

SENATE

STATE OF MINNESOTA

EIGHTY-NINTH SESSION

S.F. No. 1754

(SENATE AUTHORS: SCALZE and Osmek)

DATE	D-PG	OFFICIAL STATUS
03/16/2015	897	Introduction and first reading Referred to Environment and Energy
03/25/2015	1352a	Comm report: To pass as amended and re-refer to Finance

A bill for an act  
relating to clean water; appropriating money from the clean water fund; modifying  
prior appropriations; amending Laws 2013, chapter 137, article 2, section 6.  
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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 act. 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 figures "2016" and "2017" used  
in this act mean that the appropriations listed under them are available for the fiscal year  
ending June 30, 2016, or June 30, 2017, respectively. "The first year" is fiscal year 2016.  
"The second year" is fiscal year 2017. "The biennium" is fiscal years 2016 and 2017.  
The appropriations in this act are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2016</u>	<u>2017</u>

Sec. 2. CLEAN WATER

<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>110,910,000</u>	<u>\$</u>	<u>110,705,000</u>
---	-----------	--------------------	-----------	--------------------

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

Subd. 2. Availability of Appropriation

2.1 Money appropriated in this article may  
 2.2 not be spent on activities unless they are  
 2.3 directly related to and necessary for a  
 2.4 specific appropriation. Money appropriated  
 2.5 in this article must be spent in accordance  
 2.6 with Minnesota Management and Budget's  
 2.7 Guidance to Agencies on Legacy Fund  
 2.8 Expenditure. Notwithstanding Minnesota  
 2.9 Statutes, section 16A.28, and unless  
 2.10 otherwise specified in this article, fiscal year  
 2.11 2016 appropriations are available until June  
 2.12 30, 2017, and fiscal year 2017 appropriations  
 2.13 are available until June 30, 2018. If a project  
 2.14 receives federal funds, the time period of  
 2.15 the appropriation is extended to equal the  
 2.16 availability of federal funding.

2.17 Sec. 3. **DEPARTMENT OF AGRICULTURE**    \$        **6,584,000**    \$        **6,582,000**

2.18 (a) \$350,000 the first year and \$350,000 the  
 2.19 second year are to increase monitoring for  
 2.20 pesticides and pesticide degradates in surface  
 2.21 water and groundwater and to use data  
 2.22 collected to assess pesticide use practices.

2.23 (b) \$2,586,000 the first year and \$2,585,000  
 2.24 the second year are for monitoring and  
 2.25 evaluating trends in the concentration of  
 2.26 nitrate in groundwater in areas vulnerable  
 2.27 to groundwater degradation; monitoring  
 2.28 for pesticides when nitrate is detected;  
 2.29 promoting, developing, and evaluating  
 2.30 regional and crop-specific nutrient best  
 2.31 management practices; assessing best  
 2.32 management practice adoption; education  
 2.33 and technical support from University of  
 2.34 Minnesota Extension; and other actions to  
 2.35 protect groundwater from degradation from

3.1 nitrate. This appropriation is available until  
3.2 June 30, 2018.

3.3 (c) \$75,000 the first year and \$75,000 the  
3.4 second year are for administering clean water  
3.5 funds managed through the agriculture best  
3.6 management practices loan program. Any  
3.7 unencumbered balance at the end of the  
3.8 second year shall be added to the corpus of  
3.9 the loan fund.

3.10 (d) \$1,125,000 the first year and \$1,125,000  
3.11 the second year are for technical assistance,  
3.12 research, and demonstration projects on  
3.13 proper implementation of best management  
3.14 practices and more precise information on  
3.15 nonpoint contributions to impaired waters.  
3.16 This appropriation is available until June 30,  
3.17 2020.

3.18 (e) \$788,000 the first year and \$787,000 the  
3.19 second year are for research to quantify and  
3.20 reduce agricultural contributions to impaired  
3.21 waters and for development and evaluation  
3.22 of best management practices to protect and  
3.23 restore water resources. This appropriation  
3.24 is available until June 30, 2020.

3.25 (f) \$50,000 the first year and \$50,000 the  
3.26 second year are for a research inventory  
3.27 database containing water-related research  
3.28 activities. Costs for information technology  
3.29 development or support for this research  
3.30 inventory database may be paid to the Office  
3.31 of MN.IT Services. This appropriation is  
3.32 available until June 30, 2018.

3.33 (g) \$1,250,000 the first year and \$1,250,000  
3.34 the second year are to implement the  
3.35 Minnesota agricultural water quality

4.1 certification program statewide. This  
 4.2 appropriation is available until June 30, 2020.  
 4.3 (h) \$110,000 the first year and \$110,000 the  
 4.4 second year are to provide funding for a  
 4.5 regional irrigation water quality specialist  
 4.6 through University of Minnesota Extension.  
 4.7 (i) \$250,000 the first year and \$250,000 the  
 4.8 second year are for a perennial and cover crop  
 4.9 research program to develop perennial and  
 4.10 cover cropping systems specific to Minnesota  
 4.11 that are necessary to protect and restore the  
 4.12 state's surface and groundwater resources  
 4.13 while increasing efficiency, profitability, and  
 4.14 productivity of Minnesota farmers. This  
 4.15 appropriation is available until June 30, 2018.

4.16 Sec. 4. **PUBLIC FACILITIES AUTHORITY**    \$        **9,250,000**    \$        **9,250,000**

4.17 (a) \$9,000,000 the first year and \$9,000,000  
 4.18 the second year are for the point source  
 4.19 implementation grants program under  
 4.20 Minnesota Statutes, section 446A.073. This  
 4.21 appropriation is available until June 30, 2020.  
 4.22 (b) \$250,000 the first year and \$250,000  
 4.23 the second year are for small community  
 4.24 wastewater treatment grants and loans under  
 4.25 Minnesota Statutes, section 446A.075. This  
 4.26 appropriation is available until June 30, 2020.  
 4.27 (c) If there are any uncommitted funds at  
 4.28 the end of each fiscal year under paragraph  
 4.29 (a) or (b), the Public Facilities Authority  
 4.30 may transfer the remaining funds to eligible  
 4.31 projects under any of the programs listed  
 4.32 in this section based on their priority rank  
 4.33 on the Pollution Control Agency's project  
 4.34 priority list.

5.1     Sec. 5. **POLLUTION CONTROL AGENCY**     \$     26,250,000 \$     26,248,000

5.2     (a) \$8,250,000 the first year and \$8,250,000

5.3     the second year are for completion of 20

5.4     percent of the needed statewide assessments

5.5     of surface water quality and trends. If the

5.6     amount in the first year is insufficient, the

5.7     amount in the second year is available in the

5.8     first year.

5.9     (b) \$9,795,000 the first year and \$9,795,000

5.10    the second year are to develop watershed

5.11    restoration and protection strategies

5.12    (WRAPS), which include total maximum

5.13    daily load (TMDL) studies and TMDL

5.14    implementation plans for waters listed on

5.15    the Unites States Environmental Protection

5.16    Agency approved impaired waters list in

5.17    accordance with Minnesota Statutes, chapter

5.18    114D. The agency shall complete an average

5.19    of ten percent of the TMDLs each year over

5.20    the biennium.

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

5.22    the second year are for groundwater

5.23    assessment, including enhancing the

5.24    ambient monitoring network, modeling, and

5.25    evaluating trends, including the reassessment

5.26    of groundwater that was assessed ten to 15

5.27    years ago and found to be contaminated.

5.28    (d) \$750,000 the first year and \$750,000

5.29    the second year are for water quality

5.30    improvements in the lower St. Louis River

5.31    and Duluth harbor within the St. Louis River

5.32    System Area of Concern. This appropriation

5.33    must be matched at a rate of 65 percent

5.34    nonstate money to 35 percent state money.

6.1 (e) \$275,000 the first year and \$275,000 the  
6.2 second year are for storm water research and  
6.3 guidance.

6.4 (f) \$1,150,000 the first year and \$1,150,000  
6.5 the second year are for TMDL research and  
6.6 database development.

6.7 (g) \$900,000 the first year and \$900,000  
6.8 the second year are for national pollutant  
6.9 discharge elimination system wastewater and  
6.10 storm water TMDL implementation efforts.

6.11 (h) \$3,623,000 the first year and \$3,622,000  
6.12 the second year are for enhancing the  
6.13 county-level delivery systems for subsurface  
6.14 sewage treatment system (SSTS) activities  
6.15 necessary to implement Minnesota Statutes,  
6.16 sections 115.55 and 115.56, for protection  
6.17 of groundwater, including base grants  
6.18 for all counties with SSTS programs and  
6.19 competitive grants to counties with specific  
6.20 plans to significantly reduce water pollution  
6.21 by reducing the number of systems that  
6.22 are an imminent threat to public health or  
6.23 safety or are otherwise failing. Counties that  
6.24 receive base grants must report the number  
6.25 of sewage noncompliant properties upgraded  
6.26 through SSTS replacement, connection  
6.27 to a centralized sewer system, or other  
6.28 means, including property abandonment  
6.29 or buy-out. Counties also must report  
6.30 the number of existing SSTS compliance  
6.31 inspections conducted in areas under county  
6.32 jurisdiction. These required reports are to  
6.33 be part of established annual reporting for  
6.34 SSTS programs. Counties that conduct SSTS  
6.35 inventories or those with an ordinance in

7.1 place that requires an SSTS to be inspected  
7.2 as a condition of transferring property or as a  
7.3 condition of obtaining a local permit must be  
7.4 given priority for competitive grants under  
7.5 this paragraph. Of this amount, \$750,000  
7.6 each year is available to counties for grants to  
7.7 low-income landowners to address systems  
7.8 that pose an imminent threat to public health  
7.9 or safety or fail to protect groundwater. A  
7.10 grant awarded under this paragraph may not  
7.11 exceed \$500,000 for the biennium. A county  
7.12 receiving a grant under this paragraph must  
7.13 submit a report to the agency listing the  
7.14 projects funded, including an account of the  
7.15 expenditures.

7.16 (i) \$275,000 the first year and \$275,000  
7.17 the second year are for a storm water  
7.18 best management practice performance  
7.19 evaluation and technology transfer program  
7.20 to enhance data and information management  
7.21 of storm water best management practices;  
7.22 evaluate best management performance  
7.23 and effectiveness to support meeting total  
7.24 maximum daily loads; develop standards  
7.25 and incorporate state of the art guidance  
7.26 using minimal impact design standards as  
7.27 the model; and implement a knowledge  
7.28 and technology transfer system across  
7.29 local government, industry, and regulatory  
7.30 sectors for pass-through to the University of  
7.31 Minnesota. This appropriation is available  
7.32 until June 30, 2018.

7.33 (j) \$50,000 the first year and \$50,000 the  
7.34 second year are to support activities of the  
7.35 Clean Water Council according to Minnesota  
7.36 Statutes, section 114D.30, subdivision 1.

8.1 (k) Notwithstanding Minnesota Statutes,  
 8.2 section 16A.28, the appropriations in this  
 8.3 section encumbered on or before June 30,  
 8.4 2017, as grants or contracts are available  
 8.5 until June 30, 2020.

8.6 **Sec. 6. DEPARTMENT OF NATURAL**  
 8.7 **RESOURCES**

**\$ 8,500,000 \$ 8,500,000**

8.8 (a) \$2,000,000 the first year and \$2,000,000  
 8.9 the second year are for stream flow  
 8.10 monitoring.

8.11 (b) \$1,300,000 the first year and \$1,300,000  
 8.12 the second year are for lake Index of  
 8.13 Biological Integrity (IBI) assessments.

8.14 (c) \$135,000 the first year and \$135,000  
 8.15 the second year are for assessing mercury  
 8.16 and other contaminants of fish, including  
 8.17 monitoring to track the status of impaired  
 8.18 waters over time.

8.19 (d) \$1,940,000 the first year and \$1,940,000  
 8.20 the second year are for developing targeted,  
 8.21 science-based watershed restoration and  
 8.22 protection strategies.

8.23 (e) \$1,375,000 the first year and \$1,375,000  
 8.24 the second year are for water supply planning,  
 8.25 aquifer protection, and monitoring activities.

8.26 (f) \$500,000 the first year and \$500,000 the  
 8.27 second year are for technical assistance to  
 8.28 support local implementation of nonpoint  
 8.29 source restoration and protection activities,  
 8.30 including water quality protection in forested  
 8.31 watersheds.

8.32 (g) \$675,000 the first year and \$675,000 the  
 8.33 second year are for applied research and tools,  
 8.34 including watershed hydrologic modeling;



9.1 maintaining and updating spatial data for  
9.2 watershed boundaries, streams, and water  
9.3 bodies and integrating high-resolution digital  
9.4 elevation data; assessing effectiveness of  
9.5 forestry best management practices for water  
9.6 quality; and developing a biomonitoring  
9.7 database.

9.8 (h) \$250,000 the first year and \$250,000  
9.9 the second year are for developing county  
9.10 geologic atlases.

9.11 (i) \$325,000 the first year and \$325,000 the  
9.12 second year are for color infrared imagery  
9.13 and analysis to determine the extent of  
9.14 permanent vegetation in riparian areas.

9.15	<u>Sec. 7. <b>BOARD OF WATER AND SOIL</b></u>			
9.16	<u><b>RESOURCES</b></u>	<u>\$</u>	<u>55,088,000</u>	<u>\$</u> <u>55,088,000</u>

9.17 (a) \$8,929,000 the first year and \$8,929,000  
9.18 the second year are for grants to local  
9.19 government units organized for the  
9.20 management of water in a watershed or  
9.21 subwatershed that have multiyear plans  
9.22 that will result in a significant reduction in  
9.23 water pollution in a selected subwatershed.

9.24 The grants may be used for establishment  
9.25 of riparian buffers; practices to store  
9.26 water for natural treatment and infiltration,  
9.27 including rain gardens; capturing storm  
9.28 water for reuse; stream bank, shoreland, and  
9.29 ravine stabilization; enforcement activities;  
9.30 and implementation of best management  
9.31 practices for feedlots within riparian areas  
9.32 and other practices demonstrated to be  
9.33 most effective in protecting, enhancing, and  
9.34 restoring water quality in lakes, rivers, and  
9.35 streams and protecting groundwater from

10.1 degradation. Grant recipients must identify  
10.2 a nonstate match and may use other legacy  
10.3 funds to supplement projects funded under  
10.4 this paragraph. Grants awarded under this  
10.5 paragraph are available for four years and  
10.6 priority must be given to the best designed  
10.7 plans each year.

10.8 (b) \$14,775,000 the first year and  
10.9 \$14,775,000 the second year are for grants  
10.10 to protect and restore surface water and  
10.11 drinking water; to keep water on the land; to  
10.12 protect, enhance, and restore water quality  
10.13 in lakes, rivers, and streams; and to protect  
10.14 groundwater and drinking water, including  
10.15 feedlot water quality and subsurface sewage  
10.16 treatment system projects and stream bank,  
10.17 stream channel, shoreline restoration,  
10.18 and ravine stabilization projects. The  
10.19 projects must use practices demonstrated  
10.20 to be effective, be of long-lasting public  
10.21 benefit, include a match, and be consistent  
10.22 with total maximum daily load (TMDL)  
10.23 implementation plans, watershed restoration  
10.24 and protection strategies (WRAPS), or local  
10.25 water management plans or their equivalents.

10.26 (c) \$6,000,000 the first year and \$6,000,000  
10.27 the second year are for targeted local  
10.28 resource protection and enhancement grants  
10.29 and statewide program enhancements for  
10.30 technical assistance, citizen and community  
10.31 outreach, and training and certification, as  
10.32 well as projects, practices, and programs that  
10.33 supplement or otherwise exceed current state  
10.34 standards for protection, enhancement, and  
10.35 restoration of water quality in lakes, rivers,

11.1 and streams or that protect groundwater from  
11.2 degradation, including compliance.

11.3 (d) \$950,000 the first year and \$950,000  
11.4 the second year are to provide state  
11.5 oversight and accountability, evaluate  
11.6 results, provide implementation tools, and  
11.7 measure the value of conservation program  
11.8 implementation by local governments,  
11.9 including submission to the legislature by  
11.10 March 1 each even-numbered year a biennial  
11.11 report prepared by the board, in consultation  
11.12 with the commissioners of natural resources,  
11.13 health, agriculture, and the Pollution Control  
11.14 Agency, detailing the recipients, the projects  
11.15 funded under this section, and the amount of  
11.16 pollution reduced.

11.17 (e) \$1,000,000 the first year and \$1,000,000  
11.18 the second year are for grants to local units  
11.19 of government to enhance compliance  
11.20 with Minnesota Statutes, sections 103F.401  
11.21 to 103F.455, and Minnesota Rules, part  
11.22 6120.3300, subpart 7, including enforcement  
11.23 efforts.

11.24 (f) \$7,500,000 the first year and \$7,500,000  
11.25 the second year are to restore or preserve  
11.26 permanent conservation on riparian buffers  
11.27 adjacent to lakes, rivers, streams, and  
11.28 tributaries, to keep water on the land in order  
11.29 to decrease sediment, pollutant, and nutrient  
11.30 transport; reduce hydrologic impacts to  
11.31 surface waters; and increase infiltration for  
11.32 groundwater recharge. This appropriation  
11.33 may be used for restoration of riparian  
11.34 buffers permanently protected by easements  
11.35 purchased with this appropriation or contracts

12.1 to achieve permanent protection for riparian  
 12.2 buffers or stream bank restorations when the  
 12.3 riparian buffers have been restored. Up to  
 12.4 \$344,000 is for deposit in a monitoring and  
 12.5 enforcement account.  
 12.6 (g) \$1,750,000 the first year and \$1,750,000  
 12.7 the second year are for permanent  
 12.8 conservation easements on wellhead  
 12.9 protection areas under Minnesota Statutes,  
 12.10 section 103F.515, subdivision 2, paragraph  
 12.11 (d), or for grants to local units of government  
 12.12 for fee title acquisition to permanently  
 12.13 protect groundwater supply sources on  
 12.14 wellhead protection areas or for otherwise  
 12.15 assuring long-term protection of groundwater  
 12.16 supply sources as described under alternative  
 12.17 management tools in the Department  
 12.18 of Agriculture's Nitrogen Fertilizer  
 12.19 Management Plan, including low nitrogen  
 12.20 cropping systems or implementing nitrogen  
 12.21 fertilizer best management practices. Priority  
 12.22 must be placed on land that is located where  
 12.23 the vulnerability of the drinking water supply  
 12.24 is designated as high or very high by the  
 12.25 commissioner of health and where drinking  
 12.26 water protection plans have identified  
 12.27 specific activities that will achieve long-term  
 12.28 protection. Up to \$52,500 is for deposit in a  
 12.29 monitoring and enforcement account.  
 12.30 (h) \$750,000 the first year and \$750,000  
 12.31 the second year are for community partner  
 12.32 grants to local units of government for:  
 12.33 (1) structural or vegetative management  
 12.34 practices that reduce storm water runoff  
 12.35 from developed or disturbed lands to reduce  
 12.36 the movement of sediment, nutrients, and

13.1 pollutants for restoration, protection, or  
13.2 enhancement of water quality in lakes, rivers,  
13.3 and streams and to protect groundwater  
13.4 and drinking water; and (2) installation  
13.5 of proven and effective water retention  
13.6 practices including, but not limited to, rain  
13.7 gardens and other vegetated infiltration  
13.8 basins and sediment control basins in order  
13.9 to keep water on the land. The projects must  
13.10 be of long-lasting public benefit, include a  
13.11 local match, and be consistent with TMDL  
13.12 implementation plans, watershed restoration  
13.13 and protection strategies (WRAPS), or local  
13.14 water management plans or their equivalents.  
13.15 Local government unit costs may be used as  
13.16 a match.  
  
13.17 (i) \$84,000 the first year and \$84,000 the  
13.18 second year are for a technical evaluation  
13.19 panel to conduct ten restoration evaluations  
13.20 under Minnesota Statutes, section 114D.50,  
13.21 subdivision 6.  
  
13.22 (j) \$2,100,000 the first year and \$2,100,000  
13.23 the second year are for assistance, oversight,  
13.24 and grants to local governments to transition  
13.25 local water management plans to a watershed  
13.26 approach as provided for in Minnesota  
13.27 Statutes, chapters 103B, 103C, 103D, and  
13.28 114D.  
  
13.29 (k) \$750,000 the first year and \$750,000  
13.30 the second year are for technical assistance  
13.31 and grants for the conservation drainage  
13.32 program in consultation with the Drainage  
13.33 Work Group, coordinated under Minnesota  
13.34 Statutes, section 103B.101, subdivision  
13.35 13, that includes projects to improve

14.1 multipurpose water management under  
14.2 Minnesota Statutes, section 103E.015.

14.3 (l) \$9,000,000 the first year and \$9,000,000  
14.4 the second year are to purchase and restore  
14.5 permanent conservation sites via easements  
14.6 or contracts to treat and store water on the  
14.7 land for water quality improvement purposes.

14.8 This work must be done in cooperation with  
14.9 the United States Department of Agriculture  
14.10 with a first priority use to accomplish  
14.11 a conservation reserve enhancement  
14.12 program, or equivalent, in the state. Up to  
14.13 \$1,285,000 is for deposit in a monitoring and  
14.14 enforcement account.

14.15 (m) \$1,000,000 the first year and \$1,000,000  
14.16 the second year are to purchase permanent  
14.17 conservation easements to protect lands  
14.18 adjacent to public waters with good water  
14.19 quality but threatened with degradation. Up  
14.20 to \$190,000 is for deposit in a monitoring  
14.21 and enforcement account.

14.22 (n) \$500,000 the first year and \$500,000  
14.23 the second year are for a program to  
14.24 systematically collect data and produce  
14.25 county, watershed, and statewide estimates  
14.26 of soil erosion caused by water and wind  
14.27 along with tracking adoption of conservation  
14.28 measures to address erosion.

14.29 (o) The board shall contract for delivery  
14.30 of services with Conservation Corps  
14.31 Minnesota for restoration, maintenance, and  
14.32 other activities under this section for up to  
14.33 \$500,000 the first year and up to \$500,000  
14.34 the second year.

15.1 (p) The board may shift grant or cost-share  
 15.2 funds in this section and may adjust the  
 15.3 technical and administrative assistance  
 15.4 portion of the funds to leverage federal or  
 15.5 other nonstate funds or to address oversight  
 15.6 responsibilities or high-priority needs  
 15.7 identified in local water management plans.

15.8 (q) The board shall require grantees to  
 15.9 specify the outcomes that will be achieved  
 15.10 by the grants prior to any grant awards.

15.11 (r) The appropriations in this section are  
 15.12 available until June 30, 2020. Returned grant  
 15.13 funds are available until expended and shall  
 15.14 be regranted consistent with the purposes of  
 15.15 this section.

15.16 Sec. 8. **DEPARTMENT OF HEALTH**                      **\$**                      **4,013,000** **\$**                      **3,812,000**

15.17 (a) \$1,100,000 the first year and \$1,100,000  
 15.18 the second year are for addressing public  
 15.19 health concerns related to contaminants  
 15.20 found in Minnesota drinking water for which  
 15.21 no health-based drinking water standards  
 15.22 exist, including accelerating the development  
 15.23 of health risk limits and improving the  
 15.24 capacity of the department's laboratory to  
 15.25 analyze unregulated contaminants. The  
 15.26 commissioner shall contract with the Board  
 15.27 of Regents of the University of Minnesota  
 15.28 to provide an independent review of the  
 15.29 department's drinking water contaminants  
 15.30 of emerging concern program. The review  
 15.31 must include an assessment and ranking of  
 15.32 contaminants that are threats to drinking  
 15.33 water supplies and include benchmarking  
 15.34 that compares efforts at the department with  
 15.35 efforts by other states and the United States

16.1 Environmental Protection Agency. The  
16.2 review must be submitted to the Clean Water  
16.3 Council and the chairs and ranking minority  
16.4 members of the house of representatives  
16.5 and senate committees and divisions with  
16.6 jurisdiction over environment and natural  
16.7 resources by June 1, 2016.

16.8 (b) \$1,900,000 the first year and \$1,900,000  
16.9 the second year are for protection of drinking  
16.10 water sources.

16.11 (c) \$113,000 the first year and \$112,000 the  
16.12 second year are for cost-share assistance to  
16.13 public and private well owners for up to 50  
16.14 percent of the cost of sealing unused wells.

16.15 (d) \$125,000 the first year and \$125,000  
16.16 the second year are to develop and deliver  
16.17 groundwater restoration and protection  
16.18 strategies for use on a watershed scale for use  
16.19 in local water planning efforts and to provide  
16.20 resources to local governments for drinking  
16.21 water source protection activities.

16.22 (e) \$325,000 the first year and \$325,000 the  
16.23 second year are for studying the occurrence  
16.24 and magnitude of contaminants in private  
16.25 wells and developing guidance to ensure  
16.26 that new well placement minimizes the  
16.27 potential for risks, in cooperation with the  
16.28 commissioner of agriculture.

16.29 (f) \$275,000 the first year and \$75,000  
16.30 the second year are for development  
16.31 and implementation of a groundwater  
16.32 virus monitoring plan, including an  
16.33 epidemiological study to determine the  
16.34 association between groundwater virus  
16.35 concentration and community illness rates.



17.1 (g) \$175,000 the first year and \$175,000 the  
 17.2 second year are to prepare a comprehensive  
 17.3 study of and recommendations for regulatory  
 17.4 and nonregulatory approaches to water reuse  
 17.5 for use in the development of state policy for  
 17.6 water reuse in Minnesota.

17.7 (h) Unless otherwise specified, the  
 17.8 appropriations in this section are available  
 17.9 until June 30, 2019.

17.10 Sec. 9. **METROPOLITAN COUNCIL**                      \$              **1,225,000** \$              **1,225,000**

17.11 (a) \$975,000 the first year and \$975,000  
 17.12 the second year are to implement projects  
 17.13 that address emerging drinking water supply  
 17.14 threats, provide cost-effective regional  
 17.15 solutions, leverage interjurisdictional  
 17.16 coordination, support local implementation  
 17.17 of water supply reliability projects, and  
 17.18 prevent degradation of groundwater  
 17.19 resources in the metropolitan area. These  
 17.20 projects will provide to communities:

17.21 (1) potential solutions to leverage regional  
 17.22 water use through utilization of surface water,  
 17.23 storm water, wastewater, and groundwater;

17.24 (2) an analysis of infrastructure requirements  
 17.25 for different alternatives;

17.26 (3) development of planning level cost  
 17.27 estimates, including capital cost and  
 17.28 operation cost;

17.29 (4) identification of funding mechanisms  
 17.30 and an equitable cost-sharing structure  
 17.31 for regionally beneficial water supply  
 17.32 development projects; and

17.33 (5) development of subregional groundwater  
 17.34 models.

18.1 (b) \$250,000 the first year and \$250,000  
18.2 the second year are for the water demand  
18.3 reduction grant program to encourage  
18.4 implementation of water demand reduction  
18.5 measures by municipalities in the  
18.6 metropolitan area to ensure the reliability and  
18.7 protection of drinking water supplies.

18.8       Sec. 10. Laws 2013, chapter 137, article 2, section 6, is amended to read:

18.9	Sec. 6. <b>DEPARTMENT OF NATURAL</b>			
18.10	<b>RESOURCES</b>	\$	<b>12,635,000</b>	\$ <b>9,450,000</b>

18.11 (a) \$2,000,000 the first year and \$2,000,000  
18.12 the second year are for stream flow  
18.13 monitoring, including the installation of  
18.14 additional monitoring gauges, and monitoring  
18.15 necessary to determine the relationship  
18.16 between stream flow and groundwater.

18.17 (b) \$1,300,000 the first year and \$1,300,000  
18.18 the second year are for lake Index of  
18.19 Biological Integrity (IBI) assessments.

18.20 (c) \$135,000 the first year and \$135,000  
18.21 the second year are for assessing mercury  
18.22 ~~contamination~~ and other contaminants of  
18.23 fish, including monitoring to track the status  
18.24 of waters impaired by mercury and mercury  
18.25 reduction efforts over time.

18.26 (d) \$1,850,000 the first year and \$1,850,000  
18.27 the second year are for developing targeted,  
18.28 science-based watershed restoration and  
18.29 protection strategies, including regional  
18.30 technical assistance for TMDL plans and  
18.31 development of a watershed assessment tool,  
18.32 in cooperation with the commissioner of the  
18.33 Pollution Control Agency. By January 15,  
18.34 2016, the commissioner shall submit a report

19.1 to the chairs and ranking minority members  
19.2 of the senate and house of representatives  
19.3 committees and divisions with jurisdiction  
19.4 over environment and natural resources  
19.5 policy and finance providing the outcomes  
19.6 to lakes, rivers, streams, and groundwater  
19.7 achieved with this appropriation and  
19.8 recommendations.

19.9 (e) \$1,375,000 the first year and \$1,375,000  
19.10 the second year are for water supply planning,  
19.11 aquifer protection, and monitoring activities.

19.12 (f) \$1,000,000 the first year and \$1,000,000  
19.13 the second year are for technical assistance  
19.14 to support local implementation of nonpoint  
19.15 source restoration and protection activities,  
19.16 including water quality protection in forested  
19.17 watersheds.

19.18 (g) \$675,000 the first year and \$675,000  
19.19 the second year are for applied research  
19.20 and tools, including watershed hydrologic  
19.21 modeling; maintaining and updating spatial  
19.22 data for watershed boundaries, streams, and  
19.23 water bodies and integrating high-resolution  
19.24 digital elevation data; assessing effectiveness  
19.25 of forestry best management practices for  
19.26 water quality; and developing an ecological  
19.27 monitoring database.

19.28 (h) \$615,000 the first year and \$615,000  
19.29 the second year are for developing county  
19.30 geologic atlases.

19.31 (i) \$85,000 the first year is to develop design  
19.32 standards and best management practices  
19.33 for public water access sites to maintain and  
19.34 improve water quality by avoiding shoreline  
19.35 erosion and runoff.

20.1 (j) \$3,000,000 the first year is for beginning  
20.2 to develop and designate groundwater  
20.3 management areas under Minnesota Statutes,  
20.4 section 103G.287, subdivision 4. The  
20.5 commissioner, in consultation with the  
20.6 commissioners of the Pollution Control  
20.7 Agency, health, and agriculture, shall  
20.8 establish a uniform statewide hydrogeologic  
20.9 mapping system that will include designated  
20.10 groundwater management areas. The  
20.11 mapping system must include wellhead  
20.12 protection areas, special well construction  
20.13 areas, groundwater provinces, groundwater  
20.14 recharge areas, and other designated or  
20.15 geographical areas related to groundwater.  
20.16 This mapping system shall be used to  
20.17 implement all groundwater-related laws  
20.18 and for reporting and evaluations. This  
20.19 appropriation is available until June 30, 2017.

20.20 (k) \$500,000 the first year and \$500,000  
20.21 the second year are for ~~grants~~ a grant  
20.22 program to help counties and other local  
20.23 units of government to adopt and implement  
20.24 advanced shoreland protection ~~measures~~  
20.25 standards. The grants awarded under this  
20.26 paragraph shall be for up to \$100,000 and  
20.27 must be used to ~~restore and enhance riparian~~  
20.28 areas cover the costs of developing and  
20.29 adopting ordinances with advanced shoreland  
20.30 protection standards or implementing  
20.31 advanced shoreland protection standards to  
20.32 protect, enhance, and restore water quality in  
20.33 public water lakes, public water wetlands,  
20.34 and public water rivers, and streams. Grant  
20.35 recipients must submit a report to the  
20.36 commissioner on the outcomes achieved

21.1 with the grant. ~~To be eligible for a grant~~  
21.2 ~~under this paragraph, a county or other local~~  
21.3 ~~unit of government must be adopting or have~~  
21.4 ~~adopted an ordinance for the subdivision,~~  
21.5 ~~use, redevelopment, and development of~~  
21.6 ~~shoreland that has been approved by the~~  
21.7 ~~commissioner of natural resources as having~~  
21.8 ~~advanced shoreland protection measures. An~~  
21.9 ~~ordinance~~ Recipients will be reimbursed for  
21.10 eligible costs upon adoption of ordinances  
21.11 and completion of implementation activities  
21.12 as provided in this paragraph and as  
21.13 stipulated in the grant agreement. Ordinances  
21.14 adopted under this grant program must be  
21.15 approved by the commissioner and meet or  
21.16 exceed the following standards:  
  
21.17 (1) requires new sewage treatment systems  
21.18 to be set back at least 100 feet from the  
21.19 ordinary high water level for recreational  
21.20 development lake shorelands and 75 feet for  
21.21 general development lake shorelands;  
  
21.22 (2) requires redevelopment and new  
21.23 development on shoreland to have at least  
21.24 a 50-foot vegetative buffer. An access path  
21.25 and recreational use area may be allowed;  
  
21.26 (3) requires mitigation when any variance to  
21.27 standards designed to protect public water  
21.28 lakes, public water wetlands, and public  
21.29 water rivers, and streams is granted;  
  
21.30 (4) requires best management practices to be  
21.31 used to control storm water and sediment as  
21.32 part of a land alteration;  
  
21.33 (5) includes other ~~criteria~~ standards  
21.34 developed by the commissioner; and  
  
21.35 (6) has been adopted by July 1, ~~2015~~ 2017.

22.1 An ordinance that does not exceed all the  
 22.2 standards in clauses (1) to (5) is considered  
 22.3 to meet the requirement if the commissioner  
 22.4 determines that the ordinance provides  
 22.5 significantly greater protection for both  
 22.6 public waters and shoreland shorelands than  
 22.7 those standards. Implementation activities  
 22.8 funded under this grant program must meet  
 22.9 the advanced shoreland protection standards  
 22.10 and criteria described above. Grants awarded  
 22.11 under this program may not be used to  
 22.12 reimburse ordinance adoption or shoreland  
 22.13 protection implementation expenses incurred  
 22.14 prior to the date of a fully executed grant  
 22.15 agreement.

22.16 The commissioner of natural resources may  
 22.17 develop additional criteria for the grants  
 22.18 awarded under this ~~paragraph~~ program. In  
 22.19 developing the criteria, the commissioner  
 22.20 shall consider the proposed changes to  
 22.21 the department's shoreland rules discussed  
 22.22 during the rulemaking process authorized  
 22.23 under Laws 2007, chapter 57, article 1,  
 22.24 section 4, subdivision 3.

22.25 This appropriation is available until spent.

22.26 (l) \$100,000 the first year is for the  
 22.27 commissioner of natural resources for  
 22.28 rulemaking under Minnesota Statutes,  
 22.29 section 116G.15, subdivision 7.

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

22.31 Sec. 11. **CANCELLATION OF PRIOR APPROPRIATIONS.**

22.32 (a) The unspent balance of the appropriation to the Public Facilities Authority for the  
 22.33 clean water legacy phosphorus reduction grant program under Minnesota Statutes, section  
 22.34 446A.074, in Laws 2009, chapter 172, article 2, section 3, paragraph (b), is canceled.

23.1            (b) The unspent balance of the appropriation to the Public Facilities Authority for  
23.2            the clean water legacy phosphorus reduction grant program under Minnesota Statutes,  
23.3            section 446A.074, in Laws 2011, First Special Session chapter 6, article 2, section 4,  
23.4            paragraph (b), is canceled.

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