or fee title, must submit annual reports on the status of the real property to the Lessard-Sams Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must: (1) inform the person to whom the responsibility is transferred of that person's reporting responsibility; (2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 13; (3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred; and (4) provide the Lessard-Sams Outdoor Heritage Council or its successor written documentation from the person or entity holding the interest in real property certifying its acceptance of all reporting obligations and responsibilities previously held by the recipient of the appropriation. After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section.