

trust funds, voting trusts, security arrangements, liquidation trusts, and trusts for the primary purpose of paying debts, dividends, interest, salaries, wages, profits, pensions, or employee benefits of any kind, and any arrangement under which a person is nominee or escrowee for another.

(54) "Trustee" includes an original, additional, or successor trustee, whether or not appointed or confirmed by court.

(55) "Ward" is as described in section 525.54, subdivision 1.

(56) "Will" includes codicil and any testamentary instrument which merely appoints an executor or revokes or revises another will.

Sec. 46. RULES; REPEAL, RETENTION, REVISOR'S INSTRUCTION.

Minnesota Rules, parts 4610.0400; 4610.0410; 4610.0700; 4610.0800; 4610.0900; 4610.1000; 4610.1100; 4610.1200; 4610.1300; 4610.1500; 4610.1550; 4610.1600; 4610.1700; 4610.1800; 4610.1900; 4610.2000; 4610.2200; 4610.2300; 4610.2400; 4610.2500; 4610.2600; and 4610.2700, are repealed. Notwithstanding Minnesota Statutes, section 14.05, Minnesota Rules, parts 4610.0420; 4610.0500; 4610.0600; 4610.0650; and 4610.2800, are not repealed. In Minnesota Rules, part 4610.0500, the revisor shall change the citation "149.03, subdivision 2" to "149A.30," in part 4610.0600, the revisor shall change the citation "149" to "149A," and in part 4610.2800, the revisor shall change the citation "4610.0200 to 4610.0600" to "4610.0420 to 4610.0650."

Sec. 47. REPEALER.

Minnesota Statutes 1996, sections 145.14; 145.15; 145.16; 145.162; 145.163; 145.24; 149.01; 149.02; 149.03; 149.04; 149.05; 149.06; 149.08; 149.09; 149.10; 149.11; 149.12; 149.13; 149.14; and 149.15, are repealed.

Presented to the governor May 20, 1997

Signed by the governor May 22, 1997, 12:20 p.m.

CHAPTER 216—H.F.No. 2150

An act relating to the organization and operation of state government; appropriating money for environmental, natural resource, and agricultural purposes; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; amending Minnesota Statutes 1996, sections 17.03, by adding a subdivision; 17.101; 17.116, subdivisions 2 and 3; 17.4988; 17.76; 18.79, by adding a subdivision; 18C.421, subdivision 1; 18C.425, subdivisions 1, 2, 3, and 6; 18C.531, subdivision 2; 18C.551; 25.31; 25.32; 25.33, subdivisions 1, 5, 6, 9, 20, and by adding subdivisions; 25.35; 25.36; 25.37; 25.38; 25.39; 25.41, subdivision 6; 28A.08, subdivision 3; 32.103; 32.394, subdivision 11; 32.415; 41A.09, subdivision 3a; 84.027, by adding a subdivision; 84.0273; 84.0887, subdivision 2; 84.82, subdivision 3; 84.86, subdivision 1; 85.015, by adding subdivisions; 85.055, by adding a subdivision; 85A.04, subdivision 4; 86A.23; 88.79, by adding a subdivision; 92.06, subdivisions 1 and 4; 92.16, subdivision 1; 94.10, subdivision 2; 97A.015, by adding a

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

subdivision; 97A.028, subdivisions 1 and 3; 97A.075, subdivision 1; 97A.405, subdivision 2; 97A.415, subdivision 2; 97A.475; 97B.667; 97B.715, subdivision 1; 97B.721; 97B.801; 97C.305, subdivision 1; 97C.501, subdivision 2; 97C.801; 103C.501, subdivision 6; 103F.378, subdivision 1; 115.03, by adding a subdivision; 115A.54, subdivision 2a; 115A.912, by adding a subdivision; 115A.916; 115A.932, subdivision 1; 115B.02, subdivision 16, and by adding a subdivision; 115B.17, subdivisions 14, 15, and by adding subdivisions; 115B.175, subdivisions 2 and 6a; 115B.412, subdivision 10; 115B.48, subdivisions 3 and 8; 115B.49, subdivision 4; 116.07, subdivision 4d, and by adding a subdivision; 116.92, by adding a subdivision; 116C.834, subdivision 2; 116O.09, subdivisions 2, 5, and 9; 216B.2423, by adding a subdivision; 216C.41, subdivision 1; 223.17, subdivision 3; 300.111, by adding a subdivision; 308A.101, by adding a subdivision; 308A.201, by adding a subdivision; 325E.10, subdivision 2, and by adding subdivisions; 325E.11; 325E.112, subdivision 2; 394.25, subdivision 2, and by adding a subdivision; and 462.357, subdivision 1; Laws 1995, chapter 220, section 19, subdivisions 4, as amended; and 11; proposing coding for new law in Minnesota Statutes, chapters 17; 25; 84; 92; 94; 115; 116; 219; and 394; repealing Minnesota Statutes 1996, sections 25.34; 115A.908, subdivision 3; 115A.9523; 115B.223; 115B.224; 116.991; 116.992; and 296.02, subdivision 7a; Laws 1995, chapters 77, section 3; and 220, section 21.

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 named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1997," "1998," and "1999," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1997, June 30, 1998, or June 30, 1999, respectively.

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

SUMMARY BY FUND

	1997	1998	1999	TOTAL
General	\$500,000	\$193,603,000	\$175,725,000	\$369,828,000
Petroleum Tank		3,177,000	3,227,000	6,404,000
State Government				
Special Revenue		42,000	43,000	85,000
Special Revenue		11,204,000	11,209,000	22,413,000
Environmental		20,569,000	21,292,000	41,861,000
Metro Landfill				
Contingency Trust		137,000	140,000	277,000
Solid Waste		6,224,000	6,283,000	12,507,000
Natural				
Resources	600,000	22,989,000	23,435,000	47,024,000
Game and Fish		53,986,000	56,354,000	110,340,000
Minnesota				
Future Resources		14,668,000	—0—	14,668,000
Environmental Trust		22,270,000	—0—	22,270,000
Great Lakes				
Protection		120,000	—0—	120,000
Oil Overcharge		150,000	—0—	150,000
TOTAL	1,100,000	349,139,000	297,708,000	647,947,000

APPROPRIATIONS
Available for the Year
Ending June 30

1998 1999

Sec. 2. POLLUTION CONTROL
AGENCY

Subdivision 1. Total

Appropriation 44,351,000 42,347,000

Summary by Fund

General	15,117,000	12,294,000
Petroleum Tank	3,177,000	3,227,000
State Government		
Special Revenue	42,000	43,000
Special Revenue	740,000	755,000
Environmental	19,014,000	19,705,000
Metro Landfill		
Contingency	137,000	140,000
Solid Waste	6,124,000	6,183,000

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

Subd. 2. Protection of the Water

14,119,000	11,308,000
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Summary by Fund

General	11,581,000	8,709,000
State Government		
Special Revenue	42,000	43,000
Environmental	2,496,000	2,556,000

\$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.

\$515,000 the first year and \$519,000 the second year are for the Minnesota River non-point source pollution program and 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 either: \$30 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 \$35 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. Any money remaining after the first year is available for the second year.

\$163,000 the first year and \$92,000 the second year are for compliance activities and air quality monitoring to address hydrogen sulfide emissions from animal feedlots. The air quality monitoring must include the use of portable survey instruments.

\$200,000 is for a grant to the Red river basin board to develop a Red river basin plan that will aid in coordinating water management activities in the states and provinces bordering the Red river. This appropriation is only available to the extent it is matched by an equal amount from the state of North Dakota. This appropriation is available until June 30, 1999. This is a one-time appropriation.

\$1,027,000 the first year and \$1,038,000 the second year are for water monitoring activities. Of these amounts, \$250,000 the first year and \$300,000 the second year are for payment of a grant to the metropolitan council for monitoring sites on the Minnesota river and tributaries, automated monitoring sites in metropolitan area watersheds, and groundwater trend analysis assessment of best management practices for control of nonpoint source pollution.

\$300,000 the first year is for an appropriation to the pollution control agency for a grant to the University of Minnesota for the development of two pilot water quality cooperatives that own or control alternative discharging sewage systems, as defined in Minnesota Statutes, section 115.58, subdivision 1, para-

graph (b). The grant may be used by the university for public education of the purposes and benefits of water quality treatment and management by water quality cooperatives and other purposes defined as eligible costs under Minnesota Statutes, section 116.16, subdivision 2, clause (6), and capital cost components under Minnesota Statutes, section 471A.02, subdivision 3. As a condition of this grant, the university must submit a work program and submit semiannual progress reports as provided in Minnesota Statutes, section 116P.05, subdivision 2, paragraph (c).

\$100,000 the first year is for a grant to the University of Minnesota Extension Service for public education programs in Nicollet county which promote improved farm management practices on feedlot management and watershed protection.

\$861,000 the first year and \$648,000 the second year are added to the amount available to administer the point source pollution program. The portion of this appropriation to be included in the agency's base for fiscal year 2000 is \$490,000 and for fiscal year 2001 is \$348,000.

\$236,000 the first year and \$318,000 the second year are for community technical assistance and education, including grants and technical assistance to communities for local and basin-wide water quality protection.

\$144,000 the first year and \$200,000 the second year are for individual sewage treatment system (ISTS) administration. \$86,000 in the second year is transferred to the board of water and soil resources for assistance to local units of government through competitive grant programs for ISTS program development.

\$214,000 is for administration of the wastewater infrastructure fund (WIF) construction program.

Notwithstanding Laws 1994, chapter 617, section 3, paragraph (b), the amount spent of

the \$120,000 appropriation from the environmental fund for the ISTS program during the biennium ending June 30, 1995, must be reimbursed to the environmental fund no later than June 30, 1999.

\$140,000 the first year and \$60,000 the second year are for the investigation of deformed frogs in Minnesota, and may be used for cooperative arrangements with federal agencies. This is a one-time appropriation.

Subd. 3. Protection of the Air

7,724,000	8,260,000
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Summary by Fund

Environmental	6,984,000	7,505,000
Special Revenue	740,000	755,000

Up to \$150,000 in the first year and \$150,000 in the second year may be transferred to the small business environmental improvement loan account established in Minnesota Statutes, section 116.994.

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

Upon enactment of the air quality fee increase contained in Minnesota Statutes, section 116.07, subdivision 4d, as amended by this act, the commissioner shall appoint an advisory task force to examine the air quality program. The task force must include representatives of permittees regulated by the agency, environmental interest groups, and labor organizations. By January 15, 1999, the committee shall report to the chairs of the senate state government finance committee, the house ways and means committee, the house and senate environmental policy committees, the house environment and natural resources finance committee, and the senate environment and agriculture budget division. After making the report, the task force shall be dissolved.

The report shall include a benchmarking comparison with other states of the following air quality service level criteria: (1) the length of time and staff effort required to is-

sue permits; (2) the backlog of permit applications; (3) the number of facility inspections per inspector; and (4) the nature and effectiveness of training and monitoring programs. In addition, the report shall include: (1) a recommendation for a reporting mechanism which provides tracking of staff time and resources devoted to point source, mobile source, and area source general program activities; (2) an analysis of inequities in the current air emissions fee system; and (3) recommendations regarding mobile source, area source, and point source contributions and general air program activity.

Subd. 4. Protection of the
Land

	15,617,000	15,839,000	
			Summary by Fund
General		1,679,000	1,699,000
Petroleum Tank		2,744,000	2,785,000
Environmental		6,101,000	6,142,000
Metro Landfill			
Contingency		129,000	132,000
Solid Waste		4,964,000	5,081,000

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, 1999.

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.

\$51,000 the first year and \$52,000 the second year are from the solid waste fund for

transfer to the commissioner of revenue to enhance compliance and collection of solid waste assessments.

The agency's annual performance reports required for this biennium under Minnesota Statutes, section 15.91, must specify the amount of lead, mercury, and cadmium contained in sewage biosolids spread on the land after wastewater treatment.

Subd. 5. General Support

6,891,000 6,940,000

Summary by Fund

General	1,857,000	1,886,000
Petroleum Tank	433,000	442,000
Environmental	3,433,000	3,502,000
Metro Landfill		
Contingency	8,000	8,000
Solid Waste	1,160,000	1,102,000

\$234,000 the first year and \$168,000 the second year are added to the amount available for indirect costs of the water quality point source pollution program. The portion of this appropriation to be included in the agency's base for fiscal year 2000 is \$130,000 and for fiscal year 2001 is \$92,000.

\$85,000 is from the solid waste fund for a grant to Benton county to pay the principal amount due in fiscal year 1998 on bonds issued by the county to pay part of a final order or settlement of a lawsuit for environmental response costs at a mixed municipal solid waste facility.

Sec. 3. OFFICE OF ENVIRONMENTAL ASSISTANCE

20,497,000 20,595,000

Summary by Fund

General	19,211,000	19,277,000
Environmental	1,286,000	1,318,000

\$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	5,535,000	5,368,000
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The amounts that may be spent from this appropriation are specified in the following subdivisions.

Subd. 2. Biological Programs	666,000	676,000
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Subd. 3. Operations	4,869,000	4,692,000
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\$240,000 in the first year is for computer systems.

Sec. 5. NATURAL RESOURCES

Subdivision 1. Total Appropriation	188,063,000	180,580,000
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Summary by Fund

General	111,019,000	100,723,000
Natural Resources	22,958,000	23,403,000
Game and Fish	53,986,000	56,354,000
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	5,299,000	4,883,000
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\$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.

\$376,000 the first year and \$377,000 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.

\$46,000 the first year and \$47,000 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 first year is for a grant to develop a direct reduction iron processing facility in Minnesota. This appropriation is available until July 1, 1999.

Subd. 3. Water Resources Management

11,002,000	9,560,000
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Summary by Fund

General	10,751,000	9,304,000
Natural Resources	251,000	256,000

\$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.

\$400,000 the first year and \$500,000 the second year are for water monitoring activities, including gauging of priority lakes and watersheds, dissemination of information, replacement of equipment, and installation of observation wells, groundwater sensitivity maps, and documentation.

\$70,000 the first year is for a grant to the city of Granite Falls, not to exceed 50 percent of the nonfederal share of costs for restoration of the banks of the Minnesota river within the city limits.

\$400,000 the first year is for a grant to the St. Paul Foundation for restoring native vegetation along the Mississippi river through the Greening the Great River Park Project.

Money is available for the grant to the extent matched by an expenditure of money from nonstate sources for the project until June 30, 1999.

\$25,000 the first year and \$25,000 the second year are for a grant to the joint powers board established under Minnesota Statutes, section 471.59, for the Lewis and Clark rural water system. The joint powers board must prepare an annual work plan that identifies actions to be taken to advance the Lewis and Clark project as a continuing source of water to meet water supply needs in the southwest part of the state. The work plan must include a report on the ongoing efforts of member cities and rural water systems to conserve water and protect existing groundwater supplies. The work plan is subject to review and approval by the commissioner. This appropriation is available to the extent matched by an equal amount of nonstate money.

Notwithstanding Minnesota Statutes, section 103G.271, subdivision 6, paragraph (g), all water appropriation fees collected from July 1, 1997, to July 1, 1999, shall be deposited in the general fund.

\$100,000 is for a mediation process regarding flood damage reduction issues in the Red river basin. The commissioner, the Red River Watershed Management Board, and additional parties selected in an equal number by the commissioner and by the board are the parties to the mediation. All parties to the mediation must consent to the expenditure of any funds by the commissioner for the mediation process. This is a one-time appropriation.

\$190,000 is for a grant to the city of East Grand Forks for a river bank stabilization project on the Red River of the North and the Red Lake river. The appropriation is available until June 30, 1999, to the extent matched by an equal amount of nonstate money.

\$376,000 is for a grant to the city of Marshall for its flood control project. \$70,000 is for

the Lake Charlotte project in Wright county. Prior to these funds being made available, the commissioner must ensure that the project sponsor has held a public hearing in each affected watershed after the date of enactment of this section.

\$500,000 the first year is for a grant to the city of Thief River Falls for dredging projects within the city on the Red Lake river and the Thief river. The appropriation is available until June 30, 1999, to the extent matched by an equal amount of nonstate money.

Subd. 4. Forest Management

34,786,000 33,750,000

Summary by Fund

General	34,343,000	33,298,000
Natural Resources	443,000	452,000

\$3,500,000 the first year and \$3,500,000 the second year are for presuppression and suppression costs of emergency fire fighting. If the appropriation for either year is insufficient to cover all costs of suppression, the amount necessary to pay for emergency fire-fighting 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 15 days after the end of the following quarter, report on how the money was spent to the chairs of the house of representatives ways and means committee, the environment and agriculture budget 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.

\$600,000 the first year and \$600,000 the second year are for programs and practices on state, county, and private lands to regenerate and protect Minnesota's white pine. Up to \$280,000 of the appropriation in each year may be used by the commissioner to provide 50 percent matching funds to implement cultural practices for white pine management on

nonindustrial, private forest lands at rates specified in the Minnesota stewardship incentives program manual. Up to \$150,000 of the appropriation in each year may be used by the commissioner to provide funds to implement cultural practices for white pine management on county-administered lands through grant agreements with individual counties, with priorities for areas that experienced wind damage in July 1995. \$40,000 each year is for a study of the natural regeneration process of white pine. The remainder of the funds in each fiscal year will be available to the commissioner for white pine regeneration and protection on department-administered lands.

\$150,000 the first year and \$150,000 the second year is appropriated to the commissioner for a grant to the University of Minnesota's College of Natural Resources for research to reduce the impact of blister rust on Minnesota's white pine.

\$300,000 is for grants to the counties of Becker, Clearwater, and Hubbard for reforestation, timber stand improvements, aerial photography, and new forest inventories in areas damaged by windstorms in July 1995. The appropriation is available until June 30, 1999. Of this amount, \$33,000 is for Becker county, \$87,000 for Hubbard county, and \$180,000 for Clearwater county.

\$750,000 the first year is for the corps to career community service program established in Minnesota Statutes, section 84.0887, subdivision 2. This appropriation is subject to the receipt of education awards from the national service trust for the participants. This appropriation may be used for administering the program and for providing a monthly stipend for a living allowance as provided in Minnesota Statutes, section 121.707, subdivision 5. Eligible participants in the program may provide only services authorized in Minnesota Statutes, section 84.0887, subdivision 1, clauses (1) to (12). To the extent that service opportunities are not suitable under subdivision 1, participants may provide ser-

vices under subdivision 2. Up to seven percent of this appropriation is available for the cost of health and child care coverage for eligible participants and their dependents, to the extent such coverage is not otherwise available.

\$250,000 the first year is for grants to local community forest ecosystem health programs. The appropriations are available until June 30, 1999. The commissioner of natural resources shall allocate individual grants of up to \$10,000 to local communities that have matching nonstate money available to undertake projects that improve the health of forest ecosystems, including insect and disease suppression programs, community-based forest health education programs, and other arboricultural treatments. This is a one-time appropriation.

\$60,000 the first year and \$60,000 the second year are for the focus on community forests program, to provide communities with natural resources technical assistance.

\$200,000 the first year is for the Minnesota Releaf program to provide matching grants to local communities to plant predominantly native trees. This appropriation is available until June 30, 1999, and is a one-time appropriation.

\$50,000 the first year is to develop guidelines for communities and best management practices for developers and landowners in order to increase the protection of woodlands being lost through urbanization.

\$1,018,000 the first year and \$1,030,000 the second year are for implementation of the activities under Minnesota Statutes, chapter 89A, including the generic environmental impact statement on timber harvesting. Up to \$240,000 the first year and \$190,000 the second year are available for grants to the University of Minnesota college of natural resources' continuing education center, county land departments for participation in the Interagency Information Cooperative, and for forest research projects identified by the

Minnesota Forest Resources Council's research advisory committee.

The commissioner must report to the chairs of the house and senate environment and natural resources finance committee and division, by February 1998, detailing progress toward implementation of the comprehensive timber harvesting and forest management guidelines, and the establishment of a framework for conducting landscape-based forest resource planning and coordination under Minnesota Statutes, chapter 89A. By December 31, 1998, the council must submit its fully integrated and comprehensive timber harvest guidelines to the senate environment and agriculture budget division and the house environment and natural resources finance committee.

Subd. 5. Parks and Recreation Management

27,033,000 26,870,000

Summary by Fund

General	26,402,000	26,238,000
Natural Resources	631,000	632,000

\$631,000 the first year and \$632,000 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.

\$3,000,000 the first year and \$3,000,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operation.

\$500,000 the first year is for state park and recreation area acquisition, development, and rehabilitation.

\$75,000 the first year is for predesign and design for a Minnesota rock, gem, and mineral interpretative center to be located within Moose Lake state park near prime rock collecting areas. The commissioner shall initiate the architectural and engineering design for the center. The focal point of the center

shall be the display of Lake Superior agates as well as rocks, gems, minerals, and geologic artifacts indigenous to Minnesota. The commissioner shall consult with the Minnesota geological survey and members of state and local rock, gem, and mineral associations on the design of the center. The commissioner may accept for display at the center rocks, gems, minerals, and geologic artifacts collected by individuals and associations and shall enter into any loan agreements necessary to protect all parties from liability for loss or damage to items loaned for display. The commissioner shall prepare information for visitors describing geologic field trips and local rock collecting opportunities and, in addition, shall display and provide written information on other areas of the state that provide prime rock, gem, and mineral collecting opportunities. The commissioner shall consult with the Minnesota Geological Society as well as state and local rock, gem, and mineral associations on the location of prime collection sites and on the preparation of field trip literature. This appropriation is available until June 30, 1999.

Subd. 6. Trails and Waterways

Management

18,129,000	15,760,000
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Summary by Fund

General	4,672,000	2,227,000
Natural Resources	12,178,000	12,482,000
Game and Fish	1,279,000	1,051,000

\$4,649,000 the first year and \$4,649,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid. Also, \$600,000 each year is from the general fund for snowmobile grants-in-aid.

The commissioner shall study improved paving methods for state trails that prevent wear from snowmobile and other uses, including the use of improved paving materials and the application of coatings to existing paved trails. The commissioner must report on the results of the study to the house environment and natural resources finance com-

mittee, the senate environment and agriculture budget division, and the house and senate environment and natural resources committees by December 15, 1998.

\$252,000 the first year and \$254,000 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.

\$400,000 the first year is for the Taconite Harbor safe harbor project. This appropriation is available until expended. The legislature intends that future appropriations will be contingent on receipt of an equal amount of nonstate matching money for the total project.

\$30,000 in the first year is for an upgrade of the horse rider section of the Heartland trail to permit use by snowmobiles equipped with metal studs.

\$300,000 the first year is to provide safe crossings along the Gateway segment of the Willard Munger trail in North St. Paul and parking enhancements.

\$600,000 the first year is for a grant to Ramsey county for a connection from the city of Roseville trail system to the Gateway segment of the Willard Munger trail.

\$340,000 the first year is for trail improvements. Of this amount, \$128,000 is to develop the western extension of the Root river state trail in the Blufflands trail system and \$212,000 is to construct a parking lot at the Harmony trailhead.

\$300,000 the first year is to provide increased access to lakes and rivers statewide through the provision of fishing piers and shoreline access. One-half of the amount is for access within the seven-county metropolitan area. This is a one-time appropriation.

\$500,000 is for grants of up to \$250,000 for locally funded trails of regional significance.

The unobligated balance remaining in the appropriation from the taconite environmental protection fund, Laws 1996, chapter 407, section 3, to acquire and develop the Iron Range off-highway vehicle recreation area, shall not cancel but be made available until June 30, 1998.

Subd. 7. Fish and Wildlife Management
40,538,000 41,719,000

Summary by Fund

General	4,535,000	3,664,000
Natural Resources	2,013,000	2,048,000
Game and Fish	33,990,000	36,007,000

\$305,000 the first year and \$310,000 the second year are for resource population surveys in the 1837 treaty area. Of this amount, \$104,000 the first year and \$106,000 the second year are from the game and fish fund.

\$923,000 the first year and \$943,000 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.

\$1,337,000 the first year and \$1,361,000 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.

\$1,110,000 the first year and \$1,117,000 the second year are from the wildlife acquisition account for only the purposes specified in Minnesota Statutes, section 97A.071, subdivision 2a.

\$860,000 the first year and \$881,000 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).

\$60,000 the first year and \$61,000 the second year are from the deer and bear manage-

ment account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (c).

\$668,000 the first year and \$673,000 the second year are from the waterfowl habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 2.

\$652,000 the first year and \$654,000 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. In addition to the purposes specified in Minnesota Statutes, section 97A.075, subdivision 4, this appropriation may be used for pheasant restocking efforts.

\$292,000 the first year and \$295,000 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.

\$63,000 the first year and \$63,000 the second year are from the wild turkey management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 5.

\$100,000 the first year and \$100,000 the second year are for water monitoring activities, including integrated monitoring using biology, chemistry, hydrology, and habitat assessment for water quality assessment.

Before January 15, 1998, the commissioner must hold one public meeting in each of the department's regions to identify priority fisheries projects. Before the public meetings, notice of the meetings must be published in a news release issued by the commissioner and in a newspaper of general cir-

ulation in each county within the region. The notice must be published at least once between 30 and 60 days before the meetings, and at least once between seven and 30 days before the meetings. The notices required in this paragraph must invite public comment and specify a deadline for the receipt of public comments. The commissioner shall consider any public comments received in making final decisions on expenditure of additional revenue generated by increased fishing license revenue raised under this act. At least 75 percent of the increase must be spent on fisheries.

\$8,000 is for the construction of an interpretive sign in the Thief Lake wildlife management area, to be available until June 30, 1998.

\$600,000 the first year is to the critical habitat private sector matching account for the purposes of Minnesota Statutes, section 84.943.

\$250,000 the first year is to accelerate the acquisition of land for scientific and natural areas under Minnesota Statutes, section 84.033.

\$125,000 the first year is for a railroad prairie right-of-way inventory and for the development of voluntary prairie right-of-way best management practices.

The positions for the forest ecologist, metropolitan natural community ecologist, and scientific and natural areas volunteer stewardship coordinator now in the unclassified service shall be transferred without competitive examination to the classified service of the state.

Subd. 8. Enforcement

19,599,000 19,457,000

Summary by Fund

General	3,489,000	3,092,000
Natural Resources	3,971,000	3,991,000
Game and Fish	12,039,000	12,274,000
Solid Waste	100,000	100,000

\$1,082,000 the first year and \$1,082,000 the second year are from the water recreation ac-

count in the natural resources fund for grants to counties for boat and water safety.

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

\$100,000 the first year is for enforcement activities regarding the 1837 treaty.

Within the funding appropriated, the commissioner shall hire at least seven new full-time equivalent conservation officers. Four of the officers must come from protected groups. The protected group officers must be hired before the remaining new officers.

\$200,000 is for the purchase of specialty equipment to increase the effectiveness and safety of enforcement of snowmobile laws and rules.

\$150,000 the first year and \$100,000 the second year are to recruit and train members of the Southeast Asian community for four new conservation officer positions that will begin after July 1, 1999. This appropriation is for recruiting, screening, and training the candidates, and for providing a monthly stipend for the candidates, educational costs, a part-time program coordinator, and outreach locations within the Southeast Asian community. This is a one-time appropriation.

\$400,000 each year from the snowmobile trails and enforcement account in the natural resources fund is for grants to local law enforcement agencies for snowmobile enforcement activities above and beyond current levels of local law enforcement activities.

Subd. 9. Operations Support
31,677,000 28,581,000

	Summary by Fund	
General	21,528,000	18,017,000
Natural Resources	3,471,000	3,542,000
Game and Fish	6,678,000	7,022,000

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.

None of the money appropriated to the commissioner under this section may be used for transfer to the office of strategic and long-range planning. The appropriations in this subdivision reflect a reduction in the base of \$250,000.

\$425,000 the first year and \$425,000 the second year are for the community assistance program, including metropolitan trout stream watershed coordinators, Red River technical assistance, northeast Minnesota public affairs and communication, southwest Minnesota planning assistance, Metro Greenways and natural areas assistance and grants, and regional resource enhancement grants.

The department shall submit to the Minnesota office of technology for review its plans for offering consumer access through the North Star world wide web site.

\$200,000 the first year is for a grant to Friends of Rydell Refuge Association, Inc. The Friends of Rydell Refuge must enter into a memorandum of agreement with the United States Fish and Wildlife Service to provide for people with disabilities the following facilities at Rydell national wildlife refuge in Polk county: (1) seven miles of paved trails, including overlooks; (2) accessible fishing pier, decks, landscaping, and boardwalk at sights within the refuge; (3) accessible restroom facilities; (4) meeting room accessibility and visitor center upgrade; and (5) target range accessibility. Any amount unexpended in fiscal year 1998 remains available for expenditure in fiscal year 1999.

\$100,000 the first year and \$100,000 the second year are for the Southeast Asian environmental education internship and training program.

\$200,000 the first year is for a grant to the city of South St. Paul for erosion control at Kaposia Park and development of a regional trail connection. Nonstate match funding of

\$2 for every \$1 of this appropriation is required.

\$85,000 the first year and \$85,000 the second year are for a grant to the Minnesota Children's Museum for early childhood environmental education that introduces young children to the natural environment through four different Minnesota habitats.

\$2,700,000 the first year is for a grant to the city of St. Paul for expenditures necessary to carry out the Harriet Island redevelopment in accordance with the Lilydale/Harriet Island master plan. The appropriation is available to the extent it is matched by an equal amount from nonstate sources by June 30, 1998. Before the appropriation or local match is spent or obligated, the city of St. Paul must seek public comments on the Harriet Island redevelopment.

\$142,000 is for a survey of trails in state parks for accessibility to persons with disabilities. This appropriation is available for the biennium.

\$325,000 the first year is for a grant to independent school district No. 621, Mounds View, to renovate the Laurentian Environmental Learning Center located in the Superior National Forest. This appropriation is available until June 30, 1999.

\$300,000 the first year and \$300,000 the second year is for the electronic licensing system. Of this amount, \$200,000 the second year is from the game and fish fund.

\$1,503,000 the first year and \$1,522,000 the second year are for administrative costs. This is a one-time only appropriation.

\$55,000 the first year is for a grant to Chippewa county for design and engineering specifications for: (1) expansion of the landing and boat access on the Minnesota river at Wegdahl and related development of a regional park; and (2) development of a 15-mile multiuse trail along the Minnesota river valley connecting the city of Granite Falls to the Chippewa county regional trail system.

Sec. 6. BOARD OF WATER AND
SOIL RESOURCES

15,741,000

15,186,000

\$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. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

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 1996 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.

\$2,282,000 the first year and \$2,509,000 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. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

\$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. If the appropriation in either year is insufficient, the ap-

propriation in the other year is available for it.

\$200,000 the first year is for a grant to Chisago and Washington counties for the abandonment of joint ditch No. 1.

\$475,000 is for completion of water quality improvement projects with the 12 major watersheds of the Minnesota river basin, to be available until June 30, 1999. The water quality improvement projects must utilize practices that are proven effective, must have landowner support, and must be prioritized by the Minnesota river basin joint powers board and the board of water and soil resources. The board shall use this appropriation only for those projects where the local landowners and counties provide 50 percent of project costs in cash.

\$150,000 the first year is for a grant to the Faribault county soil and water conservation district for the quad-lakes restoration project in Faribault and Blue Earth counties.

\$100,000 the first year and \$200,000 the second year are for a community assistance program to provide watershed education and communication assistance to local governments in the metropolitan area and in southern Minnesota.

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.

\$27,000 the first year and \$27,000 the second year are for a grant to the southeast Minnesota water resources board for administrative costs. This appropriation is available only to the extent it is matched by \$1 of non-state money for each \$1 of state money.

\$90,000 the first year and \$90,000 the second year are for grants to soil and water conservation districts to cover the costs of contracting for technical staff to implement activities under the state revolving fund.

Sec. 7. AGRICULTURE

Subdivision 1. Total

Appropriation		29,482,000	25,391,000
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Summary by Fund

General	18,949,000	14,868,000
Special Revenue	10,264,000	10,254,000
Environmental	269,000	269,000

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

Subd. 2. Protection Service

18,324,000	17,435,000
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Summary by Fund

General	8,047,000	7,053,000
Special Revenue	10,008,000	10,113,000
Environmental	269,000	269,000

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

\$4,287,000 the first year and \$4,367,000 the second year are from the pesticide regulatory account established under Minnesota Statutes, section 18B.05, for administration and enforcement of Minnesota Statutes, chapter 18B.

\$995,000 the first year and \$1,010,000 the second year are from the fertilizer inspection account established under Minnesota Statutes, section 18C.131, for administration and enforcement of Minnesota Statutes, chapter 18C.

\$50,000 the first year is from the fertilizer account to provide a match to the \$150,000 appropriation from the environmental trust fund to conduct nitrate testing clinics.

\$368,000 the first year and \$368,000 the second year are 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.

\$727,000 the first year and \$741,000 the second year are 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.

\$731,000 the first year and \$744,000 the second year are 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.

\$530,000 the first year and \$530,000 the second year are 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.

\$1,746,000 the first year and \$1,779,000 the second year are 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.

\$324,000 the first year and \$324,000 the second year are from the livestock weighing fund established under Minnesota Statutes, section 17A.11, for the purpose of livestock weighing costs under Minnesota Statutes, chapter 17A.

\$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.

\$160,000 the first year and \$160,000 the second year are an increase for the grade A and manufacturing grade inspection programs under Minnesota Statutes, section 32.394.

\$222,000 is transferred to the seed potato inspection fund and must be used for the administration and enforcement of Minnesota Statutes, sections 21.80 to 21.92.

\$960,000 the first year and \$40,000 the second year are to expand the one-on-one

educational delivery team system to provide appropriate technologies, including rotational grazing and other sustainable agriculture methods, applicable to small and medium sized dairy farms to enhance the financial success and long-term sustainability of dairy farms in the state. Activities of the dairy diagnostic teams must be spread throughout the dairy producing regions of the state. The teams must consist of farm business management instructors, dairy extension specialists, and dairy industry partners to deliver the informational and technological services. Not later than February 1, 1998, the commissioner shall provide an interim report to the standing committees of the Minnesota senate and house of representatives that deal with agricultural policy issues and funding on activities and accomplishments of the dairy diagnostic teams. The commissioner shall provide a follow-up report to the committees on February 1, 1999. This is a one-time appropriation.

\$25,000 the first year and \$25,000 the second year are for activities of the dairy producers board under Minnesota Statutes, section 17.76.

Subd. 3. Agricultural Marketing and Development

3,475,000 3,210,000

Summary by Fund

General	3,219,000	3,069,000
Special Revenue	256,000	141,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3a, the total payments from the ethanol development account to all producers may not exceed \$49,651,000 for the biennium ending June 30, 1999. If the total amount for which all producers are eligible in a quarter exceeds the amount available for payments, the commissioner shall make the payments on a pro rata basis. In fiscal year 1998, the commissioner shall first reimburse producers for eligible unpaid claims accumulated through June 30, 1997.

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

\$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.

\$141,000 the first year and \$141,000 the second year are from the commodities research and promotion account in the special revenue fund.

\$115,000 is from the Minnesota conservation fund, established in Minnesota Statutes, section 40A.151, to the commissioner of agriculture to provide a match to the \$100,000 appropriation from the future resources fund to evaluate the effectiveness of Minnesota's agricultural land preservation programs, make recommendations for statutory and programmatic improvements, and identify and quantify fiscal impacts of urban sprawl.

\$76,000 the first year and \$77,000 the second year are for development and promotion of integrated pest management in an urban environment. The urban integrated pest management development and promotion program must be coordinated with Metropolitan State University.

\$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.

\$200,000 is for grants under Minnesota Statutes, section 17.101, subdivision 5.

Subd. 4. Administration and
Financial Assistance

7,683,000	4,746,000
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\$100,000 the first year and \$100,000 the second year must be spent for the WIC coupon program.

\$115,000 the first year and \$99,000 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 1998 or 1999.

\$201,000 the first year and \$202,000 the second year are for the family farm advocacy program.

\$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.

\$100,000 is for a grant to the University of Minnesota for a farm safety outreach program. The program must be designed to provide specialized health and safety information and training to targeted at-risk individuals and groups.

\$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 are for a grant to the Minnesota Livestock Breeders' 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.

\$50,000 in each year is for beaver damage control grants for the purposes of Minnesota Statutes, section 17.110.

\$70,000 the first year is for the construction costs of a greenhouse to produce biological control agents.

\$50,000 the first year and \$50,000 the second year are for funding litigation to accomplish reform of the federal milk market order system and for legal actions opposing the Northeast Dairy Compact.

\$100,000 the first year is for transfer to the public utilities commission for costs related to the duties of the commission and the team of science advisors established under Laws 1994, chapter 573, as amended. This appropriation remains available until June 30, 1999.

\$525,000 the first year is for livestock odor research. Of this amount, \$400,000 is for a grant to the University of Minnesota department of biosystems and agricultural engineering for research and development of: (1) an odor rating system that compares odor levels of livestock production facilities based on the species of livestock, livestock housing, manure management systems, and other factors that contribute to odor levels, with the odor rating to be determined using olfactometry; (2) information tools to be provided to local units of government to create setback requirements for livestock production facilities based on the odor rating system developed in clause (1); (3) best management practices to control livestock odor with priority on the development of practices that control odor as much as economically feasible during seasonal and other periods of peak odor levels; and (4) provisions for rating the efficacy of new odor-reduction technologies and additives. Applicants for a rating under this clause must pay for the research necessary to provide the rating to be used in marketing their new technology. \$125,000 is for a grant to the Minnesota institute for sustainable agriculture for research, development,

and promotion of low-emission and low-energy alternative hog production systems and promotion of developed systems, including hoop houses, the Swedish model (Vastgotamodellen) for farrowing and feeder pig production, and pasture grazing and farrowing.

\$200,000 the first year and \$200,000 the second year are to develop a scientific data base on odor from feedlots, conduct research on biofilters as odor suppressants, and evaluate composting and drainage systems for effectiveness. This is a one-time appropriation.

\$1,200,000 the first year is for an electronic information management system. By January 15, 1998, the commissioner shall report to the legislature concerning the status of the system and shall make a recommendation concerning the remaining needs for the system and costs of funding those needs.

\$1,000,000 is to create and administer a "Minnesota grown" coupon program to provide food coupons to adult or minor legal noncitizens who are residing in this state as of July 1, 1997, lost their eligibility for the federal food stamp program under the provisions of Public Law Number 104-193, title IV, are receiving general assistance or supplemental security income, and comply with the eligibility requirements in Minnesota Statutes, section 256D.05, subdivision 8, paragraph (b). Coupons shall be issued each month within the funds available by the commissioner to noncitizens who are residents of participating counties and eligible for the supplement under this paragraph. The commissioner of human services must provide to the commissioner of agriculture the names of the heads of households that contain adult or minor legal noncitizens who are eligible for the supplement under this paragraph, their addresses, and any other information necessary to ensure the administrative efficiency of the "Minnesota grown" coupon program. The amount of the "Minnesota grown" coupons must be excluded as income under the AFDC, refugee cash assistance, general assistance, MFIP, MFIP-R, MFIP-S, food

stamp programs, state housing subsidy programs, low-income energy assistance programs, and other programs that do not count food stamps as income. Counties must apply to the commissioner to participate in the "Minnesota grown" coupon program.

The coupons must be clearly labeled as redeemable only for products licensed to use the "Minnesota grown" logo or labeling statement under Minnesota Statutes, section 17.102. Coupons may be redeemed by farmers, custom meat processors, community-supported agriculture farms, grocery stores, and retailers. The person accepting the coupon is responsible for its redemption only on products licensed to use the "Minnesota grown" logo or labeling statement.

The commissioner may establish criteria for vendor eligibility and may enforce the "Minnesota grown" coupon program according to Minnesota Statutes, sections 17.982 to 17.984.

The commissioner shall report on the "Minnesota grown" coupon program by January 15, 1998, to the house of representatives agriculture committee, the senate agriculture and rural development committee, the house environment and natural resources finance committee, and the senate environment and agriculture budget division.

Sec. 8. BOARD OF ANIMAL HEALTH

2,348,000

2,383,000

\$40,000 the first year and \$40,000 the second year are for a program to control paratuberculosis ("Johne's disease") in domestic bovine herds. The board must design and implement a program to provide educational and financial assistance to bovine herd owners for testing and related activities that will reduce the prevalence of the disease in herds known to be infected and to establish "test negative" herds as a source of negative replacement cattle. Not later than January 31, 1999, the executive secretary shall report to the legislature on the progress and results of the paratuberculosis control program.

\$49,000 the first year and \$40,000 the second year are for a grant to the University of Minnesota college of veterinary medicine to be used for development and implementation of the companion animal resource education program, in collaboration with the Minnesota extension service.

Sec. 9. CITIZEN'S COUNCIL ON VOYAGEURS NATIONAL PARK	63,000	64,000
Sec. 10. SCIENCE MUSEUM OF MINNESOTA	1,136,000	1,164,000
Sec. 11. MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION	172,000	177,000
Summary by Fund		
General	141,000	145,000
Natural Resources	31,000	32,000

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

\$31,000 the first year and \$32,000 the second year are from the water recreation account in the natural resources fund for the St. Croix management and stewardship program.

Sec. 12. MINNESOTA ACADEMY OF SCIENCE	41,000	41,000
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\$5,000 the first year and \$5,000 the second year are for a program to provide hands on science activities for elementary school children.

Sec. 13. MINNESOTA HORTICULTURAL SOCIETY	82,000	82,000
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Sec. 14. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE	4,420,000	4,330,000
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Summary by Fund		
General	4,220,000	4,130,000
Special Revenue	200,000	200,000

\$90,000 the first year is for development of a program of marketing a value-added agriculture product by a community-based youth program.

\$200,000 the first year and \$200,000 the second year are for hybrid tree management re-

search 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 contributions, either cash or in kind, for each \$1 of state money. This shall be added to the agency base.

Sec. 15. MINNESOTA RESOURCES

Subdivision 1. Total
Appropriation 37,208,000

Summary by Fund

Minnesota Future Resources Fund	14,668,000
Environment and Natural Resources Trust Fund	22,270,000
Great Lakes Protection Account	120,000
Oil Overcharge Money in the Special Revenue Fund	150,000

Unless otherwise provided, the amounts in this section are available until June 30, 1999, when projects must be completed and final products delivered.

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

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

Subd. 3. Legislative Commission on Minnesota Resources 776,000

\$304,000 of this appropriation is from the future resources fund and \$472,000 is from the

trust fund, pursuant to Minnesota Statutes, section 116P.09, subdivision 5.

Subd. 4. Recreation

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

3,500,000

This appropriation is from the trust fund to the commissioner of natural resources as follows: (1) for state park and recreation area acquisition, \$2,500,000; and (2) for state park and recreation area development, rehabilitation, and resource management, \$1,000,000, unless otherwise specified in the approved work program. The use of the Minnesota conservation corps is encouraged. 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 June 30, 2000, and the appropriation is available until that date.

(b) METROPOLITAN REGIONAL PARK
SYSTEM

3,500,000

This appropriation is from the trust fund for payment by the commissioner of natural resources to the metropolitan council for subgrants for acquisition, development and rehabilitation in the metropolitan regional park system 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. The metropolitan council shall collect and digitize all local, regional, state and federal parks and all off-road trails with connecting on-road routes for the Metropolitan area and produce a printed map. This project must be completed and final products delivered by June 30, 2000, and the appropriation is available until that date.

(c) LOCAL INITIATIVES GRANTS
PROGRAM

2,900,000

This appropriation is from the future resources fund to the commissioner of natural resources to provide matching grants, as follows:

(1) \$600,000 to local units of government for local park and recreation areas pursuant to Minnesota Statutes, section 85.019. \$50,000 of this appropriation is to complete the Larue public water access.

(2) \$600,000 to local units of government for natural and scenic areas pursuant to Minnesota Statutes, section 85.019.

(3) \$900,000 for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant. \$200,000 is for grants of up to \$50,000 per project for trail linkages between communities, trails, and parks, and \$700,000 is for grants of up to \$250,000 for locally funded trails of regional significance. \$250,000 is to provide matching funds for an ISTE A grant to provide easement acquisition and engineering costs for a proposed trail between the city of Pelican Rapids and Maplewood state park.

(4) \$600,000 for a statewide conservation partners program, to encourage private organizations and local governments to cost share improvement of fish, wildlife, and native plant habitats and research and surveys of fish and wildlife. Conservation partners grants may be up to \$10,000 each.

(5) \$200,000 for environmental partnerships program grants of up to \$10,000 each for environmental service projects and related education activities through public and private partnerships.

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 approved the grants or allowed 60 days to pass. The above appropriations, in combination, 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, the match must be nonstate contributions, but may be either cash or in-kind. This project must be completed and final products delivered by June 30, 2000, and the appropriation is available until that date.

**(d) BORDER-TO-BORDER TRAIL
STUDY**

100,000

This appropriation is from the future resources fund to the commissioner of natural resources for the border-to-border trail study of the trails and waterways division. The border-to-border trail study shall inventory and integrate local, regional, and state trail systems and plan for future development, including identifying abandoned rail lines and dual treadways. The Minnesota recreational trail users association (MURTA) shall serve as the advisory group to the department of natural resources in developing the study and plan. The appropriation is available until June 30, 1999.

Subd. 5. Historic Sites

**(a) FORT SNELLING STATE PARK
- UPPER BLUFF UTILIZATION AND
AYH HOSTEL**

250,000

This appropriation is from the future resources fund to the commissioner of natural resources for a cooperative project with Hostelling International and community cooperators to develop a conceptual utilization plan for the Upper Bluff Area, assess buildings for potential hostel use, and complete the design and construction documents for a building or buildings for future renovation as a hostel. This appropriation must be matched by at least \$20,000 of nonstate money.

**(b) PROTECTING RURAL HISTORIC
LANDSCAPES IN HIGH
DEVELOPMENT AREAS**

80,000

This appropriation is from the trust fund to the Minnesota Historical Society to docu-

ment resources and prepare a management plan for historical agricultural landscapes in the St. Cloud–Rochester growth corridor.

(c) JEFFERS PETROGLYPHS
ENVIRONMENTAL ASSESSMENT
AND PRAIRIE RESTORATION 125,000

This appropriation is from the future resources fund to the Minnesota Historical Society to establish an environmental monitoring program and assess environmental effects on the petroglyphs and restore native prairie to parts of this state site.

(d) DEVELOPMENT OF BIRCH
COULEE STATE HISTORIC SITE 253,000

This appropriation is from the trust fund to the Minnesota Historical Society to improve public access to the state historic site at Birch Coulee, with self-guided trails, interpretive markers, and basic visitor amenities.

(e) WHITE OAK LEARNING CENTER
ENVIRONMENTAL AWARENESS
THROUGH HISTORY 120,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the White Oak Society, Inc., to create an education program integrating environmental education into historical, cultural, and social contexts.

(f) HISTORICAL AND CULTURAL
MUSEUM ON VERMILION LAKE
INDIAN RESERVATION 100,000

This appropriation is from the future resources fund to the Minnesota Historical Society for an agreement with Bois Forte Reservation to design and construct a historical museum for cultural interpretation adjacent to an historic gold mine and fur trade post on Lake Vermilion. As an additional condition of acceptance of this appropriation, this facility may not be used for any form of gambling or the promotion of gambling. This appropriation must be matched by at least \$100,000 of nonstate money.

(g) NATIVE AMERICAN PERSPECTIVE
OF THE HISTORIC NORTH SHORE 60,000

This appropriation is from the future resources fund to the Minnesota Historical So-

ciety for an agreement with the Sugarloaf Interpretive Center Association for an interpretive study of Native Americans on the North Shore of Lake Superior in cooperation with Native American bands. This appropriation must be matched by at least \$30,000 of nonstate money.

(h) SOUDAN UNDERGROUND
PHYSICS LABORATORY EXPANSION 400,000

This appropriation is from the future resources fund to the University of Minnesota to assist in the construction of the Soudan Mine facilities for scientific interpretation.

Subd. 6. Water Resources

(a) ON-SITE SEWAGE TREATMENT
ALTERNATIVES AND TECHNOLOGY
TRANSFER 500,000

This appropriation is from the future resources fund to the pollution control agency for the second biennium to evaluate alternative on-site sewage treatment systems for cost-effective removal of pathogenic bacteria, viruses and nutrients.

(b) NITRATE EDUCATION AND TESTING 150,000

This appropriation is from the trust fund to the commissioner of agriculture to accelerate knowledge of nitrate levels in private drinking water supplies through development of water testing clinics for rural well owners and education programs. This appropriation must be matched by at least \$50,000 from the agriculture fertilizer inspection account.

(c) SNAKE RIVER WATERSHED BMPS 100,000

This appropriation is from the trust fund to the board of water and soil resources for an agreement with the Snake River Watershed Management Board to accelerate the implementation of the 1996 Snake River Watershed Management Plan.

(d) EVALUATION OF WATERSHED
BASED WATERSHED DISTRICT
MANAGEMENT 150,000

This appropriation is from the future resources fund to the board of water and soil re-

sources for an agreement with the Minnesota Association of Watershed Districts to evaluate the effectiveness of water quality management by watershed districts. This appropriation must be matched by at least \$75,000 of nonstate money.

(e) RED RIVER VALLEY PLANNING AND MANAGEMENT 375,000

This appropriation is from the trust fund to the pollution control agency to create an ecosystem management plan for the Red River Valley, integrating land and water basin management strategies in cooperation with interstate and international organizations.

(f) SUSTAINABLE LAKE PLANS 270,000

This appropriation is from the trust fund to the University of Minnesota, Center for Urban and Regional Affairs, in cooperation with the Minnesota Lakes Association, to develop education programs and a comprehensive lake plan in each of the state's five lake regions.

(g) LAKESHORE RESTORATION - MINNEAPOLIS CHAIN OF LAKES 300,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Minneapolis Park and Recreation Board to restore native plants on lake shores of the chain of lakes to improve water quality, wildlife habitat, and decrease erosion. This appropriation must be matched by at least \$150,000 of nonstate money.

(h) ATMOSPHERIC AND NONPOINT POLLUTION TRENDS IN MINNESOTA LAKES 325,000

This appropriation is from the trust fund to the pollution control agency to document geographic and historic trends in lake eutrophication and inputs of toxic metals and organic pollutants from land-use impacts and atmospheric sources. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

Subd. 7. Agricultural Practices

(a) BIOLOGICAL CONTROL OF AGRICULTURAL PESTS

200,000

This appropriation is from the trust fund to the University of Minnesota to accelerate using biological control of pests in agricultural production systems. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) CROP MANAGEMENT TO MINIMIZE PESTICIDE INPUTS

300,000

This appropriation is from the trust fund to the University of Minnesota to develop non-pesticide management strategies for pest control for crops.

(c) SUSTAINABLE FARMING SYSTEMS

560,000

This appropriation is from the trust fund to the University of Minnesota for a comprehensive program of complementary on-farm and experiment station research, demonstration, and educational activities about the economic and environmental effects of sustainable farming systems.

(d) PRAIRIE-GRASSLAND LANDSCAPES

125,000

This appropriation is from the trust fund to the commissioner of natural resources for the second biennium to implement grassland ecosystem stewardship activities in the Glacial Lake Agassiz Interbeach area in cooperation with the resource conservation and development councils.

(e) REDUCING MINNESOTA RIVER POLLUTION FROM LACUSTRINE SOILS

250,000

This appropriation is from the future resources fund to the commissioner of agriculture in cooperation with the University of Minnesota for the second biennium to research the impact of farming systems utilizing crop residue for sediment control on lacustrine landscapes in the Minnesota River Basin.

(f) MERCURY MANOMETERS

250,000

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

ture for the purposes of Minnesota Statutes, sections 17.861, 115A.932, and 116.92, and is available until June 30, 1999.

Subd. 8. Pollution Prevention

(a) TOXIC EMISSIONS FROM FIRE TRAINING 65,000

This appropriation is from the trust fund to metropolitan state university to identify and quantify toxic emissions from live-burn training in acquired structures to evaluate and propose alternatives. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) POLLUTION PREVENTION TRAINING PROGRAM FOR INDUSTRIAL EMPLOYEES 200,000

This appropriation is from the future resources fund to the director of the office of environmental assistance for agreements with Citizens for a Better Environment and the University of Minnesota to provide the training and technical assistance needed for pollution prevention by industrial employees.

Subd. 9. Impacts on Natural Resources

(a) GRANTS TO LOCAL GOVERNMENTS TO ASSIST NATURAL RESOURCE DECISION MAKING 150,000

This appropriation is from the future resources fund to the board of water and soil resources for matching grants to local governments to help enable incorporation of impacts on natural resources into local decision making.

(b) EVALUATION OF URBAN GROWTH ECONOMIC AND ENVIRONMENTAL COSTS AND BENEFITS 275,000

This appropriation is from the future resources fund to the director of the office of strategic and long-range planning for an agreement with Minnesotans for an energy-efficient economy to evaluate the benefits,

costs, and environmental impacts of alternative urban and rural growth patterns.

**(c) REINVENTING THE
AGRICULTURAL LAND
PRESERVATION PROGRAM**

100,000

This appropriation is from the future resources fund to the commissioner of agriculture to evaluate the effectiveness of Minnesota's agricultural land preservation programs, and identify and quantify fiscal impacts of rural sprawl. This appropriation must be matched by at least \$100,000 of non-state money or money from the Minnesota conservation fund.

**(d) NEW MODELS FOR LAND-USE
PLANNING**

530,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Land Stewardship Project for planning, inventory, technical assistance, and education addressing voluntary easements, purchase, and transfer of development rights to create a protected green corridor in Washington and Chisago counties. Up to \$30,000 is to provide training in adapting holistic resource management concepts and principles for decision making in land use planning.

**(e) NORTH MINNEAPOLIS UPPER
RIVER MASTER PLAN**

300,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Minneapolis Park and Recreation Board to develop a master plan addressing greenspace and trail development, riverbank restoration, and stimulation of river-oriented land uses within a corridor along the east and west banks of the Mississippi River from Plymouth Avenue north to the Minneapolis city limits. This appropriation must be matched by at least \$100,000 of nonstate money.

**(f) PREVENTING STORMWATER
RUNOFF PROBLEMS THROUGH
WATERSHED LAND DESIGN**

280,000

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

to develop watershed-based land design models for preserving habitat and traditional patterns, and preventing flooding and water quality degradation.

(g) MILLER CREEK MANAGEMENT 100,000

This appropriation is from the future resources fund to the board of water and soil resources for agreements with the Miller Creek Task Force and the natural resources research institute. \$25,000 is available to the Miller Creek Task Force to begin the project to implement water quality improvement activities on Miller Creek. The remaining \$75,000 is contingent on the formation of a watershed district or a joint powers agreement in place by January 1998, and a match of at least \$25,000 of nonstate money and \$25,000 of additional activity being provided by the natural resources research institute or other sources. Up to \$25,000 of the remaining \$75,000 is for an agreement with the natural resources research institute for research activities.

**(h) TROUT HABITAT PRESERVATION
USING ALTERNATIVE WATERSHED
MANAGEMENT PRACTICES** 250,000

This appropriation is from the future resources fund to the board of water and soil resources to implement alternative watershed management practices to preserve the lower reaches of Browns Creek as trout habitat.

Subd. 10. Decision-Making Tools

**(a) COMPARATIVE RISKS OF MULTIPLE
CHEMICAL EXPOSURES** 150,000

This appropriation is from the future resources fund to the commissioner of health to develop comparative risk information for managing exposures to multiple environmental hazards from measurements of pesticides, volatile organic compounds, and metals in soil, air, water, and food.

**(b) METROPOLITAN AREA
GROUNDWATER MODEL** 300,000

This appropriation is from the trust fund to the pollution control agency for the second

biennium to improve and refine the metropolitan groundwater model to improve contaminant tracking, cleanup evaluation, and overall protection of groundwater resources.

(c) WOLF MANAGEMENT PLAN 100,000

This appropriation is from the future resources fund to the commissioner of natural resources to develop a management plan for Minnesota wolves, to be ready for implementation if the Eastern Timberwolf is removed from the federal endangered species list.

(d) MINNESOTA RIVER BASIN
NATURAL RESOURCE DATA 250,000

This appropriation is from the trust fund to Mankato State University in cooperation with the Minnesota River Basin Joint Powers Board to prepare geographic information system data sets for the 1,208 minor watersheds, provide Internet access to the data, and outreach training. This appropriation must be matched by at least \$100,000 of non-state money.

(e) LAND USE DEVELOPMENT AND
NATURAL RESOURCE PROTECTION
MODEL 400,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the city of Winona to develop a geographic information system implementation tool to assist in the evaluation of natural resource protection in land use decision making by local governments. This appropriation must be matched by at least \$88,000 of nonstate money.

(f) STATEWIDE DIGITAL SOIL
DATABASE - PHASE I 145,000

This appropriation is from the future resources fund to the board of water and soil resources for the first biennium for a pilot program to investigate methods to digitize data from older soil surveys and to coordinate soil survey digitizing in at least one county on a 50 percent cost share basis. Up to \$30,000 of this appropriation is for digitization and must

be matched by nonstate money by April 30, 1999.

(g) FILLMORE COUNTY SOIL SURVEY UPDATE 65,000

This appropriation is from the trust fund to the board of water and soil resources to provide half of the nonfederal share for the second year of a six-year project to update the Fillmore county soil survey into a digitized and manuscript format.

Subd. 11. Public Access to Natural Resource Data

(a) FOUNDATIONS FOR INTEGRATED ACCESS TO ENVIRONMENTAL INFORMATION 650,000

This appropriation is from the future resources fund to the director of the office of strategic and long-range planning for a collaborative effort among natural resource agencies to design, develop, and test a solution to provide integrated electronic access to environmental and natural resource data. These data must be made accessible and free to the public unless made private under the Data Practices Act.

(b) PUBLIC ACCESS TO ARCHAEOLOGICAL KNOWLEDGE 200,000

This appropriation is from the future resources fund to the Minnesota Historical Society for an agreement with the Institute for Minnesota Archaeology to enhance and provide public electronic access to regional archaeological data that have been acquired or maintained with public money.

Subd. 12. Sustainable Development Activities

(a) SUSTAINABLE DEVELOPMENT ASSISTANCE FOR MUNICIPALITIES THROUGH ELECTRIC UTILITIES 240,000

This appropriation is from the future resources fund to the commissioner of administration for an agreement with the Minnesota Municipal Utilities Association to provide decision-making tools, technical information, and expert assistance to advance sus-

tainable renewable energy and energy efficiency developments and implement demonstration projects in at least four communities. This appropriation must be matched by at least \$250,000 in nonstate money.

**(b) RENEWABLE ENERGY
DEMONSTRATION AND EDUCATION
IN STATE PARKS**

230,000

\$80,000 of this appropriation is from the trust fund and \$150,000 is from oil overcharge money to the commissioner of natural resources for an agreement with the Center for Energy and Environment to demonstrate cost-effective applications of renewable energy technologies in state parks by developing technology selection guidelines, installing projects in state parks, and providing public renewable energy education. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) ALFALFA BIOMASS PRODUCTION

200,000

This appropriation is from the future resources fund to the University of Minnesota for the evaluation of the environmental impacts and benefits of the production of alfalfa for electrical power generation. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

**(d) SUSTAINABLE DEVELOPMENT OF
WIND ENERGY ON FAMILY FARMS**

200,000

This appropriation is from the future resources fund to the commissioner of administration for an agreement with the Sustainable Resources Center for the second biennium to provide technical assistance, wind assessment, and technology transfer for the development of wind energy harvesting.

**(e) CONNECTING PEOPLE AND PLACES
THROUGH YELLOW BIKES**

95,000

This appropriation is from the future resources fund to the office of environmental assistance for an agreement with the Yellow

Bike Coalition to expand and develop a bicycle recycling and transportation program in at least three cities.

(f) SUSTAINABLE GARDENING FOR MINNESOTA HOMES AND COMMUNITIES 400,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Sustainable Resources Center for the fifth biennium to accelerate community garden programs through technical assistance to encourage ecologically sound landscape plantings and maintenance. Up to \$60,000 is to provide a link between sustainable agriculture farmers and urban consumers.

(g) ECONOMICS FOR LASTING PROGRESS 250,000

This appropriation is from the future resources fund to the director of the office of strategic and long-range planning for an assessment of how economic indicators and policies reward or discourage pollution, employment, and sustainable resource use in Minnesota.

(h) SOY-BASED DIESEL FUEL STUDY 83,000

This appropriation is from the future resources fund to the commissioner of agriculture, in cooperation with one or more commissioners of appropriate state agencies, for a pilot project to test the use of soy-based biodiesel fuel to operate fleet vehicles. The study must include an analysis of the environmental effects, operational characteristics, and obstacles to widen use of soy-based biodiesel.

Subd. 13. Environmental Education

(a) SCHOOL NATURE AREA PROJECT (SNAP) 250,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with St. Olaf College for the second biennium to accelerate partnerships between institutions of higher education and schools to develop school nature areas and

demonstrate methods of ecological enhancement for integration into school curriculum.

**(b) WATERSHED SCIENCE:
INTEGRATED RESEARCH AND
EDUCATION PROGRAM**

500,000

This appropriation is from the future resources fund to the Science Museum of Minnesota to establish a long-term monitoring program for the Valley Creek watershed, develop a public geographic information system laboratory, and watershed science education programs.

(c) MINNESOTA FROG WATCH

300,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the Center for Global Environmental Education, Hamline University, for the second biennium to accelerate the Minnesota frog watch environmental education and monitoring program for youth and families in formal and nonformal education settings. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

**(d) ENVIRONMENTAL SERVICE
LEARNING PROJECTS IN
MINNEAPOLIS SCHOOLS**

100,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Eco Education to provide training and minigrants for student service learning projects. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

**(e) PARTNERS IN ACCESSIBLE
RECREATION AND ENVIRONMENTAL
RESPONSIBILITY**

550,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with Wilderness Inquiry for the second biennium to provide a statewide program of environmental education, outdoor

recreation, and inclusion of people with disabilities and other minority groups.

(f) ENVIRONMENTAL SERVICE LEARNING 100,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with Stowe Environmental Elementary School to develop a partnership of schools, communities, and agencies for environmental service learning projects.

(g) STATE WOLF MANAGEMENT: ELECTRONICALLY MODERATING THE PUBLIC DISCUSSION 100,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the International Wolf Center to provide a public electronic forum and information on wolf management. This appropriation must be matched by at least \$20,000 of nonstate money.

(h) CATCH AND RELEASE 20,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Rainy Lake Sportfishing Club to accelerate its catch and release program. This appropriation must be matched by at least \$10,000 of nonstate contributions, either cash or in-kind.

(i) ELECTRONIC ENVIRONMENTAL EDUCATION RAPTOR NETWORK 222,000

This appropriation is from the trust fund to the University of Minnesota raptor center for the second biennium to implement an electronic environmental education network using satellite tracking with birds of prey. The raptor center must seek additional public and private partnerships.

(j) GREEN PRINT SUCCESS 136,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Ramsey county parks and recreation department for a cooperative project including environmental learning centers, counties, and school dis-

tricts to prepare, pilot, and disseminate information on successful implementation of the Minnesota green print plan for environmental education.

(k) ST. PAUL AND MINNEAPOLIS
REGIONAL PARK URBAN
INTERPRETATION PROGRAM 200,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the city of St. Paul, division of parks and recreation, for a program to increase utilization of St. Paul and Minneapolis regional parks for environmental education activities.

Subd. 14. Benchmarks and Indicators

(a) ENVIRONMENTAL INDICATORS
INITIATIVE—CONTINUATION 250,000

This appropriation is from the trust fund to the commissioner of natural resources for the second biennium of a three biennium project to create a statewide framework for selecting and monitoring environmental indicators to assess and communicate Minnesota's environmental health status and trends.

(b) MINNESOTA'S FOREST BIRD
DIVERSITY INITIATIVE:
CONTINUATION 350,000

This appropriation is from the trust fund to the commissioner of natural resources for the fourth biennium of a six-biennium project for a comprehensive monitoring and research program that develops management tools to maintain forest bird diversity. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) WATER QUALITY INDICATORS
OF ENDOCRINE DISRUPTING
CHEMICALS 250,000

This appropriation is from the trust fund to the pollution control agency to monitor and research the effects of endocrine disrupting chemicals in surface waters on fish and wildlife through analysis of biological effects.

(d) STREAM HABITAT PROTECTION:
CONTINUATION 225,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the stream flow protection program. This is the third 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. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(e) WETLAND ECOSYSTEMS
MONITORING 160,000

This appropriation is from the future resources fund to the University of Minnesota to monitor wetland restorations for their ecological success and develop a long-term monitoring database.

(f) LOONS: INDICATORS OF
MERCURY IN THE ENVIRONMENT 230,000

This appropriation is from the trust fund to the University of Minnesota to analyze loon exposure to mercury and its effects on loon health and reproduction in the wild.

(g) TRAINING AND RESEARCH
VESSEL FOR LAKE SUPERIOR 250,000

\$130,000 of this appropriation is from the trust fund and \$120,000 of this appropriation is from the Great Lakes protection account to the University of Minnesota-Duluth to purchase a vessel for training and research on Lake Superior. This appropriation must be matched by at least \$250,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

Subd. 15. Native Fisheries

(a) IMPROVED DECISIONS FOR
WALLEYE STOCKING AND SPECIAL
REGULATIONS 245,000

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

to evaluate outcomes of various stocking and harvest strategies through modeling and genetic marker tracking of the best performing strains to maximize benefits of walleye stocking and harvest regulations on individual lakes. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) MINNESOTA RARE MUSSEL CONSERVATION 91,000

This appropriation is from the trust fund to the University of Minnesota to establish and monitor refugia in the St. Croix River to improve freshwater mussel conservation.

Subd. 16. Land Acquisition in High Growth Areas

(a) SAND DUNES STATE FOREST ACQUISITION 400,000

This appropriation is from the trust fund to the commissioner of natural resources to acquire approximately 200 acres of lands within the Sand Dunes State Forest, according to the Cambridge area forest resource management plan.

(b) ARBORETUM LAND ACQUISITION 450,000

This appropriation is from the trust fund to the University of Minnesota for a grant to the University of Minnesota Landscape Arboretum Foundation for the second biennium for land acquisition to expand the boundary of the Minnesota Landscape Arboretum. This appropriation must be matched by at least \$450,000 of nonstate money.

Subd. 17. Critical Lands or Habitats

(a) SUSTAINABLE WOODLANDS ON PRIVATE LANDS 875,000

This appropriation is from the future resources fund to the commissioner of natural resources, in cooperation with the Minnesota Forestry Association, to develop stewardship plans for private landowners and implement natural resource projects by providing matching money to private landowners.

(b) CANNON RIVER WATERSHED:
INTEGRATED MANAGEMENT 350,000

This appropriation is from the future resources fund to the board of water and soil resources for an agreement with the Cannon River Watershed Partnership for the third biennium to implement activities in the Cannon River watershed through easements, matching grants, and technical assistance.

(c) PEATLAND RESTORATION 275,000

This appropriation is from the future resources fund to the University of Minnesota-Duluth, natural resources research institute, to promote reestablishment of diverse, sustainable peatland ecosystems on harvested peatland sites through accelerated development of cost effective, reliable peatland restoration techniques.

(d) PRAIRIE HERITAGE PROJECT 500,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with Pheasants Forever, Inc., to acquire and develop land for prairie grasslands and wetlands to be donated to the public. The land must be open and accessible to the public. This appropriation must be matched by at least \$500,000 of nonstate money. In addition to the required work program, parcels may not be acquired until parcel lists have been submitted to the legislative commission on Minnesota resources and the commission has approved the parcel list or allowed 60 days to pass.

(e) PHALEN AREA WETLAND
RESTORATION, PHASE II 600,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the city of St. Paul for design, pre- and post-construction monitoring, and construction of approximately nine acres of wetland.

(f) POINT DOUGLAS BLUFFLAND
ACQUISITION 125,000

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

resources for an agreement with the Carpenter St. Croix Valley Nature Center to purchase blufflands along the Mississippi and St. Croix riverways. The land must be open and accessible to the public. The nature center must provide that the property will revert to the state if the property ceases to be used as a nature center that is open and accessible to the public at no charge. This appropriation is available until June 30, 1999, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(g) MINNESOTA POINT PROTECTION 75,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Park Point Community Club for administrative and management expenses to secure the protection of the old growth stands and bird sanctuary at Minnesota Point in Duluth.

(h) SAVANNAH RESTORATION FOR SHARP-TAILED GROUSE 30,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Sharp-Tailed Grouse Society to identify and inventory restorable northern savannahs for sharp-tailed grouse habitat.

(i) RIM - CRITICAL HABITAT ACQUISITION AND ENHANCEMENT 630,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program activities authorized under Minnesota Statutes, section 84.943. Projects must occur in both urban and rural areas. Retroactive reimbursement for the greening the great river park project is authorized.

(j) RIM - WILDLIFE HABITAT STEWARDSHIP 400,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program to improve wildlife habitat and natural plant communities statewide on public lands, both

urban and rural, to protect and enhance wild-
life, native plant species, and ecological di-
versity.

**(k) SCIENTIFIC AND NATURAL AREA
ACQUISITION** 200,000

This appropriation is from the trust fund to
the commissioner of natural resources to ac-
celerate the acquisition of land for scientific
and natural areas under Minnesota Statutes,
section 84.033.

**(l) RIM – WILDLIFE HABITAT
ACQUISITION** 500,000

This appropriation is from the trust fund to
the commissioner of natural resources to ac-
celerate acquisition of North American wa-
terfowl management plan wetlands and
associated uplands on a cost-share basis and
wildlife habitat in areas of high population
growth.

**(m) RIM – ACCELERATE FISHERIES
ACQUISITION** 567,000

This appropriation is from the trust fund to
the commissioner of natural resources to ac-
celerate the reinvest in Minnesota program
to acquire land adjacent to lakes and streams
to provide for angler and management access
or protection of critical riparian habitat, in-
cluding access for nonboat owners and urban
users. This appropriation is available until
June 30, 2000, at which time the project must
be completed and final products delivered,
unless an earlier date is specified in the work
program.

**(n) MINNESOTA COUNTY
BIOLOGICAL SURVEY
– CONTINUATION** 1,200,000

This appropriation is from the trust fund to
the commissioner of natural resources for the
sixth biennium of a proposed 12-biennium
project to accelerate the county biological
survey for the systematic collection, inter-
pretation, and distribution of data on the
ecology of rare plants, animals, and natural
communities.

(o) FISHING PIER AND PUBLIC SHORE ACCESS 355,000

This appropriation is from the trust fund to the commissioner of natural resources to provide increased access to lakes and rivers statewide through the provision of fishing piers and shoreline access.

(p) PUBLIC BOAT ACCESS 350,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate public water access acquisition and development statewide.

(q) FISHERIES STATEWIDE HATCHERY REHABILITATION 400,000

This appropriation is from the trust fund to the commissioner of natural resources to accelerate the reinvest in Minnesota program to implement projects to maintain and improve statewide fish culture facilities. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

Subd. 18. Wildlife or Trail Corridors

(a) MESABI TRAIL LAND ACQUISITION AND DEVELOPMENT 600,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the St. Louis and Lake Counties Regional Rail Authority for the third biennium to develop and acquire segments of the Mesabi trail. This appropriation must be matched by at least \$600,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) CHIPPEWA COUNTY REGIONAL TRAIL 400,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the city of Montevideo for the second biennium to complete the construction of the Chippewa county trail system in Montevideo. This ap-

propriation must be matched by at least \$226,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

Subd. 19. Native Species Planting

(a) MINNESOTA RELEAF TREE
PLANTING AND PRESERVATION
GRANT PROGRAM

300,000

This appropriation is from the future resources fund to the commissioner of natural resources for the third biennium for matching grants to local communities to plant predominantly native trees and protect native oak forests from oak wilt.

(b) RESTORING WHITE PINE IN THE
MINNESOTA LANDSCAPE

120,000

This appropriation is from the trust fund to the University of Minnesota to investigate factors currently limiting establishment of white pine seedlings in various forest cover types. Management recommendations for natural regeneration, seeding, and planting must be developed.

(c) OAK SAVANNAH RESTORATION IN
ST. PAUL REGIONAL PARKS

200,000

This appropriation is from the trust fund to the commissioner of natural resources for an agreement with the city of St. Paul, division of parks and recreation, to restore oak savannah ecosystems in regional parks.

(d) PRAIRIE AND OAK SAVANNAH
RESTORATION

50,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with the St. Paul Audubon Society to restore natural areas of sites in at least two parks that have residual prairie and oak savannah areas.

Subd. 20. Exotic Species

(a) BALLAST WATER TECHNOLOGY
DEMONSTRATION FOR EXOTIC
SPECIES CONTROL

250,000

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

resources for a demonstration project in cooperation with the Duluth Port Authority to test, evaluate, and refine techniques for preventing the introduction and dispersal of exotic species from ballast water into Lake Superior.

**(b) BIOLOGICAL CONTROL OF
EURASIAN WATER MILFOIL AND
PURPLE LOOSESTRIFE
– CONTINUATION**

150,000

This appropriation is from the trust fund to the commissioner of natural resources for the third biennium of a five-biennium project to develop biological controls for Eurasian water milfoil and purple loosestrife. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

**(c) CONTROL OF WEEDS IN NATIVE
WILD RICE**

100,000

This appropriation is from the future resources fund to the commissioner of natural resources for an agreement with Bois Forte Reservation for a Nett Lake biocontrol study to remove exotic and nuisance weeds from a wild rice lake. Any release of organisms must be in compliance with state and federal permits. This appropriation must be matched by at least \$100,000 of nonstate money. This appropriation is available until June 30, 2000, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

Subd. 21. Data Availability Requirements

(a) During the biennium ending June 30, 1999, 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 and government information access council. These data must be made accessible and free to the public unless made private under the Data Practices Act.

(b) As part of their project expenditures, recipients of land acquisition appropriations must provide the information necessary to update public recreation information maps and other appropriate media to the department of natural resources in the specified form.

Subd. 22. 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. 23. Match Requirements

Unless specifically authorized, appropriations in this section that must be matched and for which the match has not been committed by January 1, 1998, are canceled, and in-kind contributions may not be counted as match.

Subd. 24. Payment Conditions and Capital Equipment Expenditures

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis. Notwithstanding Minnesota Statutes, section 16A.41, expenditures made on or after July 1, 1997, or the date the work program is approved, whichever is later, are eligible for reimbursement. Payment must be made upon receiving documentation that project-eligible 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. 25. 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, re-

quiring 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. 26. Carryforward

(a) The availability of the appropriations for the following projects is extended to June 30, 1998: Laws 1996, chapter 407, section 8, subdivision 3, paragraph (c), local grants; Laws 1995, chapter 220, section 19, subdivision 4, paragraph (e), local grants, paragraph (l), Wildcat Regional Park; subdivision 5, paragraph (d), blufflands landscape, paragraph (f), atmospheric mercury emissions, deposition and environmental cost evaluation, paragraph (i), water quality impacts of feedlot pollution control systems, and paragraph (r), developing, evaluating, and promoting sustainable farming systems; subdivision 6, paragraph (b), environmental education teacher training, paragraph (g), electronic environmental education network; and paragraph (r), as amended by Laws 1996, chapter 407, section 51, Ney environmental center and paragraph (s), Lawn-dale Environmental Center; subdivision 7, paragraph (f), completion of statewide land use update, paragraph (g), Fillmore county soil survey update, paragraph (j), microbial deterioration of asphalt materials and prevention, and paragraph (k), analysis of lands enrolled in conservation reserve program; subdivision 8, paragraph (a), urban wildlife habitat program; paragraph (e), Phalen wetland restoration; subdivision 11, paragraph (e), energy improvements in public ice arenas.

(b) The availability of the appropriation for the following projects is extended to June 30, 1999: Laws 1995, chapter 220, section 19, subdivision 4, paragraph (a), metropolitan regional park system; paragraph (g), clause (1), as amended by Laws 1996, chapter 407, section 50, local share for ISTE federal projects and subdivision 12, paragraph (a), restore historic Mississippi river mill site; Laws 1994, chapter 632, article 2, section 6,

Silver Bay harbor; and Laws 1993, chapter 172, section 14, subdivision 10, paragraph (o), Lake Superior safe harbors—continuation.

Subd. 27. 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 commissioner 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. 16. 1997 DEFICIENCIES;
DEPARTMENT OF NATURAL
RESOURCES**

\$500,000 in fiscal year 1997 is for a binding arbitration award related to the removal of the Flandrau Dam.

\$600,000 is for snowmobile grants-in-aid from the snowmobile trails and enforcement account for fiscal year 1997, to be available until June 30, 1997.

**Sec. 17. ETHANOL DEVELOPMENT
FUND TRANSFER**

As cash flow in the ethanol development fund under Minnesota Statutes, section 41B.044, permits, but no later than June 30, 1999, the commissioner of finance, in consultation with the commissioner of agriculture, shall transfer \$820,000 from the unencumbered balance in the fund to the general fund.

Sec. 18. Minnesota Statutes 1996, section 17.03, is amended by adding a subdivision to read:

Subd. 12. CONTRACTS; APPROPRIATION. The commissioner may accept money as part of a contract with any public or private entity to provide statutorily prescribed services by the department. A contract must specify the services to be provided

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by the department and the amount and method of reimbursement. Money generated in a contractual agreement under this section must be deposited in a special revenue fund and is appropriated to the department for purposes of providing services specified in the contracts. Contracts under this section must be processed in accordance with section 16B.06. The commissioner must report revenues collected and expenditures made under this section to the chairs of the environment and natural resources finance committee in the house of representatives and the environment and agriculture budget division in the senate by January 15 of each odd-numbered year.

Sec. 19. Minnesota Statutes 1996, section 17.101, is amended to read:

17.101 PROMOTIONAL ACTIVITIES.

Subdivision 1. **DEPARTMENTAL DUTIES.** For the purposes of expanding, improving, and developing ~~the markets for production and marketing of~~ products of Minnesota agriculture, the commissioner shall encourage and promote the production and marketing of these products by means of:

- (a) advertising Minnesota agricultural products;
- (b) assisting state agricultural commodity organizations;
- (c) developing methods to increase processing and marketing of agricultural commodities including commodities not being produced in Minnesota on a commercial scale, but which may have economic potential in national and international markets;
- (d) investigating and identifying new marketing technology and methods to enhance the competitive position of Minnesota agricultural products;
- (e) evaluating livestock marketing opportunities;
- (f) assessing and developing national and international markets for Minnesota agricultural products;
- (g) studying the conversion of raw agricultural products to manufactured products including ethanol;
- (h) hosting the visits of foreign trade teams to Minnesota and defraying the teams' expenses;
- (i) assisting Minnesota agricultural businesses desiring to sell their products; and
- (j) conducting research to eliminate or reduce specific production or technological barriers to market development and trade; and
- (k) other activities the commissioner deems appropriate to promote Minnesota agricultural products, provided that the activities do not duplicate programs or services provided by the Minnesota trade division or the Minnesota world trade center corporation.

Subd. 2. **AGRICULTURAL DEVELOPMENT GRANTS AND CONTRACTS.** In order to carry out the duties in subdivision 1, the commissioner, in addition to whatever other resources the department may commit, shall make grants and enter into contracts to fulfill the obligations of subdivision 1. The commissioner may enter into partnerships or seek gifts to carry out subdivision 1. The commissioner may contract with, among others, agricultural commodity organizations, the University of Minnesota, and agriculture related businesses to fulfill the duties. The commissioner shall make permanent rules for the administration of these grants and contracts. The rules shall specify at a minimum:

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

- (a) eligibility criteria;
- (b) application procedures;
- (c) provisions for application review and project approval;
- (d) provisions for program monitoring and review for all approved grants and contracts; and
- (e) other provisions the commissioner finds necessary.

Contracts entered into by the commissioner pursuant to this subdivision shall not exceed 75 percent of the cost of the project supported by the commissioner's grant. In any biennium, no organization shall receive more than \$70,000 in grants from the commissioner.

Subd. 3. **AUDITS.** The books, records, documents, and accounting procedures and practices of any organization receiving a grant or contract from the commissioner under the provisions of subdivision 2 shall be subject to examination by the department. The commissioner may prescribe uniform methods of accounting to be used by grant or contract recipients.

Subd. 4. **ADVISORY GROUP.** The commissioner may establish an ad hoc advisory group to assist in evaluating grant requests made pursuant to under subdivision 2.

Subd. 5. **VALUE-ADDED AGRICULTURAL LIVESTOCK PROCESSING AND MARKETING GRANT PROGRAM.** (a) For purposes of this section, "livestock or dairy 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 agricultural livestock or dairy commodities produced.

(b) The commissioner shall establish and implement a value-added agricultural livestock and dairy processing and marketing grant program to help farmers finance new cooperatives that organize for the purposes of operating livestock and dairy processing facilities and for marketing activities related to the sale and distribution of processed livestock and dairy products.

(c) To be eligible for this program a grantee must:

- (1) be a cooperative organized under chapter 308A;
- (2) certify that all of the control and equity in the cooperative is from farmers as defined in section 500.24, subdivision 2, who are actively engaged in livestock or dairy production;
- (3) be operated primarily for the processing of livestock or dairy produced in Minnesota;
- (4) receive livestock or dairy produced primarily by shareholders or members of the cooperative; and
- (5) have no direct or indirect involvement in the production of livestock and dairy.

(d) The commissioner may receive applications from and make grants up to \$50,000 for feasibility, marketing analysis, and predesign of facilities to eligible cooperatives. The commissioner shall give priority to applicants who use the grants for planning costs related to an application for financial assistance from the United States Department of Agriculture, Rural Business - Cooperative Service.

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

Sec. 20. [17.110] BEAVER DAMAGE CONTROL GRANTS.

Subdivision 1. ESTABLISHMENT. The commissioner of agriculture shall establish a beaver damage control grant program to provide grants for the control of beaver activities causing damage to public waters, roads, and ditches and adjacent private property. The grants may only be made to a joint powers board established under section 471.59 by two or more governmental units and may include Indian tribal governments.

Subd. 2. GRANT AMOUNT. The commissioner may provide up to 50 percent of the costs of implementing a beaver damage control program by a joint powers board.

Subd. 3. AWARDING OF GRANTS. Applications for grants must be made to the commissioner on forms prescribed by the commissioner. The commissioner shall consult with town supervisors and county commissioners representing different areas of the state in developing the application form. A joint powers board seeking a grant may be required to supply information on the beaver control program it has adopted, the extent of the problem in the geographic area covered by the joint powers agreement, and the ability of the joint powers board to match the state grant. The commissioner may prioritize the grant applications based upon the information requested as part of the grant application.

Subd. 4. REPORT. (a) Within one year after receiving a grant under this section, a joint powers board must report to the commissioner on the board's efforts to control beaver in the area.

(b) The commissioner shall report to the senate and house environment and natural resources committees on the efforts under this section to control beaver by December 15 of each even-numbered year.

Sec. 21. Minnesota Statutes 1996, section 17.116, subdivision 2, is amended to read:

Subd. 2. ELIGIBILITY. (a) Grants may only be made to farmers, educational institutions, individuals at educational institutions, or nonprofit organizations residing or located in the state for demonstrations on farms in the state.

(b) Grants may only be made for projects that show:

- (1) the ability to maximize direct or indirect energy savings or production;
- (2) a positive effect or reduced adverse effect on the environment; and
- (3) profitability for the individual farm.

Sec. 22. Minnesota Statutes 1996, section 17.116, subdivision 3, is amended to read:

Subd. 3. AWARDING OF GRANTS. (a) Applications for grants must be made to the commissioner on forms prescribed by the commissioner.

(b) The applications must be reviewed, ranked, and recommended by a technical review panel appointed by the commissioner. The technical review panel shall consist of a soil scientist, an agronomist, a representative from a post-secondary educational institution, two resident farmers of the state using sustainable agriculture methods, and a chair from the department.

(c) The technical review panel shall rank applications according to the following criteria:

- (1) direct or indirect energy savings or production;
- (2) environmental benefit;

New language is indicated by underline, deletions by strikeout.

- (3) farm profitability;
- (4) the number of farms able to apply the techniques or the technology proposed;
- (5) the effectiveness of the project as a demonstration;
- (6) the immediate transferability of the project to farms; and
- (7) the ability of the project to accomplish its goals.

(d) The commissioner shall consider the recommendations of the technical review panel and may award grants for eligible projects. Priority must be given to applicants who are farmers or groups of farmers.

(e) Grants for eligible projects may not exceed \$25,000 unless the portion above \$25,000 is matched on an equal basis by the applicant's cash or in-kind land use contribution. Grant funding of projects may not exceed \$50,000 under this section, but applicants may utilize other funding sources. A portion of each grant must be targeted for public information activities of the project.

(f) A project may continue for up to three years. Multiyear projects must be reevaluated by the technical review panel and the commissioner before second or third year funding is approved. A project is limited to one grant for its funding.

~~(g) Only one grant under this section may be made per grantee.~~

Sec. 23. **[17.458] AGROFORESTRY.**

Subdivision 1. DEFINITION. "Agroforestry" means the cultivation of short-rotation woody crops using agricultural practices to produce timber or forest products.

Subd. 2. AGRICULTURAL PURSUIT. Agroforestry is an agricultural pursuit.

Sec. 24. Minnesota Statutes 1996, section 17.4988, is amended to read:

17.4988 **LICENSE AND INSPECTION FEES.**

Subdivision 1. REQUIREMENTS FOR ISSUANCE. A permit or license must be issued by the commissioner if the requirements of law are met and the license and permit fees specified in this section are paid.

Subd. 2. AQUATIC FARMING LICENSE. (a) The annual fee for an aquatic farming license is \$275.

(b) The aquatic farming license may contain endorsements for the rights and privileges of the following licenses under the game and fish laws. The endorsement must be made upon payment of the license fee prescribed in section 97A.475 for the following licenses:

- (1) minnow dealer license;
- (2) minnow retailer license for sale of minnows as bait;
- (3) minnow exporting license;
- (4) ~~minnow dealer helper license;~~
- (5) aquatic farm vehicle endorsement, which includes a minnow dealer vehicle license, a minnow retailer vehicle license, an exporting minnow hauler vehicle license, and a fish vendor vehicle license;
- (6) (5) sucker egg taking license; and

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

(7) (6) game fish packers license.

Subd. 3. **INSPECTION FEES.** The fees for the following inspections are:

- (1) initial inspection of each water to be licensed, \$50;
- (2) fish health inspection and certification, \$20 plus ~~\$80~~ \$100 per lot thereafter; and
- (3) initial inspection for containment and quarantine facility inspections, \$50.

Subd. 4. **AQUARIUM FACILITY.** (a) A person operating a commercial aquarium facility must have a commercial aquarium facility license issued by the commissioner if the facility contains species of aquatic life that are for sale and that are present in waters of the state. The commissioner may require an aquarium facility license for aquarium facilities importing or holding species of aquatic life that are for sale and that are not present in Minnesota if those species can survive in waters of the state. The fee for an aquarium facility license is ~~\$15~~ \$19.

(b) Game fish transferred by an aquarium facility must be accompanied by a receipt containing the information required on a shipping document by section 17.4985, subdivision 3, paragraph (b).

Sec. 25. Minnesota Statutes 1996, section 17.76, is amended to read:

17.76 MINNESOTA DAIRY PRODUCERS BOARD.

Subdivision 1. **ESTABLISHMENT; COMPOSITION; OFFICERS.** (a) The Minnesota dairy producers board consists of ~~17~~ 18 members. Fourteen of the members must be eligible family dairy producers. ~~Three~~ Four of the members must represent food consumer groups. For purposes of this section, "eligible family dairy producer" means a natural person who daily manages and operates a dairy farm owned by the person. "Eligible family dairy producer" does not include a person who is currently an employee of or a member of the board of directors of an organization involved in milk processing or dairy marketing.

(b) The board shall elect from among its members a chair and other appropriate officers.

Subd. 2. **APPOINTMENT; TERMS; COMPENSATION.** (a) Two members of the board shall be appointed by each of seven organizations representing agriculture in Minnesota. The organizations are:

- Minnesota Farmers Union;
- National Farmers Organization;
- Farmers Union Milk Marketing Cooperative;
- Minnesota Milk Producers;
- Sustainable Farming Association of Minnesota;
- Minnesota Farm Bureau; and
- Minnesota COACT.

~~One member~~ Two members of the board shall be appointed by each of ~~three~~ two organizations representing consumers in Minnesota. The organizations are:

- Minnesota Food Association; and
- Minnesota Senior Federation; and

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

Minnesota COACT.

To the extent practicable, the members must be selected to represent the broad diversity of Minnesota's dairy producers.

(b) The terms and compensation of members and reimbursement for their expenses is governed by section 15.059.

(c) The board expires on June 30, 2001.

Subd. 3. **DUTIES.** (a) The board shall may monitor economic aspects of the dairy production, processing, and marketing process including:

- (1) the movement of milk by processors;
- (2) price setting at the Green Bay, Wisconsin, National Cheese Exchange in Chicago;
- (3) processor pricing schemes methods;
- (4) producer checkoffs and the use of checkoff funds;
- (5) federal and state pricing policy; and
- (6) other activities that affect the farm gate price of raw milk.

(b) The board shall may regularly educate producers, processors, consumers, and policymakers about the reasons for inadequate raw milk prices.

(c) The board shall may conduct quarterly surveys of dairy producers to identify problems created by milk prices that do not provide a fair return on the investment of producers. The board ~~must~~ may compile the information from these surveys and recommend solutions to producers.

(d) The board shall may determine dairy production costs in each county through periodic surveys and from local organizations of producers.

(e) The board shall serve as an advocate for dairy producers in assuring that members of cooperatives are awarded protections similar to the rights of members of cooperative electric associations under section 216B.027.

Sec. 26. [17.861] REPLACEMENT OF MERCURY MANOMETERS.

The commissioner, in cooperation with the pollution control agency, the office of environmental assistance, dairy equipment manufacturers and suppliers, and other interested parties, shall develop a program to provide replacement nonmercury manometers for a \$50 fee and to arrange for the acceptance, disposal, and recycling of the mercury, apparatus, and manometers at no cost to the dairy farmer. The mercury, manometers, and apparatus shall be managed in accordance with sections 115A.932 and 116.92.

Sec. 27. Minnesota Statutes 1996, section 18.79, is amended by adding a subdivision to read:

Subd. 12. **NOXIOUS-WEED-FREE FORAGE AND MULCH CERTIFICATION AGENCY.** The official certification agency for noxious-weed-free forage and mulch shall be determined by the commissioner of agriculture in consultation with the director of the Minnesota agricultural experiment station.

New language is indicated by underline, deletions by strikeout.

Sec. 28. Minnesota Statutes 1996, section 18C.421, subdivision 1, is amended to read:

Subdivision 1. **SEMIANNUAL STATEMENT.** (a) Each licensed distributor of fertilizer and each registrant of a specialty fertilizer, soil amendment, or plant amendment must file a semiannual statement for the periods ending December 31 and June 30 with the commissioner on forms furnished by the commissioner stating the number of net tons and grade of each raw fertilizer material distributed or the number of net tons of each brand or grade of fertilizer, soil amendment, or plant amendment distributed in this state during the reporting period.

(b) A report from a licensee who sells to an ultimate consumer must be accompanied by records or invoice copies indicating the name of the distributor who paid the inspection fee, the net tons received, and the grade or brand name of the products received.

(c) The report is due on or before the last day of the month following the close of each reporting period of each calendar year.

(d) The inspection fee at the rate stated in section 18C.425, subdivision 6, must accompany the statement.

Sec. 29. Minnesota Statutes 1996, section 18C.425, subdivision 1, is amended to read:

Subdivision 1. **APPLICATION FEES FERTILIZER LICENSE.** (a) An application for ~~other licenses~~ a license for each fixed location to be covered by the license within the state must be accompanied by a nonrefundable application fee of \$100 fee.

(b) An application for a license for all fixed locations of a firm outside of the state must be accompanied by a nonrefundable application fee of \$100.

(c) An application for a license to cover mobile mechanical units must be accompanied by a nonrefundable application fee of \$100 for the first unit operated by one distributor and \$50 for each additional mobile mechanical unit.

Sec. 30. Minnesota Statutes 1996, section 18C.425, subdivision 2, is amended to read:

Subd. 2. **SPECIALTY FERTILIZER REGISTRATION.** An application for registration of a specialty fertilizer must be accompanied by a registration nonrefundable application fee of \$100 for each brand and grade to be sold or distributed as provided in section 18C.411.

Sec. 31. Minnesota Statutes 1996, section 18C.425, subdivision 3, is amended to read:

Subd. 3. **SOIL AMENDMENT AND PLANT AMENDMENT REGISTRATION.** An application for registration of a soil amendment or plant amendment must be accompanied by a registration nonrefundable application fee of \$200 for each brand sold or distributed as provided in section 18C.411.

Sec. 32. Minnesota Statutes 1996, section 18C.425, subdivision 6, is amended to read:

Subd. 6. **INSPECTION FEES.** A The person who sells or distributes responsible for payment of the inspection fees for fertilizers, soil amendments, or plant amendments

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sold and used in this state must pay an inspection fee amounting to the greater of 15 cents per ton of fertilizer, soil amendment, and plant amendment sold or distributed in this state or, with a minimum of \$10 on all tonnage reports. Products sold or distributed to manufacturers or exchanged between them are exempt from the inspection fee imposed by this subdivision if the products are used exclusively for manufacturing purposes.

Sec. 33. Minnesota Statutes 1996, section 18C.531, subdivision 2, is amended to read:

Subd. 2. **AGRICULTURAL LIMING MATERIALS.** "Agricultural liming materials" means materials whose calcium or magnesium compounds, or both, account for an ENP of ~~30~~ 20 percent or more and includes, but is not limited to, burnt lime, hydrated lime, industrial by-product, limestone, and marl.

Sec. 34. Minnesota Statutes 1996, section 18C.551, is amended to read:

18C.551 LICENSE APPLICATION, SAMPLING, AND INSPECTION FEES.

Subdivision 1. **APPLICATION FEE AGRICULTURAL LIMING MATERIALS LICENSE.** An application for a license must be accompanied by a nonrefundable license application fee of \$150. This fee shall does not apply to occasional sales of 50 tons or less on an annual basis.

Subd. 2. **ADDITIONAL FEE AFTER JANUARY 1 FOR LATE APPLICATION.** If an application for license renewal is not filed before January 1, an additional nonrefundable application fee of 50 percent of the amount due may be assessed before the renewal license is issued.

Subd. 2a. **FEE FOR PRODUCT USE WITHOUT INITIAL LICENSE.** An applicant shall pay an additional application fee equal to the amount due for each license required if the applicant has distributed or used products in this state before the commissioner has issued an initial license for the products distributed or used.

Subd. 3. **INSPECTION FEES.** A person shall pay an inspection fee, at the rate of five cents per ton, ~~must be paid to the commissioner for all agricultural liming material offered for sale or sold in this state with a minimum of \$10 on all tonnage reports.~~ If more than one person is involved in the distribution of agricultural liming material, the person who first sells or imports the agricultural liming material is responsible for the inspection fee. A person licensed under section 18C.541 must retain invoices showing proof of inspection fees paid.

Subd. 4. **SAMPLE AND ANALYSIS FEE.** The commissioner may sample agricultural liming material from a source of production to the extent the commissioner considers necessary to implement sections 18C.531 to 18C.575. The commissioner shall charge a sampling fee of \$40 must be assessed for each sample collected. If the sample and analysis fee is not paid before 60 days after billing, the commissioner shall assess an additional nonrefundable late payment fee of 50 percent of the total sample and analysis fee due.

Subd. 5. **DEPOSIT OF FEES.** Fees and penalties collected under sections 18C.531 to 18C.575 must be deposited in the general fund.

Sec. 35. Minnesota Statutes 1996, section 25.31, is amended to read:

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

25.31 CITATION, COMMERCIAL FEED LAW.

Sections 25.31 to ~~25.44~~ 25.43 are known and may be cited as the Minnesota Commercial Feed Law.

Sec. 36. Minnesota Statutes 1996, section 25.32, is amended to read:

25.32 ENFORCING OFFICIAL.

Sections 25.31 to ~~25.44~~ 25.43 shall be administered by the commissioner of the department of agriculture, hereinafter referred to as the "commissioner".

Sec. 37. Minnesota Statutes 1996, section 25.33, subdivision 1, is amended to read:

Subdivision 1. **SCOPE.** When used in sections 25.31 to ~~25.44~~ 25.43, the terms defined in this section have the meanings given them.

Sec. 38. Minnesota Statutes 1996, section 25.33, subdivision 5, is amended to read:

Subd. 5. **COMMERCIAL FEED.** "Commercial feed" means all materials ~~except or combinations of materials that are distributed or intended to be distributed for use as feed or for mixing in feed, including feed for aquatic animals, unless the materials are specifically exempted.~~ Unmixed seed, whole or processed, when seeds and physically altered entire unmixed seeds, if the whole or physically altered seeds are not chemically changed or are not adulterated within the meaning of section 25.37, paragraphs paragraph (a), (b), (c), or (d) which are distributed for use as feed or for mixing in feed, including feed for aquatic animals are exempt. The commissioner by rule may exempt from this definition, or from specific provisions of sections 25.31 to ~~25.44~~ 25.43, commodities such as hay, straw, stover, silage, cobs, husks, hulls, and individual chemical compounds or substances when such if those commodities, compounds, or substances are not intermixed with other materials, and are not adulterated within the meaning of section 25.37, ~~paragraphs~~ paragraph (a), (b), (c), or (d).

Sec. 39. Minnesota Statutes 1996, section 25.33, subdivision 6, is amended to read:

Subd. 6. **FEED INGREDIENT.** "Feed ingredient" means each of the constituent materials making up a commercial feed ~~or pet feed.~~

Sec. 40. Minnesota Statutes 1996, section 25.33, subdivision 9, is amended to read:

Subd. 9. **CUSTOMER FORMULA FEED.** "Customer formula feed" means commercial feed which consists of a mixture of commercial feeds or feed ingredients or both, each batch of which is manufactured according to the specific instructions of the final purchaser.

Sec. 41. Minnesota Statutes 1996, section 25.33, subdivision 20, is amended to read:

Subd. 20. **PET.** "Pet" means ~~any a~~ domesticated animal dog or cat normally maintained in or near the household of the its owner thereof.

Sec. 42. Minnesota Statutes 1996, section 25.33, is amended by adding a subdivision to read:

Subd. 21. **COMMISSIONER.** "Commissioner" means the commissioner of agriculture or a designated representative.

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

Sec. 43. Minnesota Statutes 1996, section 25.33, is amended by adding a subdivision to read:

Subd. 22. **SPECIALTY PET.** "Specialty pet" means a domesticated animal normally maintained in a cage or tank, including, but not limited to, a gerbil, hamster, canary, psittacine bird, mynah, finch, tropical fish, goldfish, snake, or turtle. "Specialty pet" does not include a dog, cat, horse, rabbit, or wild bird.

Sec. 44. Minnesota Statutes 1996, section 25.33, is amended by adding a subdivision to read:

Subd. 23. **SPECIALTY PET FOOD.** "Specialty pet food" means commercial feed prepared and distributed for consumption by specialty pets.

Sec. 45. Minnesota Statutes 1996, section 25.33, is amended by adding a subdivision to read:

Subd. 24. **QUANTITY STATEMENT.** "Quantity statement" means a statement of the net weight (mass), net volume (liquid or dry), count, or other form of measurement.

Sec. 46. **[25.341] LICENSING.**

Subdivision 1. **REQUIREMENT.** Before a person may: (1) manufacture a commercial feed in the state; (2) distribute a commercial feed in or into the state; or (3) have the person's name appear on the label of a commercial feed as guarantor, the person must have a commercial feed license for each manufacturing or distributing facility. A person who makes only retail sales of commercial feed bearing labeling or another approved indication that the commercial feed is from a licensed manufacturer, guarantor, or distributor who has assumed full responsibility for the tonnage inspection fee due under sections 25.31 to 25.43 is not required to obtain a license.

Subd. 2. **APPLICATION; FEE; TERM.** A person who is required to have a commercial feed license shall submit an application on a form provided or approved by the commissioner accompanied by a license fee of \$25 paid to the commissioner for each facility. The license year is the calendar year. A license expires on December 31 of the year for which it is issued, except that a license is valid through January 31 of the next year or until the issuance of the renewal license, whichever comes first, if the licensee has filed a renewal application with the commissioner on or before December 31 of the year for which the current license was issued. A new applicant who fails to obtain a license within 15 working days of notification of the requirement to obtain a license, or a licensee who fails to comply with license renewal requirements, shall pay a \$50 late fee in addition to the license fee. The commissioner may issue a withdrawal from distribution order on any commercial feed that an unlicensed person produces or distributes in the state until a license is issued.

Subd. 3. **COPIES OF LABELS.** The commissioner may request from a licensee copies of labels and labeling in order to determine compliance with sections 25.31 to 25.43.

Subd. 4. **DENIAL; REVOCATION; SUSPENSION; LIMITS.** The commissioner may deny a license to a person or suspend or revoke the license of a person who is not in compliance with sections 25.31 to 25.43. The commissioner may impose conditions that limit production or distribution of a particular commercial feed on the license of

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a person who is not in compliance with sections 25.31 to 25.43. A license may not be made conditional, suspended, refused, or revoked unless the applicant or licensee has been given an opportunity to be heard before the commissioner in order to comply with the requirements of sections 25.31 to 25.43.

Sec. 47. Minnesota Statutes 1996, section 25.35, is amended to read:

25.35 LABELING.

A commercial feed shall be labeled as follows:

(a) In case of A commercial feed, except a customer formula feed, it shall must be accompanied by a label bearing the following information:

(1) ~~The net weight.~~

~~(2) the product name and the brand name, if any, under which the commercial feed is distributed;~~

~~(3) (2) the guaranteed analysis, stated in such terms as the commissioner requires by rule determines is required, to advise the user of the composition of the feed or to support claims made in the labeling. In all cases The substances or elements must be determinable by laboratory methods such as the methods published by the Association of Official Analytical Chemists. AOAC International or other generally recognized methods;~~

~~(4) (3) the common or usual name of each ingredient used in the manufacture of the commercial feed. The commissioner may by rule permit the use of a collective term for a group of ingredients which perform a similar function, or may exempt such commercial feeds, or any group thereof, of commercial feeds from this requirement of an ingredient statement on finding that such an ingredient statement is not required in the interest of consumers;~~

~~(5) (4) the name and principal mailing address of the manufacturer or the person responsible for distributing the commercial feed;~~

~~(6) (5) adequate directions for use for all commercial feeds containing drugs and for such other feeds as the commissioner may require by rule as necessary for their safe and effective use;~~

~~(7) Such (6) precautionary statements as which the commissioner determines by rule determines are necessary for the safe and effective use of the commercial feed; and~~

(7) a quantity statement.

(b) In the case of A customer formula feed, it shall must be accompanied by a label, invoice, delivery slip, or other shipping document, bearing the following information:

(1) name and address of the manufacturer;

(2) name and address of the purchaser;

(3) date of delivery;

(4) the product name and brand name, if any, and either ~~(1) (i) the net weight quantity of each registered commercial feed used in the mixture, and the net weight of each other ingredient used in the mixture, or~~ (2) (ii) a guaranteed analysis and list of ingredients in paragraph (A), (3) and (4). (a), clauses (2) and (3);

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(5) adequate directions for use for all customer formula feeds containing drugs and for such other feeds as the commissioner ~~may require~~ requires by rule as necessary for their safe and effective use;

(6) ~~Such~~ precautionary statements as the commissioner determines by rule determines are necessary for the safe and effective use of the customer formula feed;

(7) if a product containing a drug is used:

(i) the purpose of the medication (claim statement); and

(ii) the established name of each active drug ingredient and the level of each drug used in the final mixture expressed in a manner required by the commissioner by rule; and

(8) for a customer formula feed for which the formula is developed by someone other than the manufacturer, a disclaimer may be included on the label stating "THIS FEED IS A CUSTOMER FORMULA FEED DEVELOPED BY SOMEONE OTHER THAN THE MANUFACTURER. THE MANUFACTURER DOES NOT CLAIM, REPRESENT, WARRANT, OR GUARANTEE, AND IS NOT RESPONSIBLE FOR THE NUTRITIONAL ADEQUACY OF THIS FEED OR THE NUTRITIONAL SUITABILITY OF THIS FEED FOR ITS INTENDED PURPOSE."

(c) The manufacturer of a customer formula feed the formula of which is developed by someone other than the manufacturer is not responsible or liable for the nutritional adequacy or the nutritional suitability of the feed for its intended purpose if: (1) the manufacturer does not make a claim of nutritional adequacy for the customer formula feed and does not make a claim for nutritional suitability of the feed for its intended purpose; and (2) the manufacturer includes the disclaimer in paragraph (b), clause (8). A person other than the manufacturer who develops or recommends a formula for a customer formula feed is responsible for providing to the manufacturer of the feed the appropriate labeling information and for providing the appropriate use information to the feed manufacturer.

Sec. 48. Minnesota Statutes 1996, section 25.36, is amended to read:

25.36 MISBRANDING.

A commercial feed shall be deemed to be is misbranded if:

(a) If (1) its labeling is false or misleading in any particular;

(b) If (2) it is distributed under the name of another commercial feed;

(c) If (3) it is not labeled as required in section 25.35;

(d) If (4) it purports to be or is represented as a commercial feed, or if it purports to contain or is represented as containing a commercial feed ingredient unless such that commercial feed or feed ingredient conforms to the definition, if any, prescribed by rule by the commissioner;

(e) If (5) any word, statement, or other information required by or under authority of sections 25.31 to 25.44 25.43 to appear on the label or labeling is not prominently placed thereon on it with such conspicuousness as compared with other words, statements, designs, or devices in the labeling, and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;
or

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(6) its labeling would deceive or mislead the purchaser with respect to its composition or suitability.

Sec. 49. Minnesota Statutes 1996, section 25.37, is amended to read:

25.37 ADULTERATION.

(a) A commercial feed shall be deemed to be or a material exempted from the definition of commercial feed under section 25.33, subdivision 5, is adulterated if:

(a) If (1) it bears or contains any a poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, such the commercial feed shall is not be considered adulterated under this section if the quantity of such the substance in such the commercial feed does not ordinarily render it injurious to health; or

(b) If (2) it bears or contains any an added poisonous, added deleterious, or added nonnutritive substance which is unsafe within the meaning of section 406 of the federal Food, Drug, and Cosmetic Act, other than the one which is a pesticide chemical in or on a raw agricultural commodity, or a food additive; or

(c) If (3) it is, unsafe or it bears or contains any food additive which is unsafe within the meaning of section 409 of the federal Food, Drug, and Cosmetic Act; or

(d) If (4) it is a raw agricultural commodity and it bears or contains a pesticide chemical which is unsafe within the meaning of section 408(a) of the federal Food, Drug, and Cosmetic Act; provided, that where a pesticide chemical has been used in or on a raw agricultural commodity in conformity with an exemption granted or a tolerance prescribed under section 408 of the federal Food, Drug, and Cosmetic Act and such that raw agricultural commodity has been subjected to processing such as canning, cooking, freezing, dehydrating, or milling, the residue of such the pesticide chemical remaining in or on such the processed feed shall is not be deemed unsafe if such the residue in or on the raw agricultural commodity has been removed to the extent possible in good manufacturing practice and the concentration of such the residue in the processed feed is not greater than the tolerance prescribed for the raw agricultural commodity unless the feeding of such the processed feed will result or is likely to result in a pesticide residue in the edible product of the animal, which is unsafe within the meaning of section 408(a) of the federal Food, Drug, and Cosmetic Act; or

(e) If (5) it is, or it bears or contains any color additive which is unsafe within the meaning of section 706 of the federal Food, Drug, and Cosmetic Act; or

(6) it is, or it bears or contains, any new animal drug which is unsafe within the meaning of section 512 of the federal Food, Drug, and Cosmetic Act;

(7) it consists, in whole or in part, of any filthy, putrid, or decomposed substance, or is otherwise unfit for feed;

(8) it has been prepared, packed, or held under unsanitary conditions whereby it may have become contaminated with filth or may have been rendered injurious to health;

(9) it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter which is unsafe within the meaning of section 402(a)(1) or (2) of the federal Food, Drug, and Cosmetic Act;

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(10) its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or

(11) it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect under section 409 of the federal Food, Drug, and Cosmetic Act.

(b) A commercial feed is adulterated if:

(f) If (1) any valuable constituent has been in whole or in part omitted or abstracted therefrom from it or any less valuable substance substituted therefor for a constituent; or

(g) If (2) its composition or quality falls below or differs from that which it is purported or is represented to possess by its labeling; or

(h) If (3) it contains a drug and the methods used in or the facilities or controls used for its manufacture, processing, or packaging do not conform to current good manufacturing practice rules promulgated by the commissioner to assure that the drug meets the requirement safety requirements of sections 25.31 to 25.44 as to safety 25.43 and has the identity and strength and meets the quality and purity characteristics which it purports or is represented to possess. In promulgating such adopting rules under this clause, the commissioner shall adopt the current good manufacturing practice rules for medicated feed premixes and for medicated feeds established under authority of the federal Food, Drug, and Cosmetic Act, unless the commissioner determines that they are not appropriate to the conditions which exist in this state; or

(i) If (4) it contains viable weed seeds in amounts exceeding the limits which established by the commissioner shall establish by rule.

Sec. 50. Minnesota Statutes 1996, section 25.38, is amended to read:

25.38 PROHIBITED ACTS.

The following acts and the causing thereof within the state of the following acts in Minnesota are prohibited:

(a) The (1) manufacture or distribution of any commercial feed that is adulterated or misbranded;

(b) The (2) adulteration or misbranding of any commercial feed;

(c) The (3) distribution of agricultural commodities such as whole seed, hay, straw, stover, silage, cobs, husks, and hulls, which are adulterated within the meaning of section 25.37, paragraph (a), (b), (c), and (d);

(d) The (4) removal or disposal of a commercial feed in violation of an order under section 25.42;

(e) The (5) failure or refusal to register in accordance with obtain a commercial feed license under section 25.34. 25.341 or to provide a small package listing under section 25.39; or

(f) (6) failure to pay inspection fees or file reports as required by section 25.39.

Sec. 51. Minnesota Statutes 1996, section 25.39, is amended to read:

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25.39 INSPECTION FEES AND REPORTS.

Subdivision 1. **AMOUNT OF FEE.** (a) An inspection fee at the rate of 16 cents per ton shall ~~must~~ be paid to the commissioner on commercial feeds distributed in this state by the person who first distributes the commercial feed to the consumer, subject to the following, except that no fee needs to be paid on:

(a) ~~No fee shall be paid on~~ (1) a commercial feed if the payment has been made by a previous distributor;

(b) ~~No fee shall be paid on~~ (2) customer formula feeds if the inspection fee is paid on the commercial feeds which are used as ingredients therein; or

(c) ~~No fee shall be paid on~~ (3) commercial feeds which are used as ingredients for the manufacture of commercial feeds which are registered if the fee has been paid by a previous distributor. If the fee has already been paid, credit shall must be given for such that payment. A Minnesota feed distributor who distributes commercial feed to purchasers outside the state may purchase commercial feeds, without payment by any person of the inspection fee required on such those purchases, under a permit issued by the commissioner. Such permits shall only be issued to commercial feed distributors who comply with such rules as may be required adopted by the commissioner relative to recordkeeping, tonnage of commercial feed distributed in Minnesota, total of all commercial feed tonnage distributed, and all other information which the commissioner may require so as to insure ensure that proper inspection fee payment has been made.

(d) (b) In the case of a commercial feed which is pet food distributed in the state only in packages of ten pounds or less, a listing of each product and a current label for each product must be submitted annually on forms provided by the commissioner and accompanied by an annual fee of \$50 shall be paid for each product in lieu of the inspection fee specified above. This annual fee is due by July 1. The inspection fee required by paragraph (a) applies to pet food distributed in packages exceeding ten pounds.

(c) In the case of specialty pet food distributed in the state only in packages of ten pounds or less, a listing of each product and a current label for each product must be submitted annually on forms provided by the commissioner and accompanied by an annual fee of \$25 for each product in lieu of the inspection fee. This annual fee is due by July 1. The inspection fee required by paragraph (a) applies to specialty pet food distributed in packages exceeding ten pounds.

(d) The minimum inspection fee is \$10 per annual reporting period.

Subd. 1a. **CONTAINERS OF TEN POUNDS OR LESS.** A distributor who is subject to the annual fee specified in subdivision 1, paragraph (b) or (c), shall do the following:

(1) before beginning distribution, file with the commissioner a listing of pet and specialty pet foods to be distributed in the state only in containers of ten pounds or less, on forms provided by the commissioner. The listing under this clause must be renewed annually before July 1 and is the basis for the payment of the annual fee. New products added during the year must be submitted to the commissioner as a supplement to the annual listing before distribution; and

(2) if the annual renewal of the listing is not received before July 1 or if an unlisted product is distributed, pay a late filing fee of \$10 per product in addition to the normal

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charge for the listing. The late filing fee under this clause is in addition to any other penalty under this chapter.

Subd. 2. ~~SEMIANNUAL ANNUAL STATEMENT.~~ Each A person who is liable for the payment of such a fee under this section shall file with the commissioner on forms furnished by the commissioner, ~~a semiannual an annual statement for the periods ending December 31 and June 30~~ setting forth the number of net tons of commercial feeds distributed in this state during such reporting period the calendar year. The report shall be due ~~on or before by the 30th 31st of the month following the close of each reporting period of each calendar year~~ each January. The inspection fee at the rate specified in subdivision 1, ~~shall~~ must accompany the statement. For each tonnage report not filed or payment of inspection fees not made within 30 days after the end of a reporting period on time, a penalty of ~~10 ten~~ percent of the amount due, with a minimum penalty of \$10, ~~shall~~ must be assessed against the registrant, and the amount of fees due, plus penalty, ~~shall constitute~~ is a debt and may be recovered in a civil action against the registrant. The assessment of this penalty ~~shall~~ does not prevent the department from taking other actions as provided in this chapter.

Subd. 3. **RECORDS.** Each distributor person required to pay an inspection fee or to report in accordance with this section shall keep such records as may be that are necessary or required by the commissioner to indicate accurately the tonnage of commercial feed distributed in this state, and the commissioner shall have the right to may examine such those records to verify statements of tonnage. Failure to make an accurate statement of tonnage or to pay the inspection fee or comply as provided herein shall constitute with this section is sufficient cause for the cancellation of all registrations on file for the commercial feed license of the distributor.

Subd. 4. **COMMERCIAL FEED INSPECTION ACCOUNT.** A commercial feed inspection account is established in the state treasury. Fees and penalties collected under sections 25.35 to 25.44 ~~25.43~~ and interest attributable to money in the account must be deposited in the state treasury and credited to the commercial feed inspection account.

Sec. 52. Minnesota Statutes 1996, section 25.41, subdivision 6, is amended to read:

Subd. 6. **METHODS.** Sampling and analysis ~~shall~~ must be conducted in accordance with methods published by the Association of Official Analytical Chemists, AOAC International or in accordance with other generally recognized methods.

Sec. 53. Minnesota Statutes 1996, section 28A.08, subdivision 3, is amended to read:

Subd. 3. FEES EFFECTIVE JULY 1, 1996.

Type of food handler	License Fee Effective July 1, 1996	Penalties	
		Late Renewal	No License
1. Retail food handler			
(a) Having gross sales of only prepackaged nonperishable food			

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	of less than \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner	\$ 45	\$ 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	\$ 61	\$ 15	\$ 25
	(c) Having \$50,000 to \$250,000 gross sales for the immediately previous license or fiscal year	\$118	\$ 35	\$ 75
	(d) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$202	\$ 50	\$100
	(e) Having \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$562	\$100	\$175
	(f) Having \$5,000,000 to \$10,000,000 gross sales for the immediately previous license or fiscal year	\$787	\$150	\$300
	(g) Having over \$10,000,000 gross sales for the immediately previous license or fiscal year	\$899	\$200	\$350
2.	Wholesale food handler			
	(a) Having gross sales or service of less than \$25,000 for the immediately previous license or fiscal year	\$ 50	\$ 15	\$ 15
	(b) Having \$25,000 to \$250,000 gross sales or service for the immediately previous license or fiscal year	\$225	\$ 50	\$100
	(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	\$337	\$ 75	\$150
	(d) Having \$250,000 to \$1,000,000 gross sales or service not covered under			

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	paragraph (c) for the immediately previous license or fiscal year	\$449	\$100	\$200
	(e) Having \$1,000,000 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year	\$562	\$125	\$250
	(f) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$647	\$150	\$300
3.	Food broker	\$112	\$ 30	\$ 50
4.	Wholesale food processor or manufacturer			
	(a) Having gross sales of less than \$250,000 <u>\$125,000</u> for the immediately previous license or fiscal year	<u>\$310</u> <u>\$150</u>	\$ 75 <u>\$ 50</u>	<u>\$150</u> <u>\$100</u>
	(b) Having \$250,000 <u>\$125,000</u> to \$1,000,000 <u>\$250,000</u> gross sales for the immediately previous license or fiscal year	<u>\$449</u> <u>\$310</u>	<u>\$100</u> <u>\$ 75</u>	<u>\$200</u> <u>\$150</u>
	(c) Having \$1,000,000 <u>\$250,001</u> to \$5,000,000 <u>\$1,000,000</u> gross sales for the immediately previous license or fiscal year	<u>\$562</u> <u>\$449</u>	<u>\$125</u> <u>\$100</u>	<u>\$250</u> <u>\$200</u>
	(d) Having over <u>\$1,000,001</u> to <u>\$5,000,000</u> gross sales for the immediately previous license or fiscal year	<u>\$647</u> <u>\$562</u>	<u>\$150</u> <u>\$125</u>	<u>\$300</u> <u>\$250</u>
	(e) Having <u>\$5,000,001</u> to <u>\$10,000,000</u> gross sales for the immediately previous license or fiscal year	<u>\$647</u>	<u>\$150</u>	<u>\$300</u>
	(f) Having over <u>\$10,000,000</u> gross sales for the immediately previous license or fiscal year	<u>\$900</u>	<u>\$200</u>	<u>\$350</u>
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 <u>\$125,000</u> for the immediately previous license			

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or fiscal year	\$169	\$ 50	\$ 75
	<u>\$100</u>	<u>\$ 25</u>	<u>\$ 50</u>
(b) Having \$250,000 <u>\$125,000</u> to \$1,000,000 <u>\$250,000</u> gross sales for the immediately previous license or fiscal year	\$253	\$ 75	\$125
	<u>\$169</u>	<u>\$ 50</u>	<u>\$ 75</u>
(c) Having \$1,000,000 <u>\$250,001</u> to \$5,000,000 <u>\$1,000,000</u> gross sales for the immediately previous license or fiscal year	\$310	\$ 75	\$150
	<u>\$253</u>	<u>\$ 75</u>	<u>\$125</u>
(d) Having over <u>\$1,000,001</u> to <u>\$5,000,000</u> gross sales for the immediately previous license or fiscal year	\$366	\$100	\$175
	<u>\$310</u>	<u>\$ 75</u>	<u>\$150</u>
(e) Having <u>\$5,000,001</u> to <u>\$10,000,000</u> gross sales for the immediately previous license or fiscal year	<u>\$366</u>	<u>\$100</u>	<u>\$175</u>
(f) Having <u>over \$10,000,000</u> gross sales for the immediately previous license or fiscal year	<u>\$500</u>	<u>\$150</u>	<u>\$250</u>
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 <u>700,000</u> pounds per year of cultured dairy food as defined in section 32.486, subdivision 1, paragraph (b) raw milk	\$ 30	\$ 10	\$ 15
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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Sec. 54. Minnesota Statutes 1996, section 32.103, is amended to read:

32.103 INSPECTION OF DAIRIES.

(a) At times the commissioner determines proper, the commissioner shall cause to be inspected all places where dairy products are made, stored, or served as food for pay, and all places where cows are kept by persons engaged in the sale of milk, and shall require the correction of all insanitary conditions and practices found. During routine inspections or as necessary, the commissioner shall inspect for:

(1) evidence of use of rBGH in violation of section 32.75, by producers providing affidavits of nontreatment under that section; and

(2) mercury manometers in violation of section 116.92.

(b) A refusal or physical threat that prevents the completion of an inspection or neglect to obey a lawful direction of the commissioner or the commissioner's agent given while carrying out this section may result in the suspension of the offender's permit or certification. The offender is required to meet with a representative of the offender's plant or marketing organization and a representative of the commissioner within 48 hours excluding holidays or weekends or the suspension will take effect. A producer may request a hearing before the commissioner or the commissioner's agent if a serious concern exists relative to the retention of the offender's permit or certification to sell milk.

Sec. 55. Minnesota Statutes 1996, section 32.394, subdivision 11, is amended to read:

Subd. 11. **WAIVER OF RULES; WATER WELL DISTANCE REQUIREMENT.** A dairy farmer who wishes to be permitted to produce grade A milk may not be denied the grade A permit solely because of provisions in rules adopted by the commissioner of health requiring a minimum distance between a water well and a dairy barn. To be eligible for a grade A permit, the following conditions must be met:

(1) the water well must have been in place prior to January 1, 1974;

(2) the water well must comply with all rules of the commissioner of health other than the minimum distance requirement; and

(3) water from the well must be tested at least once every six months in compliance with guidelines established by the commissioner of agriculture unless the water from the well meets water quality requirements for three consecutive years, in which case the water must be tested only once every 12 months until the water fails to meet water quality requirements during one of the tests.

Sec. 56. Minnesota Statutes 1996, section 32.415, is amended to read:

32.415 MILK FOR MANUFACTURING; QUALITY STANDARDS.

(a) The commissioner may adopt rules to provide uniform quality standards, and producers of milk used for manufacturing purposes shall conform to the standards contained in Subparts B, C, D, E, and F of the United States Department of Agriculture Consumer and Marketing Service Recommended Requirements for Milk for Manufacturing Purposes and its Production and Processing, Vol. 37 Federal Register, No. 68, Part II, April 7, 1972, as revised through March 1, ~~1996~~ 1997, except that the commissioner shall

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develop methods by which producers can comply with the standards without violation of religious beliefs.

(b) The commissioner shall perform or contract for the performance of the inspections necessary to implement this section or shall certify dairy industry personnel to perform the inspections.

(c) The commissioner and other employees of the department shall make every reasonable effort to assist producers in achieving the milk quality standards at minimum cost and to use the experience and expertise of the University of Minnesota and the agricultural extension service to assist producers in achieving the milk quality standards in the most cost-effective manner.

(d) The commissioner shall consult with producers, processors, and others involved in the dairy industry in order to prepare for the implementation of this section including development of informational and educational materials, meetings, and other methods of informing producers about the implementation of standards under this section.

Sec. 57. Minnesota Statutes 1996, section 41A.09, subdivision 3a, is amended 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. Once a plant's production capacity reaches 15,000,000 gallons per year, no additional increment will qualify for the payment.

(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

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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~~ \$34,000,000 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~~ \$8,500,000, 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 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.

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(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.

(h) After the effective date of this section, new production capacity is only eligible for payment under this subdivision if the commissioner receives:

- (1) an application for approval of the new production capacity;
- (2) an appropriate letter of long-term financial commitment for construction of the new capacity; and
- (3) copies of all necessary permits for construction of the new capacity.

The commissioner may approve the additional capacity based on the order in which the applications are received. The commissioner shall not approve production capacity in excess of the limitations in paragraph (f). Existing plants are not eligible for new capacity beyond planned expansions reported to the commissioner by February 1997.

Sec. 58. Minnesota Statutes 1996, section 84.027, is amended by adding a subdivision to read:

Subd. 15. ELECTRONIC TRANSACTIONS. (a) The commissioner may receive an application for, sell, and issue any license, stamp, permit, registration, or transfer under the jurisdiction of the commissioner by electronic means, including by telephone. The commissioner may:

- (1) provide for the electronic transfer of funds generated by electronic transactions, including by telephone;
- (2) assign a license identification number to an applicant who purchases a hunting or fishing license by electronic means, to serve as temporary authorization to engage in the licensed activity until the license is received or expires;
- (3) charge and permit agents to charge a fee of individuals who make electronic transactions, and transactions by telephone, including a transaction fee under section 97A.485, subdivision 6, and a credit card fee not to exceed \$3.50 for electronic transactions;
- (4) select up to four volunteer counties, not more than two in the metropolitan area, to participate in this pilot project and the counties shall select the participating agents; and
- (5) adopt rules to administer the provisions of this subdivision.

(b) A county shall not collect a commission for the sale of licenses or permits made by agents selected by the participating counties under this subdivision.

Sec. 59. Minnesota Statutes 1996, section 84.0273, is amended to read:

84.0273 CORRECTION ESTABLISHMENT OF BOUNDARY LINES RELATING TO CERTAIN STATE LANDHOLDINGS.

In order to correct errors in legal descriptions resolve boundary line issues affecting the ownership interests of the state and adjacent landowners, the commissioner of natural resources may, in the name of the state upon terms the commissioner deems appropriate,

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convey, without monetary consideration, by a boundary line agreement, quitclaim deed, or management agreement in such form as the attorney general approves, such rights, titles, and interests of the state in state lands for such rights, titles and interests in adjacent lands as are necessary for the purpose of correcting legal descriptions of establishing boundaries. A notice of the proposed conveyance and a brief statement of the reason therefor shall be published once in the State Register by the commissioner between 15 and 30 days prior to conveyance. The provisions of this section are not intended to replace or supersede laws relating to land exchange or disposal of surplus state property.

Sec. 60. Minnesota Statutes 1996, section 84.0887, subdivision 2, is amended to read:

Subd. 2. **ADDITIONAL SERVICES; CORPS TO CAREER COMMUNITY SERVICE.** (a) In addition to services under subdivision 1, youth corps programs may coordinate with or provide services to:

- (1) making public facilities accessible to individuals with disabilities;
- (2) federal, state, local, and regional governmental agencies;
- (3) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, child and adult day care centers, programs servicing individuals with disabilities, and schools;
- (4) law enforcement agencies, and penal and probation systems;
- (5) private nonprofit organizations that primarily focus on social service such as community action agencies;
- (6) activities that focus on the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training that benefits educationally disadvantaged individuals, weatherization of and basic repairs to low-income housing including housing occupied by older adults, activities that focus on drug and alcohol abuse education, prevention, and treatment; and
- (7) any other nonpartisan civic activities and services that the commissioner determines to be of a substantial social benefit in meeting unmet human, educational, or environmental needs, particularly needs related to poverty, or in the community where volunteer service is to be performed.

(b) Youth and young adults may provide full-time or part-time youth community service in a program known as "corps to career" if the individual:

- (1) is an unemployed high school dropout and is a parent of a minor member of an assistance unit under the AFDC, MFIP or MFIP-R programs under chapter 256 or under the MFIP-S program under chapter 256J, or is a person who is a member of an assistance unit under the AFDC, MFIP or MFIP-R programs under chapter 256 or under the MFIP-S program under chapter 256J;
- (2) agrees to only use the individual's postservice benefit under the federal Ameri-corps Act to complete a customized job training program that requires 20 percent of the individual's time to be spent in the corps to career program and that is consistent with the work requirements of the employment and training services component of the MFIP-S program under chapter 256J or, if a customized job training program is unavailable, agrees to use the postservice benefit consistent with the federal education award; and

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(3) during the entire time the individual completes the individual's job training program, resides within an enterprise zone as defined in section 469.303.

To be eligible under this paragraph, any individual who receives assistance under clause (1) after MFIP-S has been implemented in the individual's county of financial responsibility, and who meets the requirements in clauses (2) and (3), also must meet the requirements of the employment and training services component of the MFIP-S program under chapter 256J.

(c) The commissioner of natural resources shall ensure that the corps to career program will not decrease employment opportunities that would be available without the program; will not displace current employees including any partial displacement in the form of reduced hours of work other than overtime, wages, employment benefits, or regular seasonal work; will not impair existing labor agreements; and will not result in the substitution of project funding for preexisting funds or sources of funds for ongoing work.

Sec. 61. Minnesota Statutes 1996, section 84.82, subdivision 3, is amended to read:

Subd. 3. **FEES FOR REGISTRATION.** (a) The fee for registration of each snowmobile, other than those used for an agricultural purpose, as defined in section 84.92, subdivision 1c, or those registered by a dealer or manufacturer pursuant to clause (b) or (c) shall be as follows: \$30 \$45 for three years and \$4 for a duplicate or transfer.

(b) The total registration fee for all snowmobiles owned by a dealer and operated for demonstration or testing purposes shall be \$50 per year.

(c) The total registration fee for all snowmobiles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes shall be \$150 per year. Dealer and manufacturer registrations are not transferable.

Sec. 62. [84.8205] SNOWMOBILE STATE TRAIL PERMIT.

A snowmobile that is not registered in this state may not be operated on a state or grant-in-aid snowmobile trail unless the snowmobile operator has in possession a snowmobile state trail permit. The commissioner of natural resources shall issue a permit upon application and payment of a \$15 fee. The permit is valid from November 1 through April 30. Fees collected under this section shall be deposited in the state treasury and credited to the snowmobile trails and enforcement account in the natural resources fund.

Sec. 63. Minnesota Statutes 1996, section 84.86, subdivision 1, is amended to read:

Subdivision 1. With a view of achieving maximum use of snowmobiles consistent with protection of the environment the commissioner of natural resources shall adopt rules in the manner provided by chapter 14, for the following purposes:

- (1) Registration of snowmobiles and display of registration numbers.
- (2) Use of snowmobiles insofar as game and fish resources are affected.
- (3) Use of snowmobiles on public lands and waters, or on grant-in-aid trails.
- (4) Uniform signs to be used by the state, counties, and cities, which are necessary or desirable to control, direct, or regulate the operation and use of snowmobiles.

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(5) Specifications relating to snowmobile mufflers.

(6) A comprehensive snowmobile information and safety education and training program, including but not limited to the preparation and dissemination of snowmobile information and safety advice to the public, the training of snowmobile operators, and the issuance of snowmobile safety certificates to snowmobile operators who successfully complete the snowmobile safety education and training course. For the purpose of administering such program and to defray a portion of the expenses of training and certifying snowmobile operators, the commissioner shall collect a fee of not to exceed \$5 from each person who receives the youth and young adult training and a fee established under chapter 16A from each person who receives the adult training. The commissioner shall deposit the fee in the snowmobile trails and enforcement account and the amount thereof is appropriated annually to the commissioner of natural resources for the administration of such programs. The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this clause. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of snowmobile operators.

(7) The operator of any snowmobile involved in an accident resulting in injury requiring medical attention or hospitalization to or death of any person or total damage to an extent of \$500 or more, shall forward a written report of the accident to the commissioner on such form as the commissioner shall prescribe. If the operator is killed or is unable to file a report due to incapacitation, any peace officer investigating the accident shall file the accident report within ten business days.

Sec. 64. **[84.862] SNOWMOBILE TRAINING REQUIRED.**

Subdivision 1. YOUTH AND YOUNG ADULT SAFETY TRAINING. Effective October 1, 1998, any resident born after December 31, 1979, who operates a snowmobile in Minnesota, must possess a valid snowmobile safety certificate or a driver's license or identification card with a valid snowmobile qualification indicator issued under section 171.07, subdivision 12. The certificate or qualification indicator may only be issued upon successful completion of the course authorized under section 84.86.

Subd. 2. ADULT SAFETY TRAINING. Effective October 1, 2002, any resident born after December 31, 1976, and before December 31, 1983, who operates a snowmobile in Minnesota, must possess a valid operators permit or drivers license or identification card with a valid snowmobile qualification indicator issued under section 171.07, subdivision 12, showing successful completion of a safety course designed for adults. Whenever possible, the course shall include a riding component that stresses stopping distances.

Subd. 3. TRAINING FOR OFFENDERS. Any person who is convicted for a second or subsequent speeding violation in a snowmobile season, or any conviction for careless or reckless operation of a snowmobile, must successfully complete the training course in subdivision 1 or 2 before continuing operation of a snowmobile.

Sec. 65. Minnesota Statutes 1996, section 85.015, is amended by adding a subdivision to read:

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Subd. 1c. METAL TRACTION DEVICES; PROHIBITION ON PAVED TRAILS. A person may not use a snowmobile with metal traction devices on any paved state trail.

Sec. 66. Minnesota Statutes 1996, section 85.015, is amended by adding a subdivision to read:

Subd. 20. STAGECOACH TRAIL; STEELE, DODGE, AND OLMTED COUNTIES. The trail shall originate at the Douglas trail near the city of Rochester in Olmsted county and extend westerly along the Zumbro river valley to the city of Mantorville and the village of Wasioja in Dodge county, following as closely as possible the historic stagecoach trail to Wasioja, through Rice Lake state park to the city of Owatonna in Steele county.

Sec. 67. Minnesota Statutes 1996, section 85.055, is amended by adding a subdivision to read:

Subd. 1a. PATRON PERMIT. The commissioner may develop a special patron permit requiring persons to pay an additional amount above the annual permit fee required in subdivision 1. The additional amount paid under this subdivision shall be deposited in the state treasury and credited to the working capital account under section 85.22, subdivision 1.

Sec. 68. Minnesota Statutes 1996, section 85A.04, subdivision 4, is amended to read:

Subd. 4. ZOO CONCESSION AND REVENUE ACCOUNT. All receipts and interest from the operation of zoo concessions, memberships, and donations must be deposited in a special account in the special revenue fund and are appropriated to the board.

Sec. 69. Minnesota Statutes 1996, section 86A.23, is amended to read:

86A.23 OPEN FACILITIES; LIABILITY EXEMPTION.

Facilities in harbors and connecting waterways established under sections 86A.20 to 86A.24 shall be public and open to all users on equal and reasonable terms. Users shall have no cause of action against owners of land adjacent to small craft harbors and mooring facilities for damage as a result of noise and dust generated by facilities of iron-producing industries.

Sec. 70. Minnesota Statutes 1996, section 88.79, is amended by adding a subdivision to read:

Subd. 3. COST-SHARING OF CONSERVATION PRACTICES. The commissioner of natural resources may provide cost-sharing of conservation practices to non-industrial owners of less than 5,000 acres of private land within this state, provided that the landowners successfully complete conservation practices approved by the commissioner. The cost shared by the commissioner may not exceed 75 percent of the actual cost of the conservation practice.

Sec. 71. Minnesota Statutes 1996, section 92.06, subdivision 1, is amended to read:

Subdivision 1. TERMS. (a) The terms of payment on the sale of state public lands must be as follows: The purchaser shall pay in cash at the time of sale the appraised value

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of all timber and costs determined by the commissioner to be associated with the sale including survey, appraisal, publication, deed tax, filing fee, and similar costs. At least 15 percent of the purchase price of the land exclusive of timber and associated costs must be paid in cash at the time of sale. The balance of the purchase price must be paid in no more than 20 equal annual installments. Payments must be made by June 1 each year following the year in which the purchase was made, with interest at the rate in effect at the time of sale, calculated under this subdivision, on the unpaid balances. Any installment of principal or interest may be paid in advance, but part payment of an installment will not be accepted. For the purpose of computing interest, any installment of principal not paid on June 1 shall be credited on the following June 1. The purchaser may pay the balance due on a sale within 30 days of the sale with no interest due.

(b) Interest on unpaid balances must be computed as annual simple interest. The rate of interest must be based on average effective interest rates on mortgage loans as provided in paragraph (c).

(c) On or before December 31 of each year, the commissioner of natural resources shall determine the rate from the average effective interest rate on loans closed using the office of thrift supervision series, formerly the federal home loan bank board series, or its successor agency, for the most recent calendar month, reported on a monthly basis in the latest statistical release of the board of governors of the federal reserve system. This yield, rounded to the nearest quarter of one percent, is the annual interest rate for sales of state land during the succeeding calendar year.

(d) For state land sales in calendar year 1993 after July 1, 1993, the rate is eight percent, which is the September 1992 average from the office of thrift supervision series, rounded to the nearest quarter of one percent.

Sec. 72. Minnesota Statutes 1996, section 92.06, subdivision 4, is amended to read:

Subd. 4. **IMPROVEMENTS, WHEN PAYMENT NOT NECESSARY.** If a person has made improvements to the land and if: (1) the commissioner believes that person settled the land in good faith as homestead land under the laws of the United States before it was certified to the state, or if (2) the improvements were lawfully made by that person as a lessee of the state, or (3) the commissioner determines, based on clear and convincing evidence provided by the person, that the improvements were made by the person as an inadvertent trespasser, then the value of the improvements must be separately appraised and, if the settler or, lessee, or inadvertent trespasser purchases the land, the settler or, lessee, or inadvertent trespasser is not required to pay for the improvements. If another person purchases the land, that person must pay the owner of the improvements, in addition to all other required payments, the appraised amount for the improvements. Payment for improvements must be made within 15 days of the auction sale, either in cash or upon terms and conditions agreeable to the owner of the improvements. If payment for improvements is not made in cash, and if there is no agreement between the parties within 15 days of the auction sale, the commissioner may:

(1) sell the property to the second highest qualified bidder if that bidder submitted to the commissioner's representative, at the auction sale, a written request to buy the property at a specified price; or

(2) void the sale and reoffer the property at a subsequent sale.

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This subdivision does not apply unless the owner of the improvements makes a verified application to the commissioner showing entitlement to the improvements before the first state public sale at which the land is offered for sale. The applicant must appear at the sale and offer to purchase the land for at least its appraised value including all timber on it, and make the purchase if no higher bid is received. Actions or other proceedings involving the land in question begun before the sale must have been completed.

Sec. 73. Minnesota Statutes 1996, section 92.16, subdivision 1, is amended to read:

Subdivision 1. **CONTENTS; DEFAULT, RESALE.** At the time of the sale the commissioner shall execute, acknowledge, and deliver to the purchaser a certificate of sale, numbered and made assignable, certifying the description of the land sold, its quantity, the price per acre, the consideration paid and to be paid, and the time and terms of payment. A certificate must not be delivered until the sum required by law to be paid at the time of the sale is paid. ~~The sum includes costs determined by the commissioner to be associated with the sale such as survey, appraisal, publication, deed tax, filing fee, and similar costs.~~ If the purchaser fails to pay the sum, the commissioner may immediately reoffer the land for sale, but a bid may not be accepted from the person failing to pay the original offer. If the purchaser pays in full at the time of sale, the commissioner is not required to issue a certificate of sale.

Sec. 74. **[92.72] PAYMENT OF TAXES AND ASSESSMENTS.**

Subdivision 1. **CANCELLATION OF CERTIFICATE OF SALE.** If the state acquires an interest in real property prior to the cancellation of a certificate of sale or upon completion of the cancellation process by advertisement or court order, the state must make provision to pay all taxes, interests, costs, penalties, and assessments. The commissioner of natural resources must request the certificate of sale vendee to make a good faith attempt to pay the debt. If the commissioner determines that the vendee is unwilling or unable to pay the debt, the commissioner may pay the debt and seek redress against the vendee.

Subd. 2. **VOLUNTARY AND INVOLUNTARY REVERSIONS.** (a) If a grantee on a certificate of sale or state deed desires the state to exercise its reversionary interest in real property, the grantee must pay all real estate taxes, costs, interest, penalties, and assessments on the property prior to reversion.

(b) If a grantee on a certificate of sale or state deed breaches the contractual terms of the certificate or deed, the commissioner of natural resources must request the grantee to make a good faith attempt to pay all real estate taxes, costs, interest, penalties, and assessments on the property prior to reversion. If the commissioner determines that the grantee is unwilling or unable to pay the debt, the commissioner may pay the debt and seek redress against the grantee.

Sec. 75. Minnesota Statutes 1996, section 94.10, subdivision 2, is amended to read:

Subd. 2. (a) Lands certified as surplus by the head of a department or agency other than the department of natural resources shall be offered for public sale by the commissioner of administration as provided in this paragraph. After complying with subdivision 1 and before any public sale of surplus state-owned land is made, the commissioner of administration shall publish a notice thereof at least once in each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the city or

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county in which the real property to be sold is situated, which notice shall specify the time and place at which the sale will commence, a general description of the lots or tracts to be offered, and a general statement of the terms of sale. Each tract or lot shall be sold separately and shall be sold for not less than the appraised value thereof. Parcels remaining unsold after the offering may be sold to anyone agreeing to pay the appraised value thereof. The sale shall continue until all parcels are sold or until the commissioner orders a reappraisal or withdraws the remaining parcels from sale.

(b) Lands certified as surplus by the commissioner of natural resources shall be offered for public sale by the commissioner of natural resources in the manner provided in paragraph (a) for sales by the commissioner of administration.

(c) Except as provided in section 94.11, the cost of any survey or appraisal as provided in subdivision 1 shall be added to and made a part of the appraised value of the lands to be sold, whether to any political subdivision of the state or to a private purchaser as provided in this subdivision.

Sec. 76. [94.55] TRANSFER OF STATE-OWNED IMPROVEMENTS.

The commissioner may sell or transfer an improvement located on state-owned lands, the compensation for which shall be determined by the commissioner. The sale or transfer shall be accomplished by a bill of sale, describing the improvement transferred and the terms and conditions of the sale or transfer. Proceeds resulting from the sale or transfer must be deposited in the state treasury and credited to the land acquisition account established in section 94.165.

Sec. 77. Minnesota Statutes 1996, section 97A.015, is amended by adding a subdivision to read:

Subd. 27a. **LICENSE IDENTIFICATION NUMBER.** “License identification number” means a verification number issued under the authority of the commissioner in conjunction with the electronic purchase of a license or stamp and valid until the license is received by the purchaser.

Sec. 78. Minnesota Statutes 1996, section 97A.028, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** (a) The definitions in this subdivision apply to this section.

(b) “Agricultural crops” means annually seeded crops, legumes, fruit orchards, tree farms and nurseries, turf farms, and apiaries.

(c) “Parcel” has the meaning given in section 272.03, subdivision 6.

(d) “Specialty crops” means fruit orchards, vegetables, tree farms and nurseries, turf farms, and apiaries.

(e) “Stored forage crops” means hay, silage, grain, or other crops that have been harvested and placed in storage for commercial livestock feeding.

Sec. 79. Minnesota Statutes 1996, section 97A.028, subdivision 3, is amended to read:

Subd. 3. **EMERGENCY DETERRENT MATERIALS ASSISTANCE.** (a) For the purposes of this subdivision, “cooperative damage management agreement” means

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an agreement between a landowner or tenant and the commissioner that establishes a program for addressing the problem of destruction of the landowner's or tenant's specialty crops or stored forage crops by wild animals, or destruction of agricultural crops by flightless Canada geese.

(b) A landowner or tenant may apply to the commissioner for emergency deterrent materials assistance in controlling destruction of the landowner's or tenant's specialty crops or stored forage crops by wild animals, or destruction of agricultural crops by flightless Canada geese. Subject to the availability of money appropriated for this purpose, the commissioner shall provide suitable deterrent materials when the commissioner determines that:

(1) immediate action is necessary to prevent significant damage from continuing; and

(2) a cooperative damage management agreement cannot be implemented immediately.

(c) A person may receive emergency deterrent materials assistance under this subdivision more than once, but the cumulative total value of deterrent materials provided to a person, or for use on a parcel, may not exceed \$3,000 for specialty crops, or \$750 for stored forage crops, or \$500 for agricultural crops damaged by flightless Canada geese. If a person is a coowner or cotenant with respect to the specialty crops for which the deterrent materials are provided, the deterrent materials are deemed to be "provided" to the person for the purposes of this paragraph.

(d) As a condition of receiving emergency deterrent materials assistance under this subdivision, a landowner or tenant shall enter into a cooperative damage management agreement with the commissioner. Deterrent materials provided by the commissioner may include repellents, fencing materials, or other materials recommended in the agreement to alleviate the damage problem. If requested by a landowner or tenant, any fencing materials provided must be capable of providing long-term protection of specialty crops. A landowner or tenant who receives emergency deterrent materials assistance under this subdivision shall comply with the terms of the cooperative damage management agreement.

Sec. 80. Minnesota Statutes 1996, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. **DEER AND BEAR LICENSES.** (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (4) and (5), and (9), and 3, clauses (2) and (3), and (7), and licenses issued under section 97B.301, subdivision 4.

(b) At least \$2 from each deer license shall be used for deer habitat improvement or deer management programs.

(c) At least \$1 from each resident deer license and each resident bear license shall be used for deer and bear management programs, including a computerized licensing system. Fifty cents from each resident deer license is appropriated for emergency deer feeding. Money appropriated for emergency deer feeding is available until expended. When the unencumbered balance in the appropriation for emergency deer feeding at the end of a fiscal year exceeds \$750,000, \$750,000 is canceled to the unappropriated balance of the

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game and fish fund and the amount appropriated for emergency deer feeding is reduced to 25 cents from each resident deer license.

Sec. 81. Minnesota Statutes 1996, section 97A.405, subdivision 2, is amended to read:

Subd. 2. **PERSONAL POSSESSION.** (a) A person to whom a license is issued must have the license in personal possession while acting under the a license and while or traveling from the an area where the a licensed activity is was performed must have in personal possession either: (1) the proper license, if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation, if the license has been sold to the person by electronic means but the actual license has not been issued and received.

(b) If possession of a license or a license identification number is required, a person must exhibit the proper license when, as requested by a conservation officer or peace officer, either: (1) the proper license if the license has been issued to and received by the person; or (2) the proper license identification number or stamp validation and a valid state driver's license, state identification card, or other form of identification provided by the commissioner, if the license has been sold to the person by electronic means but the actual license has not been issued and received.

(c) If the actual license has been issued and received, a receipt for license fees, a copy of a license, or evidence showing the issuance of a license, including the license identification number or stamp validation, does not entitle a licensee to exercise the rights or privileges conferred by a license.

(d) A license or stamp issued electronically and not immediately provided to the licensee shall be mailed to the licensee within 30 days of purchase.

Sec. 82. Minnesota Statutes 1996, section 97A.415, subdivision 2, is amended to read:

Subd. 2. **TRANSFER PROHIBITED.** A person may not lend, transfer, borrow, or solicit a license or permit, license identification number, application for a license or permit, coupon, tag, or seal, or use a license, permit, license identification number, coupon, tag, or seal not issued to the person unless otherwise expressly authorized.

Sec. 83. Minnesota Statutes 1996, section 97A.475, is amended to read:

97A.475 LICENSE FEES.

Subdivision 1. **REQUIREMENTS FOR ISSUANCE.** A license shall be issued when the requirements of the law are met and the license fee specified in this section is paid.

Subd. 2. **RESIDENT HUNTING.** Fees for the following licenses, to be issued to residents only, are:

- (1) for persons under age 65 to take small game, \$10;
- (2) for persons age 65 or over, \$5;
- (3) to take turkey, \$16;

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- (4) to take deer with firearms, \$22;
- (5) to take deer by archery, \$22;
- (6) to take moose, for a party of not more than six persons, \$275;
- (7) to take bear, \$33;
- (8) to take elk, for a party of not more than two persons, \$220; and
- (9) to take antlered deer in more than one zone, \$44.

Subd. 3. **NONRESIDENT HUNTING.** Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take small game, \$56;
- (2) to take deer with firearms, \$110;
- (3) to take deer by archery, \$110;
- (4) to take bear, \$165;
- (5) to take turkey, \$56;
- (6) to take raccoon, bobcat, fox, coyote, or lynx, \$137.50; and
- (7) to take antlered deer in more than one zone, \$220.

Subd. 4. **SMALL GAME SURCHARGE.** Fees for licenses to take small game must be increased by a surcharge of \$4. An additional commission may not be assessed on the surcharge and this must be stated on the back of the license with the following statement: "This \$4 surcharge is being paid by hunters for the acquisition and development of wildlife lands."

Subd. 5. **HUNTING STAMPS.** Fees for the following stamps are:

- (1) migratory waterfowl stamp, \$5;
- (2) pheasant stamp, \$5; and
- (3) turkey stamp, \$5.

Subd. 6. **RESIDENT FISHING.** Fees for the following licenses, to be issued to residents only, are:

- (1) to take fish by angling, for persons under age 65, ~~\$13~~ \$15;
- (2) to take fish by angling, for persons age 65 and over, ~~\$4.50~~ \$5.50;
- (3) to take fish by angling, for a combined license for a married couple, ~~\$17.50~~ \$20.50;
- (4) to take fish by spearing from a dark house, ~~\$13~~ \$15; and
- (5) to take fish by angling for a 24-hour period selected by the licensee, ~~\$7.50~~ \$8.

Subd. 7. **NONRESIDENT FISHING.** Fees for the following licenses, to be issued to nonresidents, are:

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- (1) to take fish by angling, ~~\$27.50~~ \$31;
 - (2) to take fish by angling limited to seven consecutive days selected by the licensee, ~~\$19~~ \$21.50;
 - (3) to take fish by angling for a 72-hour period selected by the licensee, ~~\$16~~ \$18;
 - (4) to take fish by angling for a combined license for a family, ~~\$37.50~~ \$41.50;
 - (5) to take fish by angling for a 24-hour period selected by the licensee, ~~\$7.50~~ \$8;
- and
- (6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days selected by one of the licensees, ~~\$27.50~~ \$32.

Subd. 8. **MINNESOTA SPORTING.** The commissioner shall issue Minnesota sporting licenses to residents only. The licensee may take fish by angling and small game. The fee for the license is:

- (1) for an individual, ~~\$17.50~~ \$20; and
- (2) for a combined license for a married couple to take fish and for one spouse to take small game, ~~\$24~~ \$27.50.

Subd. 10. **TROUT AND SALMON STAMP.** The fee for a trout and salmon stamp is ~~\$5~~ \$8.50.

Subd. 11. **FISH HOUSES AND DARK HOUSES; RESIDENTS.** Fees for the following licenses are:

- (1) for a fish house or dark house that is not rented, ~~\$9~~ \$10; and
- (2) for a fish house or dark house that is rented, ~~\$20~~ \$23.

Subd. 12. **FISH HOUSES; NONRESIDENT.** Fees for fish house licenses for a nonresident are:

- (1) annual, ~~\$27.50~~ \$31.50; and
- (2) seven consecutive days, ~~\$16.50~~ \$18.50.

Subd. 13. **NETTING WHITEFISH AND CISCOES FOR PERSONAL CONSUMPTION.** The fee for a license to net whitefish and ciscoes in inland lakes and international waters for personal consumption is, for each net, ~~\$8~~ \$9.

Subd. 14. **ROUGH FISH; MINNESOTA AND MISSISSIPPI RIVERS.** The fee for a license to take rough fish for domestic use with a set line in the Minnesota and Mississippi rivers is ~~\$14.50~~.

Subd. 15. **LAKE SUPERIOR FISHING GUIDES.** The fee for a license to operate a charter boat and guide anglers on Lake Superior is:

- (1) for a resident, ~~\$27.50~~ \$35;
- (2) for a nonresident, ~~\$110~~ \$140; or
- (3) if another state charges a Minnesota resident a fee greater than ~~\$100~~ \$140 for a Lake Superior fishing guide license in that state, the nonresident fee for a resident of that state is that greater fee.

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Subd. 16. **RESIDENT HUNTING GUIDES.** The fees for the following resident guide licenses are:

- (1) to guide bear hunters, \$82.50; and
- (2) to guide turkey hunters, \$22.

Subd. 18. **SHOOTING PRESERVES.** The fee for a shooting preserve license is:

- (1) for a private shooting preserve, \$100; and
- (2) for a commercial shooting preserve, \$500.

Subd. 19. **TAXIDERMISTS.** The fee for a taxidermist license, to be issued for a three-year period to residents only, is:

- (1) for persons age 18 and older, \$44; and
- (2) for persons under age 18, \$27.50.

Subd. 20. **TRAPPING LICENSE.** The fee for a license to trap fur-bearing animals is:

- (1) for persons over age 13 and under age 18, \$5.50; and
- (2) for persons age 18 and older, \$18.

Subd. 21. **FUR BUYING AND SELLING; RESIDENTS.** (a) The fee for a license for a resident to buy and sell raw furs is \$110.

(b) The fee for a supplemental license to buy and sell furs is \$55.

Subd. 22. **FUR BUYING AND SELLING; NONRESIDENTS.** The fee for a license for a nonresident to buy and sell raw furs is \$500.

Subd. 23. **RAW FUR TANNING.** The fee for a license to tan and dress raw furs to be issued to residents and nonresidents is \$16.50.

Subd. 24. **GAME AND FUR FARMS.** The fee for a game and fur farm license is \$16.50.

Subd. 25. **MUSKRAT FARMS.** The fee for a muskrat farm license is \$11.

Subd. 26. **MINNOW DEALERS.** The fees for the following licenses are:

- (1) minnow dealer, ~~\$77~~ \$100;
- (2) ~~minnow dealer's helper,~~ \$5.50;
- (~~3~~) minnow dealer's vehicle, ~~\$11~~ \$15;
- (4) (3) exporting minnow dealer, ~~\$275~~ \$350; and
- (~~5~~) (4) exporting minnow dealer's vehicle, ~~\$11~~ \$15.

Subd. 27. **MINNOW RETAILERS.** The fees for the following licenses, to be issued to residents and nonresidents, are:

- (1) minnow retailer, ~~\$11~~ \$15; and

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(2) minnow retailer's vehicle, ~~\$11~~ \$15.

Subd. 28. **NONRESIDENT MINNOW HAULERS.** The fees for the following licenses, to be issued to nonresidents, are:

(1) exporting minnow hauler, ~~\$525~~ \$675; and

(2) exporting minnow hauler's vehicle, ~~\$11~~ \$15.

Subd. 29. **PRIVATE FISH HATCHERIES.** The fees for the following licenses to be issued to residents and nonresidents are:

(1) for a private fish hatchery, with annual sales under \$200, ~~\$27.50~~ \$35;

(2) for a private fish hatchery, with annual sales of \$200 or more, ~~\$55~~ \$70; and

(3) to take sucker eggs from public waters for a private fish hatchery, ~~\$165~~ \$210, plus ~~\$3~~ \$4 for each quart in excess of 100 quarts.

Subd. 30. **COMMERCIAL NETTING OF FISH IN INLAND WATERS.** The fee for a license fees to net take commercial fish in inland waters, to be issued to residents and nonresidents, is ~~\$70~~ plus are:

(1) commercial license fees:

(i) for each hoop net pocket, \$1 residents and nonresidents seining and netting in inland waters, \$90;

(2) (ii) for each 1,000 feet of seine, \$16.50 residents netting in Lake Superior, \$50; and

~~(3)~~ (iii) for each apprentice license, \$25. residents netting in Lake of the Woods, Rainy, Namakan, and Sand Point lakes, \$50;

(iv) for residents seining in the Mississippi River from St. Anthony Falls to the St. Croix River junction, \$50;

(v) for residents seining, netting, and set lining in Wisconsin boundary waters from Lake St. Croix to the Iowa border, \$50; and

(vi) for a resident apprentice license, \$25; and

(2) commercial gear fees:

(i) for each gill net in Lake Superior, Wisconsin boundary waters, and Namakan Lake, \$3.50 per 100 feet of net;

(ii) for each seine in inland waters, on the Mississippi River as described in section 97C.801, subdivision 2, and in Wisconsin boundary waters, \$7 per 100 feet;

(iii) for each commercial hoop net in inland waters, \$1.25;

(iv) for each submerged fyke, trap, and hoop net in Lake Superior, St. Louis Estuary, Lake of the Woods, and Rainy, Namakan, and Sand Point lakes, and for each pound net in Lake Superior, \$15;

(v) for each stake and pound net in Lake of the Woods, \$60;

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(vi) for each set line in the Wisconsin boundary waters, \$20; and

(vii) for each trawl used in Lake Superior, \$50.

Subd. 31. COMMERCIAL NETTING OF FISH IN LAKE OF THE WOODS. The fee for a license to commercially net fish in Lake of the Woods is:

(1) for each pound net or staked trap net, \$49.50;

(2) for each fyke net, \$11, plus \$5 for each two-foot segment, or fraction, of the wings or lead in excess of four feet in height;

(3) for each 100 feet of gill net, \$2.75;

(4) for each submerged trap net, \$16.50; and

(5) for each apprentice license, \$25.

Subd. 32. COMMERCIAL NETTING OF FISH IN RAINY LAKE. The fee for a license to commercially net fish in Rainy Lake is:

(1) for each pound net, \$49.50;

(2) for each 100 feet of gill net, \$2.75; and

(3) for each apprentice license, \$25.

Subd. 33. COMMERCIAL NETTING OF FISH IN NAMAKAN AND SAND POINT LAKES. The fee for a license to commercially net fish in Namakan Lake and Sand Point Lake is:

(1) for each 100 feet of gill net, \$1.75;

(2) for each pound, fyke, and submerged trap net, \$16.50; and

(3) for each apprentice license, \$25.

Subd. 34. COMMERCIAL SEINE AND SET LINES TO TAKE FISH IN THE MISSISSIPPI RIVER. (a) The fee for a license to commercially seine rough fish in the Mississippi river from St. Anthony Falls to the St. Croix river junction is:

(1) for a seine not exceeding 500 feet, \$27.50; or

(2) for a seine over 500 feet, \$44, plus \$2 for each 100 foot segment or fraction over 1,000 feet.

(b) The fee for each apprentice license issued under paragraph (a) is \$25.

Subd. 35. COMMERCIAL SEINING OF FISH IN WISCONSIN BOUNDARY WATERS. The fee for a license to commercially seine fish in the boundary waters between Wisconsin and Minnesota from Taylors Falls to the Iowa border is:

(1) for a seine not exceeding 500 feet, \$27.50; or

(2) for a seine over 500 feet, \$44, plus \$2.50 for each 100 feet over 1,000 feet; and

(3) for each apprentice license to be issued to residents, \$25.

Subd. 36. COMMERCIAL NETTING IN WISCONSIN BOUNDARY WATERS. The fee for a license to commercially net in the boundary waters between Wisconsin and Minnesota from Lake St. Croix to the Iowa border is:

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- (1) for each gill net not exceeding 500 feet, \$14.50;
- (2) for each gill net over 500 feet, \$27.50;
- (3) for each fyke net and hoop net, \$11;
- (4) for each bait net, \$1.75;
- (5) for each turtle net, \$1.75;
- (6) for each set line identification tag, \$14.50; and
- (7) for each apprentice license to be issued to residents, \$25.

Subd. 37. **COMMERCIAL NETTING OF FISH IN LAKE SUPERIOR.** The fee for a license to commercially net fish in Lake Superior is:

- (1) for each gill net, \$77 plus \$2 for each 1,000 feet over 1,000 feet;
- (2) for a pound or trap net, \$77 plus \$2 for each additional pound or trap net; and
- (3) for each apprentice license, \$25.

Subd. 38. **FISH BUYERS.** The fees for licenses to buy fish from commercial fishing licensees to be issued residents and nonresidents are:

- (1) for Lake Superior fish bought for sale to retailers, \$55 \$70;
- (2) for Lake Superior fish bought for sale to consumers, ~~\$11~~ \$15;
- (3) for Lake of the Woods, Namakan, Sand Point, and Rainy Lake fish bought for sale to retailers, ~~\$110~~ \$140; and
- (4) for Lake of the Woods, Namakan, Sand Point, and Rainy Lake fish bought for shipment only on international boundary waters, ~~\$11~~ \$15.

Subd. 39. **FISH PACKER.** The fee for a license to prepare dressed game fish for transportation or shipment is \$14.50 \$20.

Subd. 40. **FISH VENDORS.** The fee for a license to use a motor vehicle to sell fish is ~~\$27.50~~ \$35.

Subd. 41. **TURTLE SELLERS.** The fee for a license to take, transport, purchase, and possess turtles for sale is \$55 \$70.

Subd. 42. **FROG DEALERS.** The fee for the licenses to deal in frogs that are to be used for purposes other than bait are:

- (1) for a resident to purchase, possess, and transport frogs, ~~\$77~~ \$100;
- (2) for a nonresident to purchase, possess, and transport frogs, ~~\$220~~ \$280; and
- (3) for a resident to take, possess, transport, and sell frogs, ~~\$11~~ \$15.

Subd. 43. **DUPLICATE LICENSES.** The fees for duplicate licenses are:

- (1) for licenses to take big game, \$5; and
- (2) for other licenses, \$2.

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Sec. 84. Minnesota Statutes 1996, section 97B.667, is amended to read:

97B.667 REMOVAL OF BEAVER DAMS AND LODGES BY ROAD AUTHORITIES.

When a drainage watercourse is impaired by a beaver dam and the water damages or threatens to damage a public road, the road authority, as defined in section 160.02, subdivision 9, may remove the impairment and any associated beaver lodge within 300 feet of the road, ~~if the commissioner approves.~~

Sec. 85. Minnesota Statutes 1996, section 97B.715, subdivision 1, is amended to read:

Subdivision 1. **STAMP REQUIRED.** (a) Except as provided in paragraph (b) or section 97A.405, subdivision 2, a person required to possess a small game license may not hunt pheasants without:

(1) a pheasant stamp in possession; and

(2) a pheasant stamp validation on the small game license when issued electronically.

(b) The following persons are exempt from this subdivision:

(1) residents under age 18 or over age 65; and

(2) persons hunting on licensed ~~private~~ commercial shooting preserves.

Sec. 86. Minnesota Statutes 1996, section 97B.721, is amended to read:

97B.721 LICENSE AND STAMP REQUIRED TO TAKE TURKEY; TAGGING AND REGISTRATION REQUIREMENTS.

(a) Except as provided in paragraph (b) or section 97A.405, subdivision 2, a person may not take a turkey without a turkey license and:

(1) a turkey stamp in possession; and

(2) a turkey stamp validation on the turkey license when issued electronically.

(b) The requirement in paragraph (a) to possess a turkey stamp or a license validation does not apply to persons under age 18.

(c) The commissioner may by rule prescribe requirements for the tagging and registration of turkeys.

Sec. 87. Minnesota Statutes 1996, section 97B.801, is amended to read:

97B.801 MINNESOTA MIGRATORY WATERFOWL STAMP REQUIRED.

(a) Except as provided in this section or section 97A.405, subdivision 2, a person required to possess a small game license may not take migratory waterfowl without:

(1) a Minnesota migratory waterfowl stamp in possession; and

(2) a migratory waterfowl stamp validation on the small game license when issued electronically.

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(b) Residents under age 18 or over age 65 and persons hunting on their own property are not required to possess the a stamp or a license validation under this section.

Sec. 88. Minnesota Statutes 1996, section 97C.305, subdivision 1, is amended to read:

Subdivision 1. **REQUIREMENT.** Except as provided in subdivision 2 or section 97A.405, 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 and a trout stamp validation on the angling license when issued electronically to:

- (1) take fish by angling in:
 - (i) a stream designated by the commissioner as a trout stream;
 - (ii) a lake designated by the commissioner as a trout lake; or
 - (iii) Lake Superior; or
- (2) possess trout or salmon taken in the state by angling.

Sec. 89. Minnesota Statutes 1996, section 97C.501, subdivision 2, is amended to read:

Subd. 2. **MINNOW DEALERS.** (a) A person may not be a minnow dealer without a minnow dealer license except as provided in subdivision 3.

(b) ~~A minnow dealer must obtain a minnow dealer's helper license for each person employed to take, buy, sell, or transport minnows by the minnow dealer. The minnow dealer may transfer a helper's license from a former helper to a new helper.~~

(e) A minnow dealer must obtain a minnow dealer's vehicle license for each motor vehicle used to transport minnows. The serial number, motor vehicle license number, make, and model must be on the license. The license must be conspicuously displayed in the vehicle.

(d) (c) A minnow dealer may not transport minnows out of the state without an exporting minnow dealer license. A minnow dealer must obtain an exporting minnow dealer's vehicle license for each motor vehicle used to transport minnows out of the state. The serial number, motor vehicle license number, make, and model must be on the license. The license must be conspicuously displayed in the vehicle.

Sec. 90. Minnesota Statutes 1996, section 97C.801, is amended to read:

97C.801 TAKING ROUGH FISH ON MISSISSIPPI AND MINNESOTA RIVERS RIVER.

Subdivision 1. **ROUGH FISH ON MINNESOTA AND MISSISSIPPI RIVERS.**
 (a) A license is required to take rough fish by set line in the Minnesota river from Mankato to its junction with the Mississippi river, and in the Mississippi river from St. Anthony Falls to the St. Croix junction.

(b) A person may use only one set line to take rough fish in the Minnesota river from Mankato to its junction with the Mississippi river, and in the Mississippi river from St. Anthony Falls to the St. Croix river junction, and the set line must:

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- (1) have not more than ten hooks;
 - (2) be set only in the flowing waters of the river;
 - (3) staked only at one end; and
 - (4) remain at the location designated in the application for license unless approval of the commissioner has been given to change the location.
- (e) Notwithstanding section 97C.391, subdivision 1, rough fish taken under this subdivision may not be bought or sold.

Subd. 2. **COMMERCIAL FISH NETTING AND SET LINES ON MISSISSIPPI RIVER.** (a) A license is required to commercially take rough fish with seines and set lines in the Mississippi river from the St. Croix river junction to St. Anthony Falls.

(b) A person may take rough fish in the Mississippi river, from the St. Croix river junction to St. Anthony Falls, only with the following equipment and methods:

- (1) operations shall be conducted only in the flowing waters of the river and in tributary backwaters prescribed by the commissioner;
- (2) only one set line may be used that has an identification tag and not more than 100 hooks;
- (3) seines may be used only as prescribed by the commissioner;
- (4) (3) seines must be hauled to a landing immediately after being placed;
- (5) (4) two seines may not be joined together in the water;
- (6) (5) a net may not be raised, laid out, or landed, between sunset and sunrise; and
- (7) (6) the location of a net or seine may not be changed from the place specified in the license application without notifying the commissioner of the proposed change.

Sec. 91. Minnesota Statutes 1996, section 103C.501, subdivision 6, is amended to read:

Subd. 6. **RULES.** (a) The state board shall adopt rules prescribing:

- (1) procedures and criteria for allocating funds for cost-sharing contracts;
- (2) standards and guidelines for cost-sharing contracts;
- (3) the scope and content of district comprehensive plans, plan amendments, and annual work plans;
- (4) standards and methods necessary to plan and implement a priority cost-sharing program, including guidelines to identify high priority erosion, sedimentation, and water quality problems;
- (5) the share of the cost of conservation practices to be paid from cost-sharing funds; and
- (6) requirements for districts to document their efforts to identify and contact land occupiers with high priority erosion problems.

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(b) The rules may provide that cost-sharing may be used for farmstead windbreaks and shelterbelts for the purposes of energy conservation and snow protection.

Sec. 92. Minnesota Statutes 1996, section 103F.378, subdivision 1, is amended to read:

Subdivision 1. **DUTIES.** The Minnesota river basin joint powers board, established under section 471.59 for the purpose of coordinating efforts to improve water quality in the Minnesota river and achieving the goal of making the Minnesota river suitable for fishing and swimming by the year 2005, has the following duties:

(1) coordination of comprehensive cleanup goals for the Minnesota river by coordinating the work plans of the 12 major watersheds and the member counties of the joint powers board, state agencies, and the University of Minnesota in cleanup efforts and submission of periodic river cleanup plans for submission to the governor and the legislature;

(2) advising on the development and use of monitoring and evaluation systems in the Minnesota river and the incorporation of the data obtained from these systems into the planning process;

(3) conducting public meetings of the board on at least a quarterly basis at locations within the Minnesota river basin;

(4) conducting an ongoing information and education program concerning the status of the Minnesota river, including an annual conference on the state of the Minnesota river; and

(5) providing periodic reports and budget requests to the governor's office and the chairs of the agriculture and environment and natural resources committees of the senate and the house of representatives regarding progress on meeting river water quality management goals and future funding required for this effort;

(6) advising on the development of projects within the 12 major watersheds that are scientifically sound, have landowner support, and reduce inputs of pollutants into the Minnesota river basin; and

(7) administering the distribution of project implementation funds for the 12 major watersheds by approving projects, identifying matching components for each project, and tracking the results achieved for each project.

Sec. 93. Minnesota Statutes 1996, section 115.03, is amended by adding a subdivision to read:

Subd. 9. **FUTURE COSTS OF WASTEWATER TREATMENT; UPDATE OF 1995 REPORT.** The commissioner shall, by January 15, 1998, and each even-numbered year thereafter, provide the chairs of the house and senate committees with primary jurisdiction over the agency's budget with the following information:

(1) an updated list of all wastewater treatment upgrade and construction projects the agency has identified to meet existing and proposed water quality standards and regulations;

(2) an estimate of the total costs associated with the projects listed in clause (1), and the projects' priority ranking under Minnesota Rules, chapter 7077. The costs of projects

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necessary to meet existing standards must be identified separately from the costs of projects necessary to meet proposed standards;

(3) the commissioner's best estimate, developed in consultation with the commissioner of trade and economic development and affected permittees, of the increase in sewer service rates to the residents in the municipalities required to construct the projects listed in clause (1) resulting from the cost of these projects; and

(4) a list of existing and proposed state water quality standards which are more stringent than is necessary to comply with federal law, either because the standard has no applicable federal water quality criteria, or because the standard is more stringent than the applicable federal water quality criteria.

Sec. 94. [115.58] ALTERNATIVE DISCHARGING SEWAGE SYSTEMS; GENERAL PERMITS.

Subdivision 1. DEFINITIONS. (a) The definitions in this subdivision apply to this section.

(b) "Alternative discharging sewage system" means a sewage treatment system serving one or more dwellings and other establishments that discharges less than 10,000 gallons of water per day and uses any treatment and disposal methods other than subsurface soil treatment and disposal.

(c) "Permit" means a National Pollutant Discharge Elimination System permit or State Disposal System permit granted to any person for the installation, ownership, management, or control of alternative discharging sewage systems whose operations, emissions, activities, discharges, or facilities are the same or substantially similar.

(d) "Water quality cooperative" means an association of persons organized under chapter 308A to install, own, manage, and control individual sewage treatment systems or alternative discharging sewage systems and provide water quality treatment and management services for its members within a defined geographical area.

(e) "Water quality treatment and management services" means the monitoring and control of alternative discharging sewage systems to eliminate or reduce water pollution from point and nonpoint sources; the management, use, reuse, recycling, or reclamation of land, water, or wastewater for water supply; geothermal heating and cooling; fire protection; irrigation; drainage; open space or green belt preservation; storm water management and control; flood management and control or other purposes that are part of a comprehensive plan to reduce, prevent, or eliminate water pollution.

Subd. 2. AREAWIDE PERMIT. The agency may issue an areawide permit for alternative discharging sewage systems, where the systems:

(1) meet all applicable federal and state standards for treatment and discharge of sewage effluents by the agency;

(2) are part of a water quality treatment and management plan to prevent, eliminate, or reduce water pollution within a defined geographic area;

(3) are owned or controlled by a water quality cooperative; and

(4) the water quality cooperative has a service agreement with a local unit of government to provide water quality treatment and management services for the area under section 471A.03.

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Subd. 3. LOCAL ORDINANCE EXEMPTION. Any system which is permitted under subdivision 2 is exempt from the requirements of any local ordinance adopted to conform with section 115.55 if the system complies with the applicable standards for discharges and treatment of sewage effluents.

Sec. 95. Minnesota Statutes 1996, section 115A.54, subdivision 2a, is amended to read:

Subd. 2a. **SOLID WASTE MANAGEMENT PROJECTS.** (a) The director shall provide technical and financial assistance for the acquisition and betterment of solid waste management projects as provided in this subdivision and section 115A.52. Money appropriated for the purposes of this subdivision must be distributed as grants.

(b) Except as provided in paragraph (c), a project may receive grant assistance up to 25 percent of the capital cost of the project or \$2,000,000, whichever is less, except that projects constructed as a result of intercounty cooperative agreements may receive (1) grant assistance up to 25 percent of the capital cost of the project; or (2) \$2,000,000 times the number of participating counties, whichever is less.

(c) A recycling project or a project to compost or cocompost waste may receive grant assistance up to 50 percent of the capital cost of the project or \$2,000,000, whichever is less, except that projects completed as a result of intercounty cooperative agreements may receive (1) grant assistance up to 50 percent of the capital cost of the project; or (2) \$2,000,000 times the number of participating counties, whichever is less. The following projects may also receive grant assistance in the amounts specified in this paragraph:

(1) a project to improve control of or reduce air emissions at an existing resource recovery facility; and

(2) a project to substantially increase the recovery of materials or energy, substantially reduce the amount or toxicity of waste processing residuals, or expand the capacity of an existing resource recovery facility to meet the resource recovery needs of an expanded region if each county from which waste is or would be received has achieved a recycling rate in excess of the goals in section 115A.551, and is implementing aggressive waste reduction and household hazardous waste management programs.

(d) Notwithstanding paragraph (e), the director may award grants for transfer stations that will initially transfer waste to landfills if the transfer stations are part of a planned resource recovery project, the county where the planned resource recovery facility will be located has a comprehensive solid waste management plan approved by the director, and the solid waste management plan proposes the development of the resource recovery facility. If the proposed resource recovery facility is not in place and operating within eight ~~12~~ years of the date of the grant award, the recipient shall repay the grant amount to the state.

(e) Projects without resource recovery are not eligible for assistance.

(f) In addition to any assistance received under paragraph (b) or (c), a project may receive grant assistance for the cost of tests necessary to determine the appropriate pollution control equipment for the project or the environmental effects of the use of any product or material produced by the project.

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(g) In addition to the application requirements of section 115A.51, an application for a project serving eligible jurisdictions in only a single county must demonstrate that cooperation with jurisdictions in other counties to develop the project is not needed or not feasible. Each application must also demonstrate that the project is not financially prudent without the state assistance, because of the applicant's financial capacity and the problems inherent in the waste management situation in the area, particularly transportation distances and limited waste supply and markets for resources recovered.

(h) For the purposes of this subdivision, a "project" means a processing facility, together with any transfer stations, transmission facilities, and other related and appurtenant facilities primarily serving the processing facility. The director shall adopt rules for the program by July 1, 1985.

(i) Notwithstanding anything in this subdivision to the contrary, a project to construct a new mixed municipal solid waste transfer station that has an enforceable commitment of at least ten years, or of sufficient length to retire bonds sold for the facility, to serve an existing resource recovery facility may receive grant assistance up to 75 percent of the capital cost of the project if addition of the transfer station will increase substantially the geographical area served by the resource recovery facility and the ability of the resource recovery facility to operate more efficiently on a regional basis and the facility meets the criteria in paragraph (c), the second clause (2). A transfer station eligible for assistance under this paragraph is not eligible for assistance under any other paragraph of this subdivision.

Sec. 96. Minnesota Statutes 1996, section 115A.912, is amended by adding a subdivision to read:

Subd. 4. WASTE TIRE MATERIALS; PROHIBITION. Materials derived from waste tires may not be used as lightweight fill in the construction of public roads in the state unless the construction plan is prepared by a professional engineer experienced in the geotechnical field and licensed in the state of Minnesota. The plan shall include, but not be limited to, the location, duration, and length of the project, the depth of fill, the depth of cover, the size of waste tire pieces, the plan for encapsulating the waste tire pieces, and the fire protection plan. All engineering specifications must be consistent with the current lightweight tire fill engineering practices as developed for roadways by the Minnesota department of transportation.

Sec. 97. Minnesota Statutes 1996, section 115A.916, is amended to read:

115A.916 MOTOR VEHICLE FLUIDS AND FILTERS; PROHIBITIONS.

(a) A person may not knowingly place motor oil, brake fluid, power steering fluid, transmission fluid, motor oil filters, or motor vehicle antifreeze:

(1) in solid waste or in a solid waste management facility other than a recycling facility or a household hazardous waste collection facility;

(2) in or on the land, unless approved by the agency; or

(3) in or on the waters of the state or in a stormwater or wastewater collection or treatment system.

(b) For the purposes of this section, "antifreeze" does not include small amounts of antifreeze contained in water used to flush the cooling system of a vehicle after the anti-

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freeze has been drained and does not include deicer that has been used on the exterior of a vehicle.

(c) For businesses that purchase or use an annual average of over ~~150~~ 50 gallons of motor vehicle antifreeze per month for on-site installation in motor vehicles, this section does not apply to antifreeze placed in a wastewater collection system that includes a publicly owned treatment works that is permitted by the agency until December 31, ~~1996~~ 1997. For businesses that purchase or use an annual average of ~~150~~ 50 gallons or less of motor vehicle antifreeze per month for on-site installation in motor vehicles, this section does not apply to antifreeze placed in a wastewater collection system that includes a publicly owned treatment works that is permitted by the agency until ~~December 31, 1997~~ July 1, 1998.

(d) Notwithstanding paragraph (a), motor oil filters and portions of motor oil filters may be processed at a permitted mixed municipal solid waste resource recovery facility that directly burns the waste if:

(1) the facility is subject to an industrial waste management plan that addresses management of motor oil filters and the owner or operator of the facility can demonstrate to the satisfaction of the commissioner that the facility is in compliance with that plan;

(2) the facility recovers ferrous metal after incineration for recycling as part of its operation; and

(3) the motor oil filters are collected separately from mixed municipal solid waste and are not combined with it except for the purpose of incinerating the waste.

(e) The commissioner of the pollution control agency, industry organizations representing automotive repair businesses and antifreeze recycling businesses, and environmental organizations shall work together to develop and promote opportunities to recycle waste motor vehicle antifreeze and to review the impact of alternative antifreeze disposal or recycling methods on businesses and the environment.

Sec. 98. Minnesota Statutes 1996, section 115A.932, subdivision 1, is amended to read:

Subdivision 1. **PROHIBITIONS.** (a) A person may not place mercury or a thermostat, thermometer, electric switch, appliance, gauge, or medical or scientific instrument from which the mercury has not been removed for reuse or recycling:

(1) in solid waste; or

(2) in a wastewater disposal system.

(b) A person may not knowingly place mercury or a thermostat, thermometer, electric switch, appliance, gauge, or medical or scientific instrument from which the mercury has not been removed for reuse or recycling:

(1) in a solid waste processing facility; or

(2) in a solid waste disposal facility, as defined in section 115.01, subdivision 4.

(c) A person may not knowingly place a fluorescent or high intensity discharge lamp:

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- (1) in solid waste; or
- (2) in a solid waste facility, except a household hazardous waste collection or recycling facility.

This paragraph does not apply to waste lamps generated by households until August 1, 1994.

Sec. 99. Minnesota Statutes 1996, section 115B.02, is amended by adding a subdivision to read:

Subd. 9a. INSTITUTIONAL CONTROLS. “Institutional controls” means legally enforceable restrictions, conditions, or controls on the use of real property, groundwater, or surface water located at or adjacent to a facility where response actions are taken that are reasonably required to assure that the response actions are protective of public health or welfare or the environment. Institutional controls include restrictions, conditions, or controls enforceable by contract, easement, restrictive covenant, statute, ordinance, or rule, including official controls such as zoning, building codes, and official maps. An affidavit required under section 115B.16, subdivision 2, or similar notice of a release recorded with real property records is also an institutional control.

Sec. 100. Minnesota Statutes 1996, section 115B.02, subdivision 16, is amended to read:

Subd. 16. REMEDY OR REMEDIAL ACTION. “Remedy” or “remedial action” means those actions consistent with permanent remedy taken instead of or in addition to removal actions in the event of a release or threatened release of a hazardous substance, or a pollutant or contaminant, into the environment, to prevent, minimize or eliminate the release in order to protect the public health or welfare or the environment.

Remedy or remedial action includes, but is not limited to:

(a) Actions at the location of the release such as storage, confinement, perimeter protection using dikes, trenches, or ditches, clay cover, neutralization, cleanup of released hazardous substances, pollutants or contaminants, or contaminated materials, recycling or reuse, diversion, destruction, segregation of reactive wastes, dredging or excavations, repair or replacement of leaking containers, collection of leachate and runoff, on-site treatment or incineration, provision of alternative water supplies, and any monitoring and maintenance, and institutional controls, reasonably required to assure that these actions protect the public health and welfare and the environment; and

(b) The costs of permanent relocation of residents and businesses and community facilities when the agency determines that, alone or in combination with other measures, relocation is more cost-effective than and environmentally preferable to the transportation, storage, treatment, destruction, or secure disposition off-site of hazardous substances, or pollutants or contaminants, or may otherwise be necessary to protect the public health or welfare.

Remedy or remedial action does not include offsite transport of hazardous substances, pollutants or contaminants, or contaminated materials or their storage, treatment, destruction, or secure disposition offsite unless the agency determines that these actions:

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- (1) Are more cost-effective than other remedial actions;
- (2) Will create new capacity to manage hazardous substances in addition to those located at the affected facility, in compliance with section 116.07 and subtitle C of the Solid Waste Disposal Act, United States Code, title 42, section 6921 et seq.; or
- (3) Are necessary to protect the public health or welfare or the environment from a present or potential risk which may be created by further exposure to the continued presence of the hazardous substances, pollutants or contaminants, or contaminated materials.

Sec. 101. Minnesota Statutes 1996, section 115B.17, subdivision 14, is amended to read:

Subd. 14. **REQUESTS FOR REVIEW, INVESTIGATION, AND OVERSIGHT.** (a) The commissioner may, upon request, assist a person in determining whether real property has been the site of a release or threatened release of a hazardous substance, pollutant, or contaminant. The commissioner may also assist in, or supervise, the development and implementation of reasonable and necessary response actions. Assistance may include review of agency records and files, and review and approval of a requester's investigation plans and reports and response action plans and implementation.

(b) Except as otherwise provided in this paragraph, the person requesting assistance under this subdivision shall pay the agency for the agency's cost, as determined by the commissioner, of providing assistance. A state agency, political subdivision, or other public entity is not required to pay for the agency's cost to review agency records and files. Money received by the agency for assistance under this section must be deposited in the environmental response, compensation, and compliance fund.

(c) When a person investigates a release or threatened release in accordance with an investigation plan approved by the commissioner under this subdivision, the investigation does not associate that person with the release or threatened release for the purpose of section 115B.03, subdivision 3, paragraph (d).

Sec. 102. Minnesota Statutes 1996, section 115B.17, subdivision 15, is amended to read:

Subd. 15. **ACQUISITION OF PROPERTY.** The agency may acquire, by purchase or donation, an interest in real property, including easements, restrictive covenants, and leases, that the agency determines is necessary for response action. The validity and duration of a restrictive covenant or nonpossessory easement acquired under this subdivision shall be determined in the same manner as the validity and duration of a conservation easement under chapter 84C, unless the duration is otherwise provided in the agreement. The agency may acquire an easement by condemnation only if the agency is unable, after reasonable efforts, to acquire an interest in real property by purchase or donation. The provisions of chapter 117 govern condemnation proceedings by the agency under this subdivision. A donation of an interest in real property to the agency is not effective until the agency executes a certificate of acceptance. The state is not liable under this chapter solely as a result of acquiring an interest in real property under this subdivision.

Sec. 103. Minnesota Statutes 1996, section 115B.17, is amended by adding a subdivision to read:

Subd. 17. **SETTLEMENTS; GENERAL AUTHORITY.** In addition to the general authority vested in the agency to settle any claims under sections 115B.01 to

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115B.18, the agency may exercise the settlement authorities provided in subdivisions 17 to 20. If the agency does not obtain complete relief for all of its claims under sections 115B.01 to 115B.18, pursuant to a settlement, the agency may bring claims under those sections against any person who is not a party to the settlement, but the settlement shall reduce the liability of any person who is not a party to the settlement by the amount of the settlement.

Sec. 104. Minnesota Statutes 1996, section 115B.17, is amended by adding a subdivision to read:

Subd. 18. CONTRIBUTION PROTECTION FOR SETTLORS. Notwithstanding anything to the contrary in section 115B.08 or any other law, a person who resolves its liability to the agency under sections 115B.01 to 115B.18 in a settlement shall not be liable for any claim for contribution regarding matters addressed in the settlement. Except as otherwise provided in the settlement, a party to a settlement retains any right under section 115B.08 or any other law to bring a claim for contribution against any person who is not a party to the settlement. Any claim for contribution against a person who is not a party to the settlement shall be subordinate to any claim asserted against such person by the agency.

Sec. 105. Minnesota Statutes 1996, section 115B.17, is amended by adding a subdivision to read:

Subd. 19. REIMBURSEMENT UNDER CERTAIN SETTLEMENTS. (a) When the agency determines that some but not all persons responsible for a release are willing to implement response actions, the agency may agree, pursuant to a settlement of its claims under sections 115B.01 to 115B.18, to reimburse the settling parties for response costs incurred to take the actions. The agency may agree to reimburse any amount which does not exceed the amount that the agency estimates may be attributable to the liability of responsible persons who are not parties to the settlement. Reimbursement may be provided only for the cost of conducting remedial design and constructing remedial action pursuant to the terms of the settlement. Reimbursement under this subdivision shall be paid only upon the agency's determination that the remedial action approved by the agency has been completed in accordance with the terms of the settlement. The agency may use money appropriated to it for actions authorized under section 115B.20, subdivision 2, clause (2), to pay reimbursement under this subdivision.

(b) The agency may agree to provide reimbursement under a settlement only when all of the following requirements have been met:

(1) the agency has made the determination under paragraph (c) regarding persons who are not participating in the settlement, and has provided written notice to persons identified under paragraph (c), clauses (1) and (2), of their opportunity to participate in the settlement or in a separate settlement under subdivision 20;

(2) the release addressed in the settlement has been assigned a priority pursuant to agency rules adopted under subdivision 13, and the priority is at least as high as a release for which the agency would be allowed to allocate funds for remedial action under the rules;

(3) an investigation of the release addressed in the settlement has been completed in accordance with a plan approved by the agency; and

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(4) the agency has approved the remedial action to be implemented under the settlement.

(c) Before entering into a settlement providing for reimbursement under this subdivision, the agency shall determine that there are one or more persons who meet any of the following criteria who are not participating in the settlement:

(1) persons identified by the agency as responsible for the release addressed in the settlement but who are likely to have only minimal involvement in actions leading to the release, or are insolvent or financially unable to pay any significant share of response action costs;

(2) persons identified by the agency as responsible for the release other than persons described in clause (1) and who are unwilling to participate in the settlement or to take response actions with respect to the release;

(3) persons whom the agency has reason to believe are responsible for the release addressed in the settlement but whom the agency has been unable to identify; or

(4) persons identified to the agency by a party to the proposed settlement as persons who are potentially responsible for the release but for whom the agency has insufficient information to determine responsibility.

(d) Except as otherwise provided in this subdivision, a decision of the agency under this subdivision to offer or agree to provide reimbursement in any settlement, or to determine the amount of reimbursement it will provide under a settlement, is a matter of agency discretion in the exercise of its enforcement authority. In exercising discretion in this matter, the agency may consider, among other factors, the degree of cooperation with the agency that has been shown prior to the settlement by the parties seeking reimbursement.

(e) The agency may require as a term of settlement under this subdivision that the parties receiving reimbursement from the agency waive any rights they may have to bring a claim for contribution against persons who are not parties to the settlement.

Sec. 106. Minnesota Statutes 1996, section 115B.17, is amended by adding a subdivision to read:

Subd. 20. SETTLEMENTS WITH DE MINIMIS PARTIES AND PARTIES WITH LIMITED FINANCIAL RESOURCES. (a) The agency may agree to separately settle its claims under sections 115B.01 to 115B.18 with any persons:

(1) whose liability for response costs or response actions, in the determination of the agency, is minimal in comparison with the liability of other persons responsible for the release; or

(2) who are responsible for a release but, in the determination of the agency, are insolvent or financially unable to pay any significant share of their liability for the response costs.

(b) A settlement under this subdivision may require the parties to pay a fixed amount in money or in kind toward the implementation of response actions, and may include a premium for the risk of additional future response costs or response action requirements. The agency may require as a term of a settlement under this subdivision that the settling

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responsible persons waive any rights they may have to bring a claim for contribution against persons who are not parties to the settlement.

(c) All amounts paid to the agency under a settlement entered into pursuant to this subdivision shall be deposited in the account and are appropriated to the agency to pay for response actions and associated administrative and legal costs related to the release addressed in the settlement, including reimbursement for response costs under subdivision 19.

Sec. 107. Minnesota Statutes 1996, section 115B.175, subdivision 2, is amended to read:

Subd. 2. PARTIAL RESPONSE ACTION PLANS; CRITERIA FOR APPROVAL. (a) The commissioner may approve a voluntary response action plan submitted under this section that does not require removal or remedy of all releases and threatened releases at an identified area of real property if the commissioner determines that all of the following criteria have been met:

(1) if reuse or development of the property is proposed, the voluntary response action plan provides for all response actions required to carry out the proposed reuse or development in a manner that meets the same standards for protection that apply to response actions taken or requested under section 115B.17, subdivision 1 or 2;

(2) the response actions and the activities associated with any reuse or development proposed for the property will not aggravate or contribute to releases or threatened releases that are not required to be removed or remedied under the voluntary response action plan, and will not interfere with or substantially increase the cost of response actions to address the remaining releases or threatened releases; and

(3) the owner of the property agrees to cooperate with the commissioner or other persons acting at the direction of the commissioner in taking response actions necessary to address remaining releases or threatened releases, and to avoid any action that interferes with the response actions.

(b) Under paragraph (a), clause (3), an owner may be required to agree to any or all of the following terms necessary to carry out response actions to address remaining releases or threatened releases:

(1) to provide access to the property to the commissioner and the commissioner's authorized representatives;

(2) to allow the commissioner, or persons acting at the direction of the commissioner, to undertake reasonable and necessary activities at the property including placement of borings, wells, equipment, and structures on the property, provided that the activities do not unreasonably interfere with the proposed reuse or redevelopment; and

(3) to grant easements or other interests in the property to the agency for any of the purposes provided in clause (1) or (2).

(c) An agreement under paragraph (a), clause (3), must apply to and be binding upon the successors and assigns of the owner. The owner shall record the agreement, or a memorandum approved by the commissioner that summarizes the agreement, with the county recorder or registrar of titles of the county where the property is located.

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Sec. 108. Minnesota Statutes 1996, section 115B.175, subdivision 6a, is amended to read:

Subd. 6a. **VOLUNTARY RESPONSE ACTIONS BY RESPONSIBLE PERSONS.** (a) Notwithstanding subdivision 1, paragraph (a), when a person who is responsible for a release or threatened release under sections 115B.01 to 115B.18 undertakes and completes response actions, the protection from liability provided by this section applies to persons described in paragraph (c) if the response actions are undertaken and completed in accordance with this subdivision.

(b) The response actions must be undertaken and completed in accordance with a voluntary response action plan approved as provided in subdivision 3. Notwithstanding subdivision 2, a voluntary response action plan submitted by a person who is responsible for the release or threatened release must require remedy or removal of all releases and threatened releases at the identified area of real property. The identified area of real property must correspond to the boundaries of a parcel that is either separately platted or is the entire parcel.

(c) Subject to the provisions of subdivision 7, when the commissioner issues a certificate of completion under subdivision 5 for response actions completed at an identified area of real property in accordance with this subdivision, the liability protection under this section applies to:

(1) a person who acquires the identified real property after approval of the voluntary response action plan;

(2) a person providing financing for response actions or development at the identified real property after approval of the response action plan, whether the financing is provided to the person undertaking the response actions or other person who acquires or develops the property; and

(3) a successor or assign of a person to whom the liability protection applies under this paragraph.

(d) When the commissioner issues a certificate of completion for response actions completed by a responsible person, the commissioner and the responsible person may enter into an agreement that resolves the person's future liability to the agency under sections 115B.01 to 115B.18 for the release or threatened release addressed by the response actions.

Sec. 109. Minnesota Statutes 1996, section 115B.412, subdivision 10, is amended to read:

Subd. 10. **REPORT.** By ~~October~~ December 1 of each year, the commissioner shall report to the environment and natural resources committees and to the appropriate finance committees of the senate and the house of representatives on the commissioner's activities under sections 115B.39 to 115B.43 and the commissioner's anticipated activities during future fiscal years.

Sec. 110. Minnesota Statutes 1996, section 115B.48, subdivision 3, is amended to read:

Subd. 3. **DRYCLEANING FACILITY.** "Drycleaning facility" means a facility located in this state that is or has been used for a drycleaning operation, other than:

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- (1) a coin-operated drycleaning operation;
- (2) a facility located on a United States military base;
- (3) a uniform service or linen supply facility;
- (4) a prison or other penal institution;
- (5) a facility on the national priorities list established under the Federal Superfund Act; or
- (6) a facility at which a response action has been taken or started under section 115B.17 before July 1, 1995, except as authorized in a settlement agreement approved by the commissioner by July 1, 1997.

Sec. 111. Minnesota Statutes 1996, section 115B.48, subdivision 8, is amended to read:

Subd. 8. **FULL-TIME EQUIVALENCE.** "Full-time equivalence" means 2,000 hours worked by employees, owners, and others, at ~~duties related to the drycleaning operation in a drycleaning facility during a 12-month period beginning July 1 of the preceding year and running through June 30 of the year in which the annual registration fee is due.~~ For those drycleaning facilities that were in business less than the 12-month period, full-time equivalence means the total of all of the hours worked at ~~duties related to the drycleaning operation in the drycleaning facility,~~ divided by 2,000 and multiplied by a fraction, the numerator of which is 50 and the denominator of which is the number of weeks in business during the reporting period.

Sec. 112. Minnesota Statutes 1996, section 115B.49, subdivision 4, is amended to read:

Subd. 4. **REGISTRATION; FEES.** (a) The owner or operator of a drycleaning facility shall register on or before July 1 of each year with the commissioner of revenue in a manner prescribed by the commissioner of revenue and pay a registration fee for the facility. The amount of the fee is:

- (1) \$500, for facilities with a full-time equivalence of fewer than five;
- (2) \$1,000, for facilities with a full-time equivalence of five to ten; and
- (3) \$1,500, for facilities with a full-time equivalence of more than ten.

(b) A person who sells drycleaning solvents for use by drycleaning facilities in the state shall collect and remit to the commissioner of revenue in a manner prescribed by the commissioner of revenue, on or before the 20th day of the month following the month in which the sales of drycleaning solvents are made, a fee of:

(1) \$3.50 for each gallon of perchloroethylene sold for use by drycleaning facilities in the state; and

(2) 70 cents for each gallon of hydrocarbon-based drycleaning solvent sold for use by drycleaning facilities in the state.

(c) The commissioner shall, after a public hearing but notwithstanding section 16A.1285, subdivision 4, annually adjust the fees in this subdivision as necessary to maintain an ~~unencumbered balance in the account~~ annual income of at least \$1,000,000:

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- (1) \$600,000 beginning July 1, 1997;
- (2) \$700,000 beginning July 1, 1998; and
- (3) \$800,000 beginning July 1, 1999.

Any adjustment under this paragraph must be prorated among all the fees in this subdivision. ~~Fees adjusted under this paragraph may not exceed 200 percent of the fees in this subdivision.~~ After adjustment under this paragraph, the fees in this subdivision must not be greater than two times their original amount. The commissioner shall notify the commissioner of revenue of an adjustment under this paragraph no later than March 1 of the year in which the adjustment is to become effective. The adjustment is effective for sales of drycleaning solvents made, and annual registration fees due, beginning on July 1 of the same year.

(d) To enforce this subdivision, the commissioner of revenue may examine documents, assess and collect fees, conduct investigations, issue subpoenas, grant extensions to file returns and pay fees, impose penalties and interest on the annual registration fee under paragraph (a) and the monthly fee under paragraph (b), abate penalties and interest, and administer appeals, in the manner provided in chapters 270 and 289A. The penalties and interest imposed on taxes under chapter 297A apply to the fees imposed under this subdivision. Disclosure of data collected by the commissioner of revenue under this subdivision is governed by chapter 270B.

Sec. 113. Minnesota Statutes 1996, 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.1285 establishing 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 environmental fund.

(b) Notwithstanding paragraph (a), and section 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 contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to the requirement to obtain a permit under subchapter V of the federal Clean Air Act, 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 subchapter V of the federal Clean Air Act, 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;

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responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; and providing information to the public about these activities.

(c) The agency shall adopt fee rules in accordance with the procedures in section 16A.1285, subdivision 5, that:

(1) will result in the collection, in the aggregate, from the sources listed in paragraph (b), of the following amounts:

(1) 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

(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 (1) that is regulated under this chapter or air quality rules adopted under this chapter; and

(3) shall collect, in the aggregate, from the sources listed in paragraph (b), the amount needed to match grant funds received by the state under United States Code, title 42, section 7405 (section 105 of the federal Clean Air Act).

The agency must not include in the calculation of the aggregate amount to be collected under the fee rules clauses (1) and (2) any amount in excess of 4,000 tons per year of each air pollutant from a source. The increase in air permit fees to match federal grant funds shall be a surcharge on existing fees. The commissioner may not collect the surcharge after the grant funds become unavailable. In addition, the commissioner shall use nonfee funds to the extent practical to match the grant funds so that the fee surcharge is minimized.

(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 by the percentage, if 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. Re-

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imbursements 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. 114. Minnesota Statutes 1996, section 116.07, is amended by adding a subdivision to read:

Subd. 7a. NOTICE OF APPLICATION FOR LIVESTOCK FEEDLOT PERMIT. A person who applies to the pollution control agency or a county board for a permit to construct or expand a feedlot with a capacity of 500 animal units or more shall, not later than ten business days after the application is submitted, provide notice to each resident and each owner of real property within 5,000 feet of the perimeter of the proposed feedlot. The notice may be delivered by first class mail, in person, or by the publication in a newspaper of general circulation within the affected area and must include information on the type of livestock and the proposed capacity of the feedlot. Notification under this subdivision is satisfied under an equal or greater notification requirement of a county conditional use permit.

Sec. 115. [116.0713] LIVESTOCK ODOR.

The pollution control agency must:

(1) monitor and identify potential livestock facility violations of the state ambient air quality standards for hydrogen sulfide, using a protocol for responding to citizen complaints regarding feedlot odor and its hydrogen sulfide component, including the appropriate use of portable monitoring equipment that enables monitoring staff to follow plumes;

(2) when livestock production facilities are found to be in violation of ambient hydrogen sulfide standards, take appropriate actions necessary to ensure compliance, utilizing appropriate technical assistance and enforcement and penalty authorities provided to the agency by statute and rule.

Sec. 116. Minnesota Statutes 1996, section 116.92, is amended by adding a subdivision to read:

Subd. 8a. BAN; MERCURY MANOMETERS. After June 30, 1997, mercury manometers for use on dairy farms may not be sold or installed, nor may mercury manometers in use on dairy farms be repaired. After December 31, 2000, all mercury manometers on dairy farms must be removed from use.

Sec. 117. [116.993] SMALL BUSINESS ENVIRONMENTAL IMPROVEMENT LOAN PROGRAM.

Subdivision 1. ESTABLISHMENT. A small business environmental improvement revolving loan program is established to provide loans to small businesses for the purpose of capital equipment purchases that will meet or exceed environmental rules and regulations or for investigation and cleanup of contaminated sites. The small business environmental improvement revolving loan program replaces the small business environmental loan program in Minnesota Statutes 1996, section 116.991, and the hazardous waste generator loan program in Minnesota Statutes 1996, section 115B.223.

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Subd. 2. ELIGIBLE BORROWER. To be eligible for a loan under this section, a borrower must:

- (1) be a small business corporation, sole proprietorship, partnership, or association;
- (2) be a potential emitter of pollutants to the air, ground, or water;
- (3) need capital for equipment purchases that will meet or exceed environmental regulations or need capital for site investigation and cleanup;
- (4) have less than 50 full-time employees;
- (5) have an after tax profit of less than \$500,000; and
- (6) have a net worth of less than \$1,000,000.

Subd. 3. LOAN APPLICATION AND AWARD PROCEDURE. The commissioner of the pollution control agency may give priority to applicants that include, but are not limited to, those subject to Clean Air Act standards adopted under United States Code, title 42, section 7412, those undergoing site investigation and remediation, those involved with facility wide environmental compliance and pollution prevention projects, and those determined by the commissioner to be small business outreach priorities. 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 secure and repay the loan; and
- (3) the expected environmental benefit.

Subd. 4. SCREENING COMMITTEE. The commissioner shall appoint a screening committee to evaluate applications and determine loan awards. The committee shall have diverse expertise in air quality, water quality, solid and hazardous waste management, site response and cleanup, pollution prevention, and financial analysis.

Subd. 5. LIMITATION ON LOAN OBLIGATION. Numbers of applications accepted, evaluated, and awarded are based upon the available money in the small business environmental improvement loan account.

Subd. 6. LOAN CONDITIONS. A loan made under this section must include:

- (1) an interest rate that is four percent or one-half the prime rate, whichever is greater;
- (2) a term of payment of not more than seven years; and
- (3) an amount not less than \$1,000 or exceeding \$50,000.

Sec. 118. [116.994] SMALL BUSINESS ENVIRONMENTAL IMPROVEMENT LOAN ACCOUNT.

The small business environmental improvement loan account is established in the environmental fund. Repayments of loans made under section 116.993 must be credited to this account. This account replaces the small business environmental loan account in Minnesota Statutes 1996, section 116.992, and the hazardous waste generator loan account in Minnesota Statutes 1996, section 115B.224. The account balances and pending

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repayments from the small business environmental loan account and the hazardous waste generator account will be credited to this new account. Money in the account is appropriated to the commissioner for loans under this section.

Sec. 119. Minnesota Statutes 1996, section 116C.834, subdivision 2, is amended to read:

Subd. 2. **COLLECTION AND DEPOSIT.** Fees assessed under subdivision 1 shall be collected by the commissioner of revenue. All money received pursuant to this subdivision shall be deposited in the special revenue environmental fund.

Sec. 120. Minnesota Statutes 1996, section 116O.09, subdivision 2, is amended to read:

Subd. 2. **DUTIES.** (a) In addition to the duties and powers assigned to the institutes in section 116O.08, the agricultural utilization research institute shall:

(1) identify the various market segments characterized by Minnesota's agricultural industry, address each segment's individual needs, and identify development opportunities in each segment;

(2) develop and implement a utilization program for each segment that addresses its development needs and identifies techniques to meet those needs;

(3) coordinate research among the public and private organizations and individuals specifically addressing procedures to transfer new technology to businesses, farmers, and individuals; ~~and~~

(4) provide research grants to public and private educational institutions and other organizations that are undertaking basic and applied research that would promote the development of the various agricultural industries; ~~and~~

(5) provide financial assistance including, but not limited to: (i) direct loans, guarantees, interest subsidy payments, and equity investments; and (ii) participation in loan participations. The board of directors shall establish the terms and conditions of the financial assistance.

(b) ~~The agricultural utilization research institute board of directors, with the concurrence of the advisory board,~~ shall have the sole approval authority for establishing agricultural utilization research priorities, requests for proposals to meet those priorities, awarding of grants, hiring and direction of personnel, and other expenditures of funds consistent with the adopted and approved mission and goals of the agricultural utilization research institute. The actions and expenditures of the agricultural utilization research institute are subject to audit and regular annual report to the legislature in general and specifically the house of representatives agriculture committee, the senate agriculture and rural development committee, the house of representatives appropriations environment and natural resources finance committee, and the senate ~~finance committee~~ environment and agriculture budget division.

Sec. 121. Minnesota Statutes 1996, section 116O.09, subdivision 5, is amended to read:

Subd. 5. **ADVISORY BOARD.** A 26-member advisory board ~~is~~ may be established to identify priorities for the agricultural utilization research institute. Members of

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the advisory board are appointed by the board. The advisory board consists of: the chair of the Minnesota house of representatives agricultural committee; the chair of the Minnesota senate agricultural committee; a representative from each of the ten largest agricultural-related businesses in the state as determined by the corporation; a member from each of the appropriate trade organizations representing producers of beef cattle, dairy, corn, soybeans, pork, wheat, turkey, barley, wild rice, edible beans, eggs, and potatoes; a member of the Farmers' Union; and a member of the Farm Bureau. Terms and removal of members must be set by the board and members of the advisory board serve without compensation but shall receive their necessary and actual expenses.

The advisory board shall annually provide a list of priorities and suggested research and marketing studies that should be performed by the agricultural utilization research institute.

Sec. 122. Minnesota Statutes 1996, section 116O.09, subdivision 9, is amended to read:

Subd. 9. **MEETINGS.** The board of directors shall meet at least twice each year and may hold additional meetings upon giving notice in accordance with the bylaws of the institute. Board meetings are subject to section 471.705, except subdivision 1b as it pertains to financial information, business plans, income and expense projections, customer lists, market and feasibility studies, and trade secret information as defined by section 13.37, subdivision 1, paragraph (b).

Sec. 123. Minnesota Statutes 1996, section 216B.2423, is amended by adding a subdivision to read:

Subd. 3. **STANDARD CONTRACTS FOR WIND ENERGY CONVERSION SYSTEMS.** The public utilities commission shall require a public utility subject to subdivision 1 to develop and file in a form acceptable to the commission by October 1, 1997, a standard form contract for the purchase of electricity from wind conversion systems with installed capacity of two megawatts and less. For purposes of applying the two megawatts limit, the installed capacity sold to the public utility from a single seller or affiliated group of sellers shall be cumulated. The standard contract shall include all the terms and conditions for purchasing wind-generated power by the utility, except for price and any other specific terms necessary to ensure system reliability and safety, which shall be separately negotiable.

Sec. 124. Minnesota Statutes 1996, section 216C.41, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** (a) The definitions in this subdivision apply to this section:

(b) "Qualified hydroelectric facility" means a hydroelectric generating facility in this state that:

(1) is located at the site of a dam, if the dam was in existence as of March 31, 1994; and

(2) begins generating electricity after July 1, 1994.

(c) "Qualified wind energy conversion facility" means a wind energy conversion system that:

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(1) is located within one county and owned by a natural person who owns the land where the facility is sited, or is a farm-generated wind energy production facility qualifying under section 41B.046, subdivision 1;

(2) produces two megawatts or less of electricity as measured by nameplate rating;
and

(3) begins generating electricity after June 30, 1997, and before July 1, 1999; or

(2) begins generating electricity after June 30, 1999, produces two megawatts or less of electricity as measured by nameplate rating, and is:

(i) located within one county and owned by a natural person who owns the land where the facility is sited;

(ii) owned by a Minnesota small business as defined in section 645.445;

(iii) owned by a nonprofit organization; or

(iv) owned by a tribal council if the facility is located within the boundaries of the reservation.

Sec. 125. [219.99] RAILROAD PRAIRIE RIGHTS-OF-WAY; BEST MANAGEMENT PRACTICES.

The commissioner of natural resources shall conduct a field review of railroad rights-of-way to identify native prairie. The priority will be to identify and conduct a field review of any surveys which have been conducted previously, whether by public or private persons, of native prairies within railroad rights-of-way in this state. In cooperation with railroad companies, the commissioner shall identify management practices used to control vegetation along railroad rights-of-way. The commissioner shall then assess the impact of those management practices on the prairie lands within the railroad rights-of-way. Based on that assessment, the commissioner and railroad companies shall jointly develop voluntary best management practices for prairie lands within railroad rights-of-way.

Sec. 126. Minnesota Statutes 1996, section 223.17, subdivision 3, is amended to read:

Subd. 3. **GRAIN BUYERS AND STORAGE FUND; FEES.** The commissioner shall set the fees for inspections under sections 223.15 to 223.22 at levels necessary to pay the expenses of administering and enforcing sections 223.15 to 223.22. These fees may be adjusted pursuant to the provisions of section 16A.1285.

The fee for any license issued or renewed prior to June 30, 1984, is \$100. The fee for any license issued or renewed after June 30, 1984 1997, shall be set according to the following schedule:

(a) \$100 plus \$50 for each additional location for grain buyers whose gross annual purchases are less than \$1,500,000 \$100,000;

(b) \$200 plus \$50 for each additional location for grain buyers whose gross annual purchases are at least \$1,500,000 \$100,000, but not more than \$3,000,000 \$750,000; and

(c) \$300 plus \$50 \$100 for each additional location for grain buyers whose gross annual purchases are more than \$3,000,000. \$750,000 but not more than \$1,500,000;

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(d) \$400 plus \$100 for each additional location for grain buyers whose gross annual purchases are more than \$1,500,000 but not more than \$3,000,000; and

(e) \$500 plus \$100 for each additional location for grain buyers whose gross annual purchases are more than \$3,000,000.

There is created in the state treasury the grain buyers and storage fund. Money collected pursuant to sections 223.15 to 223.19 shall be paid into the state treasury and credited to the grain buyers and storage fund and is appropriated to the commissioner for the administration and enforcement of sections 223.15 to 223.22.

Sec. 127. Minnesota Statutes 1996, section 300.111, is amended by adding a subdivision to read:

Subd. 5. WATER QUALITY UTILITIES. Notwithstanding any contrary provision in subdivision 1, the term "public utility" also means a person, corporation, cooperative, or other legal entity, their lessees, trustees, and receivers who are operating, maintaining, or controlling equipment or facilities to provide water quality treatment and management services, as defined by section 115.58, subdivision 1, paragraph (e). "Public utility" does not include a municipality that owns or operates equipment or facilities for treating wastewater, furnishing potable water or water for geothermal heating and cooling, managing storm water runoff or drainage, or reducing or eliminating water pollution.

Sec. 128. Minnesota Statutes 1996, section 308A.101, is amended by adding a subdivision to read:

Subd. 3. WATER QUALITY COOPERATIVE PURPOSE. A water quality cooperative may only be formed by a cooperative engaged in furnishing potable water or water quality treatment and management services, as defined in section 115.58, subdivision 1, paragraph (e), for the purpose of financing or refinancing the construction, improvement, expansion, acquisition, operation, and maintenance of treatment works, sewage systems, storm sewer facilities, water pipelines, and related facilities of its members.

Sec. 129. Minnesota Statutes 1996, section 308A.201, is amended by adding a subdivision to read:

Subd. 15. WATER QUALITY COOPERATIVE CONDEMNATION POWER. A water quality cooperative organized in this state may exercise the power of eminent domain in the manner provided by state law for the exercise of the power by corporations engaged in the provision of electric, light, heat, power, or telephone service.

Sec. 130. Minnesota Statutes 1996, section 325E.10, subdivision 2, is amended to read:

Subd. 2. "Motor oil" means petroleum based oil used as a lubricant or hydraulics in a transmission or internal combustion engine motor vehicle as defined in section 168.011, subdivision 4.

Sec. 131. Minnesota Statutes 1996, section 325E.10, is amended by adding a subdivision to read:

Subd. 2a. "Motor oil filter" means any filter used in combination with motor oil.

New language is indicated by underline, deletions by strikeout.

Sec. 132. Minnesota Statutes 1996, section 325E.10, is amended by adding a subdivision to read:

Subd. 5. “Used motor oil filter” means a motor oil filter which through use, storage, or handling has become unsuitable for its original purpose due to the presence of impurities or loss of original properties.

Sec. 133. Minnesota Statutes 1996, 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 where used motor oil and used motor oil filters may be returned at no cost for recycling or reuse, post a toll-free telephone number that may be called by the public to determine a convenient location, or post a listing of locations where used motor oil and used motor oil filters may be returned at no cost for recycling or reuse; or

(2) if the person is subject to section 325E.112, post a notice 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.

(b) A notice under paragraph (a) shall be posted on or adjacent to the motor oil 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 site here for your used oil and used motor oil filters.”; or

(ii) “There is a free collection site for used oil and used motor oil filters located at (name of business and street address).”;

(iii) “For the location of a free collection site for used oil and used motor oil filters call (toll-free phone number).”; or

(iv) “Here is a list of free collection sites for used oil and used motor oil filters.”

(c) The division of weights and measures under the department of public service shall enforce compliance 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. 134. Minnesota Statutes 1996, section 325E.112, subdivision 2, is amended to read:

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

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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~~ 100 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, or operate a private collection site that:

- (1) is not publicly promotable or listed with the agency;
- (2) does not accept up to five gallons of used motor oil and five used motor oil filters per person per day without charging a fee; or
- (3) does not control access to the site during times when the site is closed.

A person operating a collection site may refuse to accept any used motor oil or used motor oil filter:

- (1) that is from a business;
- (2) that appears to be contaminated with antifreeze, hazardous waste, or other materials that may increase the cost of used motor oil management and disposal; or
- (3) when the storage equipment for that particular waste is temporarily filled.

Persons operating government collection sites are eligible for reimbursement of the costs of disposing of contaminated used motor oil. Reimbursements made under this subdivision are limited to the money available in the contaminated used motor oil reimbursement account.

Sec. 135. Minnesota Statutes 1996, section 394.25, subdivision 2, is amended to read:

Subd. 2. **DISTRICTS SET BY ZONING ORDINANCES.** Zoning ordinances establishing districts within which the use of land or the use of water or the surface of water pursuant to section 86B.205 for agriculture, forestry, recreation, residence, industry, trade, soil conservation, water supply conservation, surface water drainage and removal, conservation of shorelands, as defined in sections 103F.201 to 103F.221, and additional uses of land and of the surface of water pursuant to section 86B.205, may be by official controls encouraged, regulated, or prohibited and for such purpose the board may divide the county into districts of such number, shape, and area as may be deemed best suited to carry out the comprehensive plan. Official controls may also be applied to wetlands preservation, open space, parks, sewage disposal, protection of groundwater, protection of floodplains as defined in section 103F.111, protection of wild, scenic, or recreational rivers as defined in sections 103F.311 and 103F.315, protection of slope, soils, unconsolidated materials or bedrock from potentially damaging development, preservation of forests, woodlands and essential wildlife habitat, reclamation of nonmetallic mining lands; protection and encouragement of access to direct sunlight for solar energy systems as defined in section 216C.06, subdivision 8; and the preservation of agricultural lands. Official controls may include provisions for purchase of development rights by the board in the form of conservation easements under chapter 84C in areas where preservation is considered by the board to be desirable, and the transfer of development rights from those areas to areas the board considers more desirable for development.

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Sec. 136. Minnesota Statutes 1996, section 394.25, is amended by adding a subdivision to read:

Subd. 3c. FEEDLOT ZONING ORDINANCES. (a) A county proposing to adopt a new feedlot ordinance or amend an existing feedlot ordinance must notify the pollution control agency and commissioner of agriculture at the beginning of the process.

(b) Prior to final approval of a feedlot ordinance, a county board may submit a copy of the proposed ordinance to the pollution control agency and to the commissioner of agriculture and request review, comment, and preparation of a report on the environmental and agricultural effects from specific provisions in the ordinance.

(c) The report may include:

- (1) any recommendations for improvements in the ordinance; and
- (2) the legal, social, economic, or scientific justification for each recommendation under clause (1).

(d) A local ordinance that contains a setback for new feedlots from existing residences must also provide for a new residence setback from existing feedlots located in areas zoned agricultural at the same distances and conditions specified in the setback for new feedlots, unless the new residence is built to replace an existing residence. A county may grant a variance from this requirement under section 394.27, subdivision 7.

Sec. 137. [394.305] NOTICE OF RESIDENTIAL DEVELOPMENT ON CERTAIN AGRICULTURAL LAND.

A person who applies for a permit to construct four or more residential units on a site located on land zoned for agricultural use or on agricultural land in a county that does not have a comprehensive land use or zoning plan shall, not later than ten business days after the application is submitted, provide notice to each owner of agricultural real property within 5,000 feet of the perimeter of the residential development. The notice may be delivered by first class mail, in person, or by publication in a newspaper of general circulation within the affected area and must include information on the number of residential units.

Sec. 138. Minnesota Statutes 1996, section 462.357, subdivision 1, is amended to read:

Subdivision 1. AUTHORITY FOR ZONING. For the purpose of promoting the public health, safety, morals, and general welfare, a municipality may by ordinance regulate on the earth's surface, in the air space above the surface, and in subsurface areas, the location, height, width, bulk, type of foundation, number of stories, size of buildings and other structures, the percentage of lot which may be occupied, the size of yards and other open spaces, the density and distribution of population, the uses of buildings and structures for trade, industry, residence, recreation, public activities, or other purposes, and the uses of land for trade, industry, residence, recreation, agriculture, forestry, soil conservation, water supply conservation, conservation of shorelands, as defined in sections 103F.201 to 103F.221, access to direct sunlight for solar energy systems as defined in section 216C.06, flood control or other purposes, and may establish standards and procedures regulating such uses. To accomplish these purposes, official controls may include provision for purchase of development rights by the governing body in the form of conservation easements under chapter 84C in areas where the governing body considers preservation desirable and the transfer of development rights from those areas to areas

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the governing body considers more appropriate for development. No regulation may prohibit earth sheltered construction as defined in section 216C.06, subdivision 2, relocated residential buildings, or manufactured homes built in conformance with sections 327.31 to 327.35 that comply with all other zoning ordinances promulgated pursuant to this section. The regulations may divide the surface, above surface, and subsurface areas of the municipality into districts or zones of suitable numbers, shape, and area. The regulations shall be uniform for each class or kind of buildings, structures, or land and for each class or kind of use throughout such district, but the regulations in one district may differ from those in other districts. The ordinance embodying these regulations shall be known as the zoning ordinance and shall consist of text and maps. A city may by ordinance extend the application of its zoning regulations to unincorporated territory located within two miles of its limits in any direction, but not in a county or town which has adopted zoning regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the zoning of land on its side of a line equidistant between the two noncontiguous municipalities unless a town or county in the affected area has adopted zoning regulations. Any city may thereafter enforce such regulations in the area to the same extent as if such property were situated within its corporate limits, until the county or town board adopts a comprehensive zoning regulation which includes the area.

Sec. 139. Laws 1995, chapter 220, section 19, subdivision 4, as amended by Laws 1996, chapter 407, section 50, is amended to read:

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.

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**(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 ISTE A 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 ISTE A 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

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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,

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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 ISTEA 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 ISTEA FEDERAL PROJECTS

300,000

This appropriation is from oil overcharge money to the commissioner of administration for half of the nonfederal match of ISTEA 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.

The project under clause (1) must be completed and final products delivered by December 31, 1997, and the appropriation is available until that date. The project under clause (2) must be completed and final products delivered by December 31, 1999, 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

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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 RIVER
FRONT 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.

(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 wing-walls to protect the ramp and existing swimming beach, and facilities for users of the ramp.

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Sec. 140. Laws 1995, chapter 220, section 19, subdivision 11, is amended to read:

Subd. 11. Energy

(a) ~~INTER-CITY ELECTRIC VEHICLE TRANSPORTATION DEMONSTRATION~~ 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.

(e) (b) ONE-MEGAWATT HYBRID ELECTRICAL GENERATION SIMULATION 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) (c) 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 deliv-

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ered by December 31, 1997, and the appropriation is available until that date.

(e) (d) 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.

Sec. 141. Laws 1996, chapter 351, section 2, is amended to read:

Sec. 2. PLAN RECYCLING GOALS AND ACTIONS.

(a) By September 1, 1996, an industry group representing retailers and manufacturers in Minnesota that sell motor oil and motor oil filters shall submit a list to the commissioner of the pollution control agency of all existing current sites that collect used motor oil, used motor oil filters, or both, from the public, delineating which sites collect for free, that can be publicly promoted.

(b) By September 1, 1996, an industry group representing retailers and manufacturers that sell motor oil and motor oil filters shall submit to the commissioner of the pollution control agency a plan for a collection and recycling system for used motor oil and used motor oil filters generated by the public under which:

(1) at least 90 percent of state residents outside the seven-county metropolitan area would have access to a free collection site for used motor oil and used motor oil filters within 25 miles of their residences;

(2) at least 90 percent of state residents within the seven-county metropolitan area and state residents of cities with populations of greater than 2,000 residents would have access to a free collection site for used motor oil and used motor oil filters within five miles of their residences; and

(3) at least one free collection site for used motor oil and used motor oil filters generated by the public would be located in each county.

(e) The plan required in paragraph (b) must include:

(1) an explanation of the proposed system for collecting and recycling used motor oil and used motor oil filters;

(2) a clear assignment of responsibility and accountability for implementation;

(3) a strategy for educating the parties responsible for implementing the plan;

(4) a strategy for educating the public on how to recycle used motor oil and used motor oil filters;

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- (5) a description of government's role, if any; and
- (6) recommendations for legislation, if necessary.

(d) The plan must be implemented by June 1, 1997, and the requirements in paragraph (b), clauses (1) to (3), must be met by December 31, 1997. The industry group must also submit a list of sites that collect used motor oil and used motor oil filters from the public, specifying those sites that collect used motor oil and used motor filters for free, to the pollution control agency by December 31, 1997. The agency must be informed by the industry group when sites begin and cease to collect, or charge for the collection of, used motor oil and used motor oil filters from the public, in order to allow the agency to provide the public with accurate information regarding collection sites.

(e) The industry group and the agency shall monitor the effects of the collection system set forth in the plan required in paragraph (b) to determine whether the requirements in clauses (1) to (3) of that paragraph have been met. By November 1, 1998, the industry group shall submit information to the agency on the amount of used oil and the number of used oil filters collected.

Subdivision 1. (a) The following recycling or reuse goals shall be considered met if the actions in this subdivision are initiated by the identified parties on or before September 1, 1997, and are fully completed by December 31, 1998. Additionally, the goals in paragraph (b) must be met in at least 50 percent of counties by December 31, 1997; 75 percent by June 1, 1998; and 100 percent by December 31, 1998.

(b) Motor oil and motor oil filter manufacturers and retailers shall ensure that:

(1) at least 90 percent of residents within the seven-county metropolitan area and residents of a city or town with a population greater than 1,500 have access to a free nongovernment collection site for used motor oil and used motor oil filters within five miles of their residences; and

(2) at least one free nongovernment collection site for used motor oil and used motor oil filters generated by the public would be located in each county.

(c) Motor oil and motor oil filter manufacturers and retailers shall inform the public about environmental problems associated with improper disposal of used motor oil and used motor oil filters and proper disposal practices for used motor oil and used motor oil filters. At a minimum, this shall include public service announcements designed to reach residents of the state that generate used motor oil and used motor oil filters.

(d) The commissioner of the pollution control agency shall, by December 31, 1997, and at least annually thereafter or more frequently if deemed necessary, request motor oil and motor oil filter manufacturers and retailers, persons who haul used motor oil and used motor oil filters, and nongovernment persons who accept used motor oil and used motor oil filters from the public to provide an updated list of all existing sites that collect used motor oil, used motor oil filters, or both, from the public, delineating for public promotion which sites collect for free. The commissioner shall use this information to determine whether the parties identified in paragraph (b) have met the goals listed in that paragraph. A collection site operated by the state or a political subdivision, as defined in Minnesota Statutes, section 115A.03, subdivision 24, may be counted towards meeting recycling goals, provided that the parties responsible for meeting the goals of this subdivision voluntarily reimburse the state or political subdivision for all of the costs at that

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collection site that are associated with used motor oil and used motor oil filter recycling. Persons who accept used motor oil and used motor oil filters from the public shall cooperate with manufacturers and retailers of motor oil and motor oil filters to inform the agency within ten days of initiating or ceasing to collect used motor oil or used motor oil filters from the public. The information shall be provided in a form and manner prescribed by the commissioner.

(e) Motor oil filter manufacturers shall disclose to retailers whether lead has been intentionally introduced in manufacturing, and retailers shall not knowingly sell motor oil filters containing lead intentionally introduced in manufacturing.

Subd. 2. The commissioner of the pollution control agency may appoint an advisory group of diverse interests to assist the agency with experimentation with various approaches to public education, financial incentives, waste management, and other issues that might affect the effectiveness of recycling efforts. The commissioner may request parties responsible for meeting the recycling goals in subdivision 1 to voluntarily pay for some of the experimentation costs. The existence of this advisory group in no way relieves the parties identified in subdivision 1 of responsibility for meeting the goals listed in that subdivision. The commissioner of the pollution control agency shall appoint an advisory group chair.

(f) Subd. 3. By January 15, 1999, the commissioner of the pollution control agency shall report to the environment and natural resources committees of the senate and the house of representatives on the amount of used motor oil and used motor oil filters being recycled and whether the requirements goals in paragraph (b), clauses (1) to (3), subdivision 1 have been met and recommend whether the mandate for retailers of motor oil and filters described in Minnesota Statutes, section 325E.112, subdivision 1, is needed to achieve the recycling goals.

Sec. 142. Laws 1996, chapter 463, section 7, subdivision 24, is amended to read:

Subd. 24. McQuade Public Access

500,000

For acquisition and development of a public access on Lake Superior in the city of Duluth, the town of Duluth, and the town of Lakewood. This appropriation must be matched by a total of \$350,000 from the iron range resources and rehabilitation board and \$200,000 of this appropriation is available without match and the remaining \$300,000 is available to the extent matched by nonstate sources and is contingent on sufficient land owned by the cities and the town, the value of which may not be applied as part of the required match, being made available to complete the project.

Sec. 143. AGRICULTURAL IMPROVEMENTS; WIND ENERGY CONVERSION FACILITY PILOT PROGRAM.

Subdivision 1. LOANS AUTHORIZED. The Minnesota rural finance authority shall establish a pilot program to participate in loans to an eligible borrower through the

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agricultural improvement loan program under Minnesota Statutes, section 41B.043, for wind energy conversion facilities. Except as specifically provided in subdivision 2, all loans made under this section must comply with Minnesota Statutes, chapter 41B.

Subd. 2. LOAN PARTICIPATION; REPAYMENT; LIFETIME LIMIT EXCLUSION. Participation by the authority under this section is limited to a total of \$3,000,000. The authority is limited on a particular loan to 45 percent of the principal amount or \$500,000, whichever is less. A loan must have a term of no more than 20 years. Loans under this section must not be included in the lifetime limitation calculated under Minnesota Statutes, section 41B.03, subdivision 1. A loan origination fee of up to one-half percent may be charged by the authority.

Subd. 3. REPORT. By January 15, 1999, the rural finance authority must report to the senate committee on agriculture and rural development, the senate environment and agriculture budget division, the house committee on agriculture, and the house committee on environmental finance on the status of loans made under this pilot program. The report must include recommendations on whether to make permanent changes to the agricultural improvement loan program that allow for increased participation by the state in wind energy conversion facility loans.

Sec. 144. DEER WINTER SURVIVAL WORK GROUP.

The section of wildlife of the department of natural resources, representatives of the Minnesota Deer Hunters Association, and representatives of other groups or individuals interested in deer hunting and deer management in this state shall meet as a work group to develop recommendations on deer feeding and other deer management options to provide for management of deer and deer winter survival in this state.

The work group shall develop a plan for deer management in winter that provides recommendations on deer management and feeding needs. The work group shall examine and make reports on the following:

- (1) when and where deer feeding may be appropriate;
- (2) appropriate funding mechanisms, criteria, and delivery systems when feeding is determined to be appropriate;
- (3) other winter-related deer management needs and practices, such as food plots, wintering area identification and protection, deer yard improvement, browse regeneration, openings, and other deer foraging areas; and
- (4) needs for improving understanding of deer wintering requirements and management practices. The work group shall recommend any statutory changes or funding necessary to accomplish those needs.

The work group shall operate on a consensus basis and shall report its recommendations back to the house and senate environment and natural resources committees, the house environment and natural resources finance committee, and the senate environment and agriculture budget division by January 15, 1998.

Sec. 145. ELECTRONIC LICENSING; RETRAINING OF AFFECTED STATE EMPLOYEES.

(a) If any employees of the department of natural resources are affected by the implementation of Minnesota Statutes, section 84.027, subdivision 15, the commissioner

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shall meet and negotiate with the exclusive representatives of the affected employees. Bargaining under this section must have as its purpose the achievement of the highest possible degree of public service delivery to the citizens of Minnesota and the provision of appropriate incentives to any affected state employees. Incentives may include, but are not limited to, early retirement incentives, negotiated options in place of layoffs, job training and retraining opportunities, and enhanced severance.

(b) The commissioner and the representatives of any employees affected by the implementation of Minnesota Statutes, section 84.027, subdivision 15, shall determine the employee training and retraining required for any employees affected by Minnesota Statutes, section 84.027, subdivision 15. Employees whose job duties are affected by Minnesota Statutes, section 84.027, subdivision 15, must be given the opportunity to take part in training or retraining for new job duties. Employees affected by Minnesota Statutes, section 84.027, subdivision 15, must be trained or retrained for agency positions before new hiring takes place.

Sec. 146. SALE OF STATE FOREST LAND.

(a) Notwithstanding Minnesota Statutes, section 89.01, subdivision 5, the commissioner of natural resources may sell school trust and acquired state land in the Richard J. Dorer Memorial Hardwood State Forest described in this section in the manner for sale of trust fund and acquired lands under Minnesota Statutes, chapter 92 or 94.

(b) The land that may be sold is described as follows:

(1) Township 110 North, Range 12 West, Section 28, the Southeast Quarter of the Southwest Quarter containing 40 acres more or less and the Southwest Quarter of the Southeast Quarter containing 40 acres more or less, in Wabasha County;

(2) Township 107 North, Range 8 West, Section 16, the Northeast Quarter of the Southeast Quarter containing 40 acres more or less, the Southwest Quarter of the Southeast Quarter containing 40 acres more or less, in Winona County;

(3) Township 106 North, Range 5 West, Section 30, the Southeast Quarter of the Southeast Quarter containing 40 acres more or less, in Winona County;

(4) Township 106 North, Range 6 West, Section 36, the Northeast Quarter of the Southeast Quarter containing 40 acres more or less, in Winona County; and

(5) Township 104 North, Range 6 West, Section 6, the Southwest Quarter of the Northwest Quarter containing 38.28 acres more or less, in Houston County.

Sec. 147. SALE OF TRUST FUND LAND IN HUBBARD COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell the state trust fund land bordering on public waters described in paragraph (c) in accordance with the procedures in Minnesota Statutes, chapter 92.

(b) The conveyance shall be in a form approved by the attorney general.

(c) The land that may be sold is located in Hubbard County and is described as: that part of the Southeast Quarter of the Southeast Quarter of Section 8, Township 144 North, Range 32 West, Hubbard County, Minnesota, lying easterly of the Necktie River and northerly of the centerline of county state-aid highway No. 16, containing up to 5 acres, more or less.

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(d) The sale will result in the elimination of a trespass situation with the adjacent landowner who built a house on the property in 1989.

Sec. 148. SALE OF STATE LAND IN OTTER TAIL COUNTY.

(a) Notwithstanding the public sale requirements of Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale, for a consideration not less than its appraised value, the land described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 94.

(b) The conveyance shall be in a form approved by the attorney general.

(c) The land that may be sold is located in Otter Tail County and is described as: all that part of the Southwest Quarter of the Southeast Quarter of Section 22, Township 137, Range 42, Otter Tail County, Minnesota described as follows: beginning at the South Quarter corner of said Section 22; thence on an assumed bearing of North 0 degrees 31 minutes 36 seconds East along the west line of said Southwest Quarter of the Southeast Quarter, a distance of 442.58 feet; thence South 19 degrees 29 minutes 47 seconds East a distance of 108.74 feet; thence southeasterly on a tangential curve, concave to the northeast, having a radius of 498.22 feet and a central angle of 69 degrees 43 minutes 29 seconds, for an arc distance of 606.30 feet to the easterly line of a tract of land described in Book 392 of Deeds, page 509, Office of the Otter Tail County Recorder; thence South 10 degrees 03 minutes 49 seconds West along said easterly line, a distance of 14.18 feet to the southeast corner of said tract of land described in Book 392 of Deeds, page 509; thence North 89 degrees 20 minutes 11 seconds West along the south line of said Section 22, a distance of 500.80 feet to the point of beginning, containing 1.44 acres more or less, subject to easements and reservations of public record, if any. The grantor, for itself, its successors and assigns, reserves an easement for use and maintenance of the existing ditch over and across the above described parcel, being a strip of land 33 feet in width lying 16.5 feet on each side of the centerline of the existing ditch running in a southwesterly direction from the township road to the west line of said Southwest Quarter of the Southeast Quarter.

(d) The commissioner has determined that the land is no longer useful for any natural resource purpose, or any other public purpose, and intends to sell this unneeded land to the adjoining landowner to resolve an inadvertent trespass.

Sec. 149. SALE OF STATE LAND IN CROW WING COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell acquired state land bordering public waters described in this section in accordance with Minnesota Statutes, section 85.015, subdivision 1, paragraph (b), and chapter 94.

(b) The land that may be sold is located in Crow Wing County and is described as follows:

- (1) Lot 3, Block 5, Plat of Paul Bunyan Trail, Nisswa Addition; and
- (2) Lot 5, Block 5, Plat of Paul Bunyan Trail, Nisswa Addition.

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Sec. 150. SALE OF SURPLUS LAND FOR RECREATIONAL PURPOSES IN PINE COUNTY.

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell the land described in paragraph (b) to the city of Willow River in the manner prescribed by Minnesota Statutes, section 84.027, subdivision 10. The conveyance must provide that the land revert to the state of Minnesota should the land cease to be retained and developed as Stanton Lake Park for public use.

(b) The land that may be sold is located in Pine county and described as:

All that part of the following described tract: that part of the Northeast Quarter of the Southwest Quarter of Section 2, Township 44 North, Range 20 West, of the Fourth Principal Meridian, situated in Pine County, described as follows: beginning at a point on the east and west one quarter line of Section 2 at the intersection with the easterly right-of-way line of U.S. Highway No. 61; thence in a southerly direction along said easterly right-of-way line of U.S. Highway No. 61 a distance of 695 feet; thence in a northeasterly direction at an angle of 60 degrees with the U.S. Highway No. 61 right-of-way line for a distance of 410 feet to a point on the lake bank; thence in a northeasterly direction at an angle of 153 degrees 35 minutes with the preceding line to the intersection with the east and west one quarter line of Section 2, thence in a westerly direction along said east and west one quarter line of Section 2 to point of beginning, containing 5.81 acres, more or less.

(c) This property was purchased for development of the Stanton Lake dam. The state, its agents, and servants shall retain ownership of the dam and retain perpetual access to the dam via the existing road for the purposes of inspection, maintenance, repair, or reconstruction. The state shall not be held liable to make any immediate repairs on the dam. Such work shall be based on availability of dam maintenance funds. The land in this section is not needed for resource management and has been declared surplus. It best serves the public interest if this property is sold and proceeds used for acquisition of other land.

Sec. 151. HORSESHOE BAY LEASES.

Subdivision 1. DEFINITIONS. (a) "Lessee" means a lessee of lands leased under Minnesota Statutes, section 92.46, that are located in Section 16, Township 62 North, Range 4 East, Cook County, of record with the commissioner of natural resources as of May 14, 1993.

(b) "New lease" means a lease issued after the effective date of this act under the terms and conditions specified in Minnesota Statutes, section 92.46, subdivisions 1, 1a, and 3, except that the lease may be for a life term and is not assignable or transferable and may not be amended to include additional lessees.

Subd. 2. OPTIONS FOR LESSEES. (a) If requested in writing by a lessee before January 1, 1998, the commissioner shall, at the lessee's option:

(1) pay to the lessee the appraised value of the lessee's improvements on the land and terminate the existing lease as of the date of payment for improvements; or

(2) issue a new lease for the life of the lessee that provides that when the lease term expires, the commissioner shall pay to the lessee or a beneficiary that must be designated

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in writing by the lessee the appraised value of the lessee's improvements on the land. A lessee who elects this option may elect to terminate the lease at any time during the term of the lease in exchange for payment by the commissioner for the appraised value of the lessee's improvements on the land.

(b) If the commissioner has not received written notice of a lessee's election by January 1, 1998, the commissioner may proceed under paragraph (a), clause (1).

(c) After the effective date of this section, no lessee under paragraph (a), clause (2), shall construct or remodel, other than necessary for maintenance and upkeep, a cabin or other structure during the lease.

(d) The commissioner may use money appropriated from the land acquisition account under Minnesota Statutes, section 94.165, for payments under paragraph (a).

(e) Notwithstanding Minnesota Statutes, section 92.46, subdivision 1a, the commissioner may elect whether to amend the leases in paragraph (a) to expand lot size to conform with current shoreline standards.

Sec. 152. **PRIVATE SALE OF STATE LAND IN CLEARWATER COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45; 97A.135, subdivision 2a; and 282.01, subdivision 2; and the public sale provisions of Minnesota Statutes, chapter 94, the commissioner of natural resources may sell the land described in paragraph (c) to the adjoining landowner for \$1,000.

(b) The conveyance must be in a form approved by the attorney general and must provide that:

(1) the land may not be sold for commercial use or be developed into more than a two-family residence; and

(2) placement or construction of additional buildings or structures on the land, including corrals and animal shelters or pens, is prohibited.

(c) The land that may be sold is located in Clearwater county and is described as follows:

That part of Government Lot 6, Section 18, Township 143 North, Range 37 West, Clearwater County, Minnesota, described as follows:

Beginning at the northeast corner of Lot 1 Block 1 of HIGHLAND VIEW, on file and of record in the office of the County Recorder, being a 3/4 x 24 inch rebar with plastic cap stamped MN DNR PROPERTY MONUMENT, (DNR MON), from which the north line of said Lot 1 bears, assumed bearing, North 88 degrees 57 minutes 39 seconds West; thence North 80 degrees 50 minutes 33 seconds West 275.16 feet to a DNR MON; thence North 85 degrees 25 minutes 17 seconds West 93.89 feet to a DNR MON; thence South 50 degrees 06 minutes 54 seconds West 68.17 feet to the north line of said Lot 1 and a DNR MON; thence South 88 degrees 57 minutes 39 seconds East along the north line of said Lot 1 a distance of 417.62 feet to the point of beginning, containing 0.23 acres.

(d) The sale authorized by this section would resolve an inadvertent trespass consisting of the encroachment of a private dwelling on state land.

(e) The sale authorized by this section is subject to the following additional conditions:

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(1) the costs of construction and maintenance of a boundary fence are the sole responsibility of the purchaser; and

(2) the adjoining landowner shall reimburse the department of natural resources for the cost of surveying the land and for time spent by department staff relating to this land trespass matter.

Sec. 153. LOAN FORGIVENESS.

The outstanding balance of the loan to the city of Fridley for reconstruction of the Locke Lake dam, that was appropriated in Laws 1991, chapter 254, article 1, section 5, subdivision 3, is canceled and forgiven.

Sec. 154. PROTECTION OF OLD GROWTH FOREST AREA.

The commissioner of natural resources shall negotiate with the city of Duluth, the Duluth Airport Authority, and other federal, state, and local parties to identify and delineate the land subject to the 1939 conveyance on Minnesota Point and develop a management plan that will provide a level of protection sufficient to ensure the continued ecological integrity of the area and to prohibit further cutting of the old growth forest area.

Sec. 155. REPORT BY OFFICE OF ENVIRONMENTAL ASSISTANCE.

By January 20, 1998, the office of environmental assistance shall report to the senate and house of representatives environment and natural resources committees on its comprehensive review of the Waste Management Act and make recommendations for any changes in the law. The report shall address options to improve waste reduction and recycling programs and the integrated waste management system, including whether additional product labeling should be required for products sold in Minnesota which require special disposal practices. The report must include a recommendation concerning whether consumer education efforts can improve disposal practices and waste reduction efforts. The report must discuss the extent to which current authority under Minnesota Statutes, sections 115A.952 and 115A.956, can accomplish the objectives of Minnesota Statutes 1996, section 115A.9523.

Sec. 156. JOINT DITCH NO. 1, CHISAGO AND WASHINGTON COUNTIES.

Notwithstanding Minnesota Statutes, section 103E.811, the counties of Chisago and Washington may, after making a determination that joint ditch no. 1 is not of public benefit and utility, order its abandonment.

Sec. 157. LANDFILL CLEANUP PROGRAM ELIGIBILITY STUDY.

By January 15, 1998, the commissioner of the pollution control agency shall report to the senate environment and agriculture budget division and the house environment and natural resources finance committee regarding the estimated impact of including permitted mixed municipal solid waste landfills in this state that are open for the period between April 9, 1994, and January 15, 1998, in the landfill cleanup program after the landfills close.

The report must include:

(1) information on past settlements by public entities that may be included with an expansion of the program;

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(2) an estimate of the environmental response costs at the permitted landfills that would become eligible to participate;

(3) a discussion of the amount necessary to pay for reimbursement for persons who have paid for cleanup at these added sites; and

(4) an analysis and recommendation of funding sources to pay for the additional costs due to expansion of the program.

Sec. 158. YEAR 2000 READY.

Any computer software or hardware that is purchased with money appropriated in this bill must be year 2000 ready.

Sec. 159. REPORT TO LEGISLATURE; HYDROGEN SULFIDE VIOLATIONS.

The commissioner of the pollution control agency shall report on the agency's efforts to resolve the hydrogen sulfide violations of ambient air quality standards related to feedlots by February 1, 1998, to the agriculture and environment and natural resources committees of the house and the agriculture and rural development and environment and natural resources committees of the senate. The report must specify actions taken in terms of response to complaints from citizens, emissions monitoring, compliance actions taken, including penalties, and equipment purchased.

Sec. 160. REPEALER.

(a) Minnesota Statutes 1996, sections 25.34; 115A.908, subdivision 3; 115A.9523; 115B.223; 115B.224; 116.991; 116.992; and 296.02, subdivision 7a, are repealed.

(b) Laws 1995, chapter 77, section 3, is repealed effective the day after final enactment.

(c) Laws 1995, chapter 220, section 21, is repealed.

Sec. 161. EFFECTIVE DATE.

Sections 72, 130 to 134, 141, and 146 to 152 are effective the day following final enactment.

Sections 24, 83, 89, and 90 are effective March 1, 1998.

Presented to the governor May 27, 1997

Signed by the governor May 30, 1997, 1:00 p.m.

CHAPTER 217—H.F.No. 735

An act relating to civil commitment; clarifying and reorganizing portions of the commitment act; allowing the designated agency to consent to voluntary treatment for certain incompetent persons; creating a new standard for court-ordered early intervention to provide less intrusive treatment; modifying standards and procedures for the administration of neuroleptic medications; pro-

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