

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 3952

(SENATE AUTHORS: WIGER, Eaton and Eken)

DATE
03/04/2020

D-PG
5232

Introduction and first reading
Referred to Environment and Natural Resources Policy and Legacy Finance

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to natural resources; facilitating greater coordination between Lessard-Sams
1.3 Outdoor Heritage Council, Clean Water Council, and Legislative-Citizen
1.4 Commission on Minnesota Resources; amending Minnesota Statutes 2018, sections
1.5 97A.056, subdivision 3; 114D.30, subdivision 6; 116P.05, subdivision 2.

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

1.7 Section 1. Minnesota Statutes 2018, section 97A.056, subdivision 3, is amended to read:

1.8 Subd. 3. **Council recommendations.** (a) The council shall make recommendations to
1.9 the legislature on appropriations of money from the outdoor heritage fund that are consistent
1.10 with the constitution and state law and that will achieve the outcomes of existing natural
1.11 resource plans, including, but not limited to, the Minnesota Statewide Conservation and
1.12 Preservation Plan, that directly relate to the restoration, protection, and enhancement of
1.13 wetlands, prairies, forests, and habitat for fish, game, and wildlife, and that prevent forest
1.14 fragmentation, encourage forest consolidation, and expand restored native prairie. In making
1.15 recommendations, the council shall consider a range of options that would best restore,
1.16 protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife.
1.17 The council's recommendations shall be submitted no later than January 15 each year. The
1.18 council shall present its recommendations to the senate and house of representatives
1.19 committees with jurisdiction over the environment and natural resources budget by February
1.20 15 in odd-numbered years, and within the first four weeks of the legislative session in
1.21 even-numbered years. The council's budget recommendations to the legislature shall be
1.22 separate from the Department of Natural Resource's budget recommendations.

1.23 (b) To encourage and support local conservation efforts, the council shall establish a
1.24 conservation partners program. Local, regional, state, or national organizations may apply

2.1 for matching grants for restoration, protection, and enhancement of wetlands, prairies,
2.2 forests, and habitat for fish, game, and wildlife, prevention of forest fragmentation,
2.3 encouragement of forest consolidation, and expansion of restored native prairie.

2.4 (c) The council ~~may~~ must work with the Clean Water Council to identify projects that
2.5 are consistent with both the purpose of the outdoor heritage fund and the purpose of the
2.6 clean water fund.

2.7 (d) The council may make recommendations to the Legislative-Citizen Commission on
2.8 Minnesota Resources on scientific research that will assist in restoring, protecting, and
2.9 enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife, preventing
2.10 forest fragmentation, encouraging forest consolidation, and expanding restored native prairie.

2.11 (e) Recommendations of the council, including approval of recommendations for the
2.12 outdoor heritage fund, require an affirmative vote of at least nine members of the council.

2.13 (f) The council ~~may~~ must work with the Clean Water Council, and the Legislative-Citizen
2.14 Commission on Minnesota Resources, and may work with the Board of Water and Soil
2.15 Resources, soil and water conservation districts, and experts from Minnesota State Colleges
2.16 and Universities and the University of Minnesota in developing the council's
2.17 recommendations.

2.18 (g) The council shall develop and implement a process that ensures that citizens and
2.19 potential recipients of funds are included throughout the process, including the development
2.20 and finalization of the council's recommendations. The process must include a fair, equitable,
2.21 and thorough process for reviewing requests for funding and a clear and easily understood
2.22 process for ranking projects.

2.23 (h) The council shall use the regions of the state based upon the ecological sections and
2.24 subsections developed by the Department of Natural Resources and establish objectives for
2.25 each region and subregion to achieve the purposes of the fund outlined in the state
2.26 constitution.

2.27 (i) The council shall develop and submit to the Legislative Coordinating Commission
2.28 plans for the first ten years of funding, and a framework for 25 years of funding, consistent
2.29 with statutory and constitutional requirements. The council may use existing plans from
2.30 other legislative, state, and federal sources, as applicable.

2.31 (j) By July 1 each year, the council shall provide counties with a list of project proposals
2.32 that include potential fee title land acquisitions in the county that is based on that year's
2.33 funding requests received by the council from nongovernmental organizations.

3.1 Sec. 2. Minnesota Statutes 2018, section 114D.30, subdivision 6, is amended to read:

3.2 Subd. 6. **Recommended appropriations.** (a) The Clean Water Council shall recommend
3.3 to the governor and the legislature the manner in which money from the clean water fund
3.4 should be appropriated for the purposes stated in article XI, section 15, of the Minnesota
3.5 Constitution and section 114D.50.

3.6 (b) The council's recommendations must:

3.7 (1) be to protect, enhance, and restore water quality in lakes, rivers, and streams and to
3.8 protect groundwater from degradation and ensure that at least five percent of the clean water
3.9 fund is spent only to protect drinking water sources;

3.10 (2) be consistent with the purposes, policies, goals, and priorities in this chapter; and

3.11 (3) allocate adequate support and resources to identify degraded groundwater and
3.12 impaired waters, develop TMDLs, implement restoration of groundwater and impaired
3.13 waters, and provide assistance and incentives to prevent groundwater and surface waters
3.14 from becoming degraded or impaired and improve the quality of surface waters which are
3.15 listed as impaired but have no approved TMDL.

3.16 (c) The council must recommend methods of ensuring that awards of grants, loans, or
3.17 other funds from the clean water fund specify the outcomes to be achieved as a result of the
3.18 funding and specify standards to hold the recipient accountable for achieving the desired
3.19 outcomes. Expenditures from the fund must be appropriated by law.

3.20 (d) The council must work with the Lessard-Sams Outdoor Heritage Council and the
3.21 Legislative-Citizen Commission on Minnesota Resources in developing the council's
3.22 recommendations.

3.23 Sec. 3. Minnesota Statutes 2018, section 116P.05, subdivision 2, is amended to read:

3.24 Subd. 2. **Duties.** (a) The commission shall recommend an annual or biennial legislative
3.25 bill for appropriations from the environment and natural resources trust fund and shall adopt
3.26 a strategic plan as provided in section 116P.08. Approval of the recommended legislative
3.27 bill requires an affirmative vote of at least 12 members of the commission. The commission
3.28 must work with the Lessard-Sams Outdoor Heritage Council and the Clean Water Council
3.29 in developing the commission's recommendations.

3.30 (b) It is a condition of acceptance of the appropriations made from the Minnesota
3.31 environment and natural resources trust fund, and oil overcharge money under section 4.071,
3.32 subdivision 2, that the agency or entity receiving the appropriation must submit a work plan

4.1 and annual or semiannual progress reports in the form determined by the Legislative-Citizen
 4.2 Commission on Minnesota Resources, and comply with applicable reporting requirements
 4.3 under section 116P.16. None of the money provided may be spent unless the commission
 4.4 has approved the pertinent work plan. Modifications to the approved work plan and budget
 4.5 expenditures shall be made through the amendment process established by the commission.
 4.6 The commission shall ensure that the expenditures and outcomes described in the work plan
 4.7 for appropriations funded by the environment and natural resources trust fund are met.

4.8 (c) The peer review procedures created under section 116P.08 must also be used to
 4.9 review, comment, and report to the commission on research proposals applying for an
 4.10 appropriation from the oil overcharge money under section 4.071, subdivision 2.

4.11 (d) The commission may adopt operating procedures to fulfill its duties under this chapter.

4.12 (e) As part of the operating procedures, the commission shall:

4.13 (1) ensure that members' expectations are to participate in all meetings related to funding
 4.14 decision recommendations;

4.15 (2) recommend adequate funding for increased citizen outreach and communications
 4.16 for trust fund expenditure planning;

4.17 (3) allow administrative expenses as part of individual project expenditures based on
 4.18 need;

4.19 (4) provide for project outcome evaluation;

4.20 (5) keep the grant application, administration, and review process as simple as possible;
 4.21 and

4.22 (6) define and emphasize the leveraging of additional sources of money that project
 4.23 proposers should consider when making trust fund proposals.

4.24 **Sec. 4. REPORT ON OPPORTUNITIES TO COORDINATE.**

4.25 By February 1, 2021, the Lessard-Sams Outdoor Heritage Council, the Legislative-Citizen
 4.26 Commission on Minnesota Resources, and the Clean Water Council must jointly submit a
 4.27 report to the chairs and ranking minority members of the house of representatives and senate
 4.28 committees and divisions with jurisdiction over environment and natural resources and
 4.29 legacy policy and finance that includes:

4.30 (1) an explanation of measures that will be taken by each entity to better coordinate the
 4.31 strategic planning and recommendations of each entity in a manner that maximizes
 4.32 water-quality outcomes;

5.1 (2) an explanation of statutory changes that, if enacted, would lead to better water-quality
5.2 outcomes;

5.3 (3) a review of relevant recommendations from other sources, including the *Putting*
5.4 *Minnesota on a Clean Water Trajectory* report by the Freshwater Society;

5.5 (4) identification of ways to increase coordination of each entity's activities with the
5.6 goals and objectives of the One Watershed, One Plan program; and

5.7 (5) identification of steps that will be taken by each entity to ensure that each funding
5.8 proposal heard by the entity includes an explanation of the specific ways in which the
5.9 proposal would, if funded, advance specific goals and objectives of one or both of the other
5.10 entities.