

cash value of his total shares or may leave such shares on deposit with the supplemental retirement fund. Shares not withdrawn shall remain on deposit with the supplemental retirement fund until the former participant attains the age of at least 58 years, and applies for an annuity as provided in section 352D.06, subdivision 1. The provisions of this subdivision shall apply to any person with 42 months or more of service in the unclassified service and employer shares credited to his account with respect to that service, who terminated service prior to July 1, 1973.

Sec. 2. This act is effective the day following final enactment.

Approved March 25, 1976.

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## CHAPTER 82—S.F.No.1120

[Coded]

*An act relating to flood plain management; providing for a program of grants to local government units for the construction of floodwater retention and retarding structures; appropriating money; amending Minnesota Statutes 1974, Chapter 104, by adding sections.*

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

Section 1. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.42] FLOOD PLAIN MANAGEMENT; SOUTHERN MINNESOTA RIVERS BASIN AREA II, GRANTS TO LOCAL GOVERNMENT; DEFINITION.** For the purposes of this act, the term "southern Minnesota rivers basin area II" means the area within the watersheds of rivers and streams that are tributaries of the Minnesota River from the south between the cities of Ortonville and Mankato. Major rivers included within the watershed are the Yellow Bank, Lac Qui Parle, Yellow Medicine, Redwood, and Cottonwood. All of Lac Qui Parle, Yellow Medicine, and Redwood counties, and parts of Lincoln, Lyon, Pipestone, Murray, Cottonwood, and Brown counties are included within the boundaries of the area.

Sec. 2. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.43] PROGRAM.** There shall be a state grant-in-aid pilot program of providing financial assistance to units of local government, including counties, soil and water conservation districts, and watershed districts, located in the southern Minnesota river basin area II for project and construction costs for the building of floodwater retarding and retention structures within a general plan for flood plain management.

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Sec. 3. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.44] AID FORMULA.** Grants may be made by the soil and water conservation commission to a local governmental unit for the purposes of sections 1 to 10 in an amount not to exceed 75 percent of the total cost of each project, including site acquisition, engineering, and construction. Provided that if federal funds are being utilized for a portion of the project costs, the state contribution shall not exceed 50 percent of the remaining non-federal costs unless the structure is located in the state of South Dakota, in which case the two states shall share the non-federal costs equally. No amount of the money granted by the state shall be used for any project of stream channelization.

Sec. 4. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.45] OPERATION WITHIN AGENCY.** Subdivision 1. **SOIL AND WATER CONSERVATION COMMISSION.** The state soil and water conservation commission shall supervise the grant-in-aid pilot program pursuant to sections 1 to 10.

**Subd. 2. PROCEDURES AND FORMS.** The commission shall devise procedures and forms for application for grants by the local units of government, and review of and decision on the applications by the commission.

**Subd. 3. STAFF POSITION.** A professional engineer shall be employed by the commission to work exclusively on the technical implementation and engineering of the pilot project established pursuant to sections 1 to 10. He shall assist the local units of government and the commission to achieve the purposes of the project, and shall have duties including:

- (a) Field review and analysis of projects and project sites;
- (b) Preparation of permit applications, including evaluation of environmental effects;
- (c) Development of recommended pertinent provisions of permits for specific projects;
- (d) Preparation of plans for further consideration of remedial flood control structural measures as part of a general rural flood plain management effort; and
- (e) Evaluation of the effectiveness of completed projects constructed under this project.

Sec. 5. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

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**[104.46] SELECTION OF PROJECTS.** Subdivision 1. EVALUATION OF AREA AND SITES; FEDERAL COOPERATION. Before any grants are made, there shall be devised a priority system for the selection of projects to receive the aid. The commission comprising the granting authority shall cooperate with the United States Army Corps of Engineers, the department of natural resources, the Soil Conservation Service and the Area II Action Committee in analysis of the general flood plain management plan for the area and in hydrological and engineering studies on specific proposed sites. From that information, the granting authority shall determine the relative severity of the flooding problem which would be wholly or partly solved by each project. The range of priorities based on these findings shall provide a basis for selection of project sites.

**Subd. 2. PROJECT REQUIREMENT FOR EACH WATERSHED.** Notwithstanding the requirement in subdivision 1 that project selection be based on a priority system, no more than one project shall be located within any one of the Cottonwood, Lac Qui Parle, Redwood, Yellow Medicine, and Yellow Bank rivers watersheds unless agreed upon by the area II action committee composed of representatives of each of those watersheds.

Sec. 6. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.47] CONDITIONS FOR GRANTS.** Subdivision 1. LOCAL EXPRESSION OF WILLINGNESS. The local unit of government seeking the grant shall do so by means of a resolution requesting state funding assistance for the construction of a floodwater retention or retarding structure within its jurisdiction. The resolution shall include provisions concerning local funding, if any. The local unit of government shall state its intent to obtain necessary land rights for proposed construction sites and to assume responsibility for maintenance of the structure on its completion.

**Subd. 2. GENERAL PLAN.** The local unit of government shall demonstrate that the construction project which it proposes is consistent with its general plan for flood plain management. The general plan of the local government unit shall be in conformity with the policy and objectives of Minnesota Statutes, Chapter 104 and shall, where reasonable and practicable, include nonstructural means of flood plain management.

**Subd. 3. FEDERAL AID AVAILABILITY.** The commission shall complete a detailed analysis of the availability of federal funds and programs to supplement or complement state and local efforts on each project. This shall include the eligibility requirements and time frame for receiving the federal aid.

**Subd. 4. ENVIRONMENTAL IMPACT STATEMENT.** The local unit of government, assisted by the project staff engineer, shall make a

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comprehensive evaluation of the positive and negative environmental effects which would be reasonably likely to take place if the particular proposed project would be constructed.

Sec. 7. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.48] APPROVED PROJECTS.** Subdivision 1. CONTRACTS. When a proposed project is approved to receive a grant, the granting authority shall negotiate a contract with the local unit of government involved. The contract shall specify the terms of state and local cooperation, including the financing arrangement for the construction and an agreement on maintenance of the structure after completion.

**Subd. 2. PERMITS.** Before any of the granted funds are expended on construction of the structure, all permits required for construction shall be obtained from state agencies.

Sec. 8. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.49] INTERSTATE COOPERATION.** The soil and water conservation commission and the staff engineer may enter into a working agreement with the South Dakota-Minnesota Boundary Waters Commission, or successor organization, in regard to those flood retention and retarding structures constructed pursuant to sections 1 to 10 which involve territory of the state of South Dakota as well as Minnesota.

Sec. 9. Minnesota Statutes 1974, Chapter 104, is amended by adding a section to read:

**[104.50] REPORT TO THE LEGISLATURE.** When the project has been in operation for a period of two years, the soil and water conservation commission and the staff engineer shall prepare and deliver a report to the legislature on the program and its consequences together with an evaluation of the feasibility and benefit of continuing the project.

Sec. 10. **APPROPRIATION.** There is appropriated from the general fund in the state treasury the sum of \$250,000 to the state soil and water conservation commission to be used only for the purposes of this act. An amount of up to \$20,000 of this appropriation may be used for salaries, supplies, and expenses for the staff. No local funds are required to match for this expenditure. Notwithstanding Minnesota Statutes, Section 16A.28, or any other law relating to the lapse of an appropriation, the appropriation made by this section shall not lapse but shall continue until fully expended. The state soil and water conservation commission shall make application for funds to the legislative commission on Minnesota resources and any funds received from the legislative commission on Minnesota resources would reduce the

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amount of the unencumbered balance of this appropriation.

Approved March 25, 1976.

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## CHAPTER 83—S.F.No.1308

**[Coded in Part]**

*An act relating to natural resources; clarifying procedures for acquisition of wildlife lands; modifying the definition of beneficial public purpose; requiring a material beneficial public purpose to be served in order to classify waters as public; establishing an accelerated program of inventorying, classifying, and designating state waters; prescribing the powers and duties of the commissioner of natural resources and counties in connection therewith; prescribing interim rules and regulations; specifying certain restrictions on drainage; eliminating the duty of the commissioner of natural resources to promulgate certain criteria relating to drainage systems; clarifying the criteria which county boards or district courts must consider concerning drainage systems; establishing a state water bank program for public waters; appropriating money; amending Minnesota Statutes 1974, Sections 105.37, Subdivision 6, and by adding subdivisions; 105.38; 105.42, Subdivision 1a; 106.021, Subdivisions 2 and 6; 106.031, Subdivision 1; 106.081, Subdivisions 1, 3 and 4; 106.091, Subdivisions 1 and 2; 106.101, Subdivisions 4 and 5; 106.111, Subdivision 1; 106.121, Subdivisions 1 and 4; 106.131; 106.201, Subdivisions 1 and 2; and Chapter 105, by adding sections; and Minnesota Statutes, 1975 Supplement, Section 97.481.*

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

Section 1. Minnesota Statutes, 1975 Supplement, Section 97.481, is amended to read:

**97.481 NATURAL RESOURCES; DEPARTMENTAL FUNCTIONS; ACQUISITION OF WILDLIFE LANDS.** The commissioner of natural resources is hereby authorized and empowered to acquire, in the name of the state, by gift, lease, purchase and transfer of state lands, any such wildlife lands, such as marsh or wetlands, and the margins thereof, including ponds, small lakes and stream bottom lands, which he finds desirable to acquire in the interests of water conservation relating to wildlife development programs, and, he may also acquire for this purpose from any state agency, itself included, lands now in state ownership or tax-forfeited which are suitable for wildlife purposes, and when such lands are so acquired, he is authorized to develop the same in the interest of wildlife, recreational or public hunting areas as he shall deem desirable. In the determination of which lands will be acquired as wildlife lands, the commissioner shall assign highest priority to parcels containing type 3 or 4 wetlands, as defined in U.S. Fish and Wildlife Service Circular No. 39 (1971 edition), which were previously determined to be public waters. No such lands shall be acquired until

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