

If the health carrier is separately represented by an attorney, the health carrier and the covered person, by their attorneys, may enter into an agreement regarding allocation of the covered person's costs, disbursements, and reasonable attorney fees and other expenses. If the health carrier and covered person cannot reach agreement on allocation, the health carrier and covered person shall submit the matter to binding arbitration.

Nothing in this section shall limit a health carrier's right to recovery from another source which may otherwise exist at law.

For the purposes of this section, full recovery does not include payments made by a health plan to or for the benefit of a covered person.

Subd. 3. RETROACTIVE AMENDMENTS REGULATED. No addition of, or amendment of, a subrogation, reimbursement, or similar clause in a health plan shall be applied to the disadvantage of a covered person with respect to benefits provided by the health carrier in connection with an injury, illness, condition, or other covered situation that originated prior to the addition of or amendment to the clause.

Sec. 2. [62A.096] NOTICE OF SUBROGATION CLAIM REQUIRED.

A person covered by a health carrier who makes a claim against a collateral source for damages that include repayment for medical and medically-related expenses incurred for the covered person's benefit shall provide timely notice, in writing, to the health carrier of the pending or potential claim. Notwithstanding any other law to the contrary, the statute of limitations applicable to the rights with respect to reimbursement or subrogation by the health carrier against the covered person does not commence to run until the notice has been given.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective January 1, 1996, and apply to plans in effect on that date and plans offered, sold, or issued on or after that date.

Presented to the governor May 22, 1995

Signed by the governor May 24, 1995, 10:17 a.m.

CHAPTER 220—S.F.No. 106

An act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; adding provisions relating to native vegetation; modifying provisions relating to disposition of certain revenues from state trust lands, sales of software, agricultural and environmental loans and grants, food handlers, ethanol and oxygenated fuels, registration fees for recreational vehicles and boats, the citizen's council on Voyageurs National Park, local recreation grants, state trails

New language is indicated by underline, deletions by ~~strikeout~~.

and canal and boating routes, zoo admission charges, watercraft surcharge, trout and salmon stamp, deer hunting licenses, water information, watershed district rules, sewage sludge, expenditure of money in the environmental trust fund, well sealing grants, pollution control agency fees, used motor oil and filters, and payments in lieu of taxes; establishing the Passing on the Farm Center; adding provisions relating to forest resource management; establishing special critical habitat license plates; authorizing establishment of a shooting area in Sand Dunes State Forest; abolishing the harmful substance compensation board and account; extending performance reporting requirements; providing for easements across state trails in certain circumstances; establishing a council and task forces; repealing requirements relating to fish taken in Canada; amending Minnesota Statutes 1994, sections 15.50, by adding a subdivision; 15.91, subdivision 1; 16A.125; 16B.405, subdivision 2; 17.117, subdivisions 2, 4, 6, 7, 8, 9, 10, 11, 14, 16, and by adding subdivisions; 28A.03; 28A.08; 41A.09, by adding subdivisions; 41B.02, subdivision 20; 41B.03, subdivision 6; 41B.04, subdivision 17; 41B.043, subdivisions 1b, 2, and 3; 41B.045, subdivision 2; 41B.046, subdivision 1, and by adding a subdivision; 84.631; 84.788, subdivision 3; 84.798, subdivision 3; 84.82, subdivision 2; 84.922, subdivision 2; 84.943, subdivision 3; 84B.11, subdivision 1; 85.015, subdivision 11, and by adding a subdivision; 85.019; 85.32, subdivision 1; 85A.02, subdivision 17; 86.72, subdivision 1; 86B.415, subdivisions 7 and 8; 86B.870, subdivision 1; 89.001, subdivision 8; 92.46, subdivision 1; 97C.305, subdivision 1; 103A.43; 103D.335, subdivision 19; 103F.725, subdivision 1a; 103H.151, by adding a subdivision; 103I.331, subdivision 4; 115A.03, subdivision 29; 115A.908, subdivision 3; 115B.20, subdivision 1; 115B.25, subdivision 1a; 115B.26, subdivision 2; 115B.41, subdivision 1; 115B.42; 115C.03, subdivision 9; 116.07, subdivision 4d; 116.12, subdivision 1; 116.96, subdivision 5; 116C.69, subdivision 3; 116P.11; 239.011, subdivision 2; 239.54; 239.791, subdivision 8; 296.02, by adding a subdivision; 325E.10, subdivision 1; 325E.11; 446A.07, subdivision 8; 446A.071, subdivision 2; 473.845, subdivision 2; 477A.12; and 477A.14; Laws 1992, chapter 558, section 17; proposing coding for new law in Minnesota Statutes, chapters 17; 28A; 84; 89; 116; 168; 177; and 325E; proposing coding for new law as Minnesota Statutes, chapter 89A; repealing Minnesota Statutes 1994, sections 28A.08, subdivision 2; 41A.09, subdivisions 2, 3, and 5; 97A.531, subdivisions 2, 3, 4, 5, and 6; 97B.301, subdivision 5; 115B.26, subdivision 1; 239.791, subdivisions 4, 5, 6, and 9; 296.02, subdivision 7; 325E.0951, subdivision 5; and 446A.071, subdivision 7; Laws 1993, chapter 172, section 10.

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

Section 1. ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1995," "1996," and "1997," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1995, June 30, 1996, or June 30, 1997, respectively.

New language is indicated by underline, deletions by ~~strikeout~~.

SUMMARY BY FUND

	1995	1996	1997	TOTAL
General	\$ 140,000	\$161,448,000	\$157,190,000	\$318,778,000
Environmental		20,952,000	21,217,000	42,169,000
Solid Waste	130,000	5,819,000	5,743,000	11,692,000
Petroleum Tank		2,386,000	2,659,000	5,045,000
Metro Landfill				
Contingency Trust		134,000	134,000	268,000
Special				
Revenue	122,000	10,386,000	10,379,000	20,887,000
Natural Resources		18,818,000	19,145,000	37,963,000
Game and Fish		51,477,000	51,339,000	102,816,000
Environmental				
Trust	2,240,000	15,604,000	-0-	17,844,000
Minnesota				
Future Resources		15,083,000	-0-	15,083,000
Oil Overcharge		2,055,000	-0-	2,055,000
Permanent University		-0-	500,000	500,000
Highway User				
Tax Distribution		50,000	-0-	50,000
Great Lakes				
Protection		130,000		130,000
TOTAL	2,632,000	304,342,000	268,306,000	575,280,000

APPROPRIATIONS

Available for the Year
Ending June 30

1995 1996 1997

Sec. 2. POLLUTION CONTROL
AGENCY

Subdivision 1. Total Appropriation	130,000	39,891,000	38,183,000
Summary by Fund			
General		11,572,000	9,441,000
Environmental		19,342,000	19,607,000
Solid Waste	130,000	5,679,000	5,643,000
Metro Landfill			
Contingency		134,000	134,000
Special Revenue		778,000	699,000
Petroleum Tank		2,386,000	2,659,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Water Pollution Control

11,178,000	9,109,000	
	Summary by Fund	
General	8,104,000	6,123,000
Environmental	3,074,000	2,986,000

\$1,946,000 the first year is for grants to local units of government for the clean water partnership program. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

General fund money appropriated for the nonpoint source pollution Minnesota River project must be matched by federal dollars.

Of this amount, \$855,000 in each fiscal year is for grants for county administration of the feedlot permit program. This amount is transferred to the board of water and soil resources for disbursement in accordance with Minnesota Statutes, section 103B.3369, in cooperation with the pollution control agency. Grants must be matched with a combination of local cash and/or in-kind contributions. Counties receiving these grants shall submit an annual report to the pollution control agency regarding activities conducted under the grant, expenditures made, and local match contributions. First priority for funding shall be given to counties that have requested and received delegation from the pollution control agency for processing of animal feedlot permit applications under Minnesota Statutes, section 116.07, subdivision 7. Delegated counties shall be eligible to receive a grant of \$5,000 plus either: \$15 multiplied by the number of livestock or poultry farms with sales greater than \$10,000, as reported in the 1992 Census of Agriculture, published by the United States Bureau of Census; or \$25 multiplied by the number of feedlots with greater than

ten animal units as determined by a level 2 or level 3 feedlot inventory conducted in accordance with the Feedlot Inventory Guidebook published by the board of water and soil resources, dated June 1991. To receive the additional funding that is based on the county feedlot inventory, the county shall submit a copy of the inventory to the pollution control agency. Any remaining money is for distribution to all counties on a competitive basis through the challenge grant process for the conducting of feedlot inventories, development of delegated county feedlot programs, and for information and education or technical assistance efforts to reduce feedlot-related pollution hazards.

The governor shall appoint an advisory task force to examine the point source permitting program in the water quality division of the agency. The task force must include representatives of industrial and municipal permittees regulated by the agency and environmental interest groups. The task force shall report to the governor and chairs of the senate finance and house of representatives ways and means committees, and chairs of the environmental policy and finance committees and divisions of the senate and house of representatives by November 30, 1995. The report must address the following issues: (1) what constitutes an adequate point source permitting program; (2) what the associated costs are of running an adequate program; (3) how these costs should be allocated and funded; (4) load-based fees; (5) fees for permittees that have violations requiring enforcement actions; (6) how to improve public access to information concerning toxic pollutants in permitted discharges; and (7) a time reporting system to improve tracking of resource usage. The task force expires on December 1, 1995.

The pollution control agency shall, by January 1, 1996, provide the chairs of the house environment and natural resources finance committee and the senate environmental and natural resources finance division with the following information:

- (1) a list of all wastewater treatment facility upgrade and construction projects the agency has identified as necessary to meet existing and proposed water quality standards and regulations;
- (2) an estimate of the total project costs and an estimate in the increase in sewer service rates resulting from these project costs;
- (3) a list of existing and proposed state water quality standards that are not required under federal law;
- (4) a list of existing and proposed state water quality standards that are more stringent than is necessary to comply with federal law; and
- (5) recommendations from the agency for alternative methods to prioritize the projects listed in clause (1).

The commissioner is required to comply with this mandate only to the extent that funding is available to perform the additional oversight and engineering and fiscal review.

\$165,000 in the second year is for the operation of water quality monitoring stations.

Subd. 3. Air Pollution Control

7,082,000	7,217,000	
	Summary by Fund	
Environmental	6,304,000	6,518,000
Special Revenue	778,000	699,000

Up to \$100,000 in fiscal year 1996 and \$150,000 in fiscal year 1997 may be

transferred to the small business environmental loan account established in Minnesota Statutes, section 116.992.

\$200,000 each year is for a monitoring program under Minnesota Statutes, section 116.454.

By February 1, 1996, the pollution control agency, in consultation with the public utilities commission, the department of public service, representatives from the electric utility industry, and other interested parties, shall:

(1) conduct an assessment of the effect that the market for the sale of sulphur dioxide emission credits by entities within the state has had on the state's environment; and

(2) make recommendations to the legislature regarding measures the state could take to increase the positive effect of this market on the environment, including whether the legislature should create a sulphur dioxide reduction fund into which the proceeds of the sale of sulphur dioxide emission credits could be placed and used to fund programs for the reduction of sulphur dioxide emissions.

Subd. 4. Groundwater and Solid Waste Management

8,009,000	7,985,000	
	Summary by Fund	
Environmental	3,199,000	3,213,000
Metro Landfill		
Contingency	126,000	126,000
Solid Waste	4,684,000	4,646,000

\$1,000,000 is transferred from the motor vehicle transfer account in the environmental fund to the environmental response, compensation, and compliance account in the environmental fund and is appropriated as provided in this subdivision.

All money in the environmental response, compensation, and compliance account in the environmental fund not otherwise appropriated is appropriated to the commissioners of the pollution control agency and the department of agriculture for purposes of Minnesota Statutes, section 115B.20, subdivision 2, clauses (1), (2), (3), (4), (11), (12), and (13). At the beginning of each fiscal year, the two commissioners shall jointly submit an annual spending plan to the commissioner of finance that maximizes the utilization of resources and appropriately allocates the money between the two agencies. This appropriation is available until June 30, 1997.

Any unencumbered balance from the metropolitan landfill contingency action trust fund remaining in the first year does not cancel but is available for the second year.

The unencumbered balances of the appropriations made to the commissioner of the pollution control agency in Laws 1993, chapter 172, section 2, from the motor vehicle transfer account in the environmental fund for grants and administrative costs for development of management alternatives for shredder residue from recyclable steel shall not cancel, but is available through June 30, 1997.

\$5,517,000 from the balance in the motor vehicle transfer account in the environmental fund, shall be transferred to the general fund by June 30, 1997.

\$50,000 is appropriated each year from the solid waste fund for transfer to the commissioner of revenue to enhance compliance and collection of solid waste assessments.

Subd. 5. Hazardous Waste Management

5,800,000	6,069,000	
	Summary by Fund	
General	1,660,000	1,660,000
Environmental	2,202,000	2,206,000
Petroleum Cleanup	1,938,000	2,203,000

\$100,000 the first year is transferred from the motor vehicle transfer account to be credited to the used motor oil reimbursement account.

Subd. 6. Policy and Operational Support

7,822,000	7,803,000	
	Summary by Fund	
General	1,808,000	1,658,000
Environmental	4,563,000	4,684,000
Solid Waste	995,000	997,000
Metro Landfill		
Contingency	8,000	8,000
Petroleum Tank	448,000	456,000

The following amounts are appropriated for the final phase of an environmental computer compliance management system:

General	400,000	400,000
Environmental	2,055,000	2,055,000
Petroleum Tank	32,000	32,000

Subd. 7. Deficiency Appropriation

\$130,000 is appropriated from the landfill cleanup fund to the commissioner of the pollution control agency for fiscal year 1995 for rulemaking under Minnesota Statutes, section 115A.47, and activities related to defense of the statute in federal court.

Sec. 3. OFFICE OF ENVIRONMENTAL ASSISTANCE

	20,487,000	20,487,000
	Summary by Fund	
General	19,146,000	19,146,000
Environmental	1,341,000	1,341,000

\$14,008,000 the first year and

\$14,008,000 the second year are for the SCORE block grants to counties.

Any unencumbered grant and loan balances in the first year do not cancel but are available for grants and loans in the second year.

All money in the metropolitan landfill abatement account in the environmental fund not otherwise appropriated is appropriated to the office of environmental assistance for the purposes of Minnesota Statutes, section 473.844.

Sec. 4. ZOOLOGICAL BOARD

Subdivision 1. Total Appropriation	5,274,000	5,074,000
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The amounts that may be spent from this appropriation are specified in the following subdivisions.

Subd. 2. Biological Programs	655,000	655,000
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Subd. 3. Operations	4,619,000	4,419,000
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\$200,000 in the first year is for computer systems.

Sec. 5. NATURAL RESOURCES

Subdivision 1. Total Appropriation	140,000	159,063,000	158,878,000
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Summary by Fund			
General	140,000	88,698,000	87,824,000
Game and Fish		51,477,000	51,339,000
Natural Resources		18,788,000	19,115,000
Permanent University		-0-	500,000
Solid Waste		100,000	100,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Mineral Resources Management	4,717,000	4,717,000
Summary by Fund		
General	4,717,000	4,217,000
Permanent University	-0-	500,000

\$311,000 the first year and \$311,000 the second year are for iron ore cooperative research, of which \$225,000 the first year and \$225,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$375,000 the first year and \$375,000 the second year are for mineral diversification. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$45,000 the first year and \$45,000 the second year are for minerals cooperative environmental research, of which \$30,000 the first year and \$30,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$500,000 the second year is from the university lands and minerals suspense account in the permanent university fund for activities of the commissioner to protect, improve, administer, manage, and otherwise enhance the mineral value of university lands. This is a one-time appropriation. The board of regents of the University of Minnesota is requested to discuss options with the commissioner of natural resources to determine a method to calculate reasonable costs of the commissioner to maintain the university trust lands.

Subd. 3. Water Resources Management

8,781,000	8,706,000	
	Summary by Fund	
General	8,540,000	8,465,000
Natural Resources	241,000	241,000

\$95,000 the first year and \$95,000 the

second year are for a grant to the Mississippi headwaters board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under its jurisdiction.

\$17,000 the first year and \$17,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement its portion of the comprehensive plan for the upper Mississippi.

\$50,000 is for development and administration of contracts with water well contractors for exploratory drilling and installation of observation wells to characterize the geologic and hydrologic conditions in the southwest region of the state where water supplies are difficult to locate. This appropriation is available until June 30, 1997, and is contingent on the receipt by the commissioner of \$50,000 in nonstate money. Results must be reported to the legislative water commission by February 15, 1996, and February 15, 1997.

\$25,000 is appropriated in fiscal year 1996 under Minnesota Statutes, section 103G.701, to the commissioner of natural resources for a grant, requiring no local match, to Morrison county for improving water flow along the easterly shoreline of the Mississippi river near Highway 10 in Morrison county, notwithstanding Minnesota Statutes, section 103G.701, subdivision 4.

Subd. 4. Forest Management

30,121,000	31,148,000	
	Summary by Fund	
General	29,679,000	30,706,000
Natural Resources	442,000	442,000

\$2,736,000 the first year and \$2,736,000 the second year are for presuppression and suppression costs of emergency fire fighting. If the appropriation for either

year is insufficient, the appropriation for the other year is available for it. If these appropriations are insufficient to cover all costs of suppression, the amount necessary to pay for emergency firefighting expenses during the biennium is appropriated from the general fund. If money is spent under the appropriation in the preceding sentence, the commissioner of natural resources shall, by the 15th day of the following month, report on how the money was spent to the chairs of the senate finance committee, the house of representatives ways and means committee, the finance division of the senate environment and natural resources committee, and the house of representatives environment and natural resources finance committee. The appropriations may not be transferred.

Of this appropriation, \$585,000 the first year and \$1,430,000 the second year are for implementing the planned timber harvest on state land. In implementing the planned harvest, the department shall follow existing guidelines for protection of forest resource values. By November 1, 1996, and November 1, 1997, the commissioner shall submit to the senate environment and natural resources finance division and the house environment and natural resources finance committee a report that includes: (1) the planned harvest levels for the preceding fiscal year and the fiscal year in which the report is being submitted, and documentation of the methodology used to determine these levels; (2) the volume of, and revenue from, timber sales on state land during the preceding fiscal year; and (3) a description of the resource protection guidelines followed in implementing the planned harvest.

\$730,000 the first year and \$1,007,000

the second year are for implementation of the generic environmental impact statement on timber harvesting. Of these amounts, \$140,000 the first year and \$140,000 the second year are for transfer to the forest resources council for the council's activities under Minnesota Statutes, chapter 89A.

\$100,000 the first year and \$100,000 in the second year is an increase in appropriation to the Minnesota conservation corps.

\$75,000 is appropriated in the first year to preserve and enhance oak savannah stands in Ramsey county and the city of St. Paul.* (The preceding paragraph beginning "\$75,000" was vetoed by the governor.)

\$20,000 in the first year is for construction of a recreational shooting area at Sand Dunes state forest.

Subd. 5. Parks and Recreation Management

140,000	23,850,000	23,879,000
	Summary by Fund	
General 140,000	23,163,000	23,197,000
Natural Resources	687,000	682,000

\$687,000 the first year and \$682,000 the second year are from the water recreation account in the natural resources fund for state park development projects. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

\$2,238,000 the first year and \$2,238,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operation.

\$50,000 in the first year and \$50,000 in the second year are for operational costs at Cuyuna Country State Recreation

Area.* (The preceding paragraph beginning "\$50,000" was vetoed by the governor.)

In operating a work training program for unemployed and underemployed individuals for the 1995 parks season, the commissioner of natural resources shall implement the 1995 tentative agreement with AFSCME, with any modifications mutually agreed to by the commissioner and AFSCME. The commissioner may not operate a work training program for unemployed and underemployed individuals during the 1996 and 1997 park seasons unless the terms and conditions of employment of such individuals have been negotiated and an agreement on these issues has been reached with the exclusive bargaining representatives of employees pursuant to Minnesota Statutes, chapter 179A. Negotiations for the 1996 and 1997 park seasons must begin by November 1 of the preceding year.

The commissioner of natural resources shall develop an implementation plan, including estimated costs and uses, for an electronic permit tracking system that would allow the identification and tracking of state park users. The commissioner shall submit the plan by January 15, 1996, to the chairs of the senate and house of representatives environment and natural resources committees, the finance division of the senate environment and natural resources committee, and the house of representatives environment and natural resources finance committee.

The commissioner shall prepare a five-year plan for using available funds to construct or modify for accessibility to persons with physical disabilities at least one trail in each state park containing trails.

For 1995 - \$140,000

\$140,000 in fiscal year 1995 is appropriated for replacement of equipment and the contents of the building destroyed by arson fire at William O'Brien State Park.

Subd. 6. Trails and Waterways Management

	11,437,000	11,086,000	
		Summary by Fund	
General		1,215,000	1,177,000
Game and Fish		1,334,000	1,021,000
Natural Resources		8,888,000	8,888,000

\$2,249,000 the first year and \$2,249,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid.

\$250,000 the first year and \$250,000 the second year are from the water recreation account in the natural resources fund for a safe harbor program on Lake Superior. Any unencumbered balance at the end of the first year does not cancel and is available for the second year.

The amounts spent by the commissioner of natural resources from the appropriations in Laws 1993, chapter 311, article 1, section 18, paragraph (a), for off-highway motorcycles and article 2, section 19, paragraph (a), for off-road vehicles must be reimbursed to the general fund by June 30, 1996.

Subd. 7. Fish and Wildlife Management

	35,555,000	35,490,000	
		Summary by Fund	
General		2,656,000	2,656,000
Game and Fish		30,800,000	30,800,000
Natural Resources		2,099,000	2,034,000

\$300,000 each year is for resource population surveys in the 1837 treaty area.

Of this amount, \$100,000 each year is from the game and fish fund.

\$955,000 the first year and \$955,000 the second year are from the nongame wildlife management account in the natural resources fund for the purpose of nongame wildlife management. Any unencumbered balance remaining in the first year does not cancel but is available the second year.

\$1,313,000 the first year and \$1,313,000 the second year are for the reinvest in Minnesota programs of game and fish, critical habitat, and wetlands established under Minnesota Statutes, section 84.95, subdivision 2. Any unencumbered balance for the first year does not cancel but is available for use the second year.

\$1,104,000 the first year and \$1,104,000 the second year are from the wildlife acquisition account for only the purposes specified in Minnesota Statutes, section 97A.071, subdivision 3.

\$1,200,000 the first year and \$1,200,000 the second year are from the deer habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (b).

\$138,000 the first year and \$138,000 the second year are from the deer and bear management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (c).

\$130,000 the first year and \$130,000 the second year are from the game and fish fund for deer and bear management to include emergency deer feeding. If the appropriation for either year is insufficient, the appropriation for the other year is available.

\$661,000 the first year and \$661,000 the second year are from the waterfowl habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 2.

\$400,000 the first year and \$400,000 the second year are from the trout and salmon management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 3.

\$545,000 the first year and \$545,000 the second year are from the pheasant habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 4.

\$284,000 the first year and \$284,000 the second year are from the game and fish fund for activities relating to reduction and prevention of property damage by wildlife. \$50,000 each year is for emergency damage abatement materials.

Subd. 8. Enforcement

17,586,000 18,490,000

Summary by Fund

General	2,971,000	3,110,000
Game and Fish	11,370,000	11,710,000
Natural Resources	3,145,000	3,570,000
Solid Waste	100,000	100,000

\$1,082,000 the first year and \$1,082,000 the second year are from the water recreation account in the natural resources fund for grants to counties for boat and water safety.

The commissioner shall maintain historic levels of overtime and retain field-based conservation officer positions except in the event of unanticipated budget shortfalls or unallotments. The commissioner may reduce these items

in proportion with other reductions in the division.

\$50,000 is appropriated in the second year to add one area-wide conservation officer in the seven-county metropolitan area.

\$50,000 the first year and \$50,000 the second year are for costs related to the 1837 Treaty with the Chippewa.

\$100,000 each year is from the solid waste fund for solid waste enforcement activities under Minnesota Statutes, section 116.073.

Subd. 9. Operations Support

26,643,000	24,989,000	
	Summary by Fund	
General	15,384,000	13,923,000
Game and Fish	7,973,000	7,808,000
Natural Resources	3,286,000	3,258,000

The commissioner of natural resources may contract with and make grants to nonprofit agencies to carry out the purposes, plans, and programs of the office of youth programs, Minnesota conservation corps.

\$750,000 in the first year is for transfer to the attorney general's office for treaty litigation expenses related to the Mille Lacs and Fond du Lac cases.

Any telephone services offered through the information center must be provided toll-free for all residents of the state.

\$150,000 in the second year is appropriated to the commissioner of natural resources for the southeast asian information and outreach program.

The appropriation of \$50,000 from the game and fish fund contained in Laws 1993, chapter 172, section 5, subdivision 8, to consolidate enforcement

arrest ledgers, is available until June 30, 1996.

\$5,000 the first year is for the hydrologic task force expenses.

\$8,000 from the natural resources fund and \$55,000 from the game and fish fund in the first year is for design work on a revenue accounting system. The department must meet any requirements contained in the information policy office evaluation of the project before expending any funds from this appropriation.

\$250,000 is appropriated in the first year to be transferred to the director of the office of strategic and long-range planning. The money is to be used for a grant to the Northern Counties Land Use Coordinating Board, contingent on the board receiving \$125,000 in local matching funds. The grant is to be used for developing a coordinated planning process and comprehensive land use plans pursuant to policy goals in the National Environmental Policy Act, United States Code, title 42, section 4331.

If the Morrison county board determines that Morrison county did not comply with tax-forfeiture laws with respect to property owned in 1977 by Richard T. Peterson, Route No. 6, Little Falls, MN, 56345, in Morrison county, referred to by Laws 1984, chapter 502, article 13, section 15, whose ownership he lost to the state in a disputed tax-forfeiture, then Morrison county is authorized to pay \$6,000 to Richard and Nancy Peterson. If the county payment is made, \$6,000 is also appropriated from the general fund to the commissioner of natural resources for payment to Richard and Nancy Peterson and shall be paid to him

within 60 days of the payment by the county. The sum of \$12,000 represents the value of the property at the time of the forfeiture on August 16, 1982, and interest since that date. This paragraph is not a finding or attribution of responsibility on the part of the state, the county, or Richard and Nancy Peterson. Under Minnesota Statutes, section 645.023, subdivision 1, the authority granted to the county by this paragraph takes effect without local approval.

Subd. 10. Integrated Resource Management Pilot Project

373,000 373,000

The commissioner of natural resources shall develop a pilot project for implementation of a sustainable, multiple-use natural resources management system, including budgeting, that is based on appropriate natural resource management boundaries. In developing the project, the commissioner shall include hunting, fishing, outdoor recreation, agriculture, and other interested groups. The commissioner shall coordinate project activities with activities of the pollution control agency, the board of water and soil resources, the department of agriculture, the department of health, and local governmental units. \$173,000 each year is for community environmental assistance. \$200,000 each year is for geographic information system implementation.

Six members of the legislature may serve as liaisons between the legislature and the commissioner in the development of the pilot project. The chairs of the senate environment and natural resources committee and the finance division of the committee may jointly appoint three members of the senate to act as liaisons, at least one of whom must be a member of the minority cau-

cus. The chairs of the house environment and natural resources committee and the environment and natural resources finance committee may jointly appoint three members of the house to act as liaisons, at least one of whom must be a member of the minority caucus. Legislative staff may, at the direction of the legislative liaisons, participate in the development of the pilot project.

The commissioner shall submit a preliminary plan by November 15, 1995, and a final plan by February 15, 1996, to the senate environment and natural resources finance division and the house environment and natural resources finance committee. The preliminary and final plans must include any plans of the commissioner to transfer personnel to the regions in which the pilot project is to be implemented.

Of the amounts appropriated in this section, none of the money for fiscal year 1997 for activities in regions 4 and 5 may be spent until the final plan for the pilot project has been approved by the legislature.

Nothing in this subdivision alters any restrictions in law relating to allowed uses of revenues credited to the general, game and fish, and natural resources funds.

Sec. 6. BOARD OF WATER AND SOIL RESOURCES

	13,719,000	13,947,000
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\$5,353,000 the first year and \$5,353,000 the second year are for natural resources block grants to local governments. Of this amount, \$50,000 in each year is for a grant to the north shore management board and \$35,000 in each year is for a grant to the St. Louis River board.

The board shall reduce the amount of

the natural resource block grant to a county by an amount equal to any reduction in the county's general services allocation to a soil and water conservation district from the county's 1994 allocation.

Grants must be matched with a combination of local cash or in-kind contributions. The base grant portion related to water planning must be matched by an amount that would be raised by a levy under Minnesota Statutes, section 103B.3369.

\$1,826,000 the first year and \$2,054,000 the second year are for grants to soil and water conservation districts for general purposes and for implementation of the RIM conservation reserve program. Upon approval of the board, expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts.

\$2,120,000 the first year and \$2,120,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. This appropriation is available until expended.

\$189,000 the first year and \$189,000 the second year are for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for floodplain management.

Any unencumbered balance in the board's program of grants does not cancel at the end of the first year and is available for the second year for the same grant program.

Sec. 7. AGRICULTURE

Subdivision 1. Total Appropriation		24,812,000	23,646,000
	Summary by Fund		
General	15,135,000	13,897,000	
Environmental	269,000	269,000	
Special			
Revenue	122,000	9,408,000	9,480,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Protection Service

	17,058,000	16,787,000	
	Summary by Fund		
General		7,581,000	7,238,000
Environmental		269,000	269,000
Special			
Revenue	122,000	9,208,000	9,280,000

\$269,000 the first year and \$269,000 the second year are from the environmental response, compensation, and compliance account in the environmental fund.

\$4,070,000 the first year and \$4,070,000 the second year are appropriated from the pesticide regulatory account established under Minnesota Statutes, section 18B.05, for administration and enforcement of Minnesota Statutes, chapter 18B.

\$694,000 the first year and \$694,000 the second year are appropriated from the fertilizer inspection account established under Minnesota Statutes, section 18C.131, for administration and enforcement of Minnesota Statutes, chapter 18C.

\$431,000 the first year and \$431,000 the second year are appropriated from the seed potato inspection fund established under Minnesota Statutes, section 21.115, for administration and enforcement of Minnesota Statutes, sections 21.111 to 21.122.

\$695,000 the first year and \$695,000 the second year are appropriated from the seed inspection fund established under Minnesota Statutes, section 21.92, for administration and enforcement of Minnesota Statutes, sections 21.80 to 21.92.

\$691,000 the first year and \$691,000 the second year are appropriated from the commercial feed inspection account established under Minnesota Statutes, section 25.39, subdivision 4, for administration and enforcement of Minnesota Statutes, sections 25.35 to 25.44.

\$668,000 the first year and \$668,000 the second year are appropriated from the fruit and vegetables inspection account established under Minnesota Statutes, section 27.07, subdivision 6, for administration and enforcement of Minnesota Statutes, section 27.07.

\$1,644,000 the first year and \$1,716,000 the second year are appropriated from the dairy services account established under Minnesota Statutes, section 32.394, subdivision 9, for the purpose of dairy services under Minnesota Statutes, chapter 32.

\$315,000 the first year and \$315,000 the second year are appropriated from the livestock weighing fund established under Minnesota Statutes, section 17A.11, for the purpose of livestock weighing costs under Minnesota Statutes, chapter 17A.

\$100,000 each year is appropriated from the general fund for a contract with the Minnesota institute for sustainable agriculture to gather, evaluate, publish, and disseminate sustainable agriculture information to a broad audience through both printed and electronic means. The Minnesota institute

for sustainable agriculture must work in cooperation with the department of agriculture in carrying out this activity. By January 15, 1997, the executive director of the Minnesota institute for sustainable agriculture must provide a progress report to the legislative water commission on its activities funded under this section.

Notwithstanding Minnesota Statutes, section 16A.1285, subdivision 2, the commissioner need not increase fees to recover general fund appropriations made before July 1, 1995, to supplement fee-supported activities or made for fiscal year 1996 for dairy services under Minnesota Statutes, chapter 32, or for grain inspections under Minnesota Statutes, chapter 17B.

\$180,000 each year is for the biological control program.

For 1995 - \$122,000

There is appropriated \$122,000 in fiscal year 1995 from the seed potato inspection fund to reimburse the general fund appropriation to the department of agriculture for costs incurred in building the seed potato facility located in East Grand Forks.

Subd. 3. Promotion and Marketing

1,146,000	1,146,000	
	Summary by Fund	
General	954,000	954,000
Special Revenue	192,000	192,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3, the total payments from the ethanol development account to all producers may not exceed \$25,000,000 for the biennium ending June 30, 1997. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commis-

sioner shall make the payments on a pro rata basis.

\$100,000 the first year and \$100,000 the second year are for ethanol promotion and public education.

\$100,000 the first year and \$100,000 the second year must be spent for the WIC coupon program.

\$71,000 the first year and \$71,000 the second year are for transfer to the Minnesota grown matching account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.109.

\$192,000 the first year and \$192,000 the second year are from the commodities research and promotion account in the special revenue fund.

Subd. 4. Administration and Financial Assistance

6,608,000	5,713,000	
	Summary by Fund	
General	6,600,000	5,705,000
Special Revenue	8,000	8,000

\$1,200,000 from the balance in the special account created in Minnesota Statutes, section 41.61, shall be transferred to the general fund by June 30, 1997.

\$150,000 the first year and \$50,000 the second year are for dairy policy studies and federal milk marketing order reform.

\$285,000 the first year and \$285,000 the second year are for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. No new loans may be approved in fiscal year 1996 or 1997.

\$199,000 the first year and \$199,000

the second year are for the family farm advocacy program.

\$80,000 the first year and \$80,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture. If a project cost is more than \$25,000, the amount above \$25,000 must be cost-shared at a state-applicant ratio of one to one. Priorities must be given for projects involving multiple parties. Up to \$20,000 each year may be used for dissemination of information about the demonstration grant projects. If the appropriation for either year is insufficient, the appropriation for the other is available.

\$70,000 the first year and \$70,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment and are available until spent.

\$150,000 the first year and \$150,000 the second year are for grants to agriculture information centers. The grants are only available on a match basis. The funds may be released at the rate of \$4 of state money for each \$1 of matching nonstate money that is raised. Any appropriated amounts not matched by April 1 of each year are available for other purposes within the department, of which \$10,000 each year may be used for farm safety programs and remains available until June 30, 1997.

\$53,000 the first year and \$53,000 the second year are for payment of claims relating to livestock damaged by threatened or endangered animal species and agricultural crops damaged by elk. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$115,000 the first year and \$115,000

the second year are for the seaway port authority of Duluth.

\$19,000 the first year and \$19,000 the second year is for a grant to the Minnesota livestock breeder's association.

\$50,000 the first year and \$50,000 the second year are for the passing on the farm center under Minnesota Statutes, section 17.985. This appropriation is available only to the extent matched with nonstate money.* **(The preceding paragraph beginning "\$50,000" was vetoed by the governor.)**

\$75,000 the first year and \$75,000 the second year are for grants to the University of Minnesota for applied research on odor control at feedlots. This appropriation is available only if matched by the same amount in nonstate money. The research must provide: (1) an evaluation of cost-effective covers for manure storage structures; and (2) development of economical means of altering the biological activity in manure storage structures to reduce odor emissions.

\$25,000 the first year is for a grant to the University of Minnesota for research into the effects feedlots have on the value of nearby property. The research must take into account the distance the property is from the feedlot, the type of feedlot, and be based on actual sales of property near feedlots.

\$150,000 is for a grant to the beaver damage control joint powers board formed by the counties of Beltrami, Clearwater, Marshall, Pennington, Polk, Red Lake, Mahnomon, Norman, Becker, Hubbard, Itasca, Kittson, Koochiching, St. Louis, Roseau, and Lake of the Woods for the purpose of beaver damage control. The grant must

be matched by at least \$80,000 from the joint powers board. The joint powers board may enter into an agreement with the Red Lake Band of Chippewa Indians for participation by the band in the joint powers board's beaver damage control program. This appropriation is available until June 30, 1997.* (The preceding paragraph beginning "\$150,000" was vetoed by the governor.)

Notwithstanding any other law to the contrary, for fiscal year 1995 \$800,000 from the general fund may be transferred to the special account created in Minnesota Statutes, section 17B.15, subdivision 1, to provide an operating loan to the grain inspection and weighing account. The commissioner of agriculture shall repay the loan from the special account by June 30, 1997.

\$50,000 in the first year shall be used by the commissioner of agriculture as a grant for a pilot project for an anaerobic digestion plant for the management of animal manures and research of other appropriate technologies for management of animal manures.

\$350,000 the first year is for transfer to the ethanol development account in the special revenue fund.

\$200,000 the first year is for transfer to the value added agriculture product revolving loan account in the special revenue fund.

\$20,000 in the first year is to provide staff and research support for the livestock processing markets task force.* (The preceding paragraph beginning "\$20,000" was vetoed by the governor.)

Sec. 8. BOARD OF ANIMAL
HEALTH

2,165,000 2,217,000

Sec. 9. MINNESOTA-WISCONSIN
BOUNDARY AREA COMMISSION

164,000 168,000

Summary by Fund		
General	134,000	138,000
Natural Resources	30,000	30,000

This appropriation is only available to the extent it is matched by an equal amount from the state of Wisconsin.

\$60,000 is from the water recreation account in the natural resources fund for the St. Croix management and stewardship program.

Sec. 10. CITIZEN'S COUNCIL ON VOYAGEURS NATIONAL PARK	59,000	60,000
Sec. 11. SCIENCE MUSEUM OF MINNESOTA	1,108,000	1,108,000
Sec. 12. MINNESOTA ACADEMY OF SCIENCE	36,000	36,000
Sec. 13. MINNESOTA HORTICULTURAL SOCIETY	72,000	72,000
Sec. 14. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE	4,330,000	4,330,000
Summary by Fund		
General	4,130,000	4,130,000
Special Revenue	200,000	200,000

\$200,000 each year is for a grant to the natural resources research institute for hybrid tree management research and development of an implementation plan for establishing hybrid tree plantations in the state. This appropriation is available to the extent matched by \$2 of nonstate money for each \$1 of state money.

Sec. 15. ATTORNEY GENERAL	40,000
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This appropriation is from the solid waste fund for the voluntary insurance buy-out program evaluation required by Laws 1994, chapter 639, article 2, section 5.

Sec. 16. PUBLIC SAFETY	50,000
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\$50,000 is appropriated from the high-

way user tax distribution fund to the commissioner of public safety for costs of handling and manufacturing special license plates under section 85.

Sec. 17. OFFICE OF STRATEGIC
AND LONG-RANGE PLANNING

100,000 100,000

\$100,000 the first year and \$100,000 the second year are for the sustainable development initiatives round table.

Sec. 18. TRADE AND ECONOMIC
DEVELOPMENT

100,000

This appropriation is from the general fund to the commissioner of trade and economic development for grants to political subdivisions for projects that provide for improved resource management, tourism promotion, and economic development for American resorts on the Minnesota-Ontario border area of Lake of the Woods, Rainy River, and Rainy Lake.

Sec. 19. MINNESOTA RESOURCES

Subdivision 1. Total Appropriation
Summary by Fund

32,872,000

Minnesota Future Resources Fund	15,083,000
Environment and Natural Resources Trust Fund	15,604,000

Of this appropriation \$3,144,000 is trust fund acceleration.

Oil Overcharge Money in the Special Revenue Fund	2,055,000
Great Lakes Protection Account	130,000

The amounts in this section are appropriated for the biennium ending June 30, 1997. Unless otherwise provided, the projects in this section must be completed and final products delivered by June 30, 1997.

Subd. 2. Definitions

(a) "Future resources fund" means the Minnesota future resources fund referred to in Minnesota Statutes, section 116P.13.

(b) "Trust fund" means the Minnesota environment and natural resources trust fund referred to in Minnesota Statutes, section 116P.02, subdivision 6.

(c) "Trust fund acceleration" means the money referred to in Minnesota Statutes, section 116P.11, paragraph (b), clause (4).

(d) "Oil overcharge money" means the money referred to in Minnesota Statutes, section 4.071, subdivision 2.

(e) "Great lakes protection account" means the account referred to in Minnesota Statutes, section 116Q.02.

Subd. 3. Legislative Commission on Minnesota Resources

702,000

\$308,000 of this appropriation is from the future resources fund and \$394,000 is from the trust fund, pursuant to Minnesota Statutes, section 116P.09, subdivision 5.

Subd. 4. Parks and Trails

(a) METROPOLITAN REGIONAL PARK SYSTEM

3,950,000

This appropriation is from the trust fund for payment by the commissioner of natural resources to the metropolitan council for subgrants to rehabilitate, develop, acquire, and retrofit the metropolitan regional park system consistent with the metropolitan council regional recreation open space capital improvement program and subgrants for regional trails, consistent with an updated regional trail plan. \$1,666,000

of this appropriation is from the trust fund acceleration.

This appropriation may be used for the purchase of homes only if the purchases are expressly included in the work program approved by the legislative commission on Minnesota resources.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(b) STATE PARK AND RECREATION AREA ACQUISITION, DEVELOPMENT, BETTERMENT, AND REHABILITATION

3,150,000

This appropriation is from the trust fund to the commissioner of natural resources as follows: (1) for state park and recreation area acquisition \$1,070,000, of which up to \$670,000 may be used for state trail acquisition of a critical nature; (2) for state park and recreation area development \$680,000; and (3) for betterment and rehabilitation of state parks and recreation areas \$1,400,000. The use of the Minnesota conservation corps is encouraged in the rehabilitation and development.

\$1,384,000 of this appropriation is from the trust fund acceleration. The commissioner must submit grant requests for supplemental funding for federal ISTEA money in eligible categories and report the results to the legislative commission on Minnesota resources.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(c) STATE TRAIL REHABILITATION AND ACQUISITION

250,000

This appropriation is from the trust

fund to the commissioner of natural resources for state trail plan priorities. \$94,000 of this appropriation is from the trust fund acceleration. The commissioner must submit grant requests for supplemental funding for federal ISTEA money and report the results to the legislative commission on Minnesota resources.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(d) WATER ACCESS

600,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate public water access acquisition and development statewide. Access includes boating access, fishing piers, and shoreline access. Up to \$100,000 of this appropriation may be used for a cooperative project to acquire and develop land, local park facilities, an access trail, and a boat access at the LaRue pit otherwise consistent with the water access program.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(e) LOCAL GRANTS

1,800,000

This appropriation is from the future resources fund to the commissioner of natural resources to provide matching grants, as follows: (1) \$500,000 to local units of government for local park and recreation areas; (2) \$500,000 to local units of government for natural and scenic areas pursuant to Minnesota Statutes, section 85.019; (3) \$400,000 to local units of government for trail linkages between communities, trails, and

parks; and (4) \$400,000 for a conservation partners program, a statewide pilot to encourage private organizations and local governments to cost share enhancement of fish, wildlife, and native plant habitats; and research and surveys of fish and wildlife, and related education activities. Conservation partners grants may be up to \$10,000 each and must be equally matched. In addition to the required work program, grants may not be approved until grant proposals to be funded have been submitted to the legislative commission on Minnesota resources and the commission has either made a recommendation or allowed 60 days to pass without making a recommendation. The above appropriations are available half for the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, and half for outside of the metropolitan area. For the purpose of this paragraph, match includes nonstate contributions either cash or in-kind.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(f) MINNEAPOLIS PARK AND
TRAIL CONNECTIONS

141,000

This appropriation is from the future resources fund to the commissioner of transportation for half of the nonfederal match of ISTEPA projects for the Minneapolis park and recreation board to develop park and trail connections including: Minnehaha park to Mendota bridge, Stone Arch bridge to bridge number 9 on West River Parkway, Boom island to St. Anthony Parkway, and West River Parkway to Shingle Creek Parkway. The Minneapolis park and recreation board must apply for and receive approval of the federal

money in order to receive this appropriation.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(g) LOCAL SHARE FOR ISTEAFEDERAL PROJECTS

300,000

This appropriation is from oil overcharge money to the commissioner of administration for half of the nonfederal match of ISTEAF projects for: (1) Chisago county, \$150,000 for a trail between North Branch and Forest Lake township; and (2) the St. Louis and Lake counties regional rail authority, \$150,000 for the development of approximately 40 miles of a multipurpose recreational trail system. Chisago county and the St. Louis and Lake counties regional rail authority must apply for and receive approval of the federal money in order to receive these appropriations.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(h) PINE POINT PARK REST STATION

100,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Washington county to construct a rest station on the Gateway segment of the Willard Munger state trail in compliance with the Americans with Disabilities Act. This appropriation must be matched by at least \$30,000 of nonstate money.

(i) INTERACTIVE MULTIMEDIA
COMPUTER INFORMATION SYSTEM

45,000

This appropriation is from the future resources fund to the commissioner of trade and economic development, office of tourism, for an agreement with Explore Lake County, Inc. to develop a pilot multimedia interactive computer information system at the R. J. Houle visitor information center.

(j) UPPER SIOUX AGENCY STATE PARK 200,000

This appropriation to the commissioner of natural resources is from the future resources fund for bathroom and shower facilities at Upper Sioux Agency State Park.

(k) GRAIN BELT MISSISSIPPI RIVERFRONT DEVELOPMENT 500,000

This appropriation is from the future resources fund to the commissioner of natural resources for a contract with the metropolitan council for a subgrant to the Minneapolis park and recreation board, which shall cooperate with the Minneapolis community development agency to create riverfront recreational park and marina facilities through acquisition and development of Mississippi riverfront property. This appropriation is contingent on this facility being designated part of the metropolitan regional park and open space system. This appropriation is also contingent on the Guthrie theater's occupancy of the Grain Belt Brewery.

(l) WILDCAT REGIONAL PARK 40,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Houston county to construct an off-channel boat ramp on the Mississippi River, and wingwalls to protect the ramp and existing swimming beach.

Subd. 5. Management Approaches

(a) LOCAL RIVER PLANNING -
CONTINUATION

140,000

This appropriation is from the future resources fund to the commissioner of natural resources for the third biennium of a three-biennium project to assist counties statewide in developing comprehensive plans for the management and protection of rivers through grants for up to two-thirds of the cost that address locally identified issues while maintaining consistency with state floodplain and shoreland laws and local water plans. For the purpose of this paragraph, the nonstate portion includes contributions either cash or in-kind. The appropriation in Laws 1993, chapter 172, section 14, subdivision 11, paragraph (b), is available until June 30, 1997.

(b) CANNON RIVER WATERSHED
STRATEGIC PLAN: INTEGRATED
MANAGEMENT

325,000

\$245,000 of this appropriation is from the trust fund and \$80,000 is from the future resources fund to the board of water and soil resources for an agreement with the Cannon River Watershed Partnership to implement activities in the Cannon River watershed through matching grants and technical assistance. This appropriation must be matched by at least \$81,000 of nonstate money.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(c) TRI-COUNTY LEECH LAKE
WATERSHED PROJECT

300,000

This appropriation is from the future resources fund to the commissioner of

natural resources for an agreement with Cass county in cooperation with the Tri-County Leech Lake Watershed project for integrated resource management in the watershed through baseline data, public information and education, and pilot projects.

(d) BLUFFLANDS LANDSCAPE

630,000

\$450,000 of this appropriation is from the trust fund and \$180,000 is from the future resources fund to the commissioner of natural resources to assist communities in developing a management framework for the scenic and biological resources of the Mississippi valley blufflands landscape and to foster integrated decisions and citizen commitment to long-term resource protection. \$304,000 is for a cooperative agreement with Architectural Environments; at least \$40,000 of this amount must be used for demonstration and implementation activities. \$236,000 is for a cooperative agreement with Historic Bluff Country. \$90,000 is for expenses within the department of natural resources. This appropriation must be matched by at least \$50,000 of non-state money.

(e) GLACIAL LAKE AGASSIZ
BEACH RIDGES: MINING AND
PROTECTION

85,000

This appropriation is from the future resources fund to the commissioner of natural resources to coordinate a long-term plan for the beach ridges in Clay county that balances protection of native prairies with a sustainable aggregate industry.

(f) ATMOSPHERIC MERCURY
EMISSIONS, DEPOSITION, AND
ENVIRONMENTAL COST EVALUA-
TION

575,000

This appropriation is from the future

resources fund to the commissioner of the pollution control agency for a mercury emission inventory and quantification of mercury atmospheric deposition. \$50,000 is for an evaluation of the external costs of mercury emissions from Minnesota sources.

(g) MERCURY DEPOSITION AND
LAKE QUALITY TRENDS

250,000

\$120,000 of this appropriation is from the future resources fund and \$130,000 is from the Great Lakes protection account to the commissioner of the pollution control agency for an agreement with the University of Minnesota-Duluth to synthesize and interpret a five-year (1990-1994) mercury deposition database and evaluate water quality and fish contamination trends for 80 high-value lakes and compare it with historic data. This is to be done in cooperation with the pollution control agency. Data compatibility requirements in subdivision 14 apply to this appropriation.

(h) FEEDLOT AND MANURE MAN-
AGEMENT PRACTICES ASSIS-
TANCE

200,000

This appropriation is from the future resources fund to the commissioner of agriculture to accelerate adoption of and changes in feedlot and manure management practices through research, economic analysis, and enhanced program design and delivery. \$100,000 of this appropriation is for an agreement with the University of Minnesota for evaluation of manure effluent treatments.

(i) WATER QUALITY IMPACTS OF
FEEDLOT POLLUTION CONTROL
SYSTEMS

300,000

This appropriation is from the future resources fund to the commissioner of

the pollution control agency to evaluate earthen manure storage basins and vegetated filter strips for effects on ground and surface water quality by monitoring seepage and runoff. This appropriation must be matched by at least \$267,000 of nonstate contributions, either cash or in-kind.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(j) SHORELAND SEPTIC INVENTORY AND EDUCATION

145,000

This appropriation is from the future resources fund to the board of water and soil resources in cooperation with the pollution control agency for an agreement with Hubbard county to inventory the Mantrap watershed for failing septic systems and education and enforcement efforts to implement upgrading of the systems. In the work program for this project required under Minnesota Statutes, section 116P.05, subdivision 2, paragraph (c), Hubbard county shall include documentation that the county is actively pursuing adoption of a countywide ordinance to regulate individual sewage treatment systems.

(k) ALTERNATIVE INDIVIDUAL SEWAGE TREATMENT SYSTEMS DEVELOPMENT AND DEMONSTRATION

425,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency to develop and demonstrate reliable, low cost alternative designs for septic systems in areas with seasonally high water tables, and designs for removal of nitrogen by septic systems.

(l) PATHWAYS TO SUSTAINABLE DEVELOPMENT

200,000

This appropriation is from the trust fund to the director of the office of strategic and long-range planning for the environmental quality board to evaluate government barriers to sustainable development in agriculture, energy, manufacturing, and settlement and to recommend strategies to address priority barriers to sustainable development.

(m) UPPER MISSISSIPPI RIVER
PROTECTION PROJECT

200,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Mississippi headwaters board in cooperation with the metropolitan council to protect the Mississippi river from water quality impairment. This appropriation must be matched by at least \$100,000 of nonstate contributions, either cash or in-kind.

(n) FOREST MANAGEMENT TO
MAINTAIN STRUCTURAL AND
SPECIES DIVERSITY

160,000

This appropriation is from the trust fund to the commissioner of natural resources to document forest management practices in a pilot area, assess the long-term effects of current and alternative timber harvest practices on structural aspects of biological diversity (especially old-growth forest characteristics), and prepare forest management guidelines to maintain these features in commercial forests.

(o) ACCELERATED NATIVE GRASS
AND FORBS ON ROAD RIGHTS-
OF-WAY

150,000

This appropriation is from the trust fund to the commissioner of natural resources in cooperation with the inter-agency roadside committee to accelerate native plant establishment and management in roadsides using integrated

resource management techniques including educational materials about benefits of low maintenance and biologically diverse roadsides statewide.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(p) ACCELERATED LANDSCAPE
MANAGEMENT ACTIVITIES IN
WHITEWATER WATERSHED

60,000

This appropriation is from the future resources fund to the commissioner of natural resources to expand activities in the Whitewater watershed through shared funding and staffing to assist and coordinate with the Whitewater watershed project on landscape management activities such as sustainable land use, watershed restoration, and improved water quality.

(q) SUSTAINABLE GRASSLAND
CONSERVATION AND UTILIZA-
TION

125,000

This appropriation is from the future resources fund to the commissioner of natural resources to develop integrated grassland projects in northwest Minnesota and to evaluate different management strategies.

(r) DEVELOPING, EVALUATING,
AND PROMOTING SUSTAINABLE
FARMING SYSTEMS

225,000

This appropriation is from the future resources fund to the commissioner of agriculture for an agreement with the Whitewater joint powers board to develop and evaluate farming systems for impacts on ecosystems, profitability, and quality of life through on-farm research, experiment station research, watershed demonstration farms, and education. This appropriation must be

matched by at least \$50,000 of nonstate money.

(s) COOPERATIVES TO PROMOTE
SUSTAINABLE AGRICULTURAL
PRACTICES AND RESEARCH

100,000

This appropriation is from the future resources fund to the commissioner of agriculture for an agreement with the sustainable farming association of Minnesota to promote sustainable farming practices by strengthening farmer-based demonstration and education networks of the sustainable farming association and by forming a pilot cooperative of on-farm and southwest experiment station research. This appropriation must be matched by at least \$15,000 of nonstate money.

(t) RECYCLED BIOSOLIDS PROD-
UCT USED TO RECLAIM DIS-
TURBED AREAS

200,000

This appropriation is from the oil overcharge money to the commissioner of administration for payment to the metropolitan council in cooperation with N-Viro, Minnesota to increase the market for biosolids by demonstrating the use of N-Viro soil for reclamation through a program of research and field and public demonstrations.

Subd. 6. Environmental Education

(a) LEOPOLD EDUCATION PROJ-
ECT CURRICULUM

100,000

This appropriation is from the trust fund to the office of environmental assistance for an agreement with Pheasants Forever, Inc. to provide teacher training in the use of the Leopold education project conservation ethics curriculum. This appropriation must be matched by at least \$50,000 of nonstate money.

(b) ENVIRONMENTAL EDUCATION
TEACHER TRAINING 500,000

This appropriation is from the trust fund to the office of environmental assistance in cooperation with the environmental education advisory board to develop and deliver statewide environmental education training for preservice and in-service teachers.

(c) SHARING ENVIRONMENTAL
EDUCATION KNOWLEDGE 200,000

This appropriation is from the trust fund to the office of environmental assistance in cooperation with the environmental education advisory board to plan and develop an information data exchange and service center that coordinates the collection, evaluation, dissemination, and promotion of environmental education resources and programs.

(d) ENVIRONMENTAL VIDEO .
RESOURCE LIBRARY AND PUBLIC
TELEVISION SERIES 250,000

This appropriation is from the future resources fund to the office of environmental assistance in cooperation with the environmental education advisory board for an agreement with Twin Cities Public Television to create a resource information center for environmental video and to produce and broadcast an environmental television series about Minnesota environmental achievements.

(e) DEVELOPMENT, ASSIMILA-
TION, AND DISTRIBUTION OF
WOLF EDUCATIONAL MATERIALS 100,000

This appropriation is from the future resources fund to the office of environmental assistance for an agreement with the International Wolf Center to collect and develop written, electronic, and

photographic audio-visual material about wolf ecology, recovery, and management for electronic distribution. This appropriation must be matched by at least \$30,000 of nonstate money.

(f) ENVIRONMENTAL ACTION
GRANTS FOR MINNESOTA
SCHOOLS

200,000

This appropriation is from the trust fund to the department of natural resources for an agreement with St. Olaf college for the school nature area project matching grants to schools for school area nature sites. This appropriation must be matched by at least \$50,000 of nonstate money.

(g) ELECTRONIC ENVIRONMENTAL
EDUCATION NETWORK

250,000

This appropriation is from the future resources fund to the office of environmental assistance for an agreement with the University of Minnesota raptor center to develop a program for student participation in satellite-tracking research, data collection and dissemination using INTERNET, workshops, material development, and off-site classroom experience. This appropriation must be matched by at least \$38,000 of nonstate money.

(h) THREE RIVERS INITIATIVE

750,000

This appropriation is from the future resources fund to the Science Museum of Minnesota to develop exhibits and programs focusing on the Mississippi, Minnesota, and St. Croix rivers.

(i) INTERACTIVE COMPUTER
EXHIBIT ON MINNESOTA RENEW-
ABLE ENERGY SOURCES

150,000

This appropriation is from oil overcharge money to the commissioner of administration for an agreement with ...

the Izaak Walton League of America, midwest office in cooperation with the Science Museum of Minnesota to develop and disseminate an interactive multimedia computer exhibit on renewable energy resources.

(j) TREES FOR TEENS: TRAINING,
RESOURCES, EDUCATION,
EMPLOYMENT, SERVICE

75,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Twin Cities Tree Trust to develop a pilot program and curriculum materials for educating high school students about urban forestry and assisting them in carrying out peer education and community service projects. This project must be done in cooperation with the Minnesota releaf program.

(k) REDWOOD FALLS SCHOOL DISTRICT NO. 637 ENVIRONMENTAL EDUCATION PROJECT

250,000

This appropriation is from the future resources fund to the office of environmental assistance for an agreement with the Redwood Falls school district to accelerate development of an outdoor environmental learning center and to integrate environmental education into the K-12 curriculum. Project development will include prairie access improvements including a trail system, establishment of a wetland, and an arboretum.

(l) TOGETHER OUTDOORS MINNESOTA

575,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Wilderness Inquiry for diversity specialist training, training of outdoor service professionals to provide inclusive programming, and diversity networking,

including the development of a directory of recreation facility accessibility. This appropriation must be matched by at least \$80,000 of nonstate money.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(m) ENHANCED NATURAL RESOURCE OPPORTUNITIES FOR ASIAN-PACIFIC MINNESOTANS 150,000

This appropriation is from the future resources fund to the commissioner of natural resources for the second biennium of funding for community outreach, cultural collaboration, training, and education to increase Asians' participation and understanding of natural resources management. Supplemental funding must be requested and the results reported to the legislative commission on Minnesota resources.

(n) DELIVER ECOLOGICAL INFORMATION AND TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS 100,000

This appropriation is from the future resources fund to the commissioner of natural resources to provide interpretation of ecological data collected by the county biological survey.

(o) NONPOINT SOURCE POLLUTION PUBLIC EDUCATION DEMONSTRATION PROJECT 100,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for an agreement with the city of St. Paul for a joint project with the city of Minneapolis to conduct surveys and develop and implement nonpoint source pollution public education. This appropriation must be matched by at least \$12,000 of nonstate money.

(p) WHITETAIL DEER RESOURCE CENTER 50,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Deer Hunters Association to develop a facility and operations plan. This appropriation must be matched by \$50,000 of nonstate money.

(q) GORDON GULLION CHAIR IN FOREST WILDLIFE RESEARCH AND EDUCATION 350,000

This appropriation is from the future resources fund to the University of Minnesota to establish an endowed chair in forest wildlife research and education to develop forest and wildlife sustainable management practices. This appropriation must be matched by at least \$350,000 of nonstate money. This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(r) NEY ENVIRONMENTAL CENTER 100,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Le Sueur county to develop an environmental learning center in the Minnesota River Valley near Henderson. The appropriation shall be used to convert existing buildings to classrooms, add restroom facilities and improve access, and remove unneeded structures.

(s) LAWNSDALE ENVIRONMENTAL CENTER 400,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Lawndale Environmental Foundation to develop an environmental learning cen-

ter near Herman with emphasis on prairie, wetlands, and agricultural themes. This appropriation must be matched by at least \$100,000 of nonstate money.

Subd. 7. Natural Resource Data

(a) ENVIRONMENTAL INDICATORS INITIATIVE

350,000

This appropriation is from the trust fund to the commissioner of natural resources to create the framework for an integrated, statewide network for selecting and monitoring environmental indicators to assess and communicate Minnesota's environmental health status and trends. The work program must be submitted to the environmental quality board for review before approval by the legislative commission on Minnesota resources. Data compatibility requirements in subdivision 14 apply to this appropriation.

(b) ASSESSING WETLAND QUALITY WITH ECOLOGICAL INDICATORS

275,000

This appropriation is from the trust fund to the board of water and soil resources for an agreement with the University of Minnesota to develop plant and animal indicators of wetland quality, establish a system of reference natural wetlands for comparative monitoring, and develop guidelines for wetland assessment and monitoring to guide replacement wetland monitoring. Data compatibility requirements in subdivision 14 apply to this appropriation.

(c) COUNTY BIOLOGICAL SURVEY - CONTINUATION

900,000

This appropriation is from the trust fund to the commissioner of natural resources for the fifth biennium of a proposed 12-biennium project to accelerate the county biological survey for

the systematic collection, interpretation, and distribution of data on the distribution and ecology of rare plants, animals, and natural communities. Data compatibility requirements in subdivision 14 apply to this appropriation.

(d) FOREST BIRD DIVERSITY INITIATIVE - CONTINUATION

400,000

This appropriation is from the trust fund to the commissioner of natural resources for the third biennium of a proposed six-biennium project for a comprehensive monitoring and research program that develops management tools to maintain diversity of forest birds and establishes benchmarks for using birds as ecological indicators of forest health. Data compatibility requirements in subdivision 14 apply to this appropriation. This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(e) BASE MAPS FOR 1990s - FINAL PHASE CONTINUATION

600,000

This appropriation is from the trust fund to the director of the office of strategic and long-range planning to provide the third biennium of a three-biennium state match for a federal program to complete statewide coverage of orthophoto maps and complete the update mapping for the state's most obsolete topographic maps. Data compatibility requirements in subdivision 14 apply to this appropriation.

(f) COMPLETION OF STATEWIDE LAND USE UPDATE - CONTINUATION

380,000

This appropriation is from the future resources fund to the director of the office of strategic and long-range planning, in cooperation with the board of water and soil resources, for an agree-

ment with the association of Minnesota counties for the third and final biennium to complete the update of the land use map for Minnesota, complete conversion of the data to computer format, and make the data available to users. Data compatibility requirements in subdivision 14 apply to this appropriation.

(g) FILLMORE COUNTY SOIL SURVEY UPDATE 65,000

This appropriation is from the future resources fund to the board of water and soil resources to provide half of the nonfederal share to begin a three-biennium project to update the Fillmore county soil survey into a digitized and manuscript format. Data compatibility requirements in subdivision 14 apply to this appropriation.

(h) MINNESOTA RIVER TILE SYSTEM RESEARCH - CONTINUATION 150,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for the second biennium of a two-biennium project to continue research on the impact of and best management practices for surface tile inlets.

(i) SUGARLOAF SITE ASSESSMENT AND INTERPRETATION 70,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Sugarloaf Interpretive Center Association for inventories, native habitat restoration, and the interpretation of the natural and cultural characteristics of Sugarloaf Cove. The data collection must be coordinated with the department of natural resources natural heritage program. Reasonable public use and access must be provided. This appropriation must be matched by \$30,000 of nonstate money.

(j) MICROBIAL DETERIORATION
OF ASPHALT MATERIALS AND ITS
PREVENTION

60,000

This appropriation is from the oil overcharge money to the commissioner of administration for a transfer to the commissioner of transportation to survey microbial deterioration of asphalt-bituminous materials in cooperation with Bemidji state university or other research institutions.

(k) ANALYSIS OF LANDS
ENROLLED IN CONSERVATION
RESERVE PROGRAM

200,000

This appropriation is from the Minnesota future resources fund to the commissioner of agriculture for continuing the analysis of lands enrolled in the conservation reserve program relative to nonpoint source pollution, developing land management options for lands emerging from the program, and developing the capability to target future program funds for the greatest environmental benefit.

Subd. 8. Urban Natural Resources

(a) URBAN WILDLIFE HABITAT
PROGRAM

150,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the St. Paul neighborhood energy consortium to provide workshops and native planting materials to households for landscaping for wildlife, demonstrating plant diversity, and alternative lawn care practices in the urban environment. This project must be done in cooperation with the department of natural resources nongame wildlife and relief programs. This appropriation must be matched by at least \$35,000 of nonstate money.

(b) GARDENING PROGRAM -
STATEWIDE

300,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the sustainable resources center for a joint project with the Minnesota horticultural society - Minnesota Green and Duluth Plant-A-Lot community garden program to provide technical assistance on community plantings, food gardens, trees, native plants, and environmentally sound horticultural and land use practices. This appropriation must be matched by at least \$3,000 in nonstate money.

(c) RELEAF: PLANTING FOR
ENERGY CONSERVATION IN
COMMUNITIES

400,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with the department of natural resources for the second biennium of a project to achieve the strategic planting of predominately native shade trees and community windbreaks for statewide energy conservation and carbon dioxide abatement through acceleration of the Minnesota releaf program by providing grants administered on a reimbursement basis. The program shall be administered to maximize local contributions on a cash and service basis.

(d) MAPLEWOOD INNOVATIVE
STORM WATER MANAGEMENT
PROJECT

100,000

This appropriation is from the future resources fund to the commissioner of the pollution control agency for an agreement with the city of Maplewood to design, construct, and monitor a demonstration stormwater management system. This appropriation must be

matched by at least \$165,000 of non-state money.

(e) PHALEN WETLAND RESTORATION

115,000

This appropriation is from the trust fund to the board of water and soil resources for an agreement with the city of St. Paul to restore a wetland at the south end of Lake Phalen. This appropriation must be matched by at least \$50,000 in nonstate money.

(f) WETLAND RESTORATION AND ENHANCEMENT TO CREATE COMMUNITY AMENITY AND FORM

200,000

This appropriation is from the trust fund to the director of the office of strategic and long-range planning for an agreement with the University of Minnesota to provide technical design assistance to help five communities create restored and enhanced wetlands that reinforce community form and emphasize habitat creation, water quality, and recreational amenities.

(g) METROPOLITAN AREA GROUNDWATER MODEL TO PREDICT CONTAMINANT MOVEMENT

250,000

This appropriation is from the trust fund to the commissioner of the pollution control agency to develop and apply a tool to improve prediction of contaminant movement in groundwater at contamination sites in the metropolitan area using a flexible regional groundwater flow model. Data compatibility requirements in subdivision 14 apply to this appropriation.

(h) ARBORETUM BOUNDARY LAND ACQUISITION

680,000

This appropriation is from the future resources fund to the University of Minnesota for a grant to the University

of Minnesota landscape arboretum foundation to expand the boundary of the Minnesota Landscape Arboretum and, if money is available after the intended acquisition, to develop a wetland restoration demonstration. This appropriation must be matched by at least \$400,000 nonstate money.

Subd. 9. Fisheries

(a) STATEWIDE EXPERIMENTAL FISHING REGULATIONS 650,000

This appropriation is from the future resources fund to the commissioner of natural resources for baseline data collection to evaluate experimental fishing regulations.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(b) RIM - ACCELERATE FISHERIES ACQUISITION FOR ANGLER ACCESS 300,000

This appropriation is from the trust fund to the commissioner of natural resources to provide increased angler access by accelerating easement and fee title acquisition of land adjacent to streams and lakes, including access for non-boat owners and urban users.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(c) RIM - ACCELERATE STATE-WIDE FISHERIES HABITAT DEVELOPMENT, HATCHERY REHABILITATION, AND STREAM FLOW PROTECTION 1,000,000

\$555,000 of this appropriation is from the trust fund and \$445,000 is from the future resources fund to the commis-

sioner of natural resources to implement projects for the acquisition, restoration, improvement, and development of fisheries habitat and hatchery rehabilitation. Up to \$215,000 of the trust fund appropriation is available to continue the stream flow protection program for the second biennium of a proposed eight-biennium effort to establish a watershed level stream habitat database and develop the tools to set protected flows for ecosystem diversity. Data compatibility requirements in subdivision 14 apply to this appropriation.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

Subd. 10. Wildlife

(a) RIM - ACCELERATE WILDLIFE
LAND ACQUISITION

650,000

\$510,000 of this appropriation is from the trust fund and \$140,000 is from the future resources fund to the commissioner of natural resources to accelerate acquisition activities in the reinvest in Minnesota program by acquiring land identified in North American waterfowl management plan project areas. This appropriation must first be used for projects qualifying for a match, which may include costs for acquisition, enhancements, and wetland restoration.

(b) RIM - ACCELERATE CRITICAL
HABITAT MATCH PROGRAM

250,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program to acquire and improve critical habitat for game and nongame fish, wildlife, and native plants under Minnesota Statutes, section 84.943. Projects must occur in both urban and rural areas.

(c) RIM - ACCELERATE WILDLIFE
HABITAT STEWARDSHIP 450,000

This appropriation is from the future resources fund to the commissioner of natural resources for improvement of wildlife habitat and natural plant communities statewide, both urban and rural public lands, to protect and enhance wildlife, native plant species, and ecological diversity.

(d) BIOMASS PRODUCTION, MAN-
AGEMENT AND RESTORATION OF
BRUSHLAND HABITATS 200,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the University of Minnesota-Duluth in cooperation with the natural resources research institute and the Minnesota Sharptailed Grouse Society to assess brushland harvesting, brushland as wildlife habitat, and habitat management strategies.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(e) TURN IN POACHERS YOUTH
ACTIVITY BOOK 50,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with TIP, Inc. to print and disseminate an activity book to inform and educate children about poaching and its impact on natural resources, and to promote ethical hunting and fishing. This appropriation must be matched by at least \$12,500 of nonstate money.

Subd. 11. Energy

(a) INTER-CITY ELECTRIC VEHI-
CLE TRANSPORTATION DEMON-
STRATION 150,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with Minnesota Power and Light Company to develop and evaluate an electric vehicle infrastructure with charging stations for use between Duluth and St. Paul, including installation of a charging station at the state of Minnesota central motor pool location. This appropriation must be matched by at least \$30,000 of nonstate money.

(b) SUSTAINABLE DEVELOPMENT
OF WIND ENERGY ON FAMILY
FARMS

200,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with the sustainable resources center to provide technical assistance and technology transfer for the development of wind energy harvesting.

(c) ONE-MEGAWATT HYBRID
ELECTRICAL GENERATION SIMU-
LATION PROJECT

50,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with Dan Mar & Associates in cooperation with the agriculture utilization research institute for a simulation project using biofuel electrical generation to firm up wind power to provide electrical energy on demand.

(d) AVIAN POPULATION ANALYSIS
FOR WIND POWER GENERATION
REGIONS

75,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with American Wind Energy Association to identify and assess significant avian activity areas within identified wind farm corridors in Minnesota. This

appropriation must be matched by at least \$75,000 of nonstate money.

This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(e) ENERGY IMPROVEMENTS IN
PUBLIC ICE ARENAS

470,000

This appropriation is from the oil overcharge money to the commissioner of administration for an agreement with the Center for Energy and Environment to assess, install, and evaluate energy and indoor air quality improvements in at least 25 publicly owned ice arenas located throughout Minnesota. Projects receiving funding from this appropriation must be in compliance with the indoor ice facilities prime ice time and gender preference requirements in Minnesota Statutes, section 15.98. This appropriation is for up to 50 percent of the cost of retrofit activities.

Subd. 12. Historic

(a) RESTORE HISTORIC MISSIS-
SIPPI RIVER MILL SITE

120,000

This appropriation is from the future resources fund to the Minnesota historical society for a subgrant to the Minneapolis park and recreation board to implement an agreement with Crown Hydro Company to restore gatehouse foundations, construct catwalks and lighting through the tailrace tunnels, and restore and display the historic turbine of the historic Crown roller mill. This activity must be done in cooperation with the St. Anthony falls heritage board. Reasonable public use and access must be provided. This appropriation must be matched by at least \$120,000 of nonstate money. This appropriation is contingent on the receipt of all applicable hydropower and other public agency approvals.

(b) POND-DAKOTA MISSION RESTORATION

270,000

This appropriation is from the future resources fund to the Minnesota historical society for an agreement with the city of Bloomington to continue the restoration of the Pond house and Dakota Indian mission site. This appropriation must be matched by \$80,000 of non-state money.

(c) JOSEPH R. BROWN INTERPRETIVE CENTER RESTORATION PROJECT

75,000

This appropriation is from the future resources fund to the Minnesota historical society for an agreement with the Sibley county historical society for building restoration and renovation activities on the 1879 Sibley county courthouse, to be used as the Joseph R. Brown interpretive center. This appropriation must be matched by at least \$5,000 of nonstate money.

(d) HERITAGE TRAILS

200,000

This appropriation is from the future resources fund to the Minnesota historical society to plan and construct trails for at least three historic sites and for trail interpretive material and equipment.

(e) RESTORATION OF HISTORIC ELBA FIRE TOWER

73,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Elba booster club, in consultation with the Minnesota historical society, for restoration and the development of interpretive materials and to provide access to the Elba fire tower for safe recreational and educational use. This project must be available for reasonable public use and access.

(f) MANAGING MINNESOTA SHIP-
WRECKS

100,000

This appropriation is from the future resources fund to the Minnesota historical society to survey historic north shore shipping facilities and shipwrecks, survey shipwrecks in Minnesota inland lakes and rivers, organize a conference on underwater cultural resources, and revise the management plan. Supplemental funding must be requested and the results reported to the legislative commission on Minnesota resources.

(g) LAC QUI PARLE MISSION HIS-
TORICAL TRAIL

181,000

This appropriation is from the future resources fund to the Minnesota historical society to construct a mile-long trail for hiking and biking, including an overlook at the site of the historic Lac Qui Parle Mission. The trail must be accessible by persons with disabilities.

Subd. 13. Biological Control

(a) BIOLOGICAL CONTROL OF
EURASIAN WATER MILFOIL AND
PURPLE LOOSESTRIFE - CONTIN-
UATION

300,000

\$250,000 of this appropriation is from the trust fund and \$50,000 is from the future resources fund to the commissioner of natural resources for the second biennium of a five-biennium project to develop biological controls for Eurasian water milfoil and purple loosestrife. This project must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date.

(b) BIOLOGICAL CONTROL OF
OVERLAND SPREAD OF OAK
WILT

90,000

This appropriation is from the future

resources fund to the commissioner of agriculture in cooperation with the University of Minnesota to improve application methods for enhancing natural biological control of the overland spread of oak wilt.

(c) BENEFICIAL FUNGAL INOCULUM FOR PRAIRIE AND WETLAND RECLAMATION

100,000

This appropriation is from the trust fund to the commissioner of transportation for an agreement with the University of Minnesota for the characterization and development of inoculum production methods for soil fungi associated with the roots of native and naturalized Minnesota plants in prairies and wetlands to assist in restoration projects.

Subd. 14. Data Compatibility Requirements

During the biennium ending June 30, 1997, the data collected by the projects funded under this section that have common value for natural resource planning and management must conform to information architecture as defined in guidelines and standards adopted by the information policy office. Data review committees may be established to develop or comment on plans for data integration and distribution and shall submit semiannual status reports to the legislative commission on Minnesota resources on their findings. In addition, the data must be provided to and integrated with the Minnesota land management information center's geographic databases with the integration costs borne by the activity receiving funding under this section.

Subd. 15. Project Requirements

It is a condition of acceptance of the

appropriations in this section that any agency or entity receiving the appropriation must comply with Minnesota Statutes, chapter 116P.

Subd 16. Match Requirements

Appropriations in this section that must be matched and for which the match has not been committed by January 1, 1996, must be canceled. Unless specifically authorized, in-kind contributions may not be counted as match.

Subd. 17. Payment Conditions and Capital Equipment Expenditures

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis. Payment must be made upon receiving documentation that reimbursable amounts have been expended, except that reasonable amounts may be advanced to projects in order to accommodate cash flow needs. The advances must be approved as part of the work program. No expenditures for capital equipment are allowed unless expressly authorized in the project work program.

Subd. 18. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation in this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121 to 16B.123, requiring the purchase of recycled, repairable, and durable materials, the purchase of uncoated paper stock, and the use of soy-based ink, the same as if it were a state agency.

Subd. 19. Carryforward

(a) Except as provided in paragraph (b), the availability of the appropriations for

the following projects is extended to December 31, 1995; on that date the appropriations cancel and no further payment is authorized: Laws 1993, chapter 172, section 14, subdivisions 3, paragraphs (a), (f), and (i); 6, paragraph (b); 9; 10, paragraphs (a), (c), (g), (p), (q), and (r); and 12, paragraphs (a), (b), (c), (h), (j), and (l).

(b) The availability of the appropriations for the following projects is extended to December 31, 1996; on that date the appropriations cancel and no further payment is authorized: (1) Laws 1993, chapter 172, section 14, subdivisions 3, paragraph (c); 4, paragraph (e); 10, paragraphs (d), (f), and (o); 12, paragraphs (f) and (g); in subdivision 10, paragraph (b), the Bloomington East and West Bush Lake picnic areas; and, in subdivision 10, paragraph (c), Cedar Lake trail development and the Dakota North regional trail in South St. Paul; and (2) Laws 1994, chapter 632, article 2, section 6, local recreation grants and Silver Bay harbor.

Subd. 20. Energy Conservation

A recipient to whom an appropriation is made in this section for a capital improvement project shall ensure that the project complies with the applicable energy conservation standards contained in law, including Minnesota Statutes, sections 216C.19 to 216C.21, and rules adopted thereunder. The recipient may use the energy planning and intervention and energy technologies units of the department of public service to obtain information and technical assistance on energy conservation and alternative energy development relating to the planning and construction of the capital improvement project.

Sec. 20. ADDITIONAL APPROPRIATIONS

The following amounts are appropriated from the Minnesota environment and natural resources trust fund referred to in Minnesota Statutes, section 116P.02, subdivision 6. The appropriations are available until December 31, 1995, and are subject to the provisions of Laws 1993, chapter 172, section 14, subdivisions 14 to 18. If revenues are insufficient to meet these appropriations, the commissioner of finance shall reduce the amounts proportionately.

(a) STATE PARK AND RECREATION AREA ACQUISITION 1,120,000

This appropriation is to the commissioner of natural resources for acquisition of land within the statutory boundaries of state parks and recreation areas.

(b) METROPOLITAN REGIONAL PARKS AND TRAILS ACQUISITION 1,120,000

This appropriation is to the commissioner of natural resources for payment to the metropolitan council for subgrants to acquire parks and trails consistent with the metropolitan council regional recreation open space capital improvement plan.

This appropriation may be used for the purchase of homes only if the purchases are expressly included in the work program approved by the legislative commission on Minnesota resources.

(c) The projects in this section must be completed and final products delivered by December 31, 1995, and the appropriations are available until that date.

Sec. 21. MINNESOTA FUTURE RESOURCES FUND TRANSFER

As cash flow in the Minnesota future resources fund permits, but no later than June 30, 1997, the commissioner

of finance, in consultation with the director of the legislative commission on Minnesota resources, shall transfer \$1,460,000 from the unencumbered balance in the fund to the general fund.

Sec. 22. MINNESOTA CONSERVATION FUND TRANSFER

The commissioner of finance shall transfer in the beginning of the biennium, \$2,500,000 from the Minnesota conservation fund created by Minnesota Statutes, section 40A.151, to the general fund.

Sec. 23. HARMFUL SUBSTANCE COMPENSATION ACCOUNT TRANSFER

The commissioner of finance shall transfer the remaining balance of the harmful substance compensation account, established in Minnesota Statutes, section 115B.26, subdivision 1, to the general fund.

Sec. 24. Minnesota Statutes 1994, section 15.50, is amended by adding a subdivision to read:

Subd. 10. NATIVE VEGETATION PLANTING. As part of its comprehensive plan and adopted zoning rules, the board shall give priority to the planting of native trees and shrubs, or native grasses wherever appropriate, within the capitol area.

Sec. 25. Minnesota Statutes 1994, section 15.91, subdivision 1, is amended to read:

Subdivision 1. **DEFINITION.** For purposes of sections 15.90 to 15.92, "agency" means a department or agency, as designed in section 15.01 ~~and~~, the pollution control agency, and the agricultural utilization research institute established in section 116O.09.

Sec. 26. Minnesota Statutes 1994, section 16A.125, is amended to read:

16A.125 STATE ~~FOREST~~ TRUST LANDS.

Subd. 5. **SUSPENSE ACCOUNT ~~FOREST TRUST LANDS.~~** The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the constitution set apart as "forest lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13.

New language is indicated by underline, deletions by ~~strikeout~~.

The commissioner of finance and the treasurer shall credit the revenue from the forest trust fund lands to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.

After a fiscal year, the commissioner of finance shall certify the total costs incurred for forestry during that year under appropriations for the protection, improvement, administration, and management of state forest trust fund lands and construction and improvement of forest roads to enhance the forest value of the lands. The certificate must specify the trust funds interested in the lands. The commissioner of natural resources shall supply the commissioner of finance with the information needed for the certificate.

After a fiscal year, the commissioner and the treasurer shall distribute the receipts credited to the suspense account during that fiscal year as follows:

(a) The amount of the certified costs incurred by the state for forest management during the fiscal year shall be transferred to the general fund.

(b) The balance of the receipts shall then be returned prorated to the trust funds in proportion to their respective interests in the lands which produced the receipts.

Subd. 5a. **APPROPRIATION FROM STATE FOREST DEVELOPMENT ACCOUNT**. Money accruing and credited to the state forest development account is appropriated to the division of forestry in the department of natural resources to apply state forest resource management policy and plans to forest trust fund lands. The appropriation is supervised and controlled by the commissioner of natural resources.

The appropriation shall be spent according to law and remains available until spent. The appropriation is not available for spending until any estimates required by law are approved by the commissioner of finance. An obligation to spend money may not be made unless there is an available balance not otherwise encumbered in the appropriation.

Subd. ~~6~~. **DEFINITION; ACCOUNTING AND DISTRIBUTION**. The term "state trust fund lands," as used in this section, means any state school lands or other public lands subject to trust provisions under the state constitution.

~~Beginning July 1, 1955, the commissioner of finance and the state treasurer shall keep a separate account of all receipts derived from the royalties on, or the sale or lease of, any minerals from such trust fund lands to be known as the state lands and minerals suspense account, specifying the trust funds interested in such lands and the receipts therefrom, respectively.~~

~~As soon as practicable after the close of each fiscal year after July 1, 1955, the commissioner of finance, upon the information supplied by the commis-~~

New language is indicated by underline, deletions by ~~strikeout~~.

sioner of natural resources; which the commissioner of natural resources is herewith directed to furnish; shall determine and certify to the commissioner of finance and the state treasurer the total costs incurred by the state during such year under appropriations heretofore made for the administration and management of such trust fund lands by the division of lands and forestry, or any other agency so administering and managing; specifying the trust funds interested in such lands; respectively.

As soon as practicable after the end of each fiscal year beginning with the year ending June 30, 1956, the commissioner of finance and the state treasurer shall distribute the receipts credited to the state lands and minerals suspense account during such fiscal year as follows:

All of the costs incurred by the state for the purposes aforesaid during such fiscal year and certified as hereinbefore provided; shall be transferred to the general fund as reimbursement for appropriations heretofore made for the purposes aforesaid. The balances of said receipts shall be transferred to the state trust funds concerned in accordance with their respective interests in the minerals from which the receipts were derived.

Subd. 6a. UNIVERSITY LANDS. (a) As used in this section, "university lands" means lands granted by the federal government for the support of the University of Minnesota, as described in Laws 1851, chapter 3, section 2.

(b) All revenue from minerals on university lands must be credited to the university lands and minerals suspense account. Money in the account must be transferred to the permanent university fund, except for amounts appropriated to cover reasonable costs incurred by the commissioner of natural resources to protect, improve, administer, manage, and otherwise enhance the mineral value of university lands.

Sec. 27. Minnesota Statutes 1994, section 16B.405, subdivision 2, is amended to read:

Subd. 2. SOFTWARE SALE FUND. (a) Except as provided in paragraph (b), proceeds of the sale or licensing of software products or services by the commissioner must be credited to the intertechnologies revolving fund. If a state agency other than the department of administration has contributed to the development of software sold or licensed under this section, the commissioner may reimburse the agency by discounting computer services provided to that agency.

(b) Proceeds of the sale or licensing of software products or services developed by the pollution control agency, or custom developed by a vendor for the agency, must be credited to the environmental fund.

Sec. 28. Minnesota Statutes 1994, section 17.117, subdivision 2, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 2. **AUTHORITY.** The commissioner shall establish, adopt rules for, and implement a program to ~~work with~~ make loans to local units of government, federal authorities, lending institutions, and other appropriate organizations ~~to~~ who will in turn provide loans to landowners and businesses for facilities, fixtures, equipment, or other sustainable practices that prevent or mitigate sources of nonpoint source water pollution. The commissioner shall establish pilot projects to develop procedures for implementing the program. The commissioner shall develop administrative guidelines to implement the pilot projects specifying criteria, standards, and procedures for making loans.

Sec. 29. Minnesota Statutes 1994, section 17.117, subdivision 4, is amended to read:

Subd. 4. **DEFINITIONS.** For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(a) "Applicant" means a county or a local government unit designated by a county under subdivision 8, paragraph (a).

(b) "Authority" means the Minnesota public facilities authority as established in section 446A.03.

(c) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2.

(d) "Chair" means the chair of the board of water and soil resources or the designee of the chair.

(e) "Borrower" means an individual farmer, an agriculture supply business, or rural landowner applying for a low-interest loan.

(f) "Commissioner" means the commissioner of agriculture or the designee of the commissioner.

(g) "Comprehensive water management plan" means a state approved and locally adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331, 103D.401, or 103D.405.

(h) "~~County~~ Local allocation request" means a loan allocation request from an applicant to implement agriculturally related best management practices defined in paragraph (c).

(i) "Lender agreement" means ~~an~~ a loan agreement entered into between the commissioner ~~and~~, a local lender, and the applicant, if different from the local lender. The agreement will contain terms and conditions of the loan that will include but need not be limited to general loan provisions, loan management requirements, application of payments, loan term limits, allowable expenses, and fee limitations.

(j) "Local government unit" means a county, soil and water conservation

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district, or an organization formed for the joint exercise of powers under section 471.59.

(k) "Local lender" means a local government unit as defined in paragraph (j), a state or federally chartered bank, a savings and loan association, a state or federal credit union, a nonprofit economic development organization approved by the commissioner, or Farm Credit Services.

(l) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

Sec. 30. Minnesota Statutes 1994, section 17.117, subdivision 6, is amended to read:

Subd. 6. **APPLICATION.** (a) The commissioner must prescribe forms and establish an application process for applicants to apply for a county local allocation request. The application must include but need not be limited to (1) the geographic area served; (2) the type and estimated cost of activities or projects for which they are seeking a loan allocation; (3) a ranking of proposed activities or projects; and (4) the designation of the local lender and lending practices the applicant local lender intends to use to issue the loans to the borrowers, if a local lender other than the applicant is to be used.

(b) ~~In an area of the state where a county allocation request has not been requested or has been rejected, application forms must be available for a borrower to apply directly to the commissioner for a loan under this program.~~

(e) If a county local allocation request is rejected, the applicant must be notified in writing as to the reasons for the rejection and given 30 days to submit a revised application. The revised application shall be reviewed according to the same procedure used to review the initial application.

Sec. 31. Minnesota Statutes 1994, section 17.117, subdivision 7, is amended to read:

Subd. 7. **PAYMENTS.** (a) Payments made from the water pollution control revolving fund must be made in accordance with applicable state and federal laws and rules governing the payments.

(b) Payments from the commissioner to the local lender must be disbursed on a cost-incurred basis. Local lenders shall submit payment requests at least quarterly but not more than monthly. Payment requests must be reviewed and approved by the commissioner. The payment request form must itemize all costs by major elements and show eligible and ineligible costs.

(c) The commissioner may initiate rescision of an allocation granted in a lender agreement as provided in subdivision 11, paragraph (d), if the local lender fails to enter into loans with borrowers equaling the total allocation granted within one year from the date of the lender agreement or fails to have the total amount of allocated funds drawn down through payment requests within two years. An additional year to draw down the undisbursed portion of

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an allocation may be granted by the commissioner under extenuating circumstances.

Sec. 32. Minnesota Statutes 1994, section 17.117, subdivision 8, is amended to read:

Subd. 8. **APPLICANT; BORROWERS.** (a) A county may submit a county local allocation request ~~as defined in subdivision 4, paragraph (h).~~ A county or a group of counties may designate another local government unit ~~as defined in subdivision 4, paragraph (j);~~ to submit a county local allocation request.

(b) If a county does not submit a county local allocation request, and does not designate another local government unit, a soil and water conservation district may submit a county local allocation request. In all instances, there may be only one request from a county. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant.

~~(e) Borrowers may apply directly to the commissioner if the commissioner does not receive or approve a county allocation request from the county, designated local government unit, or soil and water conservation district in which the proposed activities would be carried out.~~

Sec. 33. Minnesota Statutes 1994, section 17.117, subdivision 9, is amended to read:

Subd. 9. **REVIEW AND RANKING OF ALLOCATION REQUESTS.** (a) The commissioner shall chair the subcommittee established in section 103F.761, subdivision 2, paragraph (b), for purposes of reviewing and ranking county local allocation requests. The rankings must be in order of priority and shall provide financial assistance within the limits of the funds available. In carrying out the review and ranking, the subcommittee must consist of, at a minimum, the chair, representatives of the pollution control agency, United States Department of Agricultural Stabilization and Conservation Service, United States Department of Agriculture Soil Conservation Service, Association of Minnesota Counties, and other agencies or associations as the commissioner, the chair, and agency determine are appropriate. The review and ranking shall take into consideration other related state or federal programs.

(b) The subcommittee shall use the criteria listed below in carrying out the review and ranking:

(1) whether the proposed activities are identified in a comprehensive water management plan as priorities;

(2) whether the applicant intends to establish a revolving loan program under subdivision 10, paragraph (b);

(3) the potential that the proposed activities have for improving or protecting surface and groundwater quality;

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(4) the extent that the proposed activities support areawide or multijurisdictional approaches to protecting water quality based on defined watershed;

(5) whether the activities are needed for compliance with existing water related laws or rules;

(6) whether the proposed activities demonstrate participation, coordination, and cooperation between local units of government and other public agencies;

(7) whether there is coordination with other public and private funding sources and programs; ~~and~~

(8) whether there are off-site public benefits such as preventing downstream degradation and siltation; and

(9) the proposed interest rate.

Sec. 34. Minnesota Statutes 1994, section 17.117, is amended by adding a subdivision to read:

Subd. 9a. AUTHORITY OF APPLICANTS. Applicants may enter into a lender agreement designating a local lender. Applicants designating themselves as the local lender may enter into contracts for loan review, processing, and servicing.

Sec. 35. Minnesota Statutes 1994, section 17.117, subdivision 10, is amended to read:

Subd. 10. ~~AUTHORITY OF APPLICANTS LOCAL LENDERS.~~ (a) ~~Applicants Local lenders may enter into lender agreements with borrowers to finance projects under this section the commissioner.~~

(b) ~~Applicants Local lenders may establish revolving loan programs enter into loan agreements with borrowers to finance projects under this section.~~

(c) ~~In approving county allocation requests, the commissioner shall allow applicants to provide loans under revolving loan programs established under paragraph (b), until 50 percent of the amount appropriated and available under subdivision 3 has been allocated to applicants establishing these programs. In approving any additional county allocation requests, the commissioner may allow applicants to provide loans under these programs Local lenders may establish revolving loan programs to finance projects under this section.~~

(d) Local lenders, including applicants designating themselves as the local lender, may enter into participation agreements with other lenders. Local lenders may also enter into contracts with other lenders for the limited purposes of loan review, processing and servicing, or to enter into loan agreements with borrowers to finance projects under this section. Other lenders entering into contracts with local lenders under this section must meet the definition of local lender in subdivision 4, must comply with all provisions of the lender agreement and this section, and must guarantee repayment of the loan funds to the local

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lender. In no case may there be more than one local lender per county or more than one revolving fund per county.

Sec. 36. Minnesota Statutes 1994, section 17.117, subdivision 11, is amended to read:

Subd. 11. **BORROWER ELIGIBILITY; TERMS; REPAYMENT; RECISION.** (a) Local lenders shall use the following criteria in addition to other criteria they deem necessary in determining the eligibility of borrowers for loans:

(1) whether the activity is certified by a local unit of government as meeting priority needs identified in a comprehensive water management plan and is in compliance with accepted standards, specifications, or criteria;

(2) whether the activity is certified as eligible under Environmental Protection Agency or other applicable guidelines; and

(3) whether the repayment is assured from the borrower.

(b) Local lenders shall set the terms and conditions of loans to borrowers, except that no loan to an individual borrower may exceed \$50,000. In all instances, local lenders must provide for sufficient collateral or protection for the loan principal. They are responsible for collecting repayments by borrowers. ~~For direct loans, the borrower must provide sufficient collateral and repay the loan according to a mutually prearranged schedule with the commissioner.~~

(c) ~~The~~ local lender is responsible for repaying the principal of a loan to the commissioner. The terms of repayment will be identified in the lender agreement. If defaults occur, it is the responsibility of the local lender to obtain repayment from the borrower. Default on the part of individual borrowers shall have no effect on the local lender's responsibility to repay its loan from the commissioner whether or not the local lender fully recovers defaulted amounts from individual borrowers. For revolving loan programs established under subdivision 10, paragraph ~~(b)~~ (c), the lender agreement must provide that:

(1) repayment of principal to the commissioner must begin no later than ten years after the date of the applicant receives the allocation lender agreement and must be repaid in full no later than 20 years after the date of the lender agreement; and

(2) after the initial ten-year period, the local lender shall not write any additional loans, and any existing principal balance held by the local lender shall be immediately repaid to the commissioner;

(3) after the initial ten-year period, all principal received by the local lender from borrowers shall be repaid to the commissioner as it is received; and

(4) the applicant shall report to the commissioner annually regarding the past and intended uses of the money in the revolving loan program.

New language is indicated by underline, deletions by ~~strikeout~~.

(d) Continued availability of the allocation granted in the lender agreement is contingent upon commissioner approval of the annual report. The commissioner shall review the annual report to ensure the past and future uses of the funds are consistent with the comprehensive water management plan and the lender agreement. If the commissioner concludes the past or intended uses of the money are not consistent with the comprehensive water management plan or the lender agreement, the commissioner shall rescind the allocation granted under the lender agreement. Such rescision shall result in termination of available allocation, the immediate repayment of any unencumbered funds held by the local lender in a revolving loan fund, and the repayment of the principal portion of loan repayments to the commissioner as they are received. The lender agreement shall reflect the commissioner's rights under this paragraph.

(e) A local lender shall receive certification from local government unit staff that a project has been satisfactorily completed prior to releasing the final loan disbursement.

Sec. 37. Minnesota Statutes 1994, section 17.117, subdivision 14, is amended to read:

Subd. 14. **FEES; LOAN SERVICES AND INTEREST.** (a) Origination fees charged directly to borrowers by local lenders upon executing a loan shall not exceed one-half of one percent of the loan amount. ~~Service fees~~ Interest assessed to loan repayments by the local lender must not exceed ~~two~~ three percent interest on outstanding principal amounts if the local lender is a local government unit; or three percent interest on outstanding principal amounts if the local lender is a state or federally chartered bank, savings and loan association, a state or federal credit union; or an entity of Farm Credit Services.

(b) The local lender shall create a principal account to which the principal portions of individual borrower loan repayments will be credited.

(c) Any interest earned on outstanding loan balances not separated as repayments are received and before the principal amounts are deposited in the principal account shall be added to the principal portion of the loan to the local lender and must be paid to the commissioner when the principal is due under the lender agreement.

(d) Any interest earned on the principal account must be added to the principal portion of the loan to the local lender and must be paid to the commissioner when the principal is due under the lender agreement.

Sec. 38. Minnesota Statutes 1994, section 17.117, subdivision 16, is amended to read:

Subd. 16. **ASSESSMENT AGAINST REAL PROPERTY LIENS AGAINST PROPERTY.** A county may assess and charge against real property amounts loaned and servicing fees for projects funded under this section. The auditor of the county where the project is located shall extend the amounts assessed and charged on the tax roll of the county against the real property on which the project is located. (a) Unless a county determines otherwise, at the

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time of the disbursement of funds on a loan to a borrower under this section, the principal balance due plus accrued interest on the principal balance as provided by this section becomes a lien in favor of the county making the loan upon the real property on which the project is located. The lien must be first and prior to all other liens against the property, including state tax liens, whether filed before or after the placing of a lien under this subdivision, except liens for special assessments by the county under applicable special assessments laws, which liens shall be of equal rank with the lien created under this subdivision. A lien in favor of the county shall be first and prior as provided in this subdivision only if the county making the loan gives written notice of the intent to make the loan under this subdivision to all other persons having a recorded interest in the real property subject to the lien, no less than 30 days prior to the disbursement of the funds, and receives an agreement to subordinate superior lien positions held by all other lenders having a recorded interest in the real property subject to the lien. This lien and subordination agreement must be recorded against the real estate in the county recorder's office or filed with the registrar of titles for the county or counties in which the property is located. The county may bill amounts due on the loan on the tax statement for the property. Enforcement of the lien created by this subdivision shall, at the county's option, be in the manner set forth in chapter 580 or 581. When the amount due plus interest has been paid, the county shall file a satisfaction of the lien created under this subdivision.

(b) A county may also secure amounts due on a loan under this section by taking a purchase money security interest in equipment in accordance with chapter 336, article 9, and may enforce the purchase money security interest in accordance with chapters 336, article 9, and 565.

Sec. 39. Minnesota Statutes 1994, section 17.117, is amended by adding a subdivision to read:

Subd. 17. REFERENDUM EXEMPTION. For the purpose of obtaining a loan from the commissioner, a local government unit may provide to the commissioner its general obligation note. All obligations incurred by a local government unit in obtaining a loan from the commissioner must be in accordance with chapter 475, except that so long as the obligations are issued to evidence a loan from the commissioner to the local government unit, an election is not required to authorize the obligations issued, and the amount of the obligations shall not be included in determining the net indebtedness of the local government unit under the provisions of any law or chapter limiting the indebtedness.

Sec. 40. [17.231] NATIVE GRASSES AND WILDFLOWER SEED PRODUCTION INCENTIVE LOAN PROGRAM.

Subdivision 1. ESTABLISHMENT. (a) The commissioner shall prepare a plan to establish a seed production loan program to provide loans that enable people to begin or expand efforts to develop and produce new, local-origin, native grass, and native wildflower seed species.

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(b) In the plan, the commissioner shall use the ecological regions identified by the commissioner of natural resources covering the entire state. In the plan, the commissioner shall design the loan program to produce at least ten local variety native grass species and 40 local variety native wildflower species for each region. In the plan, the commissioner shall look at the possibility of producing 100 acres of native grass seed production and ten acres of native wildflower seed production in each region.

Sec. 41. [17.985] **PASSING ON THE FARM CENTER.**

Subdivision 1. PURPOSE; OBJECTIVES. The Passing on the Farm Center is established as a part of Southwest Technical College in Granite Falls to assist individuals beginning farming and family farming operations. The center shall also assist in facilitating the transition of farming operations from established farmers to beginning farmers by creating and maintaining an information base inventorying land and facilities available for acquisition and bringing them together to increase the number of family farming operations in this state. The objectives of the center include, but are not limited to, the following:

(1) using the services of a certified public accountant, real estate agents, and attorneys to provide education in estate planning and farm transfer programs for interested retiring farmers;

(2) assessing needs of beginning farmers and retiring farmers in order to identify program and service opportunities including developing statewide apprenticeship programs between beginning and retiring farmers; and

(3) developing, coordinating, and delivering statewide through Southwest Technical College in Granite Falls and other entities, as appropriate, targeted education to beginning farmers and retiring farm families.

Subd. 2. PROGRAMS AND SERVICES. Programs and services provided by the center must include, but are not limited to, the development of skills and knowledge in farm estate planning and other topics related to intergenerational farm transfer. The center shall develop and distribute a detailed questionnaire for interested retired farmers and landowners and beginning farmers for the purpose of connecting them with each other and to develop computerized lists. The center shall coordinate to the extent practicable with agricultural information centers.

Subd. 3. ANNUAL REPORT. The center shall submit a report annually to the legislature on or before February 1. The report shall include, but is not limited to, recommendations for methods by which more individuals may be encouraged to enter agriculture.

Sec. 42. Minnesota Statutes 1994, section 28A.03, is amended to read:

28A.03 DEFINITIONS.

As used in sections 28A.01 to 28A.16 the terms defined in this section shall have the following meanings:

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(a) "Commissioner" means the commissioner of agriculture of the state of Minnesota.

(b) "Person" means any individual, firm, corporation, company, association, cooperative or partnership and includes any trustee, receiver, assignee or other similar representative thereof.

(c) "Place of business" means every location where food or food items are manufactured, processed, sold, stored or handled, including buildings, locations, permanent or portable structures, carnivals, circuses, fairs, or any other permanent or temporary location.

Any vehicle or similar mobile unit from which food is sold shall be considered a place of business for purposes of this section if the food therefrom has been manufactured, packaged or dispensed from bulk, or processed in any manner thereon.

(d) "Food" includes every article used for, entering into the consumption of, or used or intended for use in the preparation of food, drink, confectionery, or condiment for humans, whether simple, mixed or compound.

(1) "Perishable food" is food which includes, but is not limited to fresh fruits, fresh vegetables, and other products which need protection from extremes of temperatures in order to avoid decomposition by microbial growth or otherwise.

(2) "Readily perishable food" is food or a food ingredient consisting in whole or in part of milk, milk products, eggs, meat, fish, poultry or other food or food ingredient which is capable of supporting rapid and progressive growth of infectious or toxigenic microorganisms.

(3) "Frozen food" is food which is processed and preserved by freezing in accordance with good commercial practices and which is intended to be sold in the frozen state.

(4) For the purposes of this definition, packaged food in hermetically sealed containers processed by heat to prevent spoilage; packaged pickles; jellies, jams and condiments in sealed containers; bakery products such as bread, rolls, buns, donuts, fruit-filled pies and pastries; dehydrated packaged food; and dry or packaged food so low in moisture content as to preclude development of microorganisms are not "perishable food," "readily perishable food," or "frozen food" within the meaning of definitions (1), (2) and (3) herein when they are stored and handled in accordance with good commercial practices.

(e) "Sell and sale" includes the keeping, offering, or exposing for sale, use, transporting, transferring, negotiating, soliciting, or exchange of food, the having in possession with intent to sell, use, transport, negotiate, solicit, or exchange the same and the storing, or carrying thereof in aid of traffic therein whether done or permitted in person or through others.

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(f) "Principal mode of business" means that type of business described under either (a), (b), (c) or (d) in section 28A.05 within which category the greatest amount of the applicant's food business lies.

(g) "Custom processor" means a person who slaughters animals or processes noninspected meat for the owner of the animals, and returns the meat products derived from the slaughter or processing to the owner. "Custom processor" does not include a person who slaughters animals or poultry or processes meat for the owner of the animals or poultry on the farm or premises of the owner of the animals, meat, or poultry. For the purpose of this clause, "animals" or "meat" do not include poultry or game animals or meat derived therefrom.

(h) "Major violation" includes conditions that cause food products to become adulterated, as defined in section 31.121, or fraudulently misbranded, as defined in section 31.123.

Sec. 43. Minnesota Statutes 1994, section 28A.08, is amended to read:

28A.08 LICENSE FEES; PENALTIES.

Subdivision 1. GENERAL. License fees, penalties for late renewal of licenses, and penalties for not obtaining a license before conducting business in food handling that are set in this section apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter. The penalties may be waived by the commissioner.

Subd. 2. FEES FOR FISCAL YEAR 1996.

Type of food handler	License Fee <u>Effective</u> <u>July 1, 1995</u>	Penalties	
		Late Renewal	No License
1. Retail food handler			
(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner	\$ 40 <u>42</u>	\$ 15	\$ 25
(b) Having under \$15,000 gross sales including food preparation or having \$15,000 to \$50,000 gross sales for the immediately previous license or fiscal year	\$ 55 <u>58</u>	\$ 15	\$ 25

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(c) Having \$50,000 to \$250,000 gross sales for the immediately previous license or fiscal year	\$405 <u>111</u>	\$ 35	\$ 75
(d) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$480 <u>191</u>	\$ 50	\$100
(e) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$500 <u>530</u>	\$100	\$175
(f) Having \$5,000,000 to \$10,000,000 gross sales for the immediately previous license or fiscal year	\$700 <u>742</u>	\$150	\$300
(g) Having over \$10,000,000 gross sales for the immediately previous license or fiscal year	\$800 <u>848</u>	\$200	\$350
2. Wholesale food handler			
(a) <u>Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year</u>	<u>\$ 50</u>	<u>\$ 15</u>	<u>\$ 15</u>
(b) Having gross sales or service of less than \$25,000 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$200 <u>212</u>	\$ 50	\$100
(b) (c) Having \$250,000 to \$1,000,000 gross sales or service from a mobile unit without a separate food storage facility for the immediately previous license or fiscal year	\$318	\$ 75	\$150
(d) Having \$250,000 to \$1,000,000 gross sales or service <u>not covered under paragraph (c)</u> for the immediately previous license or fiscal year	\$400 <u>424</u>	\$100	\$200
(e) (e) Having \$1,000,000 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$500 <u>530</u>	\$125	\$250
(d) (f) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$575 <u>610</u>	\$150	\$300

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3. Food broker	\$100 <u>106</u>	\$ 30	\$ 50
4. Wholesale food processor or manufacturer			
(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year	\$275 <u>292</u>	\$ 75	\$150
(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$400 <u>424</u>	\$100	\$200
(c) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$500 <u>530</u>	\$125	\$250
(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$575 <u>610</u>	\$150	\$300
5. Wholesale food processor of meat or poultry products under supervision of the U. S. Department of Agriculture			
(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year	\$150 <u>159</u>	\$ 50	\$ 75
(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$225 <u>239</u>	\$ 75	\$125
(c) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$275 <u>292</u>	\$ 75	\$150
(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$325 <u>345</u>	\$100	\$175
6. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota farmstead cheese	\$ 30	\$ 10	\$ 15
7. Nonresident frozen dairy manufacturer	\$200	\$ 50	\$ 75
8. Wholesale food manufacturer processing less than 70,000 pounds per year of cultured dairy food as defined in section 32.486, subdivision 1, paragraph (b)	\$ 30	\$ 10	\$ 15

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9. A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer	\$ 50	\$ 15	\$ 25
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Subd. 3. FEES EFFECTIVE JULY 1, 1996.

<u>Type of food handler</u>	<u>License Fee Effective July 1, 1996</u>	<u>Penalties</u>	
		<u>Late Renewal</u>	<u>No License</u>
1. <u>Retail food handler</u>			
<u>(a) Having gross sales of only prepackaged nonperishable food of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner</u>	<u>\$ 45</u>	<u>\$ 15</u>	<u>\$ 25</u>
<u>(b) Having under \$15,000 gross sales including food preparation or having \$15,000 to \$50,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$ 61</u>	<u>\$ 15</u>	<u>\$ 25</u>
<u>(c) Having \$50,000 to \$250,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$118</u>	<u>\$ 35</u>	<u>\$ 75</u>
<u>(d) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$202</u>	<u>\$ 50</u>	<u>\$100</u>
<u>(e) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$562</u>	<u>\$100</u>	<u>\$175</u>
<u>(f) Having \$5,000,000 to \$10,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$787</u>	<u>\$150</u>	<u>\$300</u>
<u>(g) Having over \$10,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$899</u>	<u>\$200</u>	<u>\$350</u>

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<u>2. Wholesale food handler</u>			
<u>(a) Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year</u>	<u>\$ 50</u>	<u>\$ 15</u>	<u>\$ 15</u>
<u>(b) Having \$25,000 to \$250,000 gross sales or service for the immediately previous license or fiscal year</u>	<u>\$225</u>	<u>\$ 50</u>	<u>\$100</u>
<u>(c) Having \$250,000 to \$1,000,000 gross sales or service from a mobile unit without a separate food facility for the immediately previous license or fiscal year</u>	<u>\$337</u>	<u>\$ 75</u>	<u>\$150</u>
<u>(d) Having \$250,000 to \$1,000,000 gross sales or service not covered under paragraph (c) for the immediately previous license or fiscal year</u>	<u>\$449</u>	<u>\$100</u>	<u>\$200</u>
<u>(e) Having \$1,000,000 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year</u>	<u>\$562</u>	<u>\$125</u>	<u>\$250</u>
<u>(f) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$647</u>	<u>\$150</u>	<u>\$300</u>
<u>3. Food broker</u>	<u>\$112</u>	<u>\$ 30</u>	<u>\$ 50</u>
<u>4. Wholesale food processor or manufacturer</u>			
<u>(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year</u>	<u>\$310</u>	<u>\$ 75</u>	<u>\$150</u>
<u>(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$449</u>	<u>\$100</u>	<u>\$200</u>
<u>(c) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$562</u>	<u>\$125</u>	<u>\$250</u>
<u>(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$647</u>	<u>\$150</u>	<u>\$300</u>
<u>5. Wholesale food processor of meat or poultry products under supervision of the U. S. Department of Agriculture</u>			

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<u>(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year</u>	<u>\$169</u>	<u>\$ 50</u>	<u>\$ 75</u>
<u>(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$253</u>	<u>\$ 75</u>	<u>\$125</u>
<u>(c) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$310</u>	<u>\$ 75</u>	<u>\$150</u>
<u>(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year</u>	<u>\$366</u>	<u>\$100</u>	<u>\$175</u>
6. <u>Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota farmstead cheese</u>	<u>\$ 30</u>	<u>\$ 10</u>	<u>\$ 15</u>
7. <u>Nonresident frozen dairy manufacturer</u>	<u>\$200</u>	<u>\$ 50</u>	<u>\$ 75</u>
8. <u>Wholesale food manufacturer processing less than 70,000 pounds per year of cultured dairy food as defined in section 32.486, subdivision 1, paragraph (b)</u>	<u>\$ 30</u>	<u>\$ 10</u>	<u>\$ 15</u>
9. <u>A milk marketing organization without facilities for processing or manufacturing that purchases milk from milk producers for delivery to a licensed wholesale food processor or manufacturer</u>	<u>\$ 50</u>	<u>\$ 15</u>	<u>\$ 25</u>

Sec. 44. [28A.085] REINSPECTION FEES.

Subdivision 1. VIOLATIONS; PROHIBITED ACTS. The commissioner may charge a reinspection fee for each reinspection of a food handler that:

(1) is found with a major violation of requirements in chapter 28, 29, 30, 31, 31A, 32, 33, or 34, or rules adopted under one of those chapters;

(2) is found with a violation of section 31.02, 31.161, or 31.165, and requires a follow-up inspection after an administrative meeting held pursuant to section 31.14; or

(3) fails to correct equipment and facility deficiencies as required in rules adopted under chapter 28, 29, 30, 31, 31A, 32, or 34. The first reinspection of a firm with gross food sales under \$1,000,000 must be assessed at \$25. The fee for a firm with gross food sales over \$1,000,000 is \$50. The fee for a subsequent

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reinspection of a firm for the same violation is 50 percent of their current license fee. The establishment must be issued written notice of violations with a reasonable date for compliance listed on the notice. An initial inspection relating to a complaint is not a reinspection.

Subd. 2. MARKET WITHDRAWAL; FOOD SAFETY EMERGENCY. A food handler that requires a reinspection due to adulteration or misbranded foods that result in a food being recalled from commerce may be assessed for reasonable and direct reinspection costs incurred by the commissioner, including personnel, travel, laboratory analysis, and attorney general costs. Reinspection related to floods, earthquakes, storms, accidental fires, and power outages are excluded. The commissioner, upon request of the food handler, shall provide, within a reasonable time, an estimate of the anticipated cost for resolving the food safety emergency.

Subd. 3. MANNER AND TIMING OF PAYMENT. Unless an appeal is filed under subdivision 5, a food handler must pay all fees and assessments in the manner and timing requested by the commissioner. If a timely appeal is requested, the fees and assessments are stayed until a decision on the appeal is issued by the hearing officer. A license may not be renewed until all fees and penalties under this chapter are paid.

Subd. 4. DEPOSIT; APPROPRIATION. All reinspection fees and assessments collected must be deposited in the state treasury and are credited to an account in the special revenue fund. Money in the account, including interest accrued, is appropriated to the commissioner to pay the expenses relating to reinspections conducted under the chapters listed in subdivision 1.

Subd. 5. APPEALS. Food handlers may appeal reinspection fees and assessments to the department hearing officer within 30 days of receipt of the notice of fee assessment. The appeal must be submitted to the commissioner in writing.

Sec. 45. Minnesota Statutes 1994, section 41A.09, is amended by adding a subdivision to read:

Subd. 1a. ETHANOL PRODUCTION GOAL. It is a goal of the state that ethanol production plants in the state attain a total annual production level of 220,000,000 gallons.

Sec. 46. Minnesota Statutes 1994, section 41A.09, is amended by adding a subdivision to read:

Subd. 2a. DEFINITIONS. For the purposes of this section the terms defined in this subdivision have the meanings given them.

(a) "Ethanol" means fermentation ethyl alcohol derived from agricultural products, including potatoes, cereal, grains, cheese whey, and sugar beets; forest products; or other renewable resources, including residue and waste generated from the production, processing, and marketing of agricultural products, forest products, and other renewable resources, that:

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(1) meets all of the specifications in ASTM specification D 4806-88; and

(2) is denatured with unleaded gasoline or rubber hydrocarbon solvent as defined in Code of Federal Regulations, title 27, parts 211 and 212, as adopted by the Bureau of Alcohol, Tobacco and Firearms of the United States Treasury Department.

(b) "Wet alcohol" means agriculturally derived fermentation ethyl alcohol having a purity of at least 50 percent but less than 99 percent.

(c) "Anhydrous alcohol" means fermentation ethyl alcohol derived from agricultural products as described in paragraph (a), but that does not meet ASTM specifications or is not denatured and is shipped in bond for further processing.

(d) "Ethanol plant" means a plant at which ethanol, anhydrous alcohol, or wet alcohol is produced.

Sec. 47. Minnesota Statutes 1994, section 41A.09, is amended by adding a subdivision to read:

Subd. 3a. PAYMENTS. (a) The commissioner of agriculture shall make cash payments to producers of ethanol, anhydrous alcohol, and wet alcohol located in the state. These payments shall apply only to ethanol, anhydrous alcohol, and wet alcohol fermented in the state and produced at plants that have begun production by June 30, 2000. For the purpose of this subdivision, an entity that holds a controlling interest in more than one ethanol plant is considered a single producer. The amount of the payment for each producer's annual production is:

(1) except as provided in paragraph (b), for each gallon of ethanol or anhydrous alcohol produced on or before June 30, 2000, or ten years after the start of production, whichever is later, 20 cents per gallon; and

(2) for each gallon produced of wet alcohol on or before June 30, 2000, or ten years after the start of production, whichever is later, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon.

The producer payments for anhydrous alcohol and wet alcohol under this section may be paid to either the original producer of anhydrous alcohol or wet alcohol or the secondary processor, at the option of the original producer, but not to both.

(b) If the level of production at an ethanol plant increases due to an increase in the production capacity of the plant and the increased production begins by June 30, 2000, the payment under paragraph (a), clause (1), applies to the additional increment of production until ten years after the increased production began.

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(c) The commissioner shall make payments to producers of ethanol or wet alcohol in the amount of 1.5 cents for each kilowatt hour of electricity generated using closed-loop biomass in a cogeneration facility at an ethanol plant located in the state. Payments under this paragraph shall be made only for electricity generated at cogeneration facilities that begin operation by June 30, 2000. The payments apply to electricity generated on or before the date ten years after the producer first qualifies for payment under this paragraph. Total payments under this paragraph in any fiscal year may not exceed \$750,000. For the purposes of this paragraph:

(1) "closed-loop biomass" means any organic material from a plant that is planted for the purpose of being used to generate electricity or for multiple purposes that include being used to generate electricity; and

(2) "cogeneration" means the combined generation of:

(i) electrical or mechanical power; and

(ii) steam or forms of useful energy, such as heat, that are used for industrial, commercial, heating, or cooling purposes.

(d) The total payments under paragraphs (a) and (b) to all producers may not exceed \$30,000,000 in a fiscal year. Total payments under paragraphs (a) and (b) to a producer in a fiscal year may not exceed \$3,000,000.

(e) By the last day of October, January, April, and July, each producer shall file a claim for payment for ethanol, anhydrous alcohol, and wet alcohol production during the preceding three calendar months. A producer with more than one plant shall file a separate claim for each plant. A producer shall file a separate claim for the original production capacity of each plant and for each additional increment of production that qualifies under paragraph (b). A producer that files a claim under this subdivision shall include a statement of the producer's total ethanol, anhydrous alcohol, and wet alcohol production in Minnesota during the quarter covered by the claim, including anhydrous alcohol and wet alcohol produced or received from an outside source. A producer shall file a separate claim for any amount claimed under paragraph (c). For each claim and statement of total ethanol, anhydrous alcohol, and wet alcohol production filed under this subdivision, the volume of ethanol, anhydrous alcohol, and wet alcohol production or amounts of electricity generated using closed-loop biomass must be examined by an independent certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants.

(f) Payments shall be made November 15, February 15, May 15, and August 15. A separate payment shall be made for each claim filed. The total quarterly payment to a producer under this paragraph, excluding amounts paid under paragraph (c), may not exceed \$750,000. If the total amount for which all producers are eligible in a quarter under paragraphs (a) and (b) exceeds \$7,500,000, the commissioner shall make payments in the order in which the portion of production capacity covered by each claim went into production. If the total

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amount of ethanol or wet alcohol production reported for a quarter under paragraph (e) equals or exceeds 55,000,000 gallons:

(1) payments under this subdivision do not apply to the amount produced in excess of 55,000,000 gallons;

(2) the commissioner shall make payments to producers in the order in which the portion of production capacity covered by each claim began production; and

(3) only those producers that receive payments for the quarter, or received payments under paragraph (a) or (b) in an earlier quarter, will be eligible for future ethanol or wet alcohol production payments under this subdivision.

(g) If the total amount for which all producers are eligible in a quarter under paragraph (c) exceeds the amount available for payments, the commissioner shall make payments in the order in which the plants covered by the claims began generating electricity using closed-loop biomass.

Sec. 48. Minnesota Statutes 1994, section 41A.09, is amended by adding a subdivision to read:

Subd. 5a. EXPIRATION. This section expires June 30, 2010, and the unobligated balance of each appropriation under this section on that date reverts to the general fund.

Sec. 49. Minnesota Statutes 1994, section 41B.02, subdivision 20, is amended to read:

Subd. 20. **ETHANOL PRODUCTION FACILITY.** "Ethanol production facility" means a facility that ferments, distills, dewater, or otherwise produces ethanol as defined in section 41A.09, subdivision 2 2a, paragraph (a).

Sec. 50. Minnesota Statutes 1994, section 41B.03, subdivision 6, is amended to read:

Subd. 6. **APPLICATION FEE.** The authority may impose a reasonable nonrefundable application fee for each application submitted for a beginning farmer loan or a seller-sponsored loan. The application fee is initially \$50. The authority may review the fee annually and make adjustments as necessary. The fee must be deposited in the state treasury and credited to an account in the special revenue fund. Money in the account is appropriated to the commissioner for administrative expenses of the beginning farmer and seller-sponsored loan programs.

Sec. 51. Minnesota Statutes 1994, section 41B.04, subdivision 17, is amended to read:

Subd. 17. **APPLICATION AND ORIGINATION FEE.** The authority may impose a reasonable nonrefundable application fee for each application and an

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origination fee for each loan issued under the loan restructuring program. The origination fee is 1.5 percent of the authority's participation interest in the loan and the application fee is \$50. The authority may review the fees annually and make adjustments as necessary. The fees must be deposited in the state treasury and credited to an account in the special revenue fund. Money in the account is appropriated to the commissioner for administrative expenses of the loan restructuring program.

Sec. 52. Minnesota Statutes 1994, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. **LOAN PARTICIPATION.** The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or ~~\$50,000~~ \$100,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 53. Minnesota Statutes 1994, section 41B.043, subdivision 2, is amended to read:

Subd. 2. **SPECIFICATIONS.** No direct loan may exceed \$35,000 or ~~\$50,000~~ \$100,000 for a loan participation or be made to refinance an existing debt. Each direct loan and participation must be secured by a mortgage on real property and such other security as the authority may require.

Sec. 54. Minnesota Statutes 1994, section 41B.043, subdivision 3, is amended to read:

Subd. 3. **APPLICATION AND ORIGINATION FEE.** The authority may impose a reasonable nonrefundable application fee for each application for a direct loan or participation and an origination fee for each direct loan issued under the agricultural improvement loan program. The origination fee initially shall be set at 1.5 percent and the application fee at \$50. The authority may review the fees annually and make adjustments as necessary. The fees must be deposited in the state treasury and credited to an account in the special revenue fund. Money in this account is appropriated to the commissioner for administrative expenses of the agricultural improvement loan program.

Sec. 55. Minnesota Statutes 1994, section 41B.045, subdivision 2, is amended to read:

Subd. 2. **LOAN PARTICIPATION.** The authority may participate in a livestock expansion loan with an eligible lender to a livestock farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in a livestock operation. Participation is limited to 45 percent of the principal amount of the loan or ~~\$100,000~~ \$250,000, whichever is

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less. The interest rates and repayment terms of the authority's participation interest may be different from the interest rates and repayment terms of the lender's retained portion of the loan. Loans under this program must not be included in the lifetime limitation calculated under section 41B.03, subdivision 1.

Sec. 56. Minnesota Statutes 1994, section 41B.046, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For purposes of this section:

(1) "Agricultural commodity" has the meaning given in section 17.90.

(1) (2) "Agricultural product processing facility" means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and used or operated primarily for the processing or production of marketable products from ~~agriculture crops~~ agricultural commodities, including waste and residues from ~~agriculture crops~~ agricultural commodities, but, except as provided in subdivision 4a, not including livestock or livestock products, poultry or poultry products, or wood or wood products.

(2) (3) "Value-added agricultural product" means a product derived from an agricultural ~~crops~~ commodity, including waste and residues from agricultural ~~crops~~ commodities, but, except as provided in subdivision 4a, not including livestock or livestock products, poultry or poultry products, or wood or wood products, which are processed by an agricultural product processing facility.

Sec. 57. Minnesota Statutes 1994, section 41B.046, is amended by adding a subdivision to read:

Subd. 4a. CERTAIN LIVESTOCK PROCESSING FACILITIES ELIGIBLE. An applicant may be eligible for a loan under this section if:

(1) the facility is owned and operated by a cooperative organized under chapter 308A. For purposes of this subdivision, "owned and operated" includes a contractual arrangement with another entity to provide management and operations services for a facility owned by the cooperative; and

(2) its agricultural product processing facility is located in Minnesota and operated primarily for the processing of livestock.

Sec. 58. Minnesota Statutes 1994, section 84.631, is amended to read:

84.631 ROAD EASEMENTS ACROSS STATE LANDS.

Except as provided in section 85.015, subdivision 1b, the commissioner, on behalf of the state, may convey a road easement across state land under the commissioner's jurisdiction other than school trust land, to a private person requesting an easement for access to property owned by the person only if the following requirements are met: (1) there are no reasonable alternatives to

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obtain access to the property; and (2) the exercise of the easement will not cause significant adverse environmental or natural resource management impacts. The commissioner shall:

- (1) require the applicant to pay the market value of the easement;
- (2) provide that the easement reverts to the state in the event of nonuse; and
- (3) impose other terms and conditions of use as necessary and appropriate under the circumstances.

Sec. 59. Minnesota Statutes 1994, section 84.788, subdivision 3, is amended to read:

Subd. 3. **APPLICATION; ISSUANCE; REPORTS.** Application for registration or continued registration must be made to the commissioner or an authorized deputy registrar of motor vehicles on a form prescribed by the commissioner. The form must state the name and address of every owner of the off-highway motorcycle and must be signed by at least one owner. Upon receipt of the application and the appropriate fee, the commissioner shall assign a registration number that must be affixed to the motorcycle in a manner prescribed by the commissioner. The commissioner shall develop a registration system to register vehicles under this section. A deputy registrar of motor vehicles acting under section 168.33, is also a deputy registrar of off-highway motorcycles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to ensure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with the accounting and procedural requirements. A fee of ~~50 cents~~ \$2 in addition to other fees prescribed by law is charged for each off-highway motorcycle registered by:

(1) a deputy registrar and must be deposited in the treasury of the jurisdiction where the deputy is appointed, or kept if the deputy is not a public official; or

(2) the commissioner and must be deposited in the state treasury and credited to the off-highway motorcycle account.

Sec. 60. Minnesota Statutes 1994, section 84.798, subdivision 3, is amended to read:

Subd. 3. **APPLICATION; ISSUANCE.** Application for registration or continued registration must be made to the commissioner, or an authorized deputy registrar of motor vehicles on a form prescribed by the commissioner. The form must state the name and address of every owner of the off-road vehicle and must be signed by at least one owner. Upon receipt of the application and the appropriate fee, the commissioner shall register the off-road vehicle and assign a registration number that must be affixed to the vehicle in accordance with subdivision 4. A deputy registrar of motor vehicles acting under section 168.33

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is also a deputy registrar of off-road vehicles. The commissioner of natural resources in cooperation with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to ensure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with the accounting and procedural requirements. A fee of ~~50 cents~~ \$2 in addition to other fees prescribed by law must be charged for each off-road vehicle registered by:

(1) a deputy registrar, and must be deposited in the treasury of the jurisdiction where the deputy is appointed, or retained if the deputy is not a public official; or

(2) the commissioner and must be deposited in the state treasury and credited to the off-road vehicle account.

Sec. 61. Minnesota Statutes 1994, section 84.82, subdivision 2, is amended to read:

Subd. 2. **APPLICATION, ISSUANCE, REPORTS, ADDITIONAL FEE.**

(a) Application for registration or reregistration shall be made to the commissioner of natural resources, or the commissioner of public safety or an authorized deputy registrar of motor vehicles in such form as the commissioner of public safety shall prescribe, and shall state the name and address of every owner of the snowmobile and be signed by at least one owner.

(b) A person who purchases a snowmobile from a retail dealer shall make application for registration to the dealer at the point of sale. The dealer shall issue a temporary registration permit to each purchaser who applies to the dealer for registration. The temporary registration is valid for 60 days from the date of issue. Each retail dealer shall submit completed registration and fees to the deputy registrar at least once a week. Upon receipt of the application and the appropriate fee as hereinafter provided, such snowmobile shall be registered and a registration number assigned which shall be affixed to the snowmobile in such manner as the commissioner of natural resources shall prescribe.

(c) Each deputy registrar of motor vehicles acting pursuant to section 168.33, shall also be a deputy registrar of snowmobiles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to assure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with these accounting and procedural requirements.

(d) A fee of ~~50 cents~~ \$2 in addition to that otherwise prescribed by law shall be charged for:

(1) each snowmobile registered by the registrar or a deputy registrar; and the additional fee shall be disposed of in the manner provided in section 168.33, subdivision 2; or

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(2) each snowmobile registered by the commissioner and the additional fee shall be deposited in the state treasury and credited to the snowmobile trails and enforcement account in the natural resources fund.

Sec. 62. Minnesota Statutes 1994, section 84.922, subdivision 2, is amended to read:

Subd. 2. **APPLICATION, ISSUANCE, REPORTS.** (a) Application for registration or continued registration shall be made to the commissioner of natural resources, the commissioner of public safety or an authorized deputy registrar of motor vehicles on a form prescribed by the commissioner. The form must state the name and address of every owner of the vehicle and be signed by at least one owner.

(b) Upon receipt of the application and the appropriate fee the commissioner shall register the vehicle and assign a registration number that must be affixed to the vehicle in a manner prescribed by the commissioner. The commissioner shall use the snowmobile registration system to register vehicles under this section.

(c) Each deputy registrar of motor vehicles acting under section 168.33, is also a deputy registrar of all-terrain vehicles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to assure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with the accounting and procedural requirements.

(d) A fee of ~~50 cents~~ \$2 in addition to other fees prescribed by law shall be charged for each vehicle registered by:

(1) a deputy registrar, and shall be deposited in the treasury of the jurisdiction where the deputy is appointed, or retained if the deputy is not a public official; or

(2) the commissioner, and shall be deposited to the state treasury and credited to the all-terrain vehicle account in the natural resources fund.

Sec. 63. Minnesota Statutes 1994, section 84.943, subdivision 3, is amended to read:

Subd. 3. **APPROPRIATIONS MUST BE MATCHED BY PRIVATE FUNDS.** Appropriations transferred to the critical habitat private sector matching account and money credited to the account under section 168.1296, subdivision 5, may be expended only to the extent that they are matched equally with contributions to the account from private sources or by funds contributed to the nongame wildlife management account. The private contributions may be made in cash or in contributions of land or interests in land that are designated by the commissioner of natural resources as program acquisitions. Appropriations transferred to the account that are not matched within three years from the date

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of the appropriation shall cancel to the source of the appropriation. For the purposes of this section, the private contributions of land or interests in land shall be valued in accordance with their appraised value.

Sec. 64. [84.964] INTERAGENCY NATIVE VEGETATION TASK FORCE.

(a) An interagency task force on native plant conservation is established composed of the commissioners or their designees of the departments of agriculture, natural resources, transportation, and the pollution control agency and the executive director or designee of the board of water and soil resources. The commissioner of natural resources or the commissioner's designee shall chair the task force.

(b) The purpose of the task force is to identify priority conservation needs for native plants and their habitats in the ecological regions of the state, and to coordinate implementation of interagency programs to address those needs. The task force shall also ensure, to the greatest extent practicable, that native plant species and communities are maintained, enhanced, restored, or established on public lands, and are promoted on private lands.

Sec. 65. Minnesota Statutes 1994, section 84B.11, subdivision 1, is amended to read:

Subdivision 1. (a) The governor shall appoint, except for the legislative members, a citizen's council on Voyageurs National Park, consisting of 17 members as follows:

Four residents of Koochiching county;

Four residents of St. Louis county;

Five residents of the state at large from outside Koochiching and St. Louis counties;

Two members of the state senate to be appointed by the committee on committees;

Two members of the state house of representatives to be appointed by the speaker of the house.

(b) The governor shall designate one of the appointees to serve as chair and the committee may elect such other officers as it deems necessary. Members shall be appointed so as to represent differing viewpoints and interest groups on the facilities included in and around the park. ~~Legislator~~ Legislative members shall serve for the term of the legislative office to which they were elected. The terms, compensation and removal of ~~nonlegislator~~ nonlegislative members of the council shall be as provided in section 15.059. Notwithstanding section 15.059, subdivision 5, the council shall continue to exist.

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(c) The executive committee of the council consists of the legislative members and the chair. The executive committee shall act on matters of personnel, out-of-state trips by members of the council, and nonroutine monetary issues.

Sec. 66. Minnesota Statutes 1994, section 85.015, is amended by adding a subdivision to read:

Subd. 1b. EASEMENTS FOR INGRESS AND EGRESS. Notwithstanding section 16A.695, when a trail is established under this section, a private property owner who has a preexisting right of ingress and egress over the trail right-of-way is granted, without charge, a permanent easement for ingress and egress purposes only. The easement is limited to the preexisting crossing and reverts to the state upon abandonment. Nothing in this subdivision is intended to diminish or alter any written or recorded easement that existed before the state acquired the land for the trail.

Sec. 67. Minnesota Statutes 1994, section 85.015, subdivision 11, is amended to read:

Subd. 11. **WILLARD MUNGER TRAIL, RAMSEY, ANOKA, WASHINGTON, CHISAGO, PINE, AND CARLTON COUNTIES.** (a) The trail shall originate in the vicinity of Arden Hills, Ramsey county, and thence extend northeasterly, traversing Anoka and Washington counties to the vicinity of Taylors Falls in Chisago county; thence northwesterly and northerly to St. Croix state park in Pine county; thence northerly to Jay Cooke state park in Carlton county, and there terminate.

(b) The trail shall be developed primarily for riding and hiking.

(c) Additional trails shall be established that extend the Willard Munger trail to include Proctor and Hermantown in St. Louis county.

Sec. 68. Minnesota Statutes 1994, section 85.019, is amended to read:

**85.019 ~~GRANTS-IN-AID FOR RECREATIONAL BETTERMENT~~
LOCAL RECREATION GRANTS.**

Subdivision 1. **DEFINITIONS DEFINITION.** ~~(a) For purposes of this section, the terms in this subdivision have the meanings given, except as otherwise expressly provided or indicated by the context.~~

(b) "Athletic courts" means special surface area and supporting equipment or structures, such as nets, hoops, and walls, that can be used for active games that have definite boundaries and are played on a marked surface, limited to basketball, volleyball, handball, and tennis.

(e) "Metropolitan council" and "metropolitan area" have the meanings given in section 473.121.

(d) "unit of government" means a county, city and statutory or home rule

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charter city, or town; school district; public post-secondary educational institution; special park district; or an elected park and recreation board having control over parks; parkways; playgrounds; and trees in a city of the first class.

Subd. 2. **GRANTS FOR PARKS AND TRAILS OUTDOOR RECREATION AREAS.** The commissioner shall administer a program to provide grants to units of government located within standard metropolitan statistical areas; as designated by the United States Office of Management and Budget; but outside of the metropolitan area defined in section 473.121. The grants shall be for up to 50 percent of the costs or \$50,000, whichever is less, of acquisition and betterment by units of government of public land and improvements needed for parks; trails; conservatories; zoos; and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be not less than ten percent. The program shall be administered so as to ensure the maximum possible use of available federal money outdoor recreation areas and facilities.

Subd. 3. **GRANTS FOR TRAILS IN LOCAL PARKS.** The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the cost of the betterment of the trail.

Subd. 4. **GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.** The commissioner shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant may not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the commissioner shall consider, among other factors, evidence of cooperation between units of government; local need and available financial resources; and court locations that encourage maximum use; patronage; and availability.

Subd. 4a. **GRANTS FOR NATURAL AND SCENIC AREAS.** The commissioner shall administer a program to provide grants to units of government and school districts for the acquisition and betterment of natural and scenic areas such as blufflands, prairies, shorelands, wetlands, and wooded areas. A grant may not exceed 50 percent or \$50,000, whichever is less, of the costs of acquisition and betterment of land acquired under this subdivision.

Subd. 5. **POWERS; RULES.** The commissioner has all powers necessary and convenient to establish programs for recreational betterment grants-in-aid

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for parks, trails, and athletic courts under implement this section, including the authority to adopt rules for the program under chapter 14.

Sec. 69. Minnesota Statutes 1994, section 85.32, subdivision 1, is amended to read:

Subdivision 1. **AREAS MARKED.** The commissioner of natural resources is authorized in cooperation with local units of government and private individuals and groups when feasible to mark canoe and boating routes on the Little Fork, Big Fork, Minnesota, St. Croix, Snake, Mississippi, Red Lake, Cannon, Straight, Des Moines, Crow Wing, St. Louis, Pine, Rum, Kettle, Cloquet, Root, Zumbro, Pomme de Terre, and Crow rivers which have historic and scenic values and to mark appropriately points of interest, portages, camp sites, and all dams, rapids, waterfalls, whirlpools, and other serious hazards which are dangerous to canoe and watercraft travelers.

Sec. 70. Minnesota Statutes 1994, section 85A.02, subdivision 17, is amended to read:

Subd. 17. **ADDITIONAL POWERS.** The board may establish a schedule of charges for admission to or the use of the Minnesota zoological garden or any related facility. The board shall have a policy admitting elementary school children at no charge when they are part of an organized school activity. The Minnesota zoological garden ~~must be open to the public without admission charges at least two days each month~~ will offer free admission throughout the year to economically disadvantaged Minnesota citizens equal to ten percent of the average annual attendance. However, the zoo may charge at any time for parking, special services, and for admission to special facilities for the education, entertainment, or convenience of visitors. The board may provide for the purchase, reproduction, and sale of gifts, souvenirs, publications, informational materials, food and beverages, and grant concessions for the sale of these items.

Sec. 71. **MINNESOTA ZOO FREE ADMISSION PLAN.**

By July 1, 1995, the board shall develop a plan to implement the offer of free admission to economically disadvantaged Minnesota citizens, and provide a copy of the plan to the chairs of the senate environment and natural resources finance division and the house environment and natural resources finance committee.

Sec. 72. Minnesota Statutes 1994, section 86.72, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise specifically provided, federal reimbursements and match money received for the purposes described in this chapter, regardless of the source of state match, credit or value used to earn the reimbursement or match, other than the federal match for state money appropriated to the local recreation and natural areas grant-in-aid account, and other than the federal great river road money, shall in the first instance be credited to a federal

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receipt account by the state agency receiving the reimbursement or match. Any state department or agency, including the Minnesota historical society and the University of Minnesota, that receives reimbursements or matching money as described above shall transfer those amounts to the natural resources federal reimbursement account. Amounts sufficient to pay the costs incurred by the department of natural resources in administering federal reimbursements are appropriated annually to the commissioner from the federal receipt account.

Sec. 73. Minnesota Statutes 1994, section 86B.415, subdivision 7, is amended to read:

Subd. 7. **WATERCRAFT SURCHARGE.** A \$5 surcharge is placed on each watercraft licensed under subdivisions 1 to 5 for control, public awareness, law enforcement, monitoring, and research of nuisance aquatic exotic species such as zebra mussel, purple loosestrife, and Eurasian water milfoil in public waters and public wetlands. ~~The surcharge is \$5 until December 31, 1996, and \$3 thereafter.~~

Sec. 74. Minnesota Statutes 1994, section 86B.415, subdivision 8, is amended to read:

Subd. 8. **REGISTRAR'S FEE.** ~~(a)~~ In addition to the license fee, a fee of ~~50 cents~~ \$2 shall be charged for a watercraft license:

(1) issued through the registrar or a deputy registrar of motor vehicles;

~~(b)~~ and the additional fee shall be disposed of in the manner provided in section 168.33, subdivision 2; or

(2) issued through the commissioner and the additional fee shall be deposited in the state treasury and credited to the water recreation account.

Sec. 75. Minnesota Statutes 1994, section 86B.870, subdivision 1, is amended to read:

Subdivision 1. **FEES.** (a) The fee to be paid to the commissioner:

(1) for issuing an original certificate of title, including the concurrent notation of an assignment of the security interest and its subsequent release or satisfaction, is \$15;

(2) for each security interest when first noted upon a certificate of title, including the concurrent notation of an assignment of the security interest and its subsequent release or satisfaction, is \$10;

(3) for transferring the interest of an owner and issuing a new certificate of title, is \$10;

(4) for each assignment of a security interest when first noted on a certificate of title, unless noted concurrently with the security interest, is \$1; and

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(5) for issuing a duplicate certificate of title, is \$4.

(b) In addition to other statutory fees and taxes, a filing fee of ~~\$3.25~~ \$3.50 is imposed on every application. The filing fee must be shown as a separate item on title renewal notices sent by the commissioner.

Sec. 76. Minnesota Statutes 1994, section 89.001, subdivision 8, is amended to read:

Subd. 8. "Forest resources" means those natural assets of forest lands, including timber and other forest crops; biological diversity; recreation; fish and wildlife habitat; wilderness; rare and distinctive flora and fauna; air; water; soil; and educational, aesthetic, and historic values.

Sec. 77. [89.021] [Subd. 45.] **SHOOTING AREA WITHIN SAND DUNES STATE FOREST.** The commissioner of natural resources shall design and establish a noncompetitive recreational shooting area within Sand Dunes state forest. The area shall be suitable for sighting in legal handguns, rifles, and shotguns.

Discharge of firearms for purposes other than lawful hunting is prohibited on state lands in the Sand Dunes State Forest, except in the area developed as a shooting area. Discharge of firearms for the purpose of lawful hunting is permitted during the open seasons for taking of wild animals unless restricted by rule.

Sec. 78. [89A.01] **DEFINITIONS.**

Subdivision 1. APPLICABILITY. Unless the language or context clearly indicates that a different meaning is intended, the following terms, for the purpose of this chapter, have the meanings given.

Subd. 2. ADVISORY COMMITTEE. "Advisory committee" means the forest resources research advisory committee established under section 89A.08.

Subd. 3. BIOLOGICAL DIVERSITY. "Biological diversity" means the variety and abundance of species, their genetic composition, and the communities and landscapes in which they occur, including the ecological structures, functions, and processes occurring at all of these levels.

Subd. 4. COMMISSIONER. "Commissioner" means the commissioner of natural resources or agent of the commissioner.

Subd. 5. COUNCIL. "Council" means the Minnesota forest resources council established by section 89A.03.

Subd. 6. DEPARTMENT. "Department" means the department of natural resources.

Subd. 7. FOREST RESOURCES. "Forest resources" has the meaning given in section 89.001, subdivision 8.

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Subd. 8. GUIDELINES. "Guidelines" means the comprehensive timber harvesting and forest management guidelines developed under section 89A.05.

Subd. 9. LANDSCAPE. "Landscape" means a heterogenous land area composed of interacting sustainable forest resources that are defined by natural features and socially defined attributes.

Subd. 10. LANDSCAPE-LEVEL. "Landscape-level" means typically long-term or broad-based efforts that may require extensive analysis or planning over large areas that may involve or require coordination across land ownerships.

Subd. 11. REGIONAL COMMITTEE. "Regional committee" means a regional forest resources committee established under section 89A.06.

Subd. 12. SITE-LEVEL. "Site-level" means efforts affecting operational procedures used in the planning and implementation of timber harvesting and forest management activities on an individual site or local scale.

Subd. 13. SUSTAINABLE. "Sustainable" means meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Sec. 79. [89A.02] POLICY.

It is the policy of the state to:

(1) pursue the sustainable management, use, and protection of the state's forest resources to achieve the state's economic, environmental, and social goals;

(2) encourage cooperation and collaboration between public and private sectors in the management of the state's forest resources;

(3) recognize and consider forest resource issues, concerns, and impacts at the site and landscape levels; and

(4) recognize the broad array of perspectives regarding the management, use, and protection of the state's forest resources, and establish processes and mechanisms that seek and incorporate these perspectives in the planning and management of the state's forest resources.

Nothing in this chapter abolishes, repeals, or negates any existing authorities, policies, programs, or activities of the commissioner or other statutory authorities related to managing and protecting state's forest resources.

Sec. 80. [89A.03] MINNESOTA FOREST RESOURCES COUNCIL.

Subdivision 1. MEMBERSHIP. The Minnesota forest resources council has 13 members appointed by the governor. Council membership must include one representative from each of the following:

(1) an organization representing environmental interests within the state;

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(2) an organization representing the interests of management of game species;

(3) a conservation organization;

(4) an association representing forest products industry within the state;

(5) a commercial logging contractor active in a forest product association;

(6) a statewide association representing the resort and tourism industry;

(7) a faculty or researcher of a Minnesota research or higher educational institution;

(8) an owner of nonindustrial, private forest land of 40 acres or more;

(9) an agricultural woodlot owner;

(10) the department;

(11) a county land commissioner who is a member of the Minnesota association of county land commissioners;

(12) the United States Forest Service unit with land management responsibility in Minnesota; and

(13) a labor organization with membership having an interest in forest resource issues.

Subd. 2. PURPOSE. The council shall develop recommendations to the governor and to federal, state, county, and local governments with respect to forest resource policies and practices that result in the sustainable management, use, and protection of the state's forest resources. The policies and practices must:

(1) acknowledge the interactions of complex sustainable forest resources, multiple ownership patterns, and local to international economic forces;

(2) give equal consideration to the long-term economic, ecological, and social needs and limits of the state's forest resources;

(3) foster the productivity of the state's forests to provide a diversity of sustainable benefits at site levels and landscape levels;

(4) enhance the ability of the state's forest resources to provide future benefits and services;

(5) foster no net loss of forest land in Minnesota;

(6) encourage appropriate mixes of forest cover types and age classes within landscapes to promote biological diversity and viable forest-dependent fish and wildlife habitats;

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(7) encourage collaboration and coordination with multiple constituencies in planning and managing the state's forest resources; and

(8) address the environmental impacts and their mitigations as recommended in the generic environmental impact statement on timber harvesting.

Subd. 3. COUNCIL MEETINGS. The council shall establish procedures for conducting its meetings in accordance with section 471.705 that include provisions for seeking and incorporating public input.

Subd. 4. COUNCIL OFFICERS AND STAFF. The council shall elect a chair from among its members. The council may employ an executive director and administrative assistant. Technical expertise that will enable the council to carry out its functions must be provided to the council by those interests represented on the council.

Subd. 5. MEMBERSHIP REGULATION. Terms, compensation, nomination, appointment, and removal of council members are governed by section 15.059. Section 15.059, subdivision 5, does not govern the expiration date of the council.

Subd. 6. REPORT. By January 1, 1997, the council shall prepare a report to the governor and legislature on the status of the state's forest resources, and strategic directions to provide for their management, use, and protection. Information generated by the reporting requirements in this chapter must be incorporated in the council's report. To the extent possible, the council's report must also identify the activities and accomplishments of various programs that directly affect the state's forest resources.

Subd. 7. REVIEW OF FOREST RESOURCES PLAN AND ASSESSMENT. The council shall undertake a review of the forest resource management plan and forest assessment requirements contained in section 89.011, and report to the commissioner no later than July 1, 1996, on the appropriateness and effectiveness of these requirements, including recommendations for enhancing existing forest resource planning processes. The council shall review draft state-wide and district forest resource planning documents, and incorporate the findings, including any recommendation, of such reviews in its biennial report specified in subdivision 6.

Sec. 81. **[89A.04] PARTNERSHIP.**

It is the policy of the state to encourage forest landowners, forest managers, and loggers to establish a partnership in which the implementation of council recommendations can occur in a timely and coordinated manner across ownerships. The partnership shall serve as a forum for discussing operational implementation issues and problem solving related to forest resources management and planning concerns, and be responsive to the recommendations of the council. This partnership shall also actively foster collaboration and coordination among forest managers and landowners in addressing landscape-level operations and concerns. In fulfilling its responsibilities as identified in this chapter, the council shall seek input from and consult with the partnership.

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Sec. 82. **[89A.05] TIMBER HARVESTING AND FOREST MANAGEMENT GUIDELINES.**

Subdivision 1. DEVELOPMENT. The council shall coordinate the development of comprehensive timber harvesting and forest management guidelines. The guidelines must address the water, air, soil, biotic, recreational, and aesthetic resources found in forest ecosystems by focusing on those impacts commonly associated with applying site-level forestry practices. The guidelines must reflect a range of practical and sound practices based on the best available scientific information, and be integrated to minimize conflicting recommendations while being easy to understand and implement. Best management practices previously developed for forest management must be incorporated into the guidelines. The council shall periodically review and, when deemed necessary, update the guidelines.

Subd. 2. ECONOMIC CONSIDERATIONS. Before the implementation of timber harvesting and forest management guidelines, new site-level practices and landscape-level programs, the council shall analyze the costs of new site-level practices and landscape-level programs. When the analysis concludes that new landscape-level programs and site-level practices will result in adverse economic effects, including decreased timber supply and negative effects on tourism, opportunities to offset those effects must be explored. The council shall also:

(1) identify and quantify forest and timberland acreages that will no longer be available for harvest; and

(2) encourage public resource agencies to provide sustainable, predictable supplies of high-quality forest resource benefits, including timber supplies that are consistent with their multiple mandates and diverse management objectives. These benefits should be provided by public resource agencies in proportion to their forest land's capability to do so.

Subd. 3. APPLICATION. The timber harvesting and forest management guidelines are voluntary. Prior to their actual use, the council shall develop guideline implementation goals for each major forest land ownership category. If the information developed as a result of the monitoring programs established in section 89A.07 indicates the implementation goals for the guidelines are not being met and the council determines significant adverse impacts are occurring, the council shall recommend to the governor additional measures to address those impacts. The council shall incorporate the recommendations as part of the council's biennial report required by section 89A.03, subdivision 6.

Sec. 83. **[89A.06] LANDSCAPE-LEVEL FOREST RESOURCE PLANNING AND COORDINATION.**

Subdivision 1. FRAMEWORK. The council shall establish a framework that will enable long-range strategic planning and landscape coordination to occur, to the extent possible, across all forested regions of the state and across all ownerships. The framework must include:

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(1) identification of the landscapes within which long-range strategic planning of forest resources can occur, provided that the landscapes must be delineated based on broadly defined ecological units and existing classification systems, yet recognize existing political and administrative boundaries and planning processes;

(2) a statement of principles and goals for landscape-based forest resource planning; and

(3) identification of a general process by which landscape-based forest resource planning can occur, provided that the process must give considerable latitude to design planning processes that fit the unique needs and resources of each landscape; reflect a balanced consideration of the economic, social, and environmental conditions and needs of each landscape; and interface and establish formats that are compatible with other landscape-based forest resource plans.

Subd. 2. REGIONAL FOREST RESOURCE COMMITTEES. To foster landscape-based forest resource planning, the council shall establish regional forest resource committees. The regional committees must:

(1) include representative interests in a particular region that are committed to and involved in landscape planning and coordination activities;

(2) serve as a forum for landowners, managers, and representative interests to discuss landscape forest resource issues;

(3) identify and implement an open and public process whereby landscape-based strategic planning of forest resources can occur;

(4) identify sustainable forest resource goals for the landscape and strategies to achieve those goals; and

(5) provide a regional perspective to the council with respect to council activities.

Subd. 3. REGIONAL COMMITTEE OFFICERS AND STAFF. Each regional committee shall elect a chair from among its members. The council shall ensure regional committees have sufficient staff resources to carry out their mission as defined in this section.

Subd. 4. REPORT. Each regional committee shall report to the council its work activities and accomplishments.

Sec. 84. [89A.07] MONITORING.

Subdivision 1. FOREST RESOURCE MONITORING. The commissioner shall establish a program for monitoring broad trends and conditions in the state's forest resources at statewide, landscape, and site levels. The council shall provide oversight and program direction for the development and implementa-

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tion of the monitoring program. To the extent possible, the information generated under the monitoring program must be reported in formats consistent with the landscape regions used to accomplish the planning and coordination activities specified in section 89A.06. To the extent possible, the program must incorporate data generated by existing resource monitoring programs. The commissioner shall report to the council information on current conditions and recent trends in the state's forest resources.

Subd. 2. PRACTICES AND COMPLIANCE MONITORING. The commissioner shall establish a program for monitoring silvicultural practices and application of the timber harvesting and forest management guidelines at state-wide, landscape, and site levels. The council shall provide oversight and program direction for the development and implementation of the monitoring program. To the extent possible, the information generated by the monitoring program must be reported in formats consistent with the landscape regions used to accomplish the planning and coordination activities specified in section 89A.06. The commissioner shall report to the council on the nature and extent of silvicultural practices used, and compliance with the timber harvesting and forest management guidelines.

Subd. 3. EFFECTIVENESS MONITORING. The commissioner, in cooperation with other research and land management organizations, shall evaluate the effectiveness of practices to mitigate impacts of timber harvesting and forest management activities on the state's forest resources. The council shall provide oversight and program direction for the development and implementation of this monitoring program.

Subd. 4. OTHER STUDIES AND PROGRAMS. The council shall monitor the implementation of other programs, formal studies, and initiatives affecting Minnesota's forest resources.

Subd. 5. CITIZEN CONCERNS. The council shall facilitate the establishment of a process to accept comments from the public on negligent timber harvesting or forest management practices. Comments must also be directed to the organization administering the certification program.

Sec. 85. [89A.08] RESEARCH ADVISORY COMMITTEE.

Subdivision 1. ESTABLISHMENT. The council shall appoint a forest resources research advisory committee. The committee must consist of representatives of:

- (1) the college of natural resources, University of Minnesota;
 - (2) the natural resources research institute, University of Minnesota;
 - (3) the department;
 - (4) the north central forest experiment station, United States Forest Service;
- and

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(5) other organizations as deemed appropriate by the council.

Subd. 2. PURPOSE. The purpose of the advisory committee is to foster the identification and undertaking of priority forest resources research activities by encouraging:

(1) collaboration between organizations with responsibilities for conducting forest resources research;

(2) linkages between researchers in different disciplines in conducting forest resources research; and

(3) interaction and communication between researchers and practitioners in the development and use of forest resources research.

Subd. 3. RESEARCH ASSESSMENT. The advisory committee shall periodically undertake an assessment of strategic directions in forest resources research. The assessment must be based on input provided by administrators, researchers, practitioners, and the general public, and include:

(1) an assessment of the current status of forestry resources research in the state;

(2) an identification of important forest resource issues in need of research;

(3) an identification of priority forest research activities whose results will enable a better understanding of site-level and landscape-level impacts resulting from timber harvesting and forest management activities; and

(4) an assessment of the progress toward addressing the priority forest resources research needs identified.

The forest resources research assessment must be made widely available to the research community, forest managers and users, and the public.

Subd. 4. RESEARCH DELIVERY. Based on the priority forest resources research activities identified in subdivision 3, the advisory committee shall promote these research needs and the dissemination of findings to the research community, forest managers and users, and the public.

Subd. 5. RESEARCH AND PRACTITIONER LINKAGES. The advisory committee shall periodically facilitate forums to increase communications between the individuals and organizations conducting forest resources research and the users of the research.

Subd. 6. REPORT. The advisory committee shall report to the council its accomplishments in fulfilling the responsibilities identified in this section.

Sec. 86. [89A.09] INTERAGENCY INFORMATION COOPERATIVE.

Subdivision 1. ESTABLISHMENT. The commissioner shall coordinate the

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establishment of an interagency information cooperative. Members of the cooperative must include:

- (1) the department;
- (2) the land management information center;
- (3) the Minnesota association of county land commissioners;
- (4) the United States Forest Service; and
- (5) other organizations as deemed appropriate by the commissioner.

Subd. 2. PURPOSE. The purposes of the cooperative are to:

- (1) coordinate the development and use of forest resources data in the state;
- (2) promote the development of statewide guidelines and common language to enhance the ability of public and private organizations and institutions to share forest resources data;
- (3) promote the development of information systems that support access to important forest resources data;
- (4) promote improvement in the accuracy, reliability, and statistical soundness of fundamental forest resources data;
- (5) promote linkages and integration of forest resources data to other natural resource information;
- (6) promote access and use of forest resources data and information systems in decision-making by a variety of public and private organizations;
- (7) promote expanding the capacity and reliability of forest growth, succession, and other types of ecological models; and
- (8) conduct a needs assessment for improving the quality and quantity of information systems.

Subd. 3. REPORT. The information cooperative shall report to the council its accomplishments in fulfilling the responsibilities identified in this section.

Sec. 87. [89A.10] CONTINUING EDUCATION; CERTIFICATION.

It is the policy of the state to encourage timber harvesters and forest resource professionals to establish voluntary certification and continuing education programs within their respective professions. The council shall, where appropriate, facilitate the development of these programs.

Sec. 88. DATES FOR INITIAL APPOINTMENTS AND REPORT.

The governor shall make the appointments to the forest resources council established by Minnesota Statutes, section 89A.03, by October 1, 1995.

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Sec. 89. Minnesota Statutes 1994, section 92.46, subdivision 1, is amended to read:

Subdivision 1. **PUBLIC CAMPGROUNDS.** (a) The director may designate suitable portions of the state lands withdrawn from sale and not reserved, as provided in section 92.45, as permanent state public campgrounds. The director may have the land surveyed and platted into lots of convenient size, and lease them for cottage and camp purposes under terms and conditions the director prescribes, subject to the provisions of this section.

(b) A lease may not be for a term more than 20 years. The lease may allow renewal, from time to time, for additional terms of no longer than 20 years each. The lease may be canceled by the commissioner 90 days after giving the person leasing the land written notice of violation of lease conditions. The lease rate shall be based on the appraised value of leased land as determined by the commissioner of natural resources and shall be adjusted by the commissioner at the fifth, tenth, and 15th anniversary of the lease, if the appraised value has increased or decreased. For leases that are renewed in 1991 and following years, the lease rate shall be five percent of the appraised value of the leased land. The appraised value shall be the value of the leased land without any private improvements and must be comparable to similar land without any improvements within the same county. The minimum appraised value that the commissioner assigns to the leased land must be substantially equal to the county assessor's estimated market value of similar land adjusted by the assessment/sales ratio as determined by the department of revenue.

(c) By July 1, 1986, the commissioner of natural resources shall adopt rules under chapter 14 to establish procedures for leasing land under this section. The rules shall be subject to review and approval by the commissioners of revenue and administration prior to the initial publication pursuant to chapter 14 and prior to their final adoption. The rules must address at least the following:

- (1) method of appraising the property; and
- (2) an appeal procedure for both the appraised values and lease rates.

(d) All money received from these leases must be credited to the fund to which the proceeds of the land belong.

Notwithstanding section 16A.125 or any other law to the contrary, 50 percent of the money received from the lease of permanent school fund lands leased pursuant to this subdivision ~~shall be deposited into the permanent school trust fund. However, in fiscal years 1994 and 1995, this money~~ must be credited to the lakeshore leasing and sales account in the permanent school fund and; ~~subject to appropriation, may be used~~ is appropriated for use to survey, appraise, and pay associated selling and leasing costs of lots as required in this section and section 92.67, subdivision 3. The money may not be used to pay the cost of surveying lots not scheduled for sale. Any money designated for deposit in the permanent school fund that is not needed to survey, appraise, and pay associated

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selling and leasing costs of lots, as required in this section and section 92.67, shall be deposited in the permanent school fund. The commissioner shall add to the appraised value of any lot offered for sale the costs of surveying, appraising, and selling the lot, and shall first deposit into the permanent school fund an amount equal to the costs of surveying, appraising, and selling any lot paid out of the permanent school fund. Any remaining money shall be deposited into any other contributing funds in proportion to the contribution from each fund. In no case may the commissioner add to the appraised value of any lot offered for sale an amount more than \$700 for the costs of surveying and appraising the lot.

Sec. 90. Minnesota Statutes 1994, section 97C.305, subdivision 1, is amended to read:

Subdivision 1. **REQUIREMENT.** Except as provided in subdivision 2, a person over age 16 and under age 65 required to possess an angling license must have a trout and salmon stamp in possession to:

(1) take fish by angling in:

(+) (i) a stream designated by the commissioner as a trout stream;

(2) (ii) a lake designated by the commissioner as a trout lake; or

(3) (iii) Lake Superior; or

(2) possess trout or salmon taken in the state by angling.

Sec. 91. Minnesota Statutes 1994, section 103A.43, is amended to read:

103A.43 WATER ASSESSMENTS AND REPORTS.

(a) The environmental quality board shall evaluate and report to the legislative water commission and the legislative commission on Minnesota resources on statewide water research needs and recommended priorities for addressing these needs. Local water research needs may also be included.

(b) The environmental quality board shall work with the pollution control agency and the department of agriculture to coordinate a biennial assessment and analysis of water quality, groundwater degradation trends, and efforts to reduce, prevent, minimize, and eliminate degradation of water. The assessment and analysis must include an analysis of relevant monitoring data.

(c) The environmental quality board shall work with the department of natural resources to coordinate an assessment and analysis of the quantity of surface and ground water in the state and the availability of water to meet the state's needs.

(d) The environmental quality board shall coordinate and submit a report on water policy including the analyses in paragraphs (a) to (c) to the legislative water commission and the legislative commission on Minnesota resources by

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September 15 of each even-numbered year. The report may include the ground-water policy report in section 103A.204.

Sec. 92. Minnesota Statutes 1994, section 103D.335, subdivision 19, is amended to read:

Subd. 19. **OPEN SPACE AND GREENBELTS.** The managers may prepare an open space and greenbelt map of the lands of the watershed district that should be preserved and included in the open space and greenbelt land areas of the watershed district. The map must be made available to the counties and local municipalities for inclusion in floodplain and shoreland ordinances. The managers may control the use and development of land in the floodplain and the greenbelt and open space areas of the watershed district. The managers may adopt, amend, or repeal rules to control encroachments, the changing of land contours, the placement of fill and structures, and the placement of encumbrances or obstructions, and may require a landowner to remove fill, structures, encumbrances, or other obstructions and restore the previously existing land contours and vegetation. The managers may by rule provide a procedure for the watershed district to do the work required and assess its cost against the affected property as a special assessment. The rules apply only in the absence of county or municipal ordinances regulating the items set forth in this subdivision. The rules must be adopted in accordance with section 103D.341. Except as provided in section 103D.345, subdivision 3, rules adopted under this subdivision apply to the state.

Sec. 93. Minnesota Statutes 1994, section 103F.725, subdivision 1a, is amended to read:

Subd. 1a. **FINANCIAL ASSISTANCE; LOANS.** (a) Up to ~~\$10,000,000~~ \$12,000,000 of the balance in the water pollution control revolving fund in section 446A.07, as determined by the public facilities authority shall be appropriated to the commissioner for the establishment of a clean water partnership loan program.

(b) The agency may award loans for up to 100 percent of the costs associated with activities identified by the agency as best management practices pursuant to section 319 and section 320 of the federal Water Quality Act of 1987, as amended, including associated administrative costs.

(c) Loans may be used to finance clean water partnership grant project eligible costs not funded by grant assistance.

(d) The interest rate, at or below market rate, and the term, not to exceed 20 years, shall be determined by the agency in consultation with the public facilities authority.

(e) The repayment must be deposited in the water pollution control revolving fund under section 446A.07.

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(f) The local unit of government receiving the loan is responsible for repayment of the loan.

(g) For the purpose of obtaining a loan from the agency, a local government unit may provide to the agency its general obligation note. All obligations incurred by a local government unit in obtaining a loan from the agency must be in accordance with chapter 475, except that so long as the obligations are issued to evidence a loan from the agency to the local government unit, an election is not required to authorize the obligations issued, and the amount of the obligations shall not be included in determining the net indebtedness of the local government unit under the provisions of any law or chapter limiting the indebtedness.

Sec. 94. Minnesota Statutes 1994, section 103H.151, is amended by adding a subdivision to read:

Subd. 4. EVALUATION. The commissioners of agriculture and the pollution control agency shall, through field audits and other appropriate means, monitor the use and effectiveness of best management practices developed and promoted under this section. The information collected must be submitted to the environmental quality board, which must include the information in the report required in section 103A.43, paragraph (d).

Sec. 95. Minnesota Statutes 1994, section 103I.331, subdivision 4, is amended to read:

Subd. 4. **LANDOWNER WELL SEALING CONTRACTS.** (a) A county, or contracted local unit of government, may contract with landowners to share the cost of sealing priority wells in accordance with criteria established by the board of water and soil resources.

(b) The county must use the funds allocated from the board of water and soil resources to pay up to 75 percent, but not more than \$2,000 of the cost of sealing priority wells. The board, with the assistance of the department of health, may review and approve a request above \$2,000 for sealing a priority well.

(c) A well sealing contract must provide that:

(1) sealing is done in accordance with this chapter and rules of the commissioner of health relating to sealing of unused wells;

(2) payment is made to the landowner, after the well is sealed by a contractor licensed under this chapter; and

(3) the contractor must file a sealed well report and a copy of the well record with the commissioner of health.

Sec. 96. Minnesota Statutes 1994, section 115A.03, subdivision 29, is amended to read:

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Subd. 29. **SEWAGE SLUDGE.** "Sewage sludge" means the ~~solids and associated liquids in municipal wastewater which are encountered and concentrated by a municipal wastewater treatment plant~~ solid, semisolid, or liquid residue generated during the treatment of domestic sewage in a treatment works. It includes, but is not limited to, scum or solids removed in primary, secondary, or advanced wastewater treatment processes and a material derived from sewage sludge. Sewage sludge does not include ash generated during the firing of sewage sludge in a sewage sludge incinerator residues and or grit, scum, or and screenings removed from other solids during treatment generated during preliminary treatment of domestic sewage in a treatment works. Sewage sludge that is acceptable and beneficial for recycling on land as a soil conditioner and nutrient source is also known as biosolids.

Sec. 97. Minnesota Statutes 1994, section 115A.908, subdivision 3, is amended to read:

Subd. 3. **REPEALER.** This section is repealed on ~~December 31, 1996~~ July 1, 1997.

Sec. 98. Minnesota Statutes 1994, section 115B.20, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** (a) The environmental response, compensation, and compliance account is in the environmental fund in the state treasury and may be spent only for the purposes provided in subdivision 2.

(b) The commissioner of finance shall administer a response account for the agency and the commissioner of agriculture to take removal, response, and other actions authorized under subdivision 2, clauses (1) to (4) and (11) to (13). The commissioner of finance shall transfer money from the response account to the agency and the commissioner of agriculture to take actions required under subdivision 2, clauses (1) to (4) and (11) to (13).

(c) The commissioner of finance shall administer the account in a manner that allows the commissioner of agriculture and the agency to utilize the money in the account to implement their removal and remedial action duties as effectively as possible.

(d) Amounts appropriated to the commissioner of finance under this subdivision shall not be included in the department of finance budget but shall be included in the pollution control agency and department of agriculture budgets.

(e) All money recovered by the state under section 115B.04 or any other law for injury to, destruction of, or loss of natural resources resulting from the release of a hazardous substance, or a pollutant or contaminant, must be credited to the environmental response, compensation, and compliance account in the environmental fund and is appropriated to the commissioner of natural resources for purposes of subdivision 2, clause (6), consistent with any applicable term of judgments, consent decrees, consent orders, or other administrative actions requiring payments to the state for such purposes. Before making an expenditure of money appropriated under this paragraph, the commissioner of

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natural resources shall provide written notice of the proposed expenditure to the chairs of the senate committee on finance, the house of representatives committee on ways and means, the finance division of the senate committee on environment and natural resources, and the house of representatives committee on environment and natural resources finance.

Sec. 99. Minnesota Statutes 1994, section 115B.25, subdivision 1a, is amended to read:

Subd. 1a. **ACCOUNT.** Except when another account is specified, "account" means the ~~harmful substance compensation~~ environmental response, compensation, and compliance account established in section ~~115B.26~~ 115B.20.

Sec. 100. Minnesota Statutes 1994, section 115B.26, subdivision 2, is amended to read:

Subd. 2. **APPROPRIATION.** The amount necessary to ~~pay for staff assistance, administrative services, and office space under section 115B.28, subdivision 4, and to pay claims of compensation granted by the board~~ agency under sections 115B.25 to 115B.37 is appropriated to the ~~board~~ agency from the account.

Sec. 101. Minnesota Statutes 1994, section 115B.41, subdivision 1, is amended to read:

Subdivision 1. **ALLOCATION AND RECOVERY OF COSTS.** (a) A person who is subject to the requirements in section 115B.40, subdivision 4 or 5, paragraph (b), is responsible for all environmental response costs incurred by the commissioner at or related to the facility until the date of notice of compliance under section 115B.40, subdivision 7. The commissioner may use any funds available for closure, postclosure care, and response action established by the owner or operator. If those funds are insufficient or if the owner or operator fails to assign rights to them to the commissioner, the commissioner may seek recovery of environmental response costs against the owner or operator in the county of Ramsey or in the county where the facility is located or where the owner or operator resides.

(b) In an action brought under this subdivision in which the commissioner prevails, the court shall award the commissioner reasonable attorney fees and other litigation expenses incurred by the commissioner to bring the action. All costs, fees, and expenses recovered under this subdivision must be deposited in the ~~environmental fund and credited to the landfill cleanup account~~ solid waste fund established in section 115B.42.

Sec. 102. Minnesota Statutes 1994, section 115B.42, is amended to read:

115B.42 ~~LANDFILL CLEANUP ACCOUNT~~ SOLID WASTE FUND.

Subdivision 1. **ESTABLISHMENT; APPROPRIATION; SEPARATE ACCOUNTING.** (a) The ~~landfill cleanup account~~ solid waste fund is established

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in the ~~environmental fund~~ in the state treasury. The ~~account fund~~ consists of money credited to the ~~account fund~~ and interest earned on the money in the ~~account fund~~. Except as provided in section 115B.42, subdivision 2, clause ~~(9)~~ (7), money in the ~~account fund~~ is annually appropriated to the commissioner for the purposes listed in subdivision 2.

(b) The commissioner of finance shall separately account for revenue deposited in the ~~account fund~~ from financial assurance funds or other mechanisms, the metropolitan landfill contingency action trust fund, and all other sources of revenue.

Subd. 2. **EXPENDITURES.** (a) Money in the ~~account fund~~ may be spent by the commissioner to:

(1) inspect permitted mixed municipal solid waste disposal facilities to:

(i) evaluate the adequacy of final cover, slopes, vegetation, and erosion control;

(ii) determine the presence and concentration of hazardous substances, pollutants or contaminants, and decomposition gases; and

(iii) determine the boundaries of fill areas;

(2) monitor and take, or reimburse others for, environmental response actions, including emergency response actions, at qualified facilities;

(3) acquire and dispose of property under section 115B.412, subdivision 3;

(4) recover costs under sections 115B.39 and 115B.46;

(5) administer, including providing staff and administrative support for, sections 115B.39 to 115B.46;

(6) enforce sections 115B.39 to 115B.46;

(7) subject to appropriation, administer the agency's groundwater and solid waste management programs;

(8) reimburse persons under section 115B.43; and

(9) reimburse mediation expenses up to a total of \$250,000 annually or defense costs up to a total of \$250,000 annually for third-party claims for response costs under state or federal law as provided in section 115B.414.

Sec. 103. Minnesota Statutes 1994, section 115C.03, subdivision 9, is amended to read:

Subd. 9. **REQUESTS FOR REVIEW, INVESTIGATION, AND OVERSIGHT.** (a) The commissioner may, upon request:

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- (1) assist in determining whether a release has occurred; and
- (2) assist in or supervise the development and implementation of reasonable and necessary corrective actions.

(b) Assistance may include review of agency records and files and review and approval of a requester's investigation plans and reports and corrective action plans and implementation.

(c) Assistance may include the issuance of a written determination that an owner or prospective buyer of real property will not be a responsible person under section 115C.021, if the commissioner finds the release came from a tank not located on the property. The commissioner may also issue a written confirmation that the real property was the site of a release and that the tank from which the release occurred has been removed or that the agency has issued a site closure letter and has not revoked that status. The issuance of the written determination or confirmation applies to tanks not on the property or removed only and does not affect liability for releases from tanks that are on the property at the time of purchase. The written determination or confirmation extends to the successors and assigns of the person to whom it originally applied, if the successors and assigns are not otherwise responsible for the release.

(d) The person requesting assistance under this subdivision shall pay the agency for the agency's cost, as determined by the commissioner, of providing assistance. Money received by the agency for assistance under this subdivision must be deposited in the state treasury and credited to ~~the~~ an account in the special revenue fund. Money in this account is annually appropriated to the commissioner for purposes of administering the subdivision.

Sec. 104. Minnesota Statutes 1994, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. **PERMIT FEES.** (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of reviewing and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The agency shall adopt rules under section ~~16A.128~~ 16A.1285 ~~establishing the amounts and methods of collection of any a system for charging~~ permit fees collected under this subdivision. The fee schedule must reflect reasonable and routine permitting, implementation, and enforcement costs. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the special revenue account.

(b) Notwithstanding paragraph (a), and section ~~16A.128, subdivision 4~~ 16A.1285, subdivision 2, the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air con-

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taminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to the requirement to obtain a permit under ~~Title subchapter V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399, United States code, title 42, section 7401 et seq., or section 116.081.~~ The annual fee shall be used to pay for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of ~~Title subchapter V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399, United States Code, title 42, section 7401 et seq.,~~ and sections of this chapter and the rules adopted under this chapter related to air contamination and noise. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; providing information to the public about these activities; ~~and, after June 30, 1992, the costs of acid deposition monitoring currently assessed under section 116C.69, subdivision 3.~~

(c) The agency shall adopt fee rules in accordance with the procedures in section ~~16A.128, subdivisions 1a and 2a~~ 16A.1285, subdivision 5, that will result in the collection, in the aggregate, from the sources listed in paragraph (b), of the following amounts:

(1) ~~in fiscal years 1992 and 1993, the amount appropriated by the legislature from the air quality account in the environmental fund for the agency's air quality program;~~

(2) ~~for fiscal year 1994 and thereafter,~~ an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated; and

(3) ~~for fiscal year 1994 and thereafter,~~ (2) the agency fee rules may also result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (2) (1) that is regulated under ~~Minnesota Rules, this chapter 7005, or for which a state primary ambient air quality standard has been adopted or air quality rules adopted under this chapter.~~

The agency must not include in the calculation of the aggregate amount to be collected under the fee rules any amount in excess of 4,000 tons per year of each air pollutant from a source.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year ~~beginning after fiscal year 1993~~ by the percentage, if

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any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in an air quality account in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) Persons who wish to construct or expand an air emission facility may offer to reimburse the agency for the costs of staff overtime or consultant services needed to expedite permit review. The reimbursement shall be in addition to fees imposed by paragraphs (a) to (d). When the agency determines that it needs additional resources to review the permit application in an expedited manner, and that expediting the review would not disrupt air permitting program priorities, the agency may accept the reimbursement. Reimbursements accepted by the agency are appropriated to the agency for the purpose of reviewing the permit application. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit and shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations.

Sec. 105. Minnesota Statutes 1994, section 116.12, subdivision 1, is amended to read:

Subdivision 1. **FEE SCHEDULES.** The agency shall establish the fees provided in subdivisions 2 and 3 in the manner provided in section ~~16A.128~~ 16A.1285 to cover the ~~amount expenditures of amounts~~ appropriated from the environmental fund to the agency for permitting, monitoring, inspection, and enforcement expenses of the hazardous waste activities of the agency.

~~The legislature may appropriate additional amounts from the general fund that need not be covered by fees, in order to assure adequate funding for the regulatory and enforcement functions of the agency related to hazardous waste. All fees collected by the agency under this section shall be deposited in the environmental fund.~~

Sec. 106. **[116.125] NOTIFICATION OF FEE INCREASES.**

Before the pollution control agency adopts a fee increase to cover an unanticipated shortfall in revenues, the commissioner shall give written notice of the proposed increase to the chairs of the senate committee on finance, the house of representatives committee on ways and means, the senate and house of representatives environment and natural resources committees, the finance division of the senate committee on environment and natural resources, and the house of representatives committee on environment and natural resources finance.

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Sec. 107. Minnesota Statutes 1994, section 116.96, subdivision 5, is amended to read:

Subd. 5. **REGULATED POLLUTANT.** "Regulated pollutant" means:

(1) a volatile organic compound that participates in atmospheric photo-chemical reactions;

(2) a pollutant for which a national ambient air quality standard has been promulgated;

(3) a pollutant that is addressed by a standard promulgated under section 7411 or 7412 of the Clean Air Act; or

(4) any pollutant that is regulated under ~~Minnesota Rules, this chapter 7005, or for which a state ambient air quality standard has been adopted or air quality rules adopted under this chapter.~~

Sec. 108. **[116.991] SMALL BUSINESS ENVIRONMENTAL LOAN PROGRAM.**

Subdivision 1. DEFINITIONS. (a) The definitions in this subdivision apply to this section.

(b) "Clean Air Act" means the federal Clean Air Act, United States Code, title 42, section 7401 et seq.

(c) "Commissioner" means the commissioner of the pollution control agency.

Subd. 2. ESTABLISHMENT. A small business environmental revolving loan program is established to provide loans to small businesses for purposes of complying with the Clean Air Act.

Subd. 3. ELIGIBLE BORROWER. To be eligible for a loan under this section, a borrower must:

(1) need to make a process change or equipment purchase to comply with the Clean Air Act;

(2) have less than 50 full-time employees;

(3) have an after-tax profit of less than \$500,000; and

(4) have a net worth of less than \$1,000,000.

Subd. 4. LOAN APPLICATION PROCEDURE. An eligible borrower may apply for a loan after the commissioner determines the business is subject to Clean Air Act requirements and approves the process change or equipment needed to achieve compliance. The commissioner shall consider the order in which applications are received in awarding loans and may give priority to

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applicants that are subject to standards adopted under United States Code, title 42, section 7412. The commissioner shall decide whether to award a loan to an eligible borrower based on:

- (1) the applicant's financial need;
- (2) the applicant's ability to repay the loan; and
- (3) the expected environmental benefit.

Subd. 5. LIMITATION ON LOAN OBLIGATION. A loan made under this section is limited to the money available in the small business environmental loan account.

Subd. 6. LOAN CONDITIONS. A loan made under this section must:

- (1) have an interest rate that is the lesser of four percent or 50 percent of prime rate;
- (2) have a term of payment of not more than seven years; and
- (3) be in an amount not less than \$1,000 or more than \$50,000.

Sec. 109. [116.992] SMALL BUSINESS ENVIRONMENTAL LOAN ACCOUNT.

The small business environmental loan account is established in the environmental fund. Repayments of loans made under section 116.991 must be credited to this account.

Sec. 110. Minnesota Statutes 1994, section 116C.69, subdivision 3, is amended to read:

Subd. 3. **FUNDING; ASSESSMENT.** The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site certificates and construction permits, and all other work, other than specific site and route designation, from an assessment made quarterly, at least 30 days before the start of each quarter, by the board against all utilities with annual retail kilowatt-hour sales greater than 4,000,000 kilowatt-hours in the previous calendar year.

Until June 30, 1992, the assessment shall also include an amount sufficient to cover 60 percent of the costs to the pollution control agency of achieving, maintaining, and monitoring compliance with the acid deposition control standard adopted under sections 116.42 to 116.45; reprinting informational booklets on acid rain; and costs for additional research on the impacts of acid deposition on sensitive areas published under section 116.44, subdivision 1. The commissioner of the pollution control agency must prepare a work plan and budget and submit them annually by June 30 to the pollution control agency board. The agency board must take public testimony on the budget and work plan. After the

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agency board approves the work plan and budget they must be submitted annually to the legislative water commission for review and recommendation before an assessment is levied. Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all these utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross revenues from retail kilowatt-hour sales in the state of all these utilities, multiplied by 0.333, as determined by the board. The assessment shall be credited to the special revenue fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the sum of the annual budget of the board for carrying out the purposes of this subdivision ~~plus 60 percent of the annual budget of the pollution control agency for achieving, maintaining, and monitoring compliance with the acid deposition control standard adopted under sections 116.42 to 116.45, for reprinting informational booklets on acid rain, and for costs for additional research on the impacts of acid deposition on sensitive areas published under section 116.44, subdivision 1.~~ The assessment for the second quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the board ~~and the pollution control agency~~ for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 111. Minnesota Statutes 1994, section 116P.11, is amended to read:

116P.11 AVAILABILITY OF FUNDS FOR DISBURSEMENT.

(a) The amount biennially available from the trust fund for the budget plan developed by the commission consists of the earnings generated from the trust fund. Earnings generated from the trust fund shall equal the amount of interest on debt securities and dividends on equity securities. Gains and losses arising from the sale of securities shall be apportioned as follows:

(1) if the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b), it shall be added to the principal of the fund; and

(2) if the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered from the gains in paragraph (a) apportioned to that fiscal year. If such gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.

(b) For funding projects until fiscal year 1997, the following additional amounts are available from the trust fund for the budget plans developed by the commission:

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(1) for the 1991-1993 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1990 and 1991;

(2) for the 1993-1995 biennium, up to 20 percent of the revenue deposited in the trust fund in fiscal year 1992 and up to 15 percent of the revenue deposited in the fund in fiscal year 1993;

(3) for the 1993-1995 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1994 and 1995, to be expended only for capital investments in parks and trails; and

(4) for the 1995-1997 biennium, up to ~~ten~~ 25 percent of the revenue deposited in the fund in fiscal year 1996, to be expended only for capital investments in parks and trails.

(c) Any appropriated funds not encumbered in the biennium in which they are appropriated cancel and must be credited to the principal of the trust fund.

Sec. 112. [168.1296] SPECIAL CRITICAL HABITAT LICENSE PLATES.

Subdivision 1. GENERAL REQUIREMENTS AND PROCEDURES. The registrar shall issue special critical habitat license plates to an applicant who:

(1) is an owner or joint owner of a passenger automobile, pickup truck, or van;

(2) pays a fee determined by the registrar to cover the costs of handling and manufacturing the plates;

(3) pays the registration tax required under section 168.013;

(4) pays the fees required under this chapter;

(5) contributes at least \$30 annually to the Minnesota critical habitat private sector matching account established in section 84.943; and

(6) complies with laws and rules governing registration and licensing of vehicles and drivers.

Subd. 2. DESIGN. After consultation with interested groups, the commissioner of natural resources and the registrar shall jointly select a suitable symbol for use by the registrar to design the special plates.

Subd. 3. NO REFUND. Contributions under this section must not be refunded.

Subd. 4. PLATE TRANSFERS. Notwithstanding section 168.12, subdivision 1, on payment of a transfer fee of \$5, plates issued under this section may be transferred to another passenger automobile, pickup truck, or van owned or jointly owned by the person to whom the special plates were issued.

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Subd. 5. CONTRIBUTION AND FEES CREDITED. Contributions under subdivision 1, clause (5), must be paid to the registrar and credited to the Minnesota critical habitat private sector matching account established in section 84.943. The fees collected under this section must be deposited in the highway user tax distribution fund.

Subd. 6. RECORD. The registrar shall maintain a record of the number of special plates issued under this section.

Sec. 113. [177.435] FACILITY CONSTRUCTION; PREVAILING WAGE.

Construction of value-added agricultural product processing facility financed in whole or in part with a loan or grant provided under section 41A.035, 41B.044, or 41B.046 is a "project" as that term is defined in section 177.42, subdivision 2. Contracts for the construction or expansion of a value-added agricultural product processing facility that is a project under this section must comply with section 177.43 if the loan or grant agreement was entered into on or after December 31, 1995.

Sec. 114. Minnesota Statutes 1994, section 239.011, subdivision 2, is amended to read:

Subd. 2. **DUTIES AND POWERS.** To carry out the responsibilities in section 239.01 and subdivision 1, the director:

(1) shall take charge of, keep, and maintain in good order the standard of weights and measures of the state and keep a seal so formed as to impress, when appropriate, the letters "MINN" and the date of sealing upon the weights and measures that are sealed;

(2) has general supervision of the weights, measures, and weighing and measuring devices offered for sale, sold, or in use in the state;

(3) shall maintain traceability of the state standards to the national standards of the National Institute of Standards and Technology;

(4) shall enforce this chapter;

(5) shall grant variances from department rules, within the limits set by rule, when appropriate to maintain good commercial practices or when enforcement of the rules would cause undue hardship;

(6) shall conduct investigations to ensure compliance with this chapter;

(7) may delegate to division personnel the responsibilities, duties, and powers contained in this section;

(8) shall test annually, and approve when found to be correct, the standards of weights and measures used by the division, by a town, statutory or home rule

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charter city, or county within the state, or by a person using standards to repair, adjust, or calibrate commercial weights and measures;

(9) shall inspect and test weights and measures kept, offered, or exposed for sale;

(10) shall inspect and test, to ascertain if they are correct, weights and measures commercially used to:

(i) determine the weight, measure, or count of commodities or things sold, offered, or exposed for sale, on the basis of weight, measure, or count; and

(ii) compute the basic charge or payment for services rendered on the basis of weight, measure, or count;

(11) shall approve for use and mark weights and measures that are found to be correct;

(12) shall reject, and mark as rejected, weights and measures that are found to be incorrect and may seize them if those weights and measures:

(i) are not corrected within the time specified by the director;

(ii) are used or disposed of in a manner not specifically authorized by the director; or

(iii) are found to be both incorrect and not capable of being made correct, in which case the director shall condemn those weights and measures;

(13) shall weigh, measure, or inspect packaged commodities kept, offered, or exposed for sale, sold, or in the process of delivery, to determine whether they contain the amount represented and whether they are kept, offered, or exposed for sale in accordance with this chapter and department rules. In carrying out this section, the director must employ recognized sampling procedures, such as those contained in National Institute of Standards and Technology Handbook 133, "Checking the Net Contents of Packaged Goods";

(14) shall prescribe the appropriate term or unit of weight or measure to be used for a specific commodity when an existing term or declaration of quantity does not facilitate value comparisons by consumers, or creates an opportunity for consumer confusion;

(15) shall allow reasonable variations from the stated quantity of contents, including variations caused by loss or gain of moisture during the course of good distribution practice or by unavoidable deviations in good manufacturing practice, only after the commodity has entered commerce within the state;

(16) shall inspect and test petroleum products in accordance with this chapter and chapter 296;

(17) shall distribute and post notices for used motor oil and used motor oil

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filters and lead acid battery recycling in accordance with sections 239.54, 325E.11, and 325E.115;

(18) shall collect inspection fees in accordance with sections 239.10 and 239.101; and

(19) shall provide metrological services and support to businesses and individuals in the United States who wish to market products and services in the member nations of the European Economic Community, and other nations outside of the United States by:

(i) meeting, to the extent practicable, the measurement quality assurance standards described in the International Standards Organization ISO 9000, Guide 25;

(ii) maintaining, to the extent practicable, certification of the metrology laboratory by a governing body appointed by the European Economic Community; and

(iii) providing calibration and consultation services to metrology laboratories in government and private industry in the United States.

Sec. 115. Minnesota Statutes 1994, section 239.54, is amended to read:

239.54 INSPECTION OF MOTOR OIL AND AUTOMOTIVE BATTERY RETAILERS.

The division shall produce, print, and distribute the notices required by sections 325E.11 and 325E.115 and shall inspect all places where motor oil ~~is~~ and motor oil filters are offered for sale by persons subject to section 325E.11 and where lead acid batteries are offered for sale at retail subject to section 325E.115 at least once every two years to determine compliance with those sections. In performing its duties under this section the division may inspect any place, building, or premises governed by sections 325E.11 and 325E.115. Authorized employees of the division may issue warnings and citations to persons who fail to comply with the requirements of those sections.

Sec. 116. Minnesota Statutes 1994, section 239.791, subdivision 8, is amended to read:

Subd. 8. **DISCLOSURE.** A ~~person responsible for the product who delivers, distributes, sells, or offers to sell gasoline in a carbon monoxide control area, during a carbon monoxide control period~~ refinery or terminal, shall provide, at the time of ~~delivery~~ gasoline is sold or transferred from the refinery or terminal, a bill of lading or shipping manifest to the person who receives the gasoline. For oxygenated gasoline, the bill of lading or shipping manifest must include the identity and the volume percentage or gallons of oxygenate included in the gasoline, and it must state: "This fuel contains an oxygenate. Do not blend this fuel with ethanol or with any other oxygenate." For nonoxygenated gasoline sold or transferred before October 1, 1997, the bill or manifest must state: "This fuel

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must not be sold at retail or used in a carbon monoxide control area." For non-oxygenated gasoline sold or transferred after September 30, 1997, the bill or manifest must state: "This fuel is not oxygenated. It must not be sold at retail in Minnesota." This subdivision does not apply to sales or transfers of gasoline when the gasoline is dispensed into the supply tanks of motor vehicles between refineries, between terminals, or between a refinery and a terminal.

Sec. 117. Minnesota Statutes 1994, section 296.02, is amended by adding a subdivision to read:

Subd. 7a. TAX CREDIT FOR AGRICULTURAL ALCOHOL GASOLINE. Until October 1, 1997, a distributor shall be allowed a credit on each gallon of denatured ethanol commercially blended with gasoline or blended in a tank truck with gasoline on which the tax imposed by subdivision 1 is due and payable. Denatured ethanol is defined in section 296.01, subdivision 13. The amount of the credit for every gallon of denatured ethanol blended with gasoline to produce agricultural alcohol gasoline is:

- (1) until October 1, 1995, 15 cents;
- (2) until October 1, 1996, eight cents; and
- (3) until October 1, 1997, five cents.

The credit allowed a distributor must not exceed the total tax liability under subdivision 1. The tax credit received by a distributor on denatured ethanol blended with motor fuels shall be passed on to the retailer.

Sec. 118. Minnesota Statutes 1994, section 325E.10, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 325E.11 to 325E.113 and this section, the terms defined in this section have the meanings given them.

Sec. 119. Minnesota Statutes 1994, section 325E.11, is amended to read:

325E.11 COLLECTION FACILITIES; NOTICE.

(a) Any person selling at retail or offering motor oil or motor oil filters for retail sale in this state shall:

(1) post a notice indicating the nearest location; or a location within ten miles of the point of sale, where used motor oil and used motor oil filters may be returned at no cost for recycling or reuse; or

(2) provide a collection tank at the point of sale for the deposit and collection of used motor oil and if the person is subject to section 325E.112, post a notice of the availability of the tank informing customers purchasing motor oil or motor oil filters of the location of the used motor oil and used motor oil filter collection site established by the retailer in accordance with section 325E.112 where used motor oil and used motor oil filters may be returned at no cost.

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(b) A notice under paragraph (a) shall be posted on or adjacent to the motor oil ~~display itself and~~ motor oil filter displays, be at least 8-1/2 inches by 11 inches in size, contain the universal recycling symbol with the following language:

(1) "It is illegal to put used oil and used motor oil filters in the garbage.";

(2) "Recycle your used oil and used motor oil filters."; and

(3)(i) "There is a free collection tank site here for your used oil and used motor oil filters."; or

(ii) "~~The nearest~~ There is a free collection tank site for used oil ~~is~~ and used motor oil filters located at (name of business and street address)."

(c) The division of weights and measures under the department of public service shall enforce compliance ~~of~~ with this section as provided in section 239.54. The pollution control agency shall enforce compliance with this section under sections 115.071 and 116.072 in coordination with the division of weights and measures.

Sec. 120. [325E.112] USED MOTOR OIL AND USED MOTOR OIL FILTER COLLECTION.

Subdivision 1. COLLECTION. (a) Retailers that sell at an individual location more than 1,000 motor oil filters per calendar year at retail for off-site installation must provide for collection of used motor oil and used motor oil filters from the public. Retailers who do not collect the used motor oil and used motor oil filters at their individual locations may meet the requirement by entering into a written agreement with another party whose location is:

(1) within two miles of the retailer's location if the retailer is located:

(i) within the Interstate Highway 494/694 beltway;

(ii) in a home rule charter or statutory city or a town contiguous to the Interstate Highway 494/694 beltway; or

(iii) in a home rule charter or statutory city of over 30,000 population within the metropolitan area as defined in section 473.121; or

(2) within five miles of the retailer's location if the retailer is not in an area described in clause (1).

(b) The written agreement must specify that the other party will accept from the public up to ten gallons of used motor oil and ten used motor oil filters per person per month during normal hours of operation unless: (1) the used motor oil is known to be contaminated with antifreeze, other hazardous waste, or other materials which may increase the cost of used motor oil management and disposal; (2) the storage equipment for that particular waste is temporarily filled to capacity; or (3) the used motor oil or used motor oil filters are from a business.

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(c) Persons accepting used motor oil from the public in accordance with this subdivision shall presume that the used motor oil is not contaminated with hazardous waste, provided the person offering the used motor oil is acting in good faith and the person accepting the used motor oil does not have evidence to the contrary. Persons collecting used motor oil from the public must take precautions to prevent contamination of used motor oil storage equipment. Precautions may include, but are not limited to, keeping a log of persons dropping off used motor oil, securing access to used motor oil storage equipment, or posting signage at the site indicating the proper use of the equipment.

(d) Persons accepting used motor oil and used motor oil filters under paragraph (a), including persons accepting the oil and filters on behalf of the retailer, may not charge a fee when accepting ten gallons or less of used motor oil or ten or fewer used motor oil filters per person per month.

(e) Persons that receive contaminated used motor oil may manage the used motor oil as household hazardous waste through publicly administered household hazardous waste collection programs, with approval from the household hazardous waste program. Used motor oil contaminated with hazardous waste from the public that cannot be managed through a household hazardous waste collection program must be managed as a hazardous waste in accordance with rules adopted by the pollution control agency.

Subd. 2. REIMBURSEMENT PROGRAM. A contaminated used motor oil reimbursement program is established to provide partial reimbursement of the costs of disposing of contaminated used motor oil. In order to receive reimbursement, persons who accept used motor oil from the public or parties that they have contracted with to accept used motor oil must provide to the commissioner of the pollution control agency proof of contamination, information on methods the person used to prevent the contamination of used motor oil at the site, a copy of the billing for disposal costs incurred because of the contamination and proof of payment, and a copy of the hazardous waste manifest or shipping paper used to transport the waste. The commissioner shall reimburse a recipient of contaminated used motor oil 90 percent of the costs of properly disposing of the contaminated used motor oil. The commissioner may not reimburse persons who intentionally place contaminants or do not take precautions to prevent contaminants from being placed in used motor oil. Reimbursements made under this subdivision are limited to the money available in the contaminated used motor oil reimbursement account.

Subd. 3. EDUCATION PROGRAM. When the commissioner estimates that all funds available under section 325E.113 will not be expended for reimbursements, the commissioner may use the estimated unexpended funds to cover the costs of educating the public and businesses on the provisions of this section and on proper management of used motor oil, used motor oil filters, and other automotive wastes.

Subd. 4. LIABILITY EXEMPTION. Persons who accept used motor oil

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and used motor oil filters from the public are exempt from liability under chapter 115B for the used motor oil, contaminated used motor oil, and used motor oil filters accepted under the provisions of subdivision 1, after the used motor oil, contaminated used motor oil, and used motor oil filters are sent off-site in compliance with rules adopted by the pollution control agency.

Subd. 5. ENFORCEMENT. The commissioner of the pollution control agency shall enforce compliance with this section under sections 115.071 and 116.072.

Sec. 121. [325E.113] CONTAMINATED USED MOTOR OIL REIMBURSEMENT ACCOUNT.

The contaminated used motor oil reimbursement account is established in the environmental fund. Money in the account is appropriated to the commissioner of the pollution control agency for the commissioner's activities under section 325E.112.

Sec. 122. Minnesota Statutes 1994, section 446A.07, subdivision 8, is amended to read:

Subd. 8. OTHER USES OF REVOLVING FUND. The water pollution control revolving fund may be used as provided in title VI of the Federal Water Pollution Control Act, including the following uses:

(1) to buy or refinance the debt obligation of governmental units for treatment works where debt was incurred and construction begun after March 7, 1985, at or below market rates;

(2) to guarantee or purchase insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loan guarantees, loans, or set-aside for similar revolving funds established by a governmental unit other than state agencies, or state agencies under sections 17.117, 103F.725, subdivision 1a, 116J.403, and 116J.617; and 462A.05; provided that no more than \$2,000,000 of the balance in the fund may be used for the small cities block grant program under section 116J.403 and the tourism loan program under section 116J.617, taken together; ~~and no more than \$2,000,000 of the balance in the fund may be used for home improvement loan programs under section 462A.05;~~

(5) to earn interest on fund accounts; and

(6) to pay the reasonable costs incurred by the authority and the agency of administering the fund and conducting activities required under the federal Water Pollution Control Act, including water quality management planning

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under section 205(j) of the act and water quality standards continuing planning under section 303(e) of the act.

Amounts spent under clause (6) may not exceed the amount allowed under the Federal Water Pollution Control Act.

Sec. 123. Minnesota Statutes 1994, section 446A.071, subdivision 2, is amended to read:

Subd. 2. **SUPPLEMENTAL ASSISTANCE.** The authority may provide supplemental assistance under this section in the form of loans; write-down of principal, interest, or both; or direct grants, as determined by authority rules. The amount and form of the supplemental assistance must be based on the authority's determination of the financial capability of the municipality, the municipality's eligibility to qualify for other grant programs, and the source of funds. In determining the financial capability of the municipality, the authority may not find the municipality to be ineligible based on the level of the municipality's annual sewer service charge if this charge exceeds 1.1 percent of the municipality's annual median household income.

Sec. 124. Minnesota Statutes 1994, section 473.845, subdivision 2, is amended to read:

Subd. 2. **WATER SUPPLY MONITORING AND HEALTH ASSESSMENTS.** ~~Up to ten percent of the~~ Money in the fund may be appropriated to the commissioner of health for water supply monitoring and health assessments. The commissioner shall monitor the quality of water in public water supply wells and may monitor private water supply wells in the metropolitan area that may be affected by their location in relation to a facility for mixed municipal solid waste. Testing under this subdivision must be for substances not funded under the Federal Safe Drinking Water Act. The health assessments must be conducted in areas that may be affected by contaminants from mixed municipal solid waste facilities.

Sec. 125. Minnesota Statutes 1994, section 477A.12, is amended to read:

477A.12 ANNUAL APPROPRIATIONS; LANDS ELIGIBLE; CERTIFICATION OF ACREAGE.

(a) There is annually appropriated to the commissioner of natural resources from the general fund for payment to counties within the state an amount equal to:

(1) for acquired natural resources land, \$3 multiplied by the total number of acres of acquired natural resources land or, beginning July 1, 1996, at the county's option three-fourths of one percent of the appraised value of all acquired natural resources land in the county, whichever is greater;

(2) 75 cents multiplied by the number of acres of county-administered other natural resources land; and

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(3) 37.5 cents multiplied by the number of acres of commissioner-administered other natural resources land located in each county as of July 1 of each year.

(b) Lands for which payments in lieu are made pursuant to section 97A.061, subdivision 3, and Laws 1973, chapter 567, shall not be eligible for payments under this section. Each county auditor shall certify to the department of natural resources during July of each year the number of acres of county-administered other natural resources land within the county. The department of natural resources may, in addition to the certification of acreage, require descriptive lists of land so certified. The commissioner of natural resources shall determine and certify the number of acres of acquired natural resources land and commissioner-administered natural resources land within each county.

(c) For the purposes of this section, the appraised value of acquired natural resources land is the purchase price for the first five years after acquisition. The appraised value of acquired natural resources land received as a donation is the value determined for the commissioner of natural resources by a licensed appraiser, or the county assessor's estimated market value if no appraisal is done. The appraised value must be determined by the county assessor every five years after the land is acquired.

Sec. 126. Minnesota Statutes 1994, section 477A.14, is amended to read:

477A.14 USE OF FUNDS.

Forty percent of the total payment to the county shall be deposited in the county general revenue fund to be used to provide property tax levy reduction. The remainder shall be distributed by the county in the following priority:

(a) ~~42.5~~ 37.5 cents for each acre of county-administered other natural resources land shall be deposited in a resource development fund to be created within the county treasury for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance of county-administered other natural resources land. Any county receiving less than \$5,000 annually for the resource development fund may elect to deposit that amount in the county general revenue fund;

(b) From the funds remaining, Within 30 days of receipt of the payment to the county, the county treasurer shall pay each organized township 30 cents per acre of acquired natural resources land and ~~8.5~~ 7.5 cents per acre of other natural resources land located within its boundaries. Payments for natural resources lands not located in an organized township shall be deposited in the county general revenue fund. Payments to counties and townships pursuant to this paragraph shall be used to provide property tax levy reduction. Provided that, if the total payment to the county pursuant to section 477A.12 is not sufficient to fully fund the distribution provided for in this clause, the amount available shall be distributed to each township and the county general revenue fund on a pro rata basis; and

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(c) Any remaining funds shall be deposited in the county general revenue fund. Provided that, if the distribution to the county general revenue fund exceeds \$35,000, the excess shall be used to provide property tax levy reduction.

Sec. 127. DEMONSTRATION PROGRAM RESTRICTIONS.

(a) During fiscal years 1996 and 1997, loan participants under Minnesota Statutes, section 41B.045, must comply with the restrictions in this section.

(b) To the extent that herd health will not be jeopardized, farms receiving assistance from the authority must be available for tours within the first two years after completion of the expansion.

(c) All livestock expansion loans must be for expansions that include some of the most up-to-date, efficient systems available. Projects must be reviewed by a University of Minnesota extension livestock specialist prior to approval by the authority.

Sec. 128. HARMFUL SUBSTANCE COMPENSATION BOARD ABOLISHED.

The harmful substance compensation board is abolished. All responsibilities of the board are transferred to the pollution control agency. Minnesota Statutes, section 15.039, subdivisions 6 and 7, do not apply to this transfer.

Sec. 129. REFUNDS.

The commissioner of natural resources shall refund any payments made after August 1, 1991, under Minnesota Statutes, section 84.631, for easements along state trails by private property owners who had preexisting rights of ingress and egress.

Sec. 130. REVISOR INSTRUCTION.

In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall:

(1) change the term "landfill cleanup account" to "solid waste fund" in sections 115B.40, subdivision 4; 115B.41, subdivisions 2 and 3; 115B.44, subdivision 2; 115B.45; and 116.07, subdivision 10; and

(2) change the terms "petroleum tank release cleanup account in the environmental fund" or "petroleum tank release cleanup account" and "account" where it refers to the petroleum tank cleanup account, to "petroleum tank fund" and "fund," respectively, in Minnesota Statutes, sections 115C.02, subdivision 1a; 115C.03, subdivision 9; 115C.04, subdivision 3; 115C.08; 115C.09, subdivisions 3 and 8; 115C.10; and 115C.11, subdivision 2.

Sec. 131. Laws 1992, chapter 558, section 17, is amended to read:

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Sec. 17. SCIENCE MUSEUM OF
MINNESOTA

200,000

This appropriation is to the Science Museum of Minnesota for ~~planning and working drawings for capital remodeling and additions~~ predesign for the construction of a new Science Museum in the city of St. Paul. This appropriation is from the general fund.

The ~~planning and working drawings shall include the use of the site in the city of St. Paul on which the Public Health Building is currently located.~~

Sec. 132. LIVESTOCK PROCESSING MARKETS TASK FORCE.

Subdivision 1. PURPOSE. Recent changes in the Minnesota agricultural livestock industry, particularly in swine production, have resulted in fewer producers who deliver to processors greatly increased numbers of animals. In many cases these producers are organized as authorized farm corporations, as provided by recent amendments to Minnesota's corporate farming law. There is growing concern as to whether smaller producers who choose not to join large production corporations will find markets for their livestock eliminated or greatly diminished. With reduced markets and lessened competition, the smaller producers are left at a critical economic disadvantage. The study, legislative report, and legislative recommendations authorized by this section will identify ways to assure that competitive markets remain for small and medium-sized producers.

Subd. 2. CREATION; MEMBERSHIP. (a) There is hereby created a livestock processing markets task force with ten members appointed as follows:

(1) the chair of the agriculture and rural development committee of the senate shall appoint one citizen member with education and experience in the area of agricultural economics and four members of the senate, at least one of whom must be a member of the minority caucus; and

(2) the chair of the agriculture committee of the house of representatives shall appoint one citizen member who is the operator of a production agriculture farm in the state and four members of the house of representatives, at least one of whom must be a member of the minority caucus.

(b) The chairs must make their respective appointments not later than June 15, 1995.

(c) Citizen members of the task force may be reimbursed for expenses as provided in Minnesota Statutes, section 15.059, subdivision 6.

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(d) The first meeting of the task force must be called and convened by the chairs of the agriculture policy committees of the senate and the house of representatives. Task force members must then elect a permanent chair from among the task force members.

Subd. 3. CHARGE. The task force must examine current and projected impacts of consolidation within the livestock production industry and its effect on the availability of competitive markets for small and medium-sized producers who choose not to become part of corporate enterprises.

Subd. 4. RESOURCES; STAFF SUPPORT; CONTRACT SERVICES. The commissioner of agriculture shall provide necessary resources and staff support for the meetings, hearings, activities, and report of the task force. To the extent the task force determines it appropriate to contract with nonstate providers for research or analytical services, the commissioner shall serve as the fiscal agent for the task force.

Subd. 5. PUBLIC HEARINGS. The task force shall hold at least four public hearings on the issue of access to markets by small and medium-sized producers of livestock. At least three of the hearings must be held in greater Minnesota.

Subd. 6. REPORT. Not later than March 15, 1996, the task force shall report to the legislature on the findings of its study. The report must include recommendations for improvements in Minnesota Statutes that are in the best interests of both large and small livestock producers in the state.

Subd. 7. EXPIRATION. The livestock processing markets task force expires 45 days after its report and recommendations are delivered to the legislature or on June 1, 1996, whichever date is earlier.

Sec. 133. HYDROLOGIC TASK FORCE.

Subdivision 1. CREATION. A task force is created to analyze means of funding interstate flood control modeling, planning, design, and implementation activities for the Red River of the North watershed in Minnesota and North Dakota.

Subd. 2. COMPOSITION. The task force shall consist of state legislators whose districts are wholly or partially within the drainage area of the Red River of the North.

Subd. 3. FUNCTION. The task force shall establish contact with a similar group of state legislators from the state of North Dakota whose districts are wholly or partially within the drainage area of the Red River of the North in North Dakota. This interstate group of state legislators shall investigate mechanisms to raise funds locally, organizations to collect funds and manage and implement joint programs and projects, and means of determining appropriate interstate cost-sharing for programs and projects. The task force shall develop a

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report and present it to the appropriate legislative committees prior to the 1997 legislative session.

Sec. 134. USED MOTOR OIL AND OIL FILTERS; STUDY.

The office of environmental assistance, with the cooperation of affected retailers, shall conduct a study of the impacts of Minnesota Statutes, section 325E.112, including:

(1) the impacts on retailers subject to the requirements of Minnesota Statutes, section 325E.112;

(2) the likelihood that an increase in the amount of used motor oil and used oil filters collected will result and the expected magnitude of that increase;

(3) the geographical distribution of any expected increase in the collection of used oil and used oil filters; and

(4) whether the costs of the collection requirement is commensurate with the expected increase in collection.

The office shall submit its findings and recommendations to the chairs of the house and senate environment and natural resource committees by January 1, 1996.

Sec. 135. LICENSE WITHOUT TAG FOR RESIDENTS UNDER AGE 16.

For the 1995 and 1996 hunting seasons, the commissioner of natural resources may, for a fee of \$5, issue to a resident under the age of 16 a license, without a tag, to take deer with firearms. A person holding a license issued under this section may hunt under the license only if accompanied by a licensed hunter at least 18 years of age who possesses a valid tag. A deer taken by a person holding a license issued under this section must be promptly tagged by a licensed hunter accompanying the person and possessing a valid tag. Minnesota Statutes, section 97B.301, subdivision 6, does not apply to a person holding a license issued under this section.

Sec. 136. MUZZLE-LOADING FIREARM DEER SEASON.

For the 1996 and 1997 hunting seasons, a licensed firearms hunter who fails to tag a deer during the regular firearms season may tag a deer during the muzzle-loading firearms season by buying another firearms license and hunting by muzzle-loader. A license to hunt in the muzzle-loading season under this section must be purchased at least five days before the opening day of the muzzle-loading season, except in zone 3B where the license must be purchased before the opening day of the muzzle-loading season.

Sec. 137. PUBLIC INPUT; REPORT.

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The commissioner of natural resources shall seek public input and comment on sections 135 and 136. By March 1, 1996, the commissioner shall report to the environment and natural resources committees of the legislature with a summary of the public comments received and any recommendations for legislation.

Sec. 138. CONSOLIDATION OF FUNCTIONS.

The commissioners of the pollution control agency and natural resources shall develop recommendations for consolidation of the administrative, regional, and support functions of their respective agencies wherever feasible and expected to result in long-term overall cost reductions. By February 1, 1996, the commissioners shall jointly report the recommendations to the chairs of the senate environment and natural resources finance division and the house environment and natural resources finance committee.

Sec. 139. PERMIT APPLICATION FEES FOR TOWNS.

Notwithstanding Minnesota Statutes, section 116.07, subdivision 4d, until July 1, 1997, the pollution control agency may not charge a town a stormwater permit application fee of more than \$160 in connection with the construction, reconstruction, or alteration of a town road, bridge, or culvert.

Sec. 140. WASTEWATER INFRASTRUCTURE FUNDING PROGRAM; REPORT.

By November 1, 1995, the public facilities authority shall report to the legislative water commission with recommendations for statutory changes that would allow the wastewater infrastructure funding program established in Minnesota Statutes, section 446A.071, to be implemented without the need for rules. The report must include a description of capital expenditures expected to be needed for wastewater treatment projects during fiscal years 1997 and 1998.

Sec. 141. REPEALER.

(a) Minnesota Statutes 1994, sections 97B.301, subdivision 5; 115B.26, subdivision 1; 239.791, subdivisions 4, 5, 6, and 9; 325E.0951, subdivision 5; and Laws 1993, chapter 172, section 10, are repealed.

(b) Sections 78 to 87 are repealed.

(c) Minnesota Statutes 1994, sections 28A.08, subdivision 2; and 446A.071, subdivision 7, are repealed.

(d) Minnesota Statutes 1994, sections 41A.09, subdivisions 2, 3, and 5; 97A.531, subdivisions 2, 3, 4, 5, and 6; and 296.02, subdivision 7, are repealed.

Sec. 142. EFFECTIVE DATES.

Sections 2, 5, 7, 20, 42, 44 to 49, 56, 57, 101, 102, 117, and 141, paragraph (d), are effective the day following final enactment.

New language is indicated by underline, deletions by ~~strikeout~~.

Sections 114, 115, 118, and 121 are effective January 1, 1996.

Sections 119, 120, and 141, paragraph (c), are effective July 1, 1996.

Section 141, paragraph (b), is effective June 30, 1999.

Presented to the governor May 20, 1995

Signed by the governor May 24, 1995, 2:32 p.m.

CHAPTER 221—S.F.No. 255

VETOED

CHAPTER 222—S.F.No. 257

An act relating to soil and water conservation district boards; providing that the office of soil and water conservation district supervisor is compatible with certain city and town offices; amending Minnesota Statutes 1994, sections 103C.315, by adding a subdivision; and 204B.06, subdivision 1.

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

Section 1. Minnesota Statutes 1994, section 103C.315, is amended by adding a subdivision to read:

Subd. 6. COMPATIBLE OFFICES. The office of soil and water conservation district supervisor and the offices of mayor, clerk, clerk-treasurer, or council member in a statutory or home rule charter city of not more than 2,500 population contained in whole or in part in the soil and water conservation district are compatible offices and one person may hold both offices. The office of soil and water conservation district supervisor and the office of town clerk or town supervisor in a town of not more than 2,500 population contained in whole or in part in the soil and water conservation district are compatible offices and one person may hold both offices. A person holding both offices shall refrain from voting or taking any other formal action on any matter coming before the soil and water conservation district board or the city council or town board that has a substantial effect on both the soil and water conservation district and the city or town. This subdivision does not apply to an office located in whole or in part in Anoka, Hennepin, Ramsey, or Washington county.

Sec. 2. Minnesota Statutes 1994, section 204B.06, subdivision 1, is amended to read:

New language is indicated by underline, deletions by ~~strikeout~~.