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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 891

02/06/2017

Authored by Gunther; Lillie; Hansen; Murphy, M., and Urdahl
The bill was read for the first time and referred to the Committee on Legacy Funding Finance

1.1

A bill for an act

1.2

relating to legacy; appropriating money from constitutionally dedicated legacy

1.3

funds.

1.4

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

1.5

ARTICLE 1

1.6

CLEAN WATER FUND

1.7

Section 1. CLEAN WATER FUND APPROPRIATIONS.

1.8

The sums shown in the columns marked "Appropriations" are appropriated to the agencies

1.9

and for the purposes specified in this article. The appropriations are from the clean water

1.10

fund and are available for the fiscal years indicated for allowable activities under the

1.11

Minnesota Constitution, article XI, section 15. The figures "2018" and "2019" used in this

1.12

article mean that the appropriations listed under them are available for the fiscal year ending

1.13

June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The

1.14

second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. The

1.15

appropriations in this article are onetime.

1.16

APPROPRIATIONS

1.17

Available for the Year

1.18

Ending June 30

1.19

20182019

1.20

Sec. 2. CLEAN WATER

1.21

Subdivision 1. Total Appropriation\$103,625,000\$110,499,000

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

2.3 Subd. 2. **Availability of Appropriation**

2.4 Money appropriated in this article may not be
2.5 spent on activities unless they are directly
2.6 related to and necessary for a specific
2.7 appropriation. Money appropriated in this
2.8 article must be spent in accordance with
2.9 Minnesota Management and Budget's
2.10 Guidance to Agencies on Legacy Fund
2.11 Expenditure. Notwithstanding Minnesota
2.12 Statutes, section 16A.28, and unless otherwise
2.13 specified in this article, fiscal year 2018
2.14 appropriations are available until June 30,
2.15 2019, and fiscal year 2019 appropriations are
2.16 available until June 30, 2020. If a project
2.17 receives federal funds, the period of the
2.18 appropriation is extended to equal the
2.19 availability of federal funding.

2.20 Subd. 3. **Disability Access**

2.21 Where appropriate, grant recipients of clean
2.22 water funds, in consultation with the Council
2.23 on Disability and other appropriate
2.24 governor-appointed disability councils, boards,
2.25 committees, and commissions , should make
2.26 progress toward providing greater access to
2.27 programs, print publications, and digital media
2.28 for people with disabilities related to the
2.29 programs the recipient funds using
2.30 appropriations made in this article.

2.31 Sec. 3. **DEPARTMENT OF AGRICULTURE** \$ **8,808,000** \$ **8,808,000**
2.32 (a) \$350,000 the first year and \$350,000 the
2.33 second year are to increase monitoring for
2.34 pesticides and pesticide degradates in surface

- 3.1 water and groundwater and to use data
3.2 collected to assess pesticide use practices.
- 3.3 (b) \$2,085,000 the first year and \$2,086,000
3.4 the second year are for monitoring and
3.5 evaluating trends in the concentration of
3.6 nitrate in groundwater in areas vulnerable to
3.7 groundwater degradation; promoting,
3.8 developing, and evaluating regional and
3.9 crop-specific nutrient best management
3.10 practices; assessing best management practice
3.11 adoption; education and technical support from
3.12 University of Minnesota Extension; grants to
3.13 support agricultural demonstration and
3.14 implementation activities; and other actions
3.15 to protect groundwater from degradation from
3.16 nitrate. This appropriation is available until
3.17 June 30, 2022.
- 3.18 (c) \$75,000 the first year and \$75,000 the
3.19 second year are for administering clean water
3.20 funds managed through the agriculture best
3.21 management practices loan program. Any
3.22 unencumbered balance at the end of the second
3.23 year shall be added to the corpus of the loan
3.24 fund.
- 3.25 (d) \$1,200,000 the first year and \$1,200,000
3.26 the second year are for technical assistance,
3.27 research, and demonstration projects on proper
3.28 implementation of best management practices
3.29 and more precise information on nonpoint
3.30 contributions to impaired waters and for grants
3.31 to support on-farm demonstration of
3.32 agricultural practices. This appropriation is
3.33 available until June 30, 2022.
- 3.34 (e) \$663,000 the first year and \$662,000 the
3.35 second year are for research to quantify and

4.1 reduce agricultural contributions to impaired
4.2 waters and for development and evaluation of
4.3 best management practices to protect and
4.4 restore water resources. This appropriation is
4.5 available until June 30, 2022.

4.6 (f) \$50,000 the first year and \$50,000 the
4.7 second year are for a research inventory
4.8 database containing water-related research
4.9 activities. Costs for information technology
4.10 development or support for this research
4.11 inventory database may be paid to the Office
4.12 of MN.IT Services. This appropriation is
4.13 available until June 30, 2022.

4.14 (g) \$2,750,000 the first year and \$2,750,000
4.15 the second year are to implement the
4.16 Minnesota agricultural water quality
4.17 certification program statewide. Funds
4.18 appropriated in this paragraph are available
4.19 until June 30, 2021.

4.20 (h) \$110,000 the first year and \$110,000 the
4.21 second year are to provide funding for a
4.22 regional irrigation water quality specialist
4.23 through University of Minnesota Extension.

4.24 (i) \$450,000 the first year and \$450,000 the
4.25 second year are for grants to the Board of
4.26 Regents of the University of Minnesota to
4.27 fund the Forever Green Agriculture Initiative
4.28 and to protect the state's natural resources
4.29 while increasing the efficiency, profitability,
4.30 and productivity of Minnesota farmers by
4.31 incorporating perennial and winter-annual
4.32 crops into existing agricultural practices. This
4.33 appropriation is available until June 30, 2022.

5.1 (j) \$1,000,000 the first year and \$1,000,000
 5.2 the second year are for pesticide testing of
 5.3 private wells where nitrate is detected, as part
 5.4 of the Township Testing Program. This
 5.5 appropriation is available until June 30, 2022.

5.6 (k) \$75,000 the first year and \$75,000 the
 5.7 second year are to evaluate market
 5.8 opportunities and develop markets for crops
 5.9 that can be profitable for farmers and
 5.10 beneficial for water quality and soil health.

5.11 (l) A portion of the funds in this section may
 5.12 be used for programs to train state and local
 5.13 outreach staff in the intersection between
 5.14 agricultural economics and agricultural
 5.15 conservation.

5.16 Sec. 4. **PUBLIC FACILITIES AUTHORITY** \$ **7,625,000** \$ **9,625,000**

5.17 (a) \$7,500,000 the first year and \$9,500,000
 5.18 the second year are for the point source
 5.19 implementation grants program under
 5.20 Minnesota Statutes, section 446A.073. This
 5.21 appropriation is available until June 30, 2022.

5.22 (b) \$125,000 the first year and \$125,000 the
 5.23 second year are for small community
 5.24 wastewater treatment grants and loans under
 5.25 Minnesota Statutes, section 446A.075. This
 5.26 appropriation is available until June 30, 2022.

5.27 (c) If there are any uncommitted funds at the
 5.28 end of each fiscal year under paragraph (a) or
 5.29 (b), the Public Facilities Authority may
 5.30 transfer the remaining funds to eligible
 5.31 projects under any of the programs listed in
 5.32 this section based on their priority rank on the
 5.33 Pollution Control Agency's project priority
 5.34 list.

6.1 **Sec. 5. POLLUTION CONTROL AGENCY** **\$** **26,888,000** **\$** **26,887,000**

6.2 (a) \$8,275,000 the first year and \$8,275,000

6.3 the second year are for completion of needed

6.4 statewide assessments of surface water quality

6.5 and trends according to Minnesota Statutes,

6.6 chapter 114D.

6.7 (b) \$10,231,000 the first year and \$10,232,000

6.8 the second year are to develop watershed

6.9 restoration and protection strategies (WRAPS),

6.10 which include total maximum daily load

6.11 (TMDL) studies and TMDL implementation

6.12 plans for waters listed on the United States

6.13 Environmental Protection Agency approved

6.14 impaired waters list in accordance with

6.15 Minnesota Statutes, chapter 114D. The agency

6.16 shall complete an average of ten percent of

6.17 the TMDLs each year over the biennium.

6.18 (c) \$1,181,000 the first year and \$1,182,000

6.19 the second year are for groundwater

6.20 assessment, including enhancing the ambient

6.21 monitoring network, modeling, and evaluating

6.22 trends, including the reassessment of

6.23 groundwater that was assessed ten to 15 years

6.24 ago and found to be contaminated.

6.25 (d) \$838,000 the first year and \$837,000 the

6.26 second year are for implementation of the St.

6.27 Louis River System Area of Concern

6.28 Remedial Action Plan. This appropriation

6.29 must be matched at a rate of 65 percent

6.30 nonstate money to 35 percent state money.

6.31 (e) \$1,155,000 the first year and \$1,155,000

6.32 the second year are for TMDL research and

6.33 database development.

7.1 (f) \$979,000 the first year and \$978,000 the
7.2 second year are for national pollutant
7.3 discharge elimination system wastewater and
7.4 storm water TMDL implementation efforts.

7.5 (g) \$3,900,000 the first year and \$3,900,000
7.6 the second year are for enhancing the
7.7 county-level delivery systems for subsurface
7.8 sewage treatment system (SSTS) activities
7.9 necessary to implement Minnesota Statutes,
7.10 sections 115.55 and 115.56, for protection of
7.11 groundwater, including base grants for all
7.12 counties with SSTS programs and competitive
7.13 grants to counties with specific plans to
7.14 significantly reduce water pollution by
7.15 reducing the number of systems that are an
7.16 imminent threat to public health or safety or
7.17 are otherwise failing. Counties that receive
7.18 base grants must report the number of sewage
7.19 noncompliant properties upgraded through
7.20 SSTS replacement, connection to a centralized
7.21 sewer system, or other means, including
7.22 property abandonment or buy-out. Counties
7.23 also must report the number of existing SSTS
7.24 compliance inspections conducted in areas
7.25 under county jurisdiction. These required
7.26 reports are to be part of established annual
7.27 reporting for SSTS programs. Counties that
7.28 conduct SSTS inventories or those with an
7.29 ordinance in place that requires an SSTS to
7.30 be inspected as a condition of transferring
7.31 property or as a condition of obtaining a local
7.32 permit must be given priority for competitive
7.33 grants under this paragraph. Of this amount,
7.34 \$1,000,000 each year is available to counties
7.35 for grants to low-income landowners to
7.36 address systems that pose an imminent threat

8.1 to public health or safety or fail to protect
 8.2 groundwater. A grant awarded under this
 8.3 paragraph may not exceed \$40,000 for the
 8.4 biennium. A county receiving a grant under
 8.5 this paragraph must submit a report to the
 8.6 agency listing the projects funded, including
 8.7 an account of the expenditures.

8.8 (h) \$279,000 the first year and \$278,000 the
 8.9 second year are for accelerated implementation
 8.10 of MS4 permit requirements including
 8.11 additional technical assistance to
 8.12 municipalities experiencing difficulties
 8.13 understanding and implementing the basic
 8.14 requirements of the municipal stormwater
 8.15 program.

8.16 (i) \$50,000 the first year and \$50,000 the
 8.17 second year are to support activities of the
 8.18 Clean Water Council according to Minnesota
 8.19 Statutes, section 114D.30, subdivision 1.

8.20 (j) Notwithstanding Minnesota Statutes,
 8.21 section 16A.28, the appropriations in this
 8.22 section are available until June 30, 2022.

8.23 **Sec. 6. DEPARTMENT OF NATURAL**
 8.24 **RESOURCES**

\$ 9,270,000 \$ 9,270,000

8.25 (a) \$1,950,000 the first year and \$1,950,000
 8.26 the second year are for stream flow
 8.27 monitoring.

8.28 (b) \$1,250,000 the first year and \$1,250,000
 8.29 the second year are for lake Index of
 8.30 Biological Integrity (IBI) assessments.

8.31 (c) \$135,000 the first year and \$135,000 the
 8.32 second year are for assessing mercury and
 8.33 other contaminants of fish, including

- 9.1 monitoring to track the status of impaired
9.2 waters over time.
- 9.3 (d) \$1,985,000 the first year and \$1,985,000
9.4 the second year are for developing targeted,
9.5 science-based watershed restoration and
9.6 protection strategies.
- 9.7 (e) \$1,875,000 the first year and \$1,875,000
9.8 the second year are for water supply planning,
9.9 aquifer protection, and monitoring activities.
- 9.10 (f) \$1,000,000 the first year and \$1,000,000
9.11 the second year are for technical assistance to
9.12 support local implementation of nonpoint
9.13 source restoration and protection activities.
- 9.14 (g) \$850,000 the first year and \$850,000 the
9.15 second year are for applied research and tools,
9.16 including watershed hydrologic modeling;
9.17 maintaining and updating spatial data for
9.18 watershed boundaries, streams, and water
9.19 bodies and integrating high-resolution digital
9.20 elevation data; and assessing effectiveness of
9.21 forestry best management practices for water
9.22 quality.
- 9.23 (h) \$125,000 the first year and \$125,000 the
9.24 second year are for developing county
9.25 geologic atlases.
- 9.26 (i) \$100,000 the first year and \$100,000 the
9.27 second year are for maintenance and updates
9.28 to buffer maps and for technical guidance on
9.29 buffer map interpretation to local units of
9.30 government for implementation of buffer
9.31 requirements. Maps must be provided to local
9.32 units of government and made available to
9.33 landowners on the Department of Natural
9.34 Resources' Web site.

| | | | | |
|-------|--|------------------|--------------------------|---|
| 10.1 | <u>Sec. 7. BOARD OF WATER AND SOIL</u> | | | |
| 10.2 | <u>RESOURCES</u> | <u>\$</u> | <u>45,026,000</u> | <u>\$</u> <u>49,392,000</u> |
| 10.3 | <u>(a) \$3,317,000 the first year and \$7,683,000</u> | | | |
| 10.4 | <u>the second year are for grants to local</u> | | | |
| 10.5 | <u>government units organized for managing</u> | | | |
| 10.6 | <u>water in a watershed or subwatershed that have</u> | | | |
| 10.7 | <u>multiyear plans that will result in a significant</u> | | | |
| 10.8 | <u>reduction in water pollution in a selected</u> | | | |
| 10.9 | <u>subwatershed. The grants may be used to</u> | | | |
| 10.10 | <u>implement projects that protect, enhance, and</u> | | | |
| 10.11 | <u>restore surface water quality in lakes, rivers,</u> | | | |
| 10.12 | <u>and streams, protect groundwater from</u> | | | |
| 10.13 | <u>degradation, and protect drinking water</u> | | | |
| 10.14 | <u>sources. Grant recipients must identify a</u> | | | |
| 10.15 | <u>nonstate match and may use other legacy funds</u> | | | |
| 10.16 | <u>to supplement projects funded under this</u> | | | |
| 10.17 | <u>paragraph.</u> | | | |
| 10.18 | <u>(b) \$12,250,000 the first year and \$12,250,000</u> | | | |
| 10.19 | <u>the second year are for grants to protect and</u> | | | |
| 10.20 | <u>restore surface water and drinking water; to</u> | | | |
| 10.21 | <u>keep water on the land; to protect, enhance,</u> | | | |
| 10.22 | <u>and restore water quality in lakes, rivers, and</u> | | | |
| 10.23 | <u>streams; and to protect groundwater and</u> | | | |
| 10.24 | <u>drinking water, including feedlot water quality</u> | | | |
| 10.25 | <u>and subsurface sewage treatment system</u> | | | |
| 10.26 | <u>projects and stream bank, stream channel,</u> | | | |
| 10.27 | <u>shoreline restoration, and ravine stabilization</u> | | | |
| 10.28 | <u>projects. The projects must use practices</u> | | | |
| 10.29 | <u>demonstrated to be effective, be of long-lasting</u> | | | |
| 10.30 | <u>public benefit, include a match, and be</u> | | | |
| 10.31 | <u>consistent with total maximum daily load</u> | | | |
| 10.32 | <u>(TMDL) implementation plans, watershed</u> | | | |
| 10.33 | <u>restoration and protection strategies (WRAPS),</u> | | | |
| 10.34 | <u>or local water management plans or their</u> | | | |
| 10.35 | <u>equivalents. A portion of these funds may be</u> | | | |
| 10.36 | <u>used to seek administrative efficiencies</u> | | | |

- 11.1 through shared resources by multiple local
11.2 governmental units.
- 11.3 (c) \$4,000,000 the first year and \$4,000,000
11.4 the second year are for accelerated
11.5 implementation, including local resource
11.6 protection and enhancement grants and
11.7 statewide program enhancements of
11.8 supplements for technical assistance, citizen
11.9 and community outreach, compliance, and
11.10 training and certification.
- 11.11 (d) \$950,000 the first year and \$950,000 the
11.12 second year are to provide state oversight and
11.13 accountability, evaluate results, provide
11.14 implementation tools, and measure the value
11.15 of conservation program implementation by
11.16 local governments, including submission to
11.17 the legislature by March 1 each
11.18 even-numbered year a biennial report prepared
11.19 by the board, in consultation with the
11.20 commissioners of natural resources, health,
11.21 agriculture, and the Pollution Control Agency,
11.22 detailing the recipients, the projects funded
11.23 under this section, and the amount of pollution
11.24 reduced.
- 11.25 (e) \$3,400,000 the first year and \$3,400,000
11.26 the second year are to provide assistance,
11.27 oversight, and grants for supporting local
11.28 governments in implementing and complying
11.29 with riparian protection and excessive soil loss
11.30 requirements.
- 11.31 (f) \$6,000,000 the first year and \$6,000,000
11.32 the second year are to restore or preserve
11.33 permanent conservation on riparian buffers
11.34 adjacent to lakes, rivers, streams, and
11.35 tributaries, to keep water on the land in order

12.1 to decrease sediment, pollutant, and nutrient
12.2 transport; reduce hydrologic impacts to surface
12.3 waters; and increase infiltration for
12.4 groundwater recharge. This appropriation may
12.5 be used for restoration of riparian buffers
12.6 permanently protected by easements purchased
12.7 with this appropriation or contracts to achieve
12.8 permanent protection for riparian buffers or
12.9 stream bank restorations when the riparian
12.10 buffers have been restored. Up to \$1,920,000
12.11 is for deposit in a monitoring and enforcement
12.12 account.

12.13 (g) \$1,750,000 the first year and \$1,750,000
12.14 the second year are for permanent
12.15 conservation easements on wellhead protection
12.16 areas under Minnesota Statutes, section
12.17 103F.515, subdivision 2, paragraph (d), or for
12.18 grants to local units of government for fee title
12.19 acquisition to permanently protect
12.20 groundwater supply sources on wellhead
12.21 protection areas or for otherwise assuring
12.22 long-term protection of groundwater supply
12.23 sources as described under alternative
12.24 management tools in the Department of
12.25 Agriculture's Nitrogen Fertilizer Management
12.26 Plan, including low nitrogen cropping systems
12.27 or implementing nitrogen fertilizer best
12.28 management practices. Priority must be placed
12.29 on land that is located where the vulnerability
12.30 of the drinking water supply is designated as
12.31 high or very high by the commissioner of
12.32 health, where drinking water protection plans
12.33 have identified specific activities that will
12.34 achieve long-term protection, and on lands
12.35 with expiring Conservation Reserve Program

- 13.1 contracts. Up to \$105,000 is for deposit in a
13.2 monitoring and enforcement account.
- 13.3 (h) \$84,000 the first year and \$84,000 the
13.4 second year are for a technical evaluation
13.5 panel to conduct ten restoration evaluations
13.6 under Minnesota Statutes, section 114D.50,
13.7 subdivision 6.
- 13.8 (i) \$2,100,000 the first year and \$2,100,000
13.9 the second year are for assistance, oversight,
13.10 and grants to local governments to transition
13.11 local water management plans to a watershed
13.12 approach as provided for in Minnesota
13.13 Statutes, chapters 103B, 103C, 103D, and
13.14 114D.
- 13.15 (j) \$750,000 the first year and \$750,000 the
13.16 second year are for technical assistance and
13.17 grants for the conservation drainage program
13.18 in consultation with the Drainage Work Group,
13.19 coordinated under Minnesota Statutes, section
13.20 103B.101, subdivision 13, that includes
13.21 projects to improve multipurpose water
13.22 management under Minnesota Statutes, section
13.23 103E.015.
- 13.24 (k) \$9,000,000 the first year and \$9,000,000
13.25 the second year are to purchase and restore
13.26 permanent conservation sites via easements
13.27 or contracts to treat and store water on the land
13.28 for water quality improvement purposes and
13.29 related technical assistance. This work may
13.30 be done in cooperation with the United States
13.31 Department of Agriculture with a first priority
13.32 use to accomplish a conservation reserve
13.33 enhancement program, or equivalent, in the
13.34 state. Up to \$2,880,000 is for deposit in a
13.35 monitoring and enforcement account.

- 14.1 (l) \$1,000,000 the first year and \$1,000,000
14.2 the second year are to purchase permanent
14.3 conservation easements to protect lands
14.4 adjacent to public waters with good water
14.5 quality but threatened with degradation. Up
14.6 to \$60,000 is for deposit in a monitoring and
14.7 enforcement account.
- 14.8 (m) \$425,000 the first year and \$425,000 the
14.9 second year are for a program to
14.10 systematically collect data and produce
14.11 county, watershed, and statewide estimates of
14.12 soil erosion caused by water and wind along
14.13 with tracking adoption of conservation
14.14 measures, including cover crops, to address
14.15 erosion.
- 14.16 (n) The board shall contract for delivery of
14.17 services with Conservation Corps Minnesota
14.18 for restoration, maintenance, and other
14.19 activities under this section for up to \$500,000
14.20 the first year and up to \$500,000 the second
14.21 year.
- 14.22 (o) The board may shift grant or cost-share
14.23 funds in this section and may adjust the
14.24 technical and administrative assistance portion
14.25 of the funds to leverage federal or other
14.26 nonstate funds or to address oversight
14.27 responsibilities or high-priority needs
14.28 identified in local water management plans.
- 14.29 (p) The board shall require grantees to specify
14.30 the outcomes that will be achieved by the
14.31 grants prior to any grant awards.
- 14.32 (q) The appropriations in this section are
14.33 available until June 30, 2022. Returned grant
14.34 funds are available until expended and shall

15.1 be regranted consistent with the purposes of
 15.2 this section.

15.3 Sec. 8. **DEPARTMENT OF HEALTH** \$ **4,573,000** \$ **5,082,000**

15.4 (a) \$1,100,000 the first year and \$1,100,000
 15.5 the second year are for addressing public
 15.6 health concerns related to contaminants found
 15.7 in Minnesota drinking water for which no
 15.8 health-based drinking water standards exist,
 15.9 including accelerating the development of
 15.10 health risk limits and improving the capacity
 15.11 of the department's laboratory to analyze
 15.12 unregulated contaminants.

15.13 (b) \$2,523,000 the first year and \$3,032,000
 15.14 the second year are for protection of drinking
 15.15 water sources.

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

15.20 (d) \$200,000 the first year and \$200,000 the
 15.21 second year are to develop and deliver
 15.22 groundwater restoration and protection
 15.23 strategies for use on a watershed scale for use
 15.24 in local water planning efforts and to provide
 15.25 resources to local governments for drinking
 15.26 water source protection activities.

15.27 (e) \$400,000 the first year and \$400,000 the
 15.28 second year are for studying the occurrence
 15.29 and magnitude of contaminants in private
 15.30 wells and developing guidance and outreach
 15.31 to reduce risks to private-well owners.

16.1 (f) \$100,000 the first year and \$100,000 the
16.2 second year are for evaluating and addressing
16.3 the risks from viruses in water supplies.

16.4 (g) Unless otherwise specified, the
16.5 appropriations in this section are available
16.6 until June 30, 2021.

16.7 Sec. 9. METROPOLITAN COUNCIL \$ 1,435,000 \$ 1,435,000

16.8 (a) \$1,000,000 the first year and \$1,000,000
16.9 the second year are to implement projects that
16.10 address emerging drinking-water supply
16.11 threats, provide cost-effective regional
16.12 solutions, leverage interjurisdictional
16.13 coordination, support local implementation of
16.14 water supply reliability projects, and prevent
16.15 degradation of groundwater resources in the
16.16 metropolitan area. These projects will provide
16.17 to communities:

16.18 (1) potential solutions to leverage regional
16.19 water use through use of surface water, storm
16.20 water, wastewater, and groundwater;

16.21 (2) an analysis of infrastructure requirements
16.22 for different alternatives;

16.23 (3) development of planning level cost
16.24 estimates, including capital cost and operation
16.25 cost;

16.26 (4) identification of funding mechanisms and
16.27 an equitable cost-sharing structure for
16.28 regionally beneficial water supply
16.29 development projects; and

16.30 (5) development of subregional groundwater
16.31 models.

16.32 (b) \$435,000 the first year and \$435,000 the
16.33 second year are for the water demand

17.1 reduction grant program to encourage
17.2 implementation of water demand reduction
17.3 measures by municipalities in the metropolitan
17.4 area to ensure the reliability and protection of
17.5 drinking water supplies.

17.6 **ARTICLE 2**

17.7 **PARKS AND TRAILS FUND**

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

17.9 The sums shown in the columns marked "Appropriations" are appropriated to the agencies
17.10 and for the purposes specified in this article. The appropriations are from the parks and
17.11 trails fund and are available for the fiscal years indicated for each purpose. The figures
17.12 "2018" and "2019" used in this article mean that the appropriations listed under them are
17.13 available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first
17.14 year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal
17.15 years 2018 and 2019. All appropriations in this article are onetime.

17.16 **APPROPRIATIONS**

17.17 **Available for the Year**

17.18 **Ending June 30**

17.19 **2018**

2019

17.20 Sec. 2. **PARKS AND TRAILS**

17.21 Subdivision 1. Total Appropriation \$ **42,373,000** \$ **45,022,000**

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

17.24 **Subd. 2. Availability of Appropriation**

17.25 Money appropriated in this article may not be
17.26 spent on activities unless they are directly
17.27 related to and necessary for a specific
17.28 appropriation. Money appropriated in this
17.29 article must be spent in accordance with
17.30 Minnesota Management and Budget's
17.31 Guidance to Agencies on Legacy Fund
17.32 Expenditure. Notwithstanding Minnesota

18.1 Statutes, section 16A.28, and unless otherwise
 18.2 specified in this article, fiscal year 2018
 18.3 appropriations are available until June 30,
 18.4 2020, and fiscal year 2019 appropriations are
 18.5 available until June 30, 2021. If a project
 18.6 receives federal funds, the time period of the
 18.7 appropriation is extended to equal the
 18.8 availability of federal funding.

18.9 Subd. 3. **Disability Access**

18.10 Where appropriate, grant recipients of parks
 18.11 and trails funds, in consultation with the
 18.12 Council on Disability and other appropriate
 18.13 governor-appointed disability councils, boards,
 18.14 committees, and commissions, should make
 18.15 progress toward providing greater access to
 18.16 programs, print publications, and digital media
 18.17 for people with disabilities related to the
 18.18 programs the recipient funds using
 18.19 appropriations made in this article.

18.20 Sec. 3. **DEPARTMENT OF NATURAL**
 18.21 **RESOURCES**

\$ 25,632,000 \$ 27,232,000

18.22 (a) \$16,741,000 the first year and \$17,790,000
 18.23 the second year are for state parks, recreation
 18.24 areas, and trails to:

18.25 (1) connect people to the outdoors;
 18.26 (2) acquire land and create opportunities;
 18.27 (3) maintain existing holdings; and
 18.28 (4) improve cooperation by coordinating with
 18.29 partners to implement the 25-year long-range
 18.30 parks and trails legacy plan.

18.31 (b) \$8,370,000 the first year and \$8,894,000
 18.32 the second year are for grants for parks and
 18.33 trails of regional significance outside the

19.1 seven-county metropolitan area under
19.2 Minnesota Statutes, section 85.535. The grants
19.3 must be based on the recommendations to the
19.4 commissioner from the Greater Minnesota
19.5 Regional Parks and Trails Commission
19.6 established under Minnesota Statutes, section
19.7 85.536. Grants funded under this paragraph
19.8 must support parks and trails of regional or
19.9 statewide significance that meet the applicable
19.10 definitions and criteria for regional parks and
19.11 trails contained in the Greater Minnesota
19.12 Regional Parks and Trails Strategic Plan
19.13 adopted by the Greater Minnesota Regional
19.14 Parks and Trails Commission on April 22,
19.15 2015. Grant recipients identified under this
19.16 paragraph must submit a grant application to
19.17 the commissioner of natural resources. Up to
19.18 2.5 percent of the appropriation may be used
19.19 by the commissioner for the actual cost of
19.20 issuing and monitoring the grants for the
19.21 commission. Of the amount appropriated,
19.22 \$424,000 in fiscal year 2018 and \$399,000 in
19.23 fiscal year 2019 are for the Greater Minnesota
19.24 Regional Parks and Trails Commission to
19.25 carry out its duties under Minnesota Statutes,
19.26 section 85.536, including the continued
19.27 development of a statewide system plan for
19.28 regional parks and trails outside the
19.29 seven-county metropolitan area.

19.30 (c) By January 15, 2018, the Greater
19.31 Minnesota Regional Parks and Trails
19.32 Commission shall submit a list of projects,
19.33 ranked in priority order, that contains the
19.34 commission's recommendations for funding
19.35 from the parks and trails fund for fiscal year
19.36 2019 to the chairs and ranking minority

20.1 members of the house of representatives and
20.2 senate committees and divisions with
20.3 jurisdiction over the environment and natural
20.4 resources and the parks and trails fund.

20.5 (d) By January 15, 2018, the Greater
20.6 Minnesota Regional Parks and Trails
20.7 Commission shall submit a report that contains
20.8 the commission's criteria for funding from the
20.9 parks and trails fund, including the criteria
20.10 used to determine if a park or trail is of
20.11 regional significance, to the chairs and ranking
20.12 minority members of the house of
20.13 representatives and senate committees and
20.14 divisions with jurisdiction over the
20.15 environment and natural resources and the
20.16 parks and trails fund.

20.17 (e) \$521,000 the first year and \$548,000 the
20.18 second year are for coordination and projects
20.19 between the department, the Metropolitan
20.20 Council, and the Greater Minnesota Regional
20.21 Parks and Trails Commission; enhanced
20.22 Web-based information for park and trail
20.23 users; and support of activities of the Parks
20.24 and Trails Legacy Advisory Committee.

20.25 (f) The commissioner shall contract for
20.26 services with Conservation Corps Minnesota
20.27 for restoration, maintenance, and other
20.28 activities under this section for at least
20.29 \$1,000,000 the first year and \$1,000,000 the
20.30 second year.

20.31 (g) The implementing agencies receiving
20.32 appropriations under this section shall give
20.33 consideration to contracting with Conservation
20.34 Corps Minnesota for restoration, maintenance,
20.35 and other activities.

21.1 Sec. 4. **METROPOLITAN COUNCIL** **\$** **16,741,000** **\$** **17,790,000**

21.2 (a) \$16,741,000 the first year and \$17,790,000

21.3 the second year are for distribution according

21.4 to Minnesota Statutes, section 85.53,

21.5 subdivision 3.

21.6 (b) Money appropriated under this section and

21.7 distributed to implementing agencies must be

21.8 used to fund the list of recommended projects

21.9 in the report submitted pursuant to Laws 2013,

21.10 chapter 137, article 3, section 4, paragraph (o).

21.11 Projects funded by the money appropriated

21.12 under this section must be substantially

21.13 consistent with the project descriptions and

21.14 dollar amounts in the report. Any funds

21.15 remaining after completion of the listed

21.16 projects may be spent by the implementing

21.17 agencies on projects to support parks and

21.18 trails.

21.19 (c) Grant agreements entered into by the

21.20 Metropolitan Council and recipients of money

21.21 appropriated under this section must ensure

21.22 that the funds are used to supplement and not

21.23 substitute for traditional sources of funding.

21.24 (d) The implementing agencies receiving

21.25 appropriations under this section shall give

21.26 consideration to contracting with Conservation

21.27 Corps Minnesota for restoration, maintenance,

21.28 and other activities.

21.29 **ARTICLE 3**

21.30 **ARTS AND CULTURAL HERITAGE FUND**

21.31 Section 1. **ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.**

21.32 The sums shown in the columns marked "Appropriations" are appropriated to the entities

21.33 and for the purposes specified in this article. The appropriations are from the arts and cultural

22.1 heritage fund and are available for the fiscal years indicated for allowable activities under
 22.2 the Minnesota Constitution, article XI, section 15. The figures "2018" and "2019" used in
 22.3 this article mean that the appropriations listed under the figure are available for the fiscal
 22.4 year ending June 30, 2018, and June 30, 2019, respectively. "The first year" is fiscal year
 22.5 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019.
 22.6 All appropriations in this article are onetime.

22.7 **APPROPRIATIONS**

22.8 **Available for the Year**

22.9 **Ending June 30**

22.10 **2018**

2019

22.11 **Sec. 2. ARTS AND CULTURAL HERITAGE**

22.12 **Subdivision 1. Total Appropriation** **\$** **28,596,000** **\$** **30,736,000**

22.13 The amounts that may be spent for each
 22.14 purpose are specified in the following
 22.15 subdivisions.

22.16 **Subd. 2. Availability of Appropriation**

22.17 Money appropriated in this article may not be
 22.18 spent on activities unless they are directly
 22.19 related to and necessary for a specific
 22.20 appropriation. Money appropriated in this
 22.21 article must not be spent on indirect costs or
 22.22 other institutional overhead charges that are
 22.23 not directly related to and necessary for a
 22.24 specific appropriation. Money appropriated
 22.25 in this article must be spent in accordance with
 22.26 the Minnesota Management and Budget's
 22.27 Guidance to Agencies on Legacy Fund
 22.28 Expenditures. Notwithstanding Minnesota
 22.29 Statutes, section 16A.28, and unless otherwise
 22.30 specified in this article, fiscal year 2018
 22.31 appropriations are available until June 30,
 22.32 2019, and fiscal year 2019 appropriations are
 22.33 available until June 30, 2020. If a project
 22.34 receives federal funds, the time period of the

23.1 appropriation is extended to equal the

23.2 availability of federal funding.

23.3 **Subd. 3. Minnesota State Arts Board**

28,596,000

30,736,000

23.4 (a) These amounts are appropriated to the

23.5 Minnesota State Arts Board for arts, arts

23.6 education, arts preservation, and arts access.

23.7 Grant agreements entered into by the

23.8 Minnesota State Arts Board and other

23.9 recipients of appropriations in this subdivision

23.10 must ensure that these funds are used to

23.11 supplement and not substitute for traditional

23.12 sources of funding. Each grant program

23.13 established within this appropriation must be

23.14 separately administered from other state

23.15 appropriations for program planning and

23.16 outcome measurements, but may take into

23.17 consideration other state resources awarded

23.18 in the selection of applicants and grant award

23.19 size.

23.20 **(b) Arts and Arts Access Initiatives**

23.21 \$22,876,800 the first year and \$24,588,800

23.22 the second year are to support Minnesota

23.23 artists and arts organizations in creating,

23.24 producing, and presenting high-quality arts

23.25 activities; to overcome barriers to accessing

23.26 high-quality arts activities; and to instill the

23.27 arts into the community and public life in this

23.28 state.

23.29 **(c) Arts Education**

23.30 \$4,289,000 the first year and \$4,610,400 the

23.31 second year are for high-quality,

23.32 age-appropriate arts education for Minnesotans

23.33 of all ages to develop knowledge, skills, and

23.34 understanding of the arts.

23.35 **(d) Arts and Cultural Heritage**

24.1 \$1,429,800 the first year and \$1,536,800 the
24.2 second year are for events and activities that
24.3 represent the diverse cultural arts traditions,
24.4 including folk and traditional artists and art
24.5 organizations, represented in this state.

24.6 (e) Up to 4.5 percent of the funds appropriated
24.7 in paragraphs (b) to (d) may be used by the
24.8 board for administering grant programs,
24.9 delivering technical services, providing fiscal
24.10 oversight for the statewide system, and
24.11 ensuring accountability.

24.12 (f) Up to 30 percent of the remaining total
24.13 appropriation to each of the categories listed
24.14 in paragraphs (b) to (d) is for grants to the
24.15 regional arts councils. Notwithstanding any
24.16 other provision of law, regional arts council
24.17 grants or other arts council grants for touring
24.18 programs, projects, or exhibits must ensure
24.19 the programs, projects, or exhibits are able to
24.20 tour in their own region as well as all other
24.21 regions of the state.

24.22 (g) Any unencumbered balance remaining
24.23 under this section in the first year does not
24.24 cancel, but is available for the second year of
24.25 the biennium.

APPENDIX
Article locations in 17-2300

| | | |
|-----------|---------------------------------------|---------------|
| ARTICLE 1 | CLEAN WATER FUND | Page.Ln 1.5 |
| ARTICLE 2 | PARKS AND TRAILS FUND | Page.Ln 17.6 |
| ARTICLE 3 | ARTS AND CULTURAL HERITAGE FUND | Page.Ln 21.29 |