

<u>136A.242</u>	<u>136G.03</u>
<u>136A.243</u>	<u>136G.05</u>
<u>136A.244</u>	<u>136G.07</u>
<u>136A.2441</u>	<u>136G.09</u>
<u>136A.245</u>	<u>136G.11</u>
<u>136A.246</u>	<u>136G.13</u>

(b) The revisor of statutes shall correct cross-references in Minnesota Statutes that are recodified by this act, and, if Minnesota Statutes, sections 136A.241 to 136A.246, are further amended in the 2001 legislative session, shall codify the amendments in a manner consistent with this act.

(c) The revisor of statutes shall change "Edvest" to "Minnesota college savings plan" wherever it appears in Minnesota Statutes.

Sec. 24. EFFECTIVE DATE.

This article is effective the day following final enactment.

Presented to the governor June 27, 2001

Signed by the governor June 30, 2001, 8:46 p.m.

CHAPTER 2—S.F.No. 10

An act relating to state government; appropriating money for environmental, natural resources, and agricultural purposes; establishing and modifying certain programs; providing for regulation of certain activities and practices; providing for accounts, assessments, and fees; amending Minnesota Statutes 2000, sections 13.6435, subdivision 8; 17.039; 17.101, subdivision 5; 17.102, subdivision 3; 17.1025; 17.109, subdivision 3; 17.115; 17.116; 17.117; 17.457, subdivision 10; 17.53, subdivisions 2, 8, 13; 17.63; 17.85; 17.85; 17A.03, subdivision 7; 17B.15, subdivision 1; 18B.01, by adding a subdivision; 18B.065, subdivision 5; 18E.04, subdivisions 2, 4, 5; 21.85, subdivision 12; 27.041, subdivision 2; 28A.04, subdivision 1; 28A.075; 28A.0752, subdivision 1; 28A.085, subdivision 4; 29.22, subdivision 2; 29.23, subdivisions 2, 3, 4; 29.237; 31.101, by adding a subdivision; 31.39; 31A.21, subdivision 2; 32.21, subdivision 4; 32.392; 32.394, subdivisions 4, 8a, 8e; 32.415; 32.475, subdivision 2; 32.70, subdivisions 7, 8; 34.07; 41B.025, subdivision 1; 41B.03, subdivision 2; 41B.043, subdivisions 1b, 2; 41B.046, subdivision 2; 84.0887, subdivisions 1, 2, 4, 5, 6, 9; 84.83, subdivision 3, as amended; 84.925, subdivision 1; 84.9256, subdivision 1; 84.928, subdivision 2; 85.015, by adding subdivisions; 85.052, subdivision 4; 85.055, subdivision 2; 85.32, subdivision 1; 86A.21; 86B.106; 88.641, subdivision 2, by adding subdivisions; 88.642; 88.645; 88.647; 88.648; 88.75, subdivision 1; 89A.06, subdivision 2a; 93.002, subdivision 1; 97A.045, subdivision 7; 97A.055, by adding a subdivision; 97A.405, subdivision 2; 97A.411, subdivision 2; 97A.473, subdivisions 2, 3, 5; 97A.474, subdivisions 2, 3; 97A.475, subdivisions 5, 6, 10; 97A.485, subdivision 6; 97B.001, subdivision 1; 97B.721; 97C.305; 115.03, by adding a subdivision; 115.55, subdivision 3; 115A.0716, by adding a subdivision; 115A.54, subdivision 2a; 115A.557, subdivision 2; 115A.912, subdivision 1;

New language is indicated by underline, deletions by knockout.

115A.914, subdivision 2; 115B.49, subdivision 4a; 115C.07, subdivision 3; 115C.09, subdivisions 1, 2a, 3, 3h; 115C.093; 115C.112; 115C.13; 116.07, subdivision 2; 116.70, subdivision 1; 116O.09, subdivision 1a; 223.17, subdivision 3; 231.16; 256J.20, subdivision 3; 296A.01, subdivision 19; 297A.94; 473.845, subdivision 3; 609.687, subdivision 4; Laws 1986, chapter 398, article 1, section 18, as amended; Laws 1995, chapter 220, section 142, as amended; Laws 1996, chapter 407, section 32, subdivision 4; Laws 1999, chapter 231, section 16, subdivision 4; Laws 2000, chapter 473, section 21; proposing coding for new law in Minnesota Statutes, chapters 18B; 28A; 32; 84; 88; 115A; 116P; 626; repealing Minnesota Statutes 2000, sections 13.6435, subdivision 7; 17.042; 17.06; 17.07; 17.108; 17.139; 17.45; 17.76; 17.987; 17A.091, subdivision 1; 17B.21; 17B.23; 17B.24; 17B.25; 17B.26; 17B.27; 18.205; 24.001; 24.002; 24.12; 24.131; 24.135; 24.141; 24.145; 24.151; 24.155; 24.161; 24.171; 24.175; 24.18; 24.181; 25.47; 27.185; 29.025; 29.049; 30.50; 30.51; 31.11, subdivision 2; 31.185; 31.73; 31B.07; 32.11; 32.12; 32.18; 32.19; 32.20; 32.203; 32.204; 32.206; 32.208; 32.471, subdivision 1; 32.474; 32.481, subdivision 2; 32.529; 32.53; 32.531, subdivisions 1, 5, 6, 7; 32.5311; 32.5312; 32.532; 32.533; 32.534; 32.55, subdivisions 15, 16, 17; 33.001; 33.002; 33.01; 33.011; 33.02; 33.03; 33.031; 33.032; 33.06; 33.07; 33.08; 33.09; 33.091; 33.111; 35.04; 35.14; 35.84; 86.71; 86.72; 88.641, subdivisions 4, 5; 88.644; 115.55, subdivision 8; 115A.906; 115A.912, subdivisions 2, 3; 115C.02, subdivisions 11a, 12a; 115C.082; 115C.09, subdivision 3g; 115C.091; 115C.092; 116.67; 116.70, subdivisions 2, 3a, 4; 116.71; 116.72; 116.73; 116.74; Minnesota Rules, parts 1560.9000, subpart 2; 7023.9000; 7023.9005; 7023.9010; 7023.9015; 7023.9020; 7023.9025; 7023.9030; 7023.9035; 7023.9040; 7023.9045; 7023.9050; 7080.0020, subparts 24c, 51a; 7080.0400; 7080.0450.

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

Section 1. **ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE 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 article, to be available for the fiscal years indicated for each purpose. The figures "2001," "2002," and "2003," where used in this article, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 2001, June 30, 2002, or June 30, 2003, respectively. The term "the first year" means the year ending June 30, 2002, and the term "the second year" means the year ending June 30, 2003.

SUMMARY BY FUND

	2001	2002	2003	TOTAL
General		\$206,433,000	\$209,098,000	\$415,531,000
State Government Special Revenue		47,000	48,000	95,000
Agriculture		200,000	200,000	400,000

Environmental		23,701,000	24,116,000	47,817,000
Natural Resources		45,028,000	45,438,000	90,466,000
Game and Fish		78,527,000	80,355,000	158,882,000
Petroleum Tank		3,511,000	3,616,000	7,127,000
Solid Waste	500,000	13,294,000	13,529,000	27,323,000
Metropolitan Landfill Contingency		1,000,000	-0-	1,000,000
Future Resources Fund		15,045,000	340,000	15,385,000
Great Lakes Protection Account		87,000	-0-	87,000
Environment and Natural Resources Trust Fund		17,310,000	17,310,000	34,620,000
Oil Overcharge		180,000	-0-	180,000
TOTAL	\$500,000	\$404,363,000	\$394,050,000	\$798,913,000

APPROPRIATIONS
Available for the Year
Ending June 30
2002 2003

Sec. 2. POLLUTION CONTROL
AGENCY

Subdivision 1. Total
Appropriation

\$52,146,000 \$52,250,000

Summary by Fund

General	18,409,000	18,706,000
Petroleum Tank	3,511,000	3,616,000
State Government Special Revenue	47,000	48,000

Environmental	21,985,000	22,451,000
Solid Waste 500,000	7,194,000	7,429,000
Metropolitan Landfill Contingency	1,000,000	-0-

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

Subd. 2. Protection of the Water

16,160,000 16,581,000

Summary by Fund

General	12,369,000	12,590,000
State Government Special Revenue	47,000	48,000
Environmental	3,744,000	3,943,000

\$2,348,000 the first year and \$2,348,000 the second year are for the clean water partnership program. Any balance remaining in the first year does not cancel and is available for the second year of the bienium.

\$2,341,000 the first year and \$2,341,000 the second year are for grants for county administration of the feedlot permit program. These amounts are 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 un-

der the grant, expenditures made, and local match contributions and the pollution control agency shall report this information to the chairs of the legislative committees with oversight of feedlot programs. 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. For each year of the grant, delegated counties shall be eligible to receive an amount of either: (1) \$50 multiplied by the number of feedlots with greater than ten animal units as determined by (i) registration data under Minnesota Rules, part 7020.0350, (ii) if registration data are not yet complete, a level 1 feedlot inventory conducted in accordance with the Feedlot Inventory Guidebook published by the board of water and soil resources, dated June 1991, or (iii) if registration or an inventory has not been completed, the number of livestock or poultry farms with sales greater than \$10,000, as reported in the 1997 Census of Agriculture, published by the United States Bureau of Census; or (2) \$80 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. At a minimum, delegated counties are eligible to receive a grant of \$7,500 per year. To receive the additional funding that is based on the county feedlot inventory, the inventory information shall be current within the most recent four-year period and 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. Of this amount, \$500,000 each year is a one-time appropriation.

\$328,000 the first year and \$335,000 the second year are for community technical assistance and education, including grants and technical assistance to communities for local and basinwide water quality protection.

\$204,000 the first year and \$205,000 the second year are for individual sewage treatment system (ISTS) administration. Of this amount, \$86,000 in each 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.

\$200,000 the first year and \$200,000 the second year are for individual sewage treatment system grants. Any unexpended balance in the first year does not cancel, but is available in the second year.

\$13,000 the first year and \$100,000 the second year are from the environmental fund for implementation of the Lake Superior Lakewide Management Plan (LaMP). This is a one-time appropriation and shall be supplemented the first year by the appropriation under section 14, subdivision 7, paragraph (e).

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30,

2003, for clean water partnership, ISTS, and Minnesota River grants in this subdivision are available until June 30, 2005.

Subd. 3. Protection of the Air

7,716,000 7,876,000

Summary by Fund

General	135,000	62,000
Environmental	7,581,000	7,814,000

Up to \$150,000 the first year and \$150,000 the second year may be transferred to the environmental fund for the small business environmental improvement loan program established in Minnesota Statutes, section 116.993.

\$200,000 the first year and \$200,000 the second year are from the environmental fund for a monitoring program under Minnesota Statutes, section 116.454.

\$125,000 the first year and \$125,000 the second year are from the environmental fund for monitoring ambient air for hazardous pollutants in the metropolitan area. A summary and analysis of the results must be submitted to the chairs of the legislative committees with jurisdiction over environmental policy and finance by January 1, 2003.

Subd. 4. Protection of the Land

10,059,000 10,321,000

Summary by Fund

General	1,258,000	1,265,000
Petroleum Tank	2,218,000	2,270,000

Environmental	2,166,000	2,228,000
Solid Waste	4,417,000	4,558,000

\$200,000 the first year and \$200,000 the second year are from the solid waste fund to be transferred to the department of health for private water supply monitoring and health assessment costs in areas contaminated by unpermitted mixed municipal solid waste disposal facilities.

Subd. 5. Integrated Environmental Programs

16,120,000	15,248,000
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Summary by Fund

General	2,556,000	2,565,000
Petroleum Tank	1,293,000	1,346,000
Environmental	8,494,000	8,466,000
Solid Waste	2,777,000	2,871,000
Metropolitan Landfill Contingency	1,000,000	-0-

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), (10), (11), and (12). 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, 2003.

\$665,000 the first year and \$335,000 the second year are from the environmental fund for increased monitoring of the water quality of the upper Mississippi River basin and to make the resulting water information more accessible to stakeholders and the general public. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

\$562,000 the first year and \$574,000 the second year are from the petroleum tank fund for purposes of the leaking underground storage tank program to protect the land.

\$1,000,000 the first year from the metropolitan landfill contingency action trust fund is for grants for compensation for remediation of environmental contamination discovered after issuance by the agency of a certificate of completion for property previously owned by the Port Authority of the city of St. Paul and known as the Empire Builder property in St. Paul. This appropriation shall be used to reimburse those parties that have incurred cleanup costs at the Empire Builder site. All claims of the state of Minnesota for recovery of the \$1,400,000 in response costs against responsible parties, under Minnesota Statutes, chapter 115B, or any other law, are assigned to the Port Authority of the city of St. Paul. The Port Authority of the city of St. Paul may bring any claims, under Minnesota Statutes, chapter 115B, or any other law, for recovery of these cleanup costs incurred by the state of Minnesota. Recoverable costs also include administrative, technical, and legal expenses, including attorney fees, to the extent provided by law. Costs recovered by the Port Authority of the city of St. Paul pursuant to the assignment of claims, less

administrative, technical, and legal expenses, including attorney fees, shall, to the extent available, be first used to reimburse the state of Minnesota, up to the amount of the appropriation. Money recovered for the state shall be deposited in the metropolitan landfill contingency action trust fund. Nothing in this item of appropriation shall be construed to modify or otherwise limit the rights of the Port Authority of the city of St. Paul to recover cleanup costs or other costs or damages as provided by Minnesota Statutes, chapter 115B, or any other law.

Subd. 6. Administrative Support

2,091,000	2,224,000
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Subd. 7. Deficiency Appropriation for FLSA

\$500,000 in fiscal year 2001 is from the solid waste fund for back pay owed under settlements regarding overtime under the federal Fair Labor Standards Act. This appropriation is available until June 30, 2002.

Sec. 3. OFFICE OF ENVIRONMENTAL ASSISTANCE	27,648,000	27,792,000
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Summary by Fund

General	20,354,000	20,480,000
Environmental	1,294,000	1,312,000
Solid Waste	6,000,000	6,000,000

\$14,008,000 each year is for 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 deposited in the environmental fund for the metropolitan solid waste landfill fee in accordance with Minnesota Statutes, section 473.843, and not otherwise appropriated, is appropriated to the office of environmental assistance for the purposes of Minnesota Statutes, section 473.844.

\$200,000 the first year and \$200,000 the second year are for the environmental assistance revolving account under Minnesota Statutes, section 115A.0716, subdivision 3.

The funds appropriated pursuant to Laws 1988, chapter 685, section 43, including those funds reappropriated in Laws 1999, chapter 231, section 3, are available until June 30, 2003.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for environmental assistance grants awarded under Minnesota Statutes, section 115A.0716, and for technical and research assistance under Minnesota Statutes, section 115A.152, technical assistance under Minnesota Statutes, section 115A.52, and pollution prevention assistance under Minnesota Statutes, section 115D.04, are available until June 30, 2004.

\$6,000,000 the first year and \$6,000,000 the second year are from the solid waste fund for mixed municipal solid waste processing payments under Minnesota Statutes, section 115A.545.

Sec. 4. ZOOLOGICAL BOARD	7,597,000	7,820,000
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Summary by Fund

General	7,445,000	7,668,000
Natural Resources	152,000	152,000

\$152,000 the first year and \$152,000 the second year are from the natural resources fund from the revenue deposited under Minnesota Statutes, section 297A.94, paragraph (e), clause (5). This is a one-time appropriation.

Sec. 5. NATURAL RESOURCES

Subdivision 1. Total Appropriation	234,194,000	238,376,000
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Summary by Fund

General	110,726,000	112,671,000
Natural Resources	44,841,000	45,250,000
Game and Fish	78,527,000	80,355,000
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. Land and Mineral Resources Management

7,079,000	7,273,000
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Summary by Fund

General	6,500,000	6,679,000
Natural Resources	152,000	156,000
Game and Fish	427,000	438,000

\$307,000 the first year and \$308,000 the

second year are for iron ore cooperative research, of which \$200,000 the first year and \$200,000 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.

\$370,000 the first year and \$372,000 the second year are for mineral diversification.

\$100,000 the first year and \$101,000 the second year are for minerals cooperative environmental research, of which \$50,000 the first year and \$50,500 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.

Subd. 3. Water Resources
Management

12,367,000 12,588,000

Summary by Fund

General	12,093,000	12,308,000
Natural Resources	274,000	280,000

\$130,000 the first year and \$130,000 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.

\$10,000 the first year and \$10,000 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.

\$625,000 the first year and \$650,000 the second year are for activities associated with the implementation of the Red River mediation agreement, including comprehensive watershed plans; agency interdisciplinary teams for each watershed, and a basin repository, including data on flood flows and water supply; and for grants to watershed districts located within the Red River Basin for flood damage reduction projects under Minnesota Statutes, section 103F.161.

\$250,000 the first year and \$250,000 the second year are for the construction of ring dikes under Minnesota Statutes, section 103F.161. The ring dikes may be publicly or privately owned. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

The commissioner of natural resources must not abandon the diversion system at Currant Lake in Murray county. The commissioner may develop a management plan to operate the diversion in a manner to maintain the water level and fish habitat in Currant Lake and to maintain the aquatic vegetation and waterfowl habitat in Hjermstad State Wildlife Management Area.

\$54,000 the first year is for a grant to the Lewis and Clark joint powers board to acquire land, predesign, design, construct, furnish, and equip a rural water system to serve southwestern Minnesota. This appropriation is available when matched by \$8 of federal money and \$1 of local money for each \$1 of state money. This is a one-time appropriation.

Subd. 4. Forest Management

36,637,000 37,259,000

Summary by Fund

General	36,337,000	36,959,000
Game and Fish	300,000	300,000

\$6,000,000 the first year and \$6,000,000 the second year are for presuppression and suppression costs of emergency fire fighting and other costs incurred under Minnesota Statutes, section 88.12, subdivision 2, related to search and rescue operations. If the appropriation for either year is insufficient to cover all costs of suppression and search and rescue operations, the amount necessary to pay for these costs during the biennium is appropriated from the general fund. By November 15 of each year, the commissioner of natural resources shall submit a report to the chairs of the house of representatives ways and means committee, the senate finance committee, the environment and agriculture budget division of the senate finance committee, and the house of representatives environment and natural resources finance committee, identifying all firefighting costs incurred and reimbursements received in the prior fiscal year. The report must be in a format agreed to by the house environment finance committee chair, the senate environment budget division chair, the department, and the department of finance. These appropriations may not be transferred. Any reimbursement of firefighting expenditures made to the commissioner from any source other than federal mobilizations shall be deposited into the general fund.

\$730,000 the first year and \$736,000 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.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for the forest health, white pine, stewardship, and MnReleaf grants in this subdivision are available until June 30, 2004.

\$64,000 the first year and \$65,000 the second year are for the focus on community forests program, to provide communities with natural resources technical assistance.

\$1,800,000 the first year and \$1,900,000 the second year are to be used as follows:

- (1) \$375,000 the first year and \$375,000 the second year are for field services;
- (2) \$625,000 the first year and \$625,000 the second year are for timber sales; and

(3) \$800,000 the first year and \$900,000 the second year are for the forest resources council for implementation of the Sustainable Forest Resources Act.

\$100,000 the first year is for a contract to develop and implement a master logger certification program. The master logger certification program must use, to the extent practicable, existing logger education and training programs, and must be available to all loggers in the state. To the extent possible, the program must be consistent with other forest certification programs operating in the state. The commissioner shall appoint a committee to provide oversight in the development and implementation of the program. The performance and enforcement standards of the program must be consistent with the site-level forest management guidelines developed under Minnesota Statutes, section 89A.05.

\$400,000 the first year and \$400,000 the second year are for the FORIST timber management information system and for increased forestry management.

\$300,000 the first year and \$300,000 the second year are from the game and fish fund for matching grants to protect native oak forests from oak wilt. This is a one-time appropriation and is from revenue deposited to the game and fish fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (1).

Subd. 5. Parks and Recreation
Management

40,295,000 41,218,000

Summary by Fund

General	23,452,000	24,023,000
Natural Resources	16,843,000	17,195,000

\$638,000 the first year and \$640,000 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.

\$4,000,000 the first year and \$4,000,000 the second year are for payment of a grant to the metropolitan council for metropolitan area regional parks maintenance and operations. The portion of this appropriation allocated to the Minneapolis park and recreation board includes money for the Bassett's Creek trail to connect the Cedar Lake trail and the Luce Line trail.

\$247,000 the first year and \$253,000 the second year are for state forest campground operations.

\$4,103,000 the first year and \$4,453,000 the second year are from the natural resources fund for state park and recreation area operations and acquisition. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (2). Of this amount:

(1) \$1,805,000 the first year and \$1,805,000 the second year are to restore camping and day use in state parks, make camping available in the spring and fall, provide maintenance to the facilities and security for park visitors, and partially fund winter operations;

(2) \$280,000 the first year and \$290,000 the second year are to fund state park emergency maintenance projects;

(3) \$413,000 the first year and \$413,000 the second year are to fund state park resource management activities;

(4) \$185,000 the first year is to fund the purchase of the campground manager/point-of-sale system for 28 state parks;

(5) \$100,000 the first year and \$100,000 the second year are to make improvements to the state park Web site and provide additional state park informational brochures and more state park maps;

(6) \$50,000 the first year and \$50,000 the second year are to replace computers in the field and regional office locations according to department standards;

(7) \$75,000 the first year is to complete master plans for both Big Bog and Red River state recreation areas;

(8) \$600,000 the second year is for operating costs, including fisheries management, of the Red River state recreation area;

(9) \$200,000 the first year and \$200,000 the second year are for operating costs of the Big Bog state recreation area; and

(10) \$995,000 the first year and \$995,000 the second year are for acquisition of in-holdings for state parks and recreation areas.

The appropriations in clauses (2) to (10) are one-time appropriations.

\$4,130,000 the first year and \$5,130,000

the second year are from the natural resources fund for a grant to the metropolitan council for metropolitan area regional parks and trails maintenance and operations. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (3).

\$1,000,000 the first year is from the natural resources fund for a grant to the city of St. Paul to restore East Como Lake trail and lakeshore in Como Park. The money is available until expended. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (3).

\$25,000 the first year and \$25,000 the second year are for a grant to the city of Taylors Falls for fire and rescue operations in support of Interstate park. * **(The preceding text beginning "\$25,000 the first year" was indicated as vetoed by the governor.)**

Subd. 6. Trails and Waterways
Management

19,263,000 19,616,000

Summary by Fund

General	2,053,000	2,083,000
Natural Resources	16,315,000	16,223,000
Game and Fish	895,000	1,310,000

\$4,424,000 the first year and \$4,424,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid.

\$600,000 each year is dedicated to the grant-in-aid system from the snowmobile trails and enforcement account in the natural resources fund made available by the increase to one percent in the unrefunded gas tax for snowmobile activity.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for the snowmobile, all-terrain vehicle, off-highway vehicle, and off-road vehicle grants in this subdivision are available until June 30, 2004.

\$259,000 the first year and \$261,000 the second year are from the water recreation account in the natural resources fund for a safe harbor program on Lake Superior.

\$852,000 the first year and \$852,000 the second year are from the natural resources fund for state trail operations. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (2). This is a one-time appropriation.

\$684,000 the first year and \$684,000 the second year are from the natural resources fund for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (4). This is a one-time appropriation.

The appropriation from the general fund of \$1,400,000 authorized in Laws 1998, chapter 404, section 7, subdivision 26, for Skunk Hollow trail in Yellow Medicine and Chippewa counties is reappropriated for

the purpose of developing the Minnesota River trail under Minnesota Statutes, section 85.015, subdivision 22.

\$300,000 the first year and \$300,000 the second year are from the water recreation account in the natural resources fund for preconstruction, acquisition, and staffing needs for the Mississippi Whitewater trail authorized by Minnesota Statutes, section 85.0156. This is a one-time appropriation.

\$150,000 the first year is from the water recreation account in the natural resources fund for necessary improvements and repairs at the Knife river harbor of refuge and marina. This appropriation is available until spent.

\$100,000 the first year is from the water recreation account in the natural resources fund for an inventory of the Red River of the North, to make recommendations to the legislature on the cost of improvements necessary for the canoe and boating route on the river, and for mapping and signing the lower portion of the river from Breckenridge to Georgetown.

Subd. 7. Fish Management

	27,692,000	28,948,000	
	Summary by Fund		
General	646,000		660,000
Natural Resources	191,000		197,000
Game and Fish	26,855,000		28,091,000

\$222,000 the first year and \$227,000 the second year are for resource population surveys in the 1837 treaty area. Of this amount, \$84,000 the first year and \$85,000

the second year are from the game and fish fund.

\$303,000 the first year and \$311,000 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.

\$666,000 the first year and \$671,000 the second year are from the trout and salmon management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 3.

\$205,000 the first year and \$207,000 the second year are available for aquatic plant restoration.

\$4,735,000 the first year and \$5,451,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). This appropriation is from the revenue deposited to the game and fish fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Of this amount:

(1) \$1,980,000 the first year and \$1,980,000 the second year are to carry out projects such as installing lake aeration systems, removing access barriers for physically disabled anglers, building fishing piers, modifying dams, constructing rough fish barriers, conducting creel surveys, improving streams, improving spawning areas, repairing hatcheries and rearing ponds, stabilizing lake shorelines, and acquiring aquatic management areas and trout stream easements; and to provide field offices with some discretionary money

for local habitat improvements and restorations in partnership with local stakeholders and other department units, for lake and stream surveys and assessments, and for equipment to do field projects;

(2) \$250,000 the first year and \$250,000 the second year are to provide more fishing opportunities for children and other anglers on small lakes and ponds in the Twin Cities metropolitan area;

(3) \$150,000 the first year and \$150,000 the second year are to protect and restore aquatic vegetation and other aquatic habitat in cooperation with local stakeholders;

(4) \$500,000 the first year and \$500,000 the second year are for asset preservation and improvement of state fish hatcheries and rearing ponds;

(5) \$500,000 the first year and \$500,000 the second year are for acquisitions of the division of fisheries' highest priority acquisitions;

(6) \$150,000 the first year and \$150,000 the second year are to maintain funding for three field positions to do fish management activities including fish culture and stocking, lake and stream monitoring, and habitat improvement;

(7) \$553,000 the first year and \$553,000 the second year are for accelerated walleye stocking;

(8) \$134,000 the first year is for restoration and aeration of Powderhorn Lake in Minneapolis;

(9) \$850,000 the second year is to make

grants from the stream protection and improvement loan program under Minnesota Statutes, section 103G.705; and

(10) \$518,000 the first year and \$518,000 the second year are available for aquatic plant restoration.

The appropriations in clauses (1), except for \$950,000 each year, (2) to (5), and (8) to (10) are one-time appropriations.

The division of fisheries shall provide a written report to the chairs of the house and senate natural resources policy and finance committees by January 1, 2003, on how the accelerated walleye stocking money was spent, including, but not limited to, lakes that were stocked and the amount of fry, frylings, or fingerlings stocked.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for the aquatic restoration grants in this subdivision are available until until June 30, 2004.

Subd. 8. Wildlife Management

22,948,000 23,521,000

Summary by Fund

General	1,636,000	1,655,000
Game and Fish	21,312,000	21,866,000

\$106,000 the first year and \$106,000 the second year are for resource population surveys in the 1837 treaty area. Of this amount, \$26,000 the first year and \$26,000 the second year are from the game and fish fund.

\$552,000 the first year and \$565,000 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.

\$1,419,000 the first year and \$1,430,000 the second year are from the wildlife acquisition surcharge account for only the purposes specified in Minnesota Statutes, section 97A.071, subdivision 2a.

\$1,245,000 the first year and \$1,269,000 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).

\$147,000 the first year and \$148,000 the second year are from the deer and bear management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (c).

\$699,000 the first year and \$708,000 the second year are from the waterfowl habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 2.

\$546,000 the first year and \$546,000 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.

\$308,000 the first year and \$313,000 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.

\$8,000 the first year and \$8,000 the second year are from the game and fish fund for the wild turkey management program. This amount shall be included in the department's base to be transferred to the wild turkey management account and is appropriated for purposes under Minnesota Statutes, section 97A.075, subdivision 5.

\$86,000 the first year and \$87,000 the second year are from the wild turkey management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 5.

\$3,060,000 the first year and \$3,265,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). This appropriation is from the revenue deposited to the game and fish fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Of this amount:

- (1) \$250,000 the first year and \$250,000 the second year are for prescribed burning of grassland, wetland, and forest habitats;
- (2) \$250,000 the first year and \$225,000 the second year are for prairie grassland development including the restoration of native species of grasses and forbs on public lands and for the improvement of existing stands through interseeding and other practices to improve stand diversity;
- (3) \$200,000 the first year and \$200,000 the second year are for the development of

forest openings and to enhance mast production, regenerate stands, improve thermal cover in order to maintain healthy sustainable forest wildlife populations, and improve wildlife-related recreational opportunities in forest habitats;

(4) \$300,000 the first year and \$225,000 the second year are for restoration of drained wetland basins and improvement of existing basins through water level maintenance and water control structures to maintain and improve habitats for wetland dependent wildlife;

(5) \$300,000 the first year and \$300,000 the second year are for the completion of applied management research and monitoring projects for wetlands and forest wildlife populations;

(6) \$95,000 the first year and \$400,000 the second year are for the state of Minnesota to assume management of the wolf, including monitoring wolf populations, conducting cooperative wolf depredation management, conducting telemetry, and other applied research and includes funding for a cooperative agreement for depredation management with United States Department of Agriculture Wildlife Services. \$305,000 the second year is only available if the federal government finalizes delisting the wolf from protection under the Endangered Species Act of 1973;

(7) \$125,000 the first year and \$125,000 the second year are for the shearing and burning of brushland habitats to maintain and improve high priority brushland ecosystems on public and private lands across northern Minnesota for sharp-tailed grouse, moose, deer, and many other species dependent on these areas;

(8) \$1,000,000 the first year and \$1,000,000 the second year are for development and rehabilitation of wildlife management area lands and includes boundary surveys and posting, site cleanup and erosion control, access development, and appropriate cover establishment for wildlife habitat. \$945,000 the first year and \$950,000 the second year are available for grants to local outdoor sports clubs for habitat improvement projects on wildlife management area lands;

(9) \$35,000 the first year and \$35,000 the second year are for waterfowl development in Canada as authorized in Minnesota Statutes, section 97A.127;

(10) \$30,000 the first year and \$30,000 the second year are to provide funds to match private contributions for the purpose of completing the capture, relocation, and monitoring of prairie chickens being reintroduced in west central Minnesota; and

(11) \$475,000 the first year and \$475,000 the second year are for statewide technical assistance to improve wildlife habitats on private lands, including vegetation establishment, management, and stewardship planning, and other wildlife habitat development and management techniques.

The appropriations in clauses (1) to (11) are one-time appropriations.

\$13,000 the first year and \$13,000 the second year are to publicize the critical habitat license plate match program.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for the wildlife habitat grants in this

subdivision are available until June 30, 2004.

Subd. 9. Ecological Services

9,882,000 9,058,000

Summary by Fund

General	3,740,000	3,812,000
Natural Resources	1,979,000	2,013,000
Game and Fish	4,163,000	3,233,000

\$1,006,000 the first year and \$1,028,000 the second year are from the nongame wildlife management account in the natural resources fund for the purpose of nongame wildlife management.

\$254,000 the first year and \$259,000 the second year are for population and habitat objectives of the nongame wildlife management program.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for the milfoil program grants in this subdivision are available until June 30, 2004.

\$593,000 the first year and \$600,000 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.

\$103,000 the first year and \$105,000 the second year are for water monitoring activities, including integrated monitoring using biology, chemistry, hydrology, and

habitat assessment for water quality assessment.

\$12,000 the first year and \$12,000 the second year are to publicize the tax donation checkoff to the nongame wildlife program.

\$970,000 the first year is from the game and fish fund for the wildlife conservation and restoration program. This appropriation is for the planning and implementation of a program that addresses wildlife conservation and restoration, wildlife conservation education, and wildlife associated recreation.

\$1,406,000 the first year and \$1,406,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). This appropriation is from the revenue deposited to the game and fish fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Of this amount:

- (1) \$650,000 the first year and \$650,000 the second year are to provide funding for the Minnesota county biological survey;
- (2) \$220,000 the first year and \$220,000 the second year are to expand the field effort of the nongame wildlife program;
- (3) \$187,000 the first year and \$187,000 the second year are to upgrade the management of ecological information to improve its accessibility for habitat management and land use planning activities;
- (4) \$74,000 the first year and \$74,000 the second year are to expand native prairie stewardship on private lands;

(5) \$100,000 the first year and \$100,000 the second year are to develop educational products that interpret emerging natural resource research and management information on river and stream ecosystems and natural communities; and

(6) \$175,000 the first year and \$175,000 the second year are for establishing benchmarks for using birds as ecological indicators of forest health.

The appropriations in clauses (1) to (6) are one-time appropriations.

Subd. 10. Enforcement

24,739,000 25,221,000

Summary by Fund

General	3,741,000	3,836,000
Natural Resources	4,682,000	4,696,000
Game and Fish	16,216,000	16,589,000
Solid Waste	100,000	100,000

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

Notwithstanding Minnesota Statutes, section 16A.28, appropriations encumbered under contract on or before June 30, 2003, for the boat and water safety program are available until June 30, 2004.

\$100,000 the first year and \$100,000 the second year are from the solid waste fund

for solid waste enforcement activities under Minnesota Statutes, section 116.073.

\$315,000 the first year and \$315,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for grants to local law enforcement agencies for snowmobile enforcement activities.

\$40,000 the first year and \$40,000 the second year are from the natural resources fund for enforcement activities relating to the iron range off-highway vehicle recreation area. Of the amount appropriated, \$40,000 is from the all-terrain vehicle account, \$32,000 is from the off-road vehicle account, and \$8,000 is from the off-highway motorcycle account.

\$131,000 the first year and \$133,000 the second year are for protected class employee recruitment and retention.

\$1,434,000 the first year and \$1,444,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). This appropriation is from the revenue deposited to the game and fish fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Of this amount:

(1) \$664,000 the first year and \$664,000 the second year are for the replacement of necessary equipment;

(2) \$170,000 the first year and \$180,000 the second year are to offset increased fuel costs; and

(3) \$600,000 the first year and \$600,000

the second year are for basic enforcement services including filling officer vacancies.

The appropriations in clauses (1) to (3) are one-time appropriations.

Overtime shall be distributed to conservation officers at historical levels; however, a reasonable reduction or addition may be made to the officer's allocation, if justified, based on an individual officer's workload. If funding for enforcement is reduced because of an unallotment, the overtime bank may be reduced in proportion to reductions made in other areas of the budget.

\$369,000 the first year and \$380,000 the second year are in addition to base for hiring new conservation officers after January 1, 2001.

\$161,000 the first year and \$130,000 the second year are from the all-terrain vehicle account in the natural resources fund for administration of the all-terrain vehicle environmental and safety education and training program under Minnesota Statutes, section 84.925.

For fiscal years 1998 to 2002, local enforcement units may carry forward unspent snowmobile safety enforcement grant money. The grant money carried forward must be spent directly on identifiable snowmobile safety activities according to Laws 1997, chapter 216, section 5, subdivision 8; Minnesota Statutes, chapter 84; and Minnesota Rules, chapter 6100. All grant money carried forward must be expended by June 30, 2002.

Subd. 11. Operations Support

33,292,000	33,674,000
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Summary by Fund

General	20,528,000	20,656,000
Natural Resources	4,405,000	4,490,000
Game and Fish	8,359,000	8,528,000

\$413,000 the first year and \$418,000 the second year are for technical assistance and grants to assist local government units and organizations in the metropolitan area to acquire and develop natural areas and greenways.

\$556,000 the first year and \$572,000 the second year are for the community assistance program to provide for technical assistance and regional resource enhancement grants.

\$2,538,000 the first year and \$2,595,000 the second year are for the operations of the youth programs. Of these amounts, \$478,000 the first year and \$491,000 the second year are from the natural resources fund.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for the metro greenways, Red River, and community assistance program grants in this subdivision are available until June 30, 2004.

The commissioner 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.

\$304,000 the first year and \$304,000 the

second year are from the natural resources fund for grants to be divided equally between the city of St. Paul for the Como Zoo and Conservatory and the city of Duluth Zoo. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (5). This is a one-time appropriation.

\$199,000 the first year is for grants to Cook, Lake, and St. Louis counties for emergency communications equipment. This appropriation is available until spent. Of this amount, \$106,000 is for a grant to Cook county for a communications system upgrade and development of radio paths along the north shore of Lake Superior; \$47,000 is for a grant to Lake county to upgrade the existing communications tower in the Two Harbors area; and \$46,000 is for a grant to St. Louis county to enhance the emergency alerting system by installing a dispatching transmitter in the Crane Lake area.

**Sec. 6. BOARD OF WATER AND
SOIL RESOURCES**

19,054,000

18,936,000

\$5,480,000 the first year and \$5,268,000 the second year are for natural resources block grants to local governments. Of this amount, \$50,000 the first year is for a grant to the North Shore management board, \$35,000 the first year is for a grant to the St. Louis river board, \$100,000 the first year is for a grant to the Minnesota river basin joint powers board, and \$27,000 the first year is for a grant to the southeast Minnesota resources board.

The board shall reduce the amount of the natural resource block grant to a county by an amount equal to any reduction in the county's general services allocation to a

soil and water conservation district from the county's previous year 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.

\$3,967,000 the first year and \$4,037,000 the second year are for grants to soil and water conservation districts for general purposes, nonpoint engineering, and implementation of the reinvest in Minnesota (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.

\$4,730,000 the first year and \$4,735,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. Of this amount, at least \$2,110,000 the first year and \$2,115,000 the second year are for grants for cost-sharing contracts for water quality management on feedlots.

\$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 appropriation in the other year is available for it.

\$463,000 the first year and \$476,000 the second year are for the administrative costs of easement and grant programs.

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. This appropriation is available until expended. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

\$100,000 the first year is to reimburse the town of West Newton in Nicollet county for costs the town has incurred in construction of the St. George community wastewater treatment system using wetlands to treat wastewater from 23 properties. The reimbursement is for the cost of installing additional treatment components that were not part of the originally planned project and resulted in excessive costs to homeowners. The reimbursement must be used to reduce the bonded indebtedness of the town of West Newton for the St. George community wastewater treatment system.

Sec. 7. MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION	194,000	199,000
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Summary by Fund

General	159,000	163,000
Natural Resources	35,000	36,000

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

\$35,000 the first year and \$36,000 the second year are from the water recreation account in the natural resources fund for the St. Croix management and stewardship program.

Sec. 8. SCIENCE MUSEUM OF MINNESOTA	1,300,000	1,300,000
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Sec. 9. COMMISSIONER OF AGRICULTURE

Subdivision 1. Total Appropriation	22,338,000	22,512,000
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Summary by Fund

General	21,991,000	22,159,000
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Environmental	347,000	353,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Protection Service	11,840,000	12,054,000
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Summary by Fund

General	11,493,000	11,701,000
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Environmental	347,000	353,000
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(a) \$1,004,000 the first year and \$1,005,000 the second year are for continuation of the dairy development and profitability enhancement grant program under Laws 1997, chapter 216, section 7, subdivision 2, and to expand the program to include additional dairy business planning and modernization activities. Grants from this appropriation for the dairy development and profitability enhancement programs (formerly known as the "dairy diagnostics program") must require periodic reports to the commissioner on the aggregate changes in producer financial stability, productivity, product quality, animal health, environmental protection, and other performance measures attributable to the program. Information reported to the commissioner must be sufficient to establish

regional and statewide performance benchmarks for the dairy industry.

(b) In designing and implementing the dairy development and profitability enhancement program the commissioner must consult with the dairy leaders roundtable, appropriate producer and processor groups, the Minnesota state colleges and universities system, the Minnesota extension service, farm credit services, and other agricultural lending institutions.

(c) Of the appropriation in paragraph (a), at least \$704,000 the first year and \$705,000 the second year are for the activities of dairy development and profitability enhancement teams. The commissioner must make grants, under contract, to regional or statewide organizations qualified to manage the several components of the program. Each regional or statewide organization must designate a coordinator responsible for overseeing the program and making required reports to the commissioner. Dairy development and profitability enhancement teams are encouraged to engage in activities including, but not limited to, comprehensive financial analysis, risk management education, enhanced milk marketing tools and technologies, five-year business plans, and design and engineering costs. Up to 40 percent of the appropriation under this paragraph may be used to provide producers with technical and environmental compliance support services required to implement dairy environmental quality assurance practices. A producer is eligible for support under any program under paragraphs (a) to (e) for no more than three consecutive calendar years. Grants to producers must not be used for capital improvements or for the start up of a new dairy enterprise.

(d) Of this amount, up to \$300,000 each year may be used as grants to producers of up to \$5,000 per producer to develop comprehensive five-year business plans.

(e) The regional and statewide organizations that deliver the dairy development and profitability enhancement program must provide required reports to the commissioner in a format that maintains the confidentiality of business information related to any single dairy producer.

\$347,000 the first year and \$353,000 the second year are from the environmental fund for administrative funding for the voluntary cleanup program.

Subd. 3. Agricultural Marketing and Development

5,533,000 5,622,000

Notwithstanding Minnesota Statutes, section 41A.09, subdivision 3a, the total payments from the ethanol development account to all producers may not exceed \$70,892,000 for the biennium ending June 30, 2003. 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.

\$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. Grants may be made for one year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for Minnesota grown grants in this

subdivision are available until June 30, 2004.

\$160,000 the first year and \$160,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture as authorized in Minnesota Statutes, section 17.116. Of the amount for grants, up to \$40,000 may be used for dissemination of information about the demonstration projects. Any unspent balances in the first year carry forward to the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for sustainable agriculture grants in this subdivision are available until June 30, 2005.

\$125,000 the first year and \$125,000 the second year are for operation of the Minnesota certification program under Minnesota Statutes, section 17.1025.

\$65,000 the first year and \$65,000 the second year are for beaver damage control grants under Minnesota Statutes, section 17.110. Any balances remaining in the first year do not cancel and are available in the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for beaver control grants in this subdivision are available until June 30, 2004.

The unobligated balance of the appropriation for marketing agricultural products in Laws 1999, chapter 231, section 11, subdivision 3, is canceled to the general fund.

\$75,000 the first year is for the commissioners to develop a customer profile for identity preserved crops. This is a one-time appropriation and is available until spent.

\$100,000 the first year is for grants for a cooperative shippers' association. The purpose of the shippers' association is to facilitate agricultural marketing through the efficient and economical movement of products from Minnesota origins to their destinations. Products may include agricultural commodities and processed and manufactured agricultural products. The shippers' association shall also assist small and medium-sized producers by providing services that increase negotiating power and provide quality transportation services at a lower cost than is available to an individual shipper. The commissioner may award grants to one or more qualifying producer shippers' associations that contract to enter into collaborative agreements with the departments of agriculture, trade and economic development, and transportation; farm organizations; processors and handlers of Minnesota agricultural products; and other appropriate public and private entities knowledgeable in the logistical and financial issues involved in moving agricultural products to market. Along with other services, an eligible grant recipient must agree to provide or arrange for identity-preserved, single-source billing and tracking transportation services from agricultural producers or processors to destination customers; freight forwarding; negotiations for volume contracts; banking and insurance services; government inspection fee and documentation services; intermodal transportation services using sealed containers; and liaison services with the United States Department of Agriculture and the Foreign Agricultural Service for international trade and export programs. This is a one-time appropriation and is available until spent.

\$170,000 is for contracting for trade marketing specialists or other market development activities identified by the commissioner. The trade specialists must demonstrate thorough knowledge of Minnesota agricultural producers and products, and opportunities for developing or expanding both broad and niche agricultural product markets nationally and internationally. The trade specialists must coordinate efforts with market development and trade experts of the World Trade Conference Center and other public and private Minnesota entities involved in marketing Minnesota products. To the extent practicable, the trade specialists must provide specific assistance to small agricultural producers and producers that would benefit from the development of international markets. This is a one-time appropriation and is available until spent.

\$160,000 in the first year and \$160,000 in the second year are for value-added agricultural product processing and marketing grants under Minnesota Statutes, section 17.101, subdivision 5. Grants may be made for one year. Any balances remaining in the first year do not cancel and are available in the second year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2003, for agricultural product processing and marketing grants in this subdivision are available until June 30, 2004.

Subd. 4. Administration and Financial Assistance

4,965,000	4,836,000
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\$13,000 the first year and \$7,000 the second year are for family farm security interest payment adjustments. If the appropria-

tion for either year is insufficient, the appropriation for the other year is available for it. No new loans may be approved in fiscal year 2002 or 2003.

\$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.

\$175,000 the first year and \$175,000 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.

\$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.

\$237,000 the first year and \$237,000 the second year are for the farm advocates program.

Notwithstanding Minnesota Statutes, section 116D.045, \$192,000 is to conduct investigations and an analysis of environmental issues necessary for the preparation of an environmental impact statement for a feedlot expanded before January 1, 2001, under plans subsequently challenged under the environmental review process where an environmental impact statement has been ordered by a district court against the recommendation of the pollution control agency. These funds may be used for literature reviews, data collection, groundwater and surface water assessments, air qual-

ity modeling, and other relevant analyses. The commissioner may use this appropriation for grants, contracts, or interagency transfers necessary to prepare the environmental impact statement. The commissioner shall prepare a report on the investigations and analysis, which may be used on a generic basis for the siting and environmental review of other feedlots.

A grant made to a political subdivision from the appropriation in Laws 1998, chapter 404, section 11, is available to the political subdivision until June 30, 2003. The commissioner shall not order that any unobligated balance from the grant be returned until after that date.

The balance in the Eurasian wild pigs account is canceled to the general fund and the account is abolished.

Sec. 10. BOARD OF ANIMAL
HEALTH

3,033,000

2,803,000

\$450,000 the first year and \$200,000 the second year are for a program to control paratuberculosis ("Johne's disease") in domestic bovine herds. Money from this appropriation may be used to validate a molecular diagnostic test in cooperation with the Minnesota veterinary diagnostic laboratory.

\$119,000 the first year and \$80,000 the second year are for a program to investigate the avian pneumovirus disease and to identify the infected flocks. This appropriation must be matched on a dollar-for-dollar or in-kind basis with nonstate sources and is in addition to money currently designated for turkey disease research. Costs of blood sample collection, handling, and transportation, in addition to costs associated with early diagnosis tests and the

expenses of vaccine research trials, may be credited to the match.

Sec. 11. MINNESOTA HORTICULTURAL SOCIETY	82,000	82,000
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Sec. 12. AGRICULTURAL UTILIZATION RESEARCH INSTITUTE	4,080,000	4,330,000
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Summary by Fund

General	3,880,000	4,130,000
Agriculture Fund	200,000	200,000

\$200,000 the first year and \$200,000 the second year are for hybrid tree management research and development of an implementation plan for establishing hybrid tree plantations in the state. This appropriation is available to the extent matched by \$2 of nonstate contributions, either cash or in-kind, for each \$1 of state money.

Sec. 13. ACRRRA FEE BALANCE

Notwithstanding Minnesota Statutes, section 16A.1283, or other law, the commissioner of agriculture shall adjust fees collected for the agricultural chemical response and reimbursement account created under Minnesota Statutes, section 18E.03, subdivision 1, as provided in Minnesota Statutes, section 18E.03, subdivision 3.

Sec. 14. MINNESOTA RESOURCES

Subdivision 1. Total Appropriation	32,622,000	17,650,000
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Summary by Fund

Future Resources Fund	15,045,000	340,000
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Environment and Natural Resources Trust Fund	17,310,000	17,310,000
Oil Overcharge Money in the Special Revenue Fund	180,000	-0-
Great Lakes Protection Account	87,000	-0-

Appropriations from the future resources fund and oil overcharge money in the special revenue fund are available for either year of the biennium.

For appropriations from the environment and natural resources trust fund, any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

Unless otherwise provided, the amounts in this section are available until June 30, 2003, 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) "Great Lakes protection account" means the Great Lakes protection account referred to in Minnesota Statutes, section 116Q.01.

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

(d) "Oil overcharge money" means the

money referred to in Minnesota Statutes,
section 4.071, subdivision 2.

Subd. 3. Administration	1,142,000	393,000
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Summary by Fund

Future Resources Fund	749,000	-0-
Trust Fund	393,000	393,000

(a) Legislative Commission on Minnesota
Resources

\$389,000 of this appropriation is from the future resources fund and \$338,000 the first year and \$338,000 the second year are from the trust fund for administration as provided in Minnesota Statutes, section 116P.09, subdivision 5.

(b) Contract Administration

\$40,000 of this appropriation is from the future resources fund and \$55,000 the first year and \$55,000 the second year are from the trust fund to the commissioner of natural resources for contract administration activities assigned to the commissioner in this section. This appropriation is available until June 30, 2004.

(c) LAWCON administration

\$320,000 is from the future resources fund to the commissioner of natural resources for administrative expenses consistent with Minnesota Statutes, section 116P.14.

Subd. 4. Fish and Wildlife Habitat	10,042,000	8,238,000
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Summary by Fund

Future Resources Fund	1,805,000	-0-
Trust Fund	8,237,000	8,238,000

(a) Forest and Prairie Stewardship of Private Lands

\$272,000 the first year and \$273,000 the second year are from the trust fund to the commissioner of natural resources, in cooperation with the Minnesota Forestry Association and the Nature Conservancy, to develop stewardship plans for private prairie and forested lands and to implement natural resource projects by providing matching money on a one-to-one basis to private landowners. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) State Fish Hatchery Rehabilitation

\$145,000 is from the future resources fund to the commissioner of natural resources to accelerate hatchery rehabilitation.

(c) Enhancing Canada Goose Hunting and Management

\$340,000 is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Waterfowl Association to acquire leases on private farmlands for foraging sites and public hunting opportunities and to provide technical assistance to local units of government in developing controlled hunts for nuisance geese.

(d) Biological Control of Eurasian Water Milfoil and Purple Loosestrife - Continuation

\$45,000 the first year and \$45,000 the second year are from the trust fund to the

commissioner of natural resources for the fifth biennium of a five biennia project to develop and implement biological controls for Eurasian water milfoil and purple loosestrife. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(e) Restoring Minnesota's
Fish and Wildlife
Habitat Corridors

\$5,873,000 the first year and \$5,872,000 the second year are from the trust fund to the commissioner of natural resources for acceleration of agency programs and cooperative agreements with Minnesota Waterfowl Association, Minnesota Deer Hunters Association, Ducks Unlimited, Inc., National Wild Turkey Federation, Pheasants Forever, The Nature Conservancy, Minnesota Land Trust, Trust for Public Land, U.S. Fish and Wildlife Service, Bureau of Indian Affairs, Natural Resources Conservation Service, and the U.S. Forest Service to restore and acquire fragmented landscape corridors that connect areas of quality habitat to sustain fish, wildlife, and plants. \$352,000 is for program coordination, corridor identification, and mapping. \$3,343,000 is for restoration and management activities in wildlife management areas, wetland habitat, lakes, wild rice beds, grasslands, and fisheries habitat. \$2,650,000 is for conservation easement programs on riparian areas, big woods forests, native prairies, and wetlands. \$5,400,000 is for habitat acquisition activities on prairies, riparian areas, and other fish and wildlife habitat corridors. As part of the required work program, criteria and priorities for planned acquisition and restoration activities must be submitted to the

legislative commission on Minnesota resources for review and approval. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources. Any land acquired in fee title by the commissioner of natural resources with money from this appropriation must be designated:

(1) as an outdoor recreation unit under Minnesota Statutes, section 86A.07; or

(2) as provided in Minnesota Statutes, sections 89.018, subdivision 2, paragraph (a); 97A.101; 97A.125; 97C.001; and 97C.011.

The commissioner may so designate any lands acquired in less than fee title. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(f) Engineering Support for
Public Lands Waterfowl
Projects

\$275,000 is from the future resources fund to the commissioner of natural resources for an agreement with Ducks Unlimited, Inc., to provide survey and engineering support to natural resources agencies for waterfowl projects on public lands.

(g) Metro Greenways

\$1,365,000 the first year and \$1,365,000 the second year are from the trust fund to the commissioner of natural resources for the metro greenways program for planning, improving, and protecting important natural areas in the metropolitan region through grants, contracted services, conservation

easements, and fee acquisition. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(h) Acquisition of Lands as
Scientific and Natural Areas

\$227,000 the first year and \$228,000 the second year are from the trust fund to the commissioner of natural resources to acquire land with natural features of state-wide significance in the scientific and natural area program long-range plan and to improve land acquired with this appropriation. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources.

(i) Big Rivers Partnership:
Helping Communities to
Restore Habitat

\$455,000 the first year and \$455,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with Great River Greening to implement private and public habitat projects on a cost-share basis in the Mississippi and Minnesota river valleys. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(j) Acquisition of Eagle Creek's
Last Private Land

\$910,000 is from the future resources fund to the commissioner of natural resources for an agreement with the city of Savage to acquire a buffer strip along Eagle Creek for transfer and dedication as an aquatic management area. Acquisition expenses incurred prior to July 1, 2001, may be reimbursed by the commissioner. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources.

(k) Neighborhood Wilds Program

\$135,000 is from the future resources fund to the commissioner of natural resources for the neighborhood wilds program to assist neighborhoods adjacent to public lands and natural areas in restoration and management of habitat through demonstration projects. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

Subd. 5. Recreation	15,913,000	7,267,000
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Summary by Fund

Future Resources Fund	8,986,000	340,000
Trust Fund	6,927,000	6,927,000

(a) Metropolitan Regional Parks Acquisition, Rehabilitation, and Development

\$2,823,000 the first and \$2,822,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with 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 not be used for the purchase of residential structures. This appropriation may be used to reimburse implementing agencies for acquisition of nonresidential property as expressly approved in the work program. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) Local Grants Initiative:
Program Outdoor Recreation
Grants

\$1,614,000 the first year and \$1,765,000 the second year are from the trust fund and \$1,701,000 is from the future resources fund to the commissioner of natural resources for matching grants:

- (1) for regional parks outside the metropolitan area as defined in Minnesota Statutes, section 473.121;
- (2) for local parks, outdoor recreation areas, and natural and scenic areas under Minnesota Statutes, section 85.019;
- (3) for statewide conservation partners grants of up to \$20,000 each to encourage private organizations and local governments to cost-share improvements of fish, wildlife, and native plant habitats and research and surveys of fish and wildlife; and
- (4) for environmental partnerships program grants of up to \$20,000 each for environmental service projects and related educa-

tion activities through public and private partnerships.

Grants under clause (1) may provide up to 60 percent of the nonfederal share of the project cost. Grants under clauses (2) to (4) may provide up to 50 percent of the nonfederal share of the project cost. This appropriation includes money for the Ramsey-Washington county Lake Links trail, Westwood Hills nature center, and the Chanhassen trail.

The commission will monitor the grants for approximate balance over extended periods of time between the metropolitan area, under Minnesota Statutes, section 473.121, subdivision 2, and the nonmetropolitan area through work program oversight and periodic allocation decisions. For the purposes of this paragraph, the match must be a nonstate contribution, but may be either cash or qualifying in kind. Recipients may receive funding for more than one project in any given grant period. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered.

(c) Regional and Local Trail
Grants

\$1,000,000 is from the future resources fund to the commissioner of natural resources for matching trail grants on a one-to-one basis to local units of government, under Minnesota Statutes, section 85.019, for trail linkages between communities, trails, and parks, and for locally funded trails of regional significance outside the metropolitan area, under Minnesota Statutes, section 473.121. If a project financed under this program receives a federal grant, the availability of the financing from this subdivision for that project is

extended to equal the period of the federal grant.

(d) **Outdoors for Everyone:
Accessing Recreational Trails
and Facilities**

\$115,000 the first year and \$115,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with Wilderness Inquiry to provide technical assistance to local units of government for development of publicly funded trails and outdoor recreation facilities to ensure that federal standards for accessibility for persons with disabilities are met.

(e) **Water Recreation: Boat
Access, Fishing Piers, and
Shorefishing**

\$455,000 the first year and \$455,000 the second year are from the trust fund to the commissioner of natural resources to acquire and develop public water access sites statewide, to construct shorefishing and pier sites, and to restore shorelands at public accesses. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(f) **Grays Bay, Lake
Minnetonka Public Water
Access**

\$2,000,000 is from the future resources fund and \$850,000 the first year is from the trust fund to the commissioner of natural resources to acquire and develop, in cooperation with the city of Minnetonka, approximately five acres for a multiuse water access site on Grays Bay, Lake Minnetonka.

(g) McQuade Small Craft Harbor

\$500,000 is from the future resources fund to the commissioner of natural resources to develop a small craft harbor on Lake Superior in cooperation with the McQuade Joint Powers Board, U.S. Army Corps of Engineers, and local units of government.

(h) Land Acquisition at the Minnesota Landscape Arboretum

\$365,000 the first year and \$365,000 the second year are from the trust fund to the University of Minnesota for an agreement with the University of Minnesota Landscape Arboretum Foundation for the fourth biennium to acquire in-holdings of the Minnesota Landscape Arboretum. This appropriation must be matched by at least \$730,000 of nonstate money. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(i) Gateway Trail Bridge

\$530,000 is from the future resources fund to the commissioner of natural resources for a trail bridge over state highway No. 96 and expanded parking.

(j) State Trail Projects

\$910,000 is from the future resources fund to the commissioner of natural resources to provide matching funds for state trail projects eligible to receive federal TEA-21 funds. If a project financed under this program receives a federal grant, the availability of the financing from this subdivision for that project is extended to equal the period of the federal grant.

(k) Gitchi-Gami State Trail

\$500,000 the first year and \$500,000 the second year are from the trust fund to the commissioner of natural resources, in cooperation with the Gitchi-Gami Trail Association, for the second biennium to acquire and develop approximately four miles of the Gitchi-Gami state trail between Gooseberry Falls state park and the Split Rock river. As a condition of this appropriation, the commissioner must apply for federal TEA-21 funds for funding of this portion of the trail and must report back to the legislative commission on Minnesota resources prior to any expenditure. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(l) Forest History Center
Interpretive Trail

\$90,000 is from the future resources fund to the Minnesota historical society to design and upgrade trails at the Forest History Center in Grand Rapids.

(m) Mesabi Trail Facility

\$190,000 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 authority to acquire land and design a Mesabi trail center building.

(n) Regional Trailhead
Building

\$135,000 is from the future resources fund to the commissioner of natural resources for an agreement with the Itasca county land department to complete construction

of a trailhead building at Itasca county fairgrounds to serve regional trail users.

(o) Development and Rehabilitation of Recreational Shooting Ranges

\$910,000 is from the future resources fund to the commissioner of natural resources to provide cost-share grants on a one-to-one basis to local recreational shooting clubs for the purpose of developing or rehabilitating shooting sports facilities for public use. Recipient facilities must be open to the general public at reasonable times and for a reasonable fee on a walk-in basis.

(p) State Park and Recreation Area Acquisition

\$205,000 the first year and \$905,000 the second year are from the trust fund and \$616,000 is from the future resources fund to the commissioner of natural resources for acquisition of in-holdings for state park and recreation areas. Land acquired with this appropriation must be sufficiently improved to meet at least minimum management standards as determined by the commissioner of natural resources.

(q) LAWCON

\$404,000 the first year and \$340,000 the second year are from the Minnesota future resources fund to the commissioner of natural resources for projects allowed under the federal Land and Water Conservation Fund Act.

Subd. 6. Water Resources	2,130,000	115,000
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Summary by Fund

Future Resources Fund	2,015,000	-0-
Trust Fund	115,000	115,000

(a) Accelerated
Implementation of Local
Water Plans

\$1,365,000 is from the future resources fund to the board of water and soil resources to accelerate the local water planning challenge grant program under Minnesota Statutes, sections 103B.3361 to 103B.3369, through the implementation of high-priority activities in comprehensive water management plans on a one-to-one match basis of cash or interest in land and for a program reporting system. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) Green Infrastructure
Design Strategies in
Washington, Ramsey, and
Dakota Counties

\$275,000 is from the future resources fund to the University of Minnesota to develop green infrastructure design strategies for incorporation into public works projects. *
(The preceding text beginning “(b) Green Infrastructure Design Strategies” was indicated as vetoed by the governor.)

(c) Denitrification Strategies for
Minnesota’s Contaminated Aquifers

\$115,000 the first year and \$115,000 the second year are from the trust fund to the University of Minnesota to assess denitrification technology to remediate nitrate-contaminated groundwater. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(d) Determination of Fecal
Pollution Sources in Minnesota
Watersheds

\$275,000 is from the future resources fund to the University of Minnesota for the second biennium to determine sources of fecal pollution in three impacted watersheds utilizing DNA fingerprinting techniques, and evaluate the efficacy of implemented and proposed abatement procedures to remediate fecal contamination.

(e) Mississippi Headwaters
Board: Environmental Economic
Assessments

\$100,000 is from the future resources fund to the commissioner of natural resources for an agreement with the Mississippi headwaters board to accelerate the river watch watershed monitoring program and integrate economic and water data analysis into decision-making tools for landowners and local units of government.

Subd. 7. Land Use and Natural Resource Information	967,000	810,000
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Summary by Fund

Future Resources Fund	70,000	-0-
Trust Fund	810,000	810,000
Great Lakes Protection Account	87,000	-0-

(a) Hydraulic Impacts of
Quarries and Gravel Pits

\$160,000 the first year and \$160,000 the second year are from the trust fund to the commissioner of natural resources to re-

search and evaluate the impact of aggregate extraction on groundwater quality and quantity. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) GIS Management in
Koochiching County

\$70,000 is from the future resources fund to the commissioner of natural resources for an agreement with Koochiching county to develop parcel-based GIS capability for Koochiching county for land use, natural resource, and fiscal data.

(c) Updating Outmoded Soil
Surveys - Continuation

\$250,000 the first year and \$250,000 the second year are from the trust fund to the board of water and soil resources for the second biennium of a three biennia project to accelerate a statewide program to update and digitize outmoded soil surveys in four southeast Minnesota counties. Participating counties must provide a cost share. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(d) Minnesota County Biological
Survey - Continuation

\$400,000 the first year and \$400,000 the second year are from the trust fund to the commissioner of natural resources for the eighth biennium of a 12-biennia project to accelerate the survey that identifies significant natural areas and systematically collects and interprets data on the distribution and ecology of natural communities, rare plants, and animals.

(e) Lake Superior Lakewide
Management Plan (LaMP)

\$87,000 the first year is from the Great Lakes protection account for implementation of the Lake Superior Lakewide Management Plan (LaMP). This is a one-time appropriation and must be supplemented in the first year by the appropriation in section 2, subdivision 2.

Subd. 8. Agriculture and Natural Resource Industries	637,000	103,000
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Summary by Fund

Future Resources Fund	445,000	-0-
Trust Fund	102,000	103,000
Oil Overcharge Money	90,000	-0-

(a) Evaluating Timber
Harvesting and Forest Management
Guidelines

\$200,000 is from the future resources fund to the University of Minnesota, in cooperation with the Minnesota forest resources council, to initiate an evaluation of the effectiveness of forest management timber harvesting guidelines for riparian areas. This is the first biennium of a five biennia project. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(b) Agricultural Land
Preservation

\$102,000 the first year and \$103,000 the second year are from the trust fund to the

commissioner of agriculture in cooperation with Dakota county for educational materials, training, and workshops on agricultural land use planning tools.

(c) Environmental Practices
on Dairy Farms

\$245,000 is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Milk Producers Association to assist dairy producers in complying with environmental quality regulations.

(d) Accelerated Technology
Transfer for Starch-Based
Plastics

\$90,000 is from the oil overcharge money to the commissioner of administration for an agreement with the University of Minnesota to produce and market biodegradable, starch-based plastic.

Subd. 9. Energy	90,000	-0-
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Summary by Fund

Oil Overcharge Money	90,000	-0-
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Improving Air Quality by
Using Biodiesel in
Generators

\$90,000 is from the oil overcharge money to the commissioner of administration for an agreement with the University of Minnesota to evaluate the use of biodiesel fuel in diesel-powered generators and associated impacts of emissions on air quality.

Subd. 10. Environmental Education	1,701,000	724,000
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Summary by Fund

Future Resources Fund	975,000	-0-
Trust Fund	726,000	724,000

(a) Uncommon Ground: An
Educational Television Series

\$228,000 the first year and \$227,000 the second year are from the trust fund to the University of Minnesota for the second biennium of a two-biennia project to complete production of a multipart, televised film series of the history of Minnesota's natural landscapes. * (The preceding text beginning "(a) Uncommon Ground: An Educational Television Series" was indicated as vetoed by the governor.)

(b) WaterScapes: Outdoor
Nonpoint Source Pollution
Education

\$133,000 the first year and \$132,000 the second year are from the trust fund to the Science Museum of Minnesota to create outdoor exhibits about urban and rural runoff and contamination and that demonstrate methods to improve water quality. This appropriation must be matched by at least \$265,000 of nonstate contributions, cash or in-kind. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) Sustainable Inner-City
Communities Through Environmental
Literacy

\$250,000 the first year and \$250,000 the second year are from the trust fund to the commissioner of natural resources for an agreement with Sabathani Community Center for collaborative community environmental education and youth outreach.

(d) Integrated Pest
Management in Schools

\$180,000 is from the future resources fund to the commissioner of agriculture to implement integrated pest management (IPM) practices in Minnesota K-12 schools.

(e) Burn, Plant, and Learn:
Restoring Upland Habitats

\$115,000 the first year and \$115,000 the second year are from the trust fund to the Science Museum of Minnesota for acquisition of approximately eight acres of property adjacent to the St. Croix watershed research station and for training programs, technical assistance, and demonstrations of upland habitat restoration. This appropriation is available until June 30, 2004, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(f) Connecting with Wildlife
at the Minnesota Zoo

\$230,000 is from the future resources fund to the Minnesota Zoo to design and develop interpretive environmental educational displays for trail exhibit areas.

(g) Project Green Start:
Environmental Education

\$340,000 is from the future resources fund to the commissioner of natural resources for an agreement with the Minnesota Children's Museum to construct habitat exhibits for environmental education activities.

(h) Raptor Propagation:
Student Education

\$35,000 is from the future resources fund

to the commissioner of natural resources for an agreement with Stillwater Area High School to build a captive breeding facility for raptors and develop associated education activities.

(i) Hennepin Parks Farm
Education

\$100,000 is from the future resources fund to the commissioner of natural resources for an agreement with suburban Hennepin regional park district to develop and implement a coordinated farm education program at Gale's Woods Special Recreation Area and North Mississippi Regional Park.

(j) Residential Environmental
Education for Youth

\$90,000 is from the future resources fund to the commissioner of natural resources for an agreement with Camp Courage for student scholarships and marketing for the residential environmental education program.

Subd. 11. Data Availability
Requirements

(a) During the biennium ending June 30, 2003, 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 office of technology. Spatial data must conform with geographic information system guidelines and standards adopted by the Minnesota Geographic Data Clearinghouse at the Land Management Information Center. These data must be made accessible and free to the public unless made private under the Data Practices Act, Minnesota Statutes, chapter 13.

(b) To the extent practicable, summary data and results of projects funded under this section should be readily accessible on the Internet.

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

Subd. 12. 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, and vegetation planted must be native to Minnesota and preferably of the local ecotype unless the work program approved by the commission expressly allows the planting of species that are not native to Minnesota.

Subd. 13. Match Requirements

Unless specifically authorized, appropriations in this section that must be matched and for which the match has not been committed by December 31, 2001, are canceled, and in-kind contributions may not be counted as matching funds.

Subd. 14. 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, 2001, or the date the work program is approved, whichever is later, are eligible for reimbursement unless otherwise provided in this section. 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. 15. 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.122, requiring the purchase of recycled, repairable, and durable materials, the purchase of uncoated paper stock, and the use of soy-based ink, the same as if it were a state agency.

Subd. 16. 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.20, and rules adopted thereunder.

The recipient may use the energy planning and intervention and energy technologies units of the department of public service to obtain information and technical assistance on energy conservation and alternative energy development relating to the planning and construction of the capital improvement project.

Subd. 17. Accessibility

New structures must be shown to meet the design standards in the Americans with Disability Act Accessibility Guidelines. Nonstructural facilities such as trails, campgrounds, picnic areas, parking, play areas, water sources, and the access routes to these features should be shown to be designed using guidelines in the Recommendations for Accessibility Guidelines: Recreational Facilities and Outdoor Developed Areas.

Subd. 18. Carryforward

(a) The availability of the appropriations for the following projects is extended to June 30, 2002: Laws 1999, chapter 231, section 16, subdivision 4, paragraph (m), Como Park campus maintenance; subdivision 6, paragraph (b), identification of sediment sources in agricultural watersheds, paragraph (c), accelerated statewide local water plan implementation; subdivision 7, paragraph (g), Minnesota river basin initiative; local leadership, paragraph (h), commercial fertilizer plant for livestock solid waste processing, and paragraph (j), wild rice management planning; subdivision 8, paragraph (b), tools and training for community-based planning; subdivision 10, paragraph (g), by-products application to agricultural, mineland, and forest soils; subdivision 11, paragraph (c), Minnesota wolf public education; subdivision 12, paragraph (d), Dakota county wetland health monitoring program, paragraph (e), predicting water and forest resources health and sustainability, and paragraph (f), potential for infant risk from nitrate contamination; and subdivision 13, paragraph (b), national prairie passage; linking isolated prairie preserves, paragraph (g), arboretum land acquisition and wetlands restoration - continuation.

(b) The availability of the appropriations for the following projects is extended to June 30, 2004: Laws 1999, chapter 231, section 16, subdivision 4, paragraph (b), Mesabi trail land acquisition and development - continuation; and subdivision 11, paragraph (f), science outreach and integrated learning on soil.

(c) The availability of the appropriation in Laws 1999, chapter 231, section 16, subdivision 8, paragraph (a), resources for redevelopment: a community property investigation program, is extended to June 30, 2002, for additional sites.

(d) The availability of the appropriation in Laws 1999, chapter 231, section 16, subdivision 9, paragraph (c), evaluate biodiesel made from waste fats and oils, is extended to June 30, 2002, for trial in heavy-duty vehicles.

(e) The availability of the appropriation in Laws 1997, chapter 216, section 15, subdivision 4, paragraph (c), for a proposed trail between the city of Pelican Rapids and Maplewood state park, which was extended by Laws 2000, chapter 488, article 3, section 7, is canceled.

(f) \$250,000 is appropriated from the future resources fund to provide matching funds for an ISTE A grant to the commissioner of natural resources for pass-through to Ottertail county to provide easement acquisition and engineering costs for the Central Lakes trail between the city of Fergus Falls and the Douglas county border.

(g) The availability of the appropriations in Laws 1999, chapter 231, section 16, is extended to June 30, 2002, if an approved

work program submitted before June 30, 2001, requires an extension of time for completion of the project due to the flooding of 2001.

Sec. 15. OFFICE OF STRATEGIC
AND LONG-RANGE
PLANNING

75,000

-0-

\$75,000 the first year is from the environmental fund for a plan to reorganize the state water programs and functions.

Sec. 16. TRANSFERS OF FUNDS

(a) \$408,000 from the conservation fund in Minnesota Statutes, section 40A.151, is transferred to the fertilizer inspection account in the agricultural fund. \$725,000 from the conservation fund in Minnesota Statutes, section 40A.151, is transferred to the general fund.

(b)(1) \$9,525,000 from the solid waste fund is transferred to the metropolitan land-fill contingency action trust fund. \$1,071,000 from the solid waste fund is transferred to the water quality account in the environmental fund. \$1,160,000 from the solid waste fund is transferred to the hazardous waste account in the environmental fund. \$1,725,000 from the solid waste fund is transferred to the general fund;

(2) for fiscal years 2003 to 2005, \$604,000 from the solid waste fund shall be transferred to the water quality account in the environmental fund each year and \$631,000 from the solid waste fund shall be transferred to the hazardous waste account in the environmental fund each year; and

(3) as permitted by projected available

balances after accounting for the obligations of the closed landfill program, up to \$3,656,000 from the solid waste fund shall be transferred to the metropolitan landfill contingency action trust fund.

Sec. 17. Minnesota Statutes 2000, section 13.6435, subdivision 8, is amended to read:

Subd. 8. **DAIRY PRODUCTS.** ~~(a) REPORTS TO COMMISSIONER OF AGRICULTURE.~~ Disclosure of information in reports about dairy production required to be filed with the commissioner of agriculture under section 32.19 is governed by that section.

~~(b) FINANCIAL AND PRODUCTION DATA.~~ Financial and production information obtained by the commissioner of agriculture to administer chapter 32 are classified under section 32.71, subdivision 2.

Sec. 18. Minnesota Statutes 2000, section 17.039, is amended to read:

17.039 ETHICAL GUIDELINES FOR FARM ADVOCATES.

The commissioner of agriculture shall establish not later than August 1, 1986, ethical guidelines for farm advocates who perform the duties of an advocate. The ethical guidelines developed by the commissioner must be part of the contract with each farm advocate.

Sec. 19. Minnesota Statutes 2000, section 17.101, subdivision 5, is amended to read:

Subd. 5. **VALUE-ADDED AGRICULTURAL PRODUCT PROCESSING AND MARKETING GRANT PROGRAM.** (a) For purposes of this section:

(1) "agricultural commodity" means a material produced for use in or as food, feed, seed, or fiber and includes crops for fiber, food, oilseeds, seeds, livestock, livestock products, dairy, dairy products, poultry, poultry products, and other products or by-products of the farm produced for the same or similar use, except ethanol; and

(2) "agricultural product processing facility" means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and used or operated primarily for the processing or production of marketable products from agricultural commodities produced in Minnesota.

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

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

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

(1) be a cooperative organized under chapter 308A;

(2) certify that all of the control and equity in the cooperative is from farmers, family farm partnerships, family farm limited liability companies, or family farm corporations as defined in section 500.24, subdivision 2, who are actively engaged in agricultural commodity production;

(3) be operated primarily for the processing of agricultural commodities produced in Minnesota;

(4) receive agricultural commodities produced primarily by shareholders or members of the cooperative; and

(5) have no direct or indirect involvement in the production of agricultural commodities.

(d) The commissioner may receive applications from and make grants up to \$50,000 for feasibility, marketing analysis, assistance with organizational development, financing and managing new cooperatives, product development, development of business and marketing plans, and predesign of facilities including site analysis, development of bid specifications, preliminary blueprints and schematics, and completion of purchase agreements and other necessary legal documents 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.

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

Sec. 20. Minnesota Statutes 2000, section 17.102, subdivision 3, is amended to read:

Subd. 3. **LICENSE.** A person may not use the Minnesota grown logo or labeling without an annual license from the commissioner. The commissioner shall issue licenses for a fee of \$5. ~~The commissioner shall charge a late fee of \$10 for renewal of a license that has expired.~~

Sec. 21. Minnesota Statutes 2000, section 17.1025, is amended to read:

17.1025 MINNESOTA CERTIFICATION PROGRAM.

Subdivision 1. MINNESOTA CERTIFICATION PROGRAM ESTABLISHED. In cooperation with the University of Minnesota, the department of trade and economic development, and the board of animal health, the commissioner shall establish a pilot program to certify agricultural production methods and agricultural products grown or processed within the state to assure the integrity of claims made by participating businesses. The commissioner may select and cooperate with private organizations that have established procedures and safeguards to justify claimed characteristics of the production process or the final certified product to conduct certification activities for third party producers.

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

Subd. 2. CERTIFICATION PROCESS. The commissioner may establish guidelines for the certification program, which are not subject to chapter 14. The commissioner shall submit a report on the pilot program to the legislature by February 1, 2001. Applications for certification must be submitted to the commissioner and must be evaluated by representatives of the commissioner, the University of Minnesota, the department of trade and economic development, other state agencies with regulatory authority or expertise in the subject matter of the application or in the certification process, and any other person named by the commissioner.

The commissioner shall make the final certification decision after the certification group prepares a recommendation. The application may be accepted, denied, or returned to the applicant for further action. The recommendation must be based upon the benefit of the certification to the producer or processor, the benefit to the state's agricultural economy, the costs to the state involved in certification and ongoing monitoring, the quality of internal and external audit controls to assure compliance with the terms of the certification, and other factors appropriate to best benefit the participants and the state.

Subd. 3. INTELLECTUAL PROPERTY. The commissioner shall develop a logo and develop promotional material to best promote the use of certified products and procedures, and explore and implement procedures to best use the resources of the Internet in the promotion and distribution of Minnesota certified products and processes. To the extent practical, the Minnesota certification program must be coordinated with the Minnesota grown program under section 17.102 to accomplish the goals of both programs.

Subd. 4. CERTIFICATION REVOCATION OR SUSPENSION; MISDEMEANOR. A certification may be revoked or suspended by the commissioner without hearing if the terms of the certification are not being followed, the certification has become unused or obsolete, or the continued use of the certification is contrary to the interests of the state or the purpose of the certification program. Use of the certification after suspension or revocation is a misdemeanor and may also be enjoined by the commissioner in an action in district court.

Subd. 5. MINNESOTA CERTIFIED ACCOUNT. A Minnesota certified account is created in the agricultural fund. The commissioner may establish fees in an amount estimated to make the certification program self-supporting. Fees may be determined on a case-by-case basis based on the services provided. All fees and reimbursements collected under this section must be deposited in the account. Money in the account, including interest earned, is annually appropriated to the commissioner to administer the Minnesota certification program.

Subd. 6. NO GUARANTEE OR WARRANTY. Certification does not constitute a guarantee or warranty as to any characteristic of any product or production process. The state and other parties involved in the certification decision may not be found liable for a certification or refusal to certify.

Subd. 7. EXPIRATION. This section expires June 30, 2007.

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

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

Sec. 22. Minnesota Statutes 2000, section 17.109, subdivision 3, is amended to read:

Subd. 3. **APPROPRIATIONS MUST BE MATCHED BY PRIVATE FUNDS.** Appropriations to the Minnesota grown matching account may be expended only to the extent that they are matched with contributions to the account from private sources on a basis of \$4 of the appropriation to each \$1 of private contributions. Matching funds are not available after the appropriation is encumbered. For the purposes of this subdivision, "private contributions" includes, but is not limited to, advertising revenue, listing fees, and revenues from the development and sale of promotional materials.

Sec. 23. Minnesota Statutes 2000, section 17.115, is amended to read:

17.115 SHARED SAVINGS LOAN PROGRAM.

Subdivision 1. **ESTABLISHMENT.** The commissioner shall establish a shared savings loan program to provide loans that enable farmers to adopt best management practices that emphasize sufficiency and self-sufficiency in agricultural inputs, including energy efficiency, reduction or improved management of petroleum and chemical inputs, and increasing the energy self-sufficiency of production by agricultural producers, and environmental improvements.

Subd. 2. **LOAN CRITERIA.** (a) The shared savings loan program must provide loans for purchase of new or used machinery, and installation of equipment, and for projects that reduce or make more efficient farm energy use make environmental improvements or enhance farm profitability. Eligible loan uses do not include seed, fertilizer, or fuel.

(b) Loans may not exceed ~~\$15,000~~ \$25,000 per individual applying for a loan and may not exceed ~~\$75,000~~ \$100,000 for loans to ~~five~~ four or more individuals on joint projects. The loan repayment period may be up to seven years as determined by project cost and energy savings. The interest on the loans is six percent.

(c) Loans may only be made to residents of this state engaged in farming.

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

(b) The applications must be reviewed, ranked, and recommended by a loan review panel appointed by the commissioner. The loan review panel shall consist of two lenders with agricultural experience, two resident farmers of the state using sustainable agriculture methods, two resident farmers of the state using organic agriculture methods, a farm management specialist, a representative from a post-secondary education institution, and a chair from the department.

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

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

(1) realize savings to the cost of agricultural production and project savings to repay the cost of the loan;

(2) reduce or make more efficient use of energy or inputs; and

(3) reduce production costs increase overall farm profitability; and

(4) result in environmental benefits.

(d) A loan application must show that the loan can be repaid by the applicant.

(e) The commissioner must consider the recommendations of the loan review panel and may make loans for eligible projects. ~~Priority must be given based on the amount of savings realized by adopting the practice implemented by the loan.~~

Subd. 4. **ADMINISTRATION; INFORMATION DISSEMINATION.** The amount in the revolving loan account is appropriated to the commissioner to make loans under this section and administer the loan program. The interest on the money in the revolving loan account and the interest on loans repaid to the state may be spent by the commissioner for administrative expenses. The commissioner shall collect and disseminate information relating to projects for which loans are given under this section.

Subd. 5. FARM MANURE DIGESTER TECHNOLOGY. Appropriations in Laws 1998, chapter 401, section 6, must be used for revolving loans for demonstration projects of farm manure digester technology. Notwithstanding the limitations of subdivision 2, paragraphs (b) and (c), loans under this subdivision are no-interest loans in principal amounts not to exceed \$200,000 and may be made to any resident of this state. Loans for one or more projects must be made only after the commissioner seeks applications. Loans under this program may be used as a match for federal loans or grants. Money repaid from loans must be returned to the revolving fund for future projects.

Sec. 24. Minnesota Statutes 2000, section 17.116, is amended to read:

17.116 SUSTAINABLE AGRICULTURE DEMONSTRATION GRANTS.

Subdivision 1. **ESTABLISHMENT.** The commissioner of ~~agriculture~~ shall establish a grant program for sustainable agriculture methods that demonstrates best management practices, including farm input reduction or management, enterprise diversification including new crops and livestock, farm energy efficiency, or ~~usable on-farm energy production, or the transfer of technologies that enhance the environment and farm profitability.~~ The commissioner shall use the program to demonstrate and publicize the energy efficiency, environmental benefit, and profitability of sustainable agriculture techniques or systems from production through marketing. The grants must fund research or demonstrations on farms of external input reduction techniques or farm scale energy production methods consistent with the program objectives.

Subd. 2. **ELIGIBILITY.** (a) Grants may only be made to farmers, educational institutions, individuals at educational institutions, or nonprofit organizations residing

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or located in the state for research or 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) increased profitability for the individual farm by reducing costs or improving marketing opportunities.

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, an agricultural marketing specialist, two resident farmers of the state using sustainable agriculture methods, two resident farmers of the state using organic 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;
- (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.

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Sec. 25. Minnesota Statutes 2000, section 17.117, is amended to read:

17.117 AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.

Subdivision 1. **PURPOSE.** The purpose of the agriculture best management practices loan program is to provide low or no interest financing to farmers, agriculture supply businesses, and rural landowners for the implementation of agriculture and other best management practices that reduce environmental pollution.

Subd. 2. **AUTHORITY.** The commissioner shall ~~may~~ develop administrative guidelines specifying criteria, standards, and procedures for making loans and establish, adopt rules for, and implement a program to make loans or otherwise provide funds to local units of government, federal authorities, lending institutions, and other appropriate organizations who will in turn provide loans to landowners and businesses for facilities, fixtures, equipment, or other sustainable best management practices that prevent or mitigate sources of nonpoint source water pollution or other adverse environmental impacts. ~~The commissioner shall establish pilot projects to develop procedures for implementing the program. The commissioner shall develop administrative guidelines to implement the pilot projects specifying criteria, standards, and procedures for making loans.~~ The agriculture best management practices loan program must provide a consistent programmatic framework for the disbursement and administration of funds available to the commissioner designated to the program for protection of environmental quality or remediation or mitigation of adverse environmental impacts. The distribution of loans or funds through the program must comply with all limitations, provisions, or requirements of the respective funding sources. Unless otherwise limited by the funding source, the commissioner shall manage the program using perpetual revolving fund accounts.

Subd. 3. **APPROPRIATIONS.** Up to \$140,000,000 of the balance in the water pollution control revolving fund in section 446A.07, as determined by the public facilities authority, is appropriated to the commissioner for the establishment of this program. In addition, the commissioner may receive appropriations from the legislature and grants or funds from other sources for implementation of the program.

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

(b) "Agricultural and environmental revolving accounts" means accounts in the agricultural fund, controlled by the commissioner, which hold funds available to the program.

(c) "Agriculture supply business" means a person, partnership, joint venture, corporation, limited liability company, association, firm, public service company, or cooperative that provides materials, equipment, or services to farmers or agriculture-related enterprises.

(d) "Allocation" means the funds awarded to an applicant for implementation of best management practices through a competitive or noncompetitive application process.

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(a) (e) "Applicant" means a county or a local government unit designated by a county under subdivision 8, paragraph (a) local unit of government eligible to participate in this program that requests an allocation of funds as provided in subdivision 6b.

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

(e) (f) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2, or other practices, techniques, and measures that have been demonstrated to the satisfaction of the commissioner to prevent or reduce adverse environmental impacts by using the most effective and practicable means of achieving environmental goals.

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

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

(f) (h) "Commissioner" means the commissioner of agriculture, including when the commissioner is acting in the capacity of chair of the rural finance authority, or the designee of the commissioner.

(i) "Committed project" means an eligible project scheduled to be implemented at a future date:

(1) that has been approved and certified by the local government unit; and

(2) for which a local lender has obligated itself to offer a loan.

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

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

(k) "Cost incurred" means expenses for implementation of a project accrued because the borrower has agreed to purchase equipment or is obligated to pay for services or materials already provided as a result of implementing a prior approved eligible project.

(l) "Farmer" means a person, partnership, joint venture, corporation, limited liability company, association, firm, public service company, or cooperative that regularly participates in physical labor or operations management of farming and files a Schedule F as part of filing United States Internal Revenue Service Form 1040 or indicates farming as the primary business activity under Schedule C, K, or S, or any other applicable report to the United States Internal Revenue Service.

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

(j) (n) "Local government unit" means a county, soil and water conservation district, or an organization formed for the joint exercise of powers under section 471.59 with the authority to participate in the program.

(k) (o) "Local lender" means a local government unit as defined in paragraph (j) (n), a state or federally chartered bank, a savings association, a state or federal credit union, Agribank and its affiliated organizations, or a nonprofit economic development organization or other financial lending institution approved by the commissioner, or Farm Credit Services.

(l) "Local revolving loan account" means the account held by a local government unit and a local lender into which principal repayments from borrowers are deposited and new loans are issued in accordance with the requirements of the program and lender agreements.

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

(n) "Program" means the agriculture best management practices loan program in this section.

(o) "Project" means one or more components or activities located within Minnesota that are required by the local government unit to be implemented for satisfactory completion of an eligible best management practice.

(p) "Rural landowner" means the owner of record of Minnesota real estate located in an area determined by the local government unit to be rural after consideration of local land use patterns, zoning regulations, jurisdictional boundaries, local community definitions, historical uses, and other pertinent local factors.

Subd. 5. USES OF FUNDS. Use of funds under this section must be in compliance with the rules and regulations of the funding source or appropriation. Use of funds from the public facilities authority must comply with the federal Water Pollution Control Act, section 446A.07, and eligible activities listed in the intended use plan authorized in section 446A.07, subdivision 4.

Subd. 5a. AGRICULTURAL AND ENVIRONMENTAL REVOLVING ACCOUNTS. (a) There shall be established in the agricultural fund revolving accounts to receive appropriations and money from other sources. All repayments of loans granted under this section, including principal and interest, must be deposited into the appropriate revolving account created in this subdivision or the account created in

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subdivision 13. Interest earned in an account accrues to that account.

(b) The money in the revolving accounts and the account created in subdivision 13 is appropriated to the commissioner for the purposes of this section.

Subd. 6. APPLICATION. (a) Only the following local government units may apply for funds under this program:

(1) counties or their designees;

(2) soil and water conservation districts; and

(3) joint power organizations consisting of counties or their designees or soil and water conservation districts.

(b) A county may submit an application for an allocation. A county or a group of counties may designate another local government unit to submit a local allocation request on their behalf. If a county does not submit an application, and does not designate another local government unit, a soil and water conservation district may submit an application for an allocation. If the local soil and water conservation district does not submit an application, then an eligible joint powers organization may submit an application for an allocation. In all instances, there may be only one application representing any geographic area. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant.

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

(b) (d) If a local allocation request an application is rejected, the applicant must be notified in writing as to the reasons for the rejection and given 30 days to submit a revised application. The revised application shall be reviewed according to the same procedure used to review the initial application. Failure of an applicant to be awarded funds does not constitute a rejection of the application.

Subd. 6a. REVIEW AND RANKING OF APPLICATIONS. (a) The commissioner shall chair the subcommittee established in section 103F.761, subdivision 2, paragraph (b), for purposes of reviewing and ranking applications and recommending to the commissioner allocation amounts. The subcommittee consists of representatives of the departments of agriculture, natural resources, and health; the pollution control agency; the board of water and soil resources; the Farm Service Agency and the Natural Resource Conservation Service of the United States Department of Agriculture; the Association of Minnesota Counties; the Minnesota Association of Soil and

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Water Conservation Districts; and other agencies or associations the commissioner determines are appropriate.

(b) The subcommittee must use the criteria in clauses (1) to (9) as well as other criteria it determines appropriate in carrying out the review and ranking:

(1) whether the proposed activities are identified in a comprehensive water management plan or other appropriate local planning documents as priorities;

(2) the potential that the proposed activities have for improving or protecting environmental quality;

(3) the extent that the proposed activities support areawide or multijurisdictional approaches to protecting environmental quality based on defined watershed or similar geographic areas;

(4) whether the activities are needed for compliance with existing environmental laws or rules;

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

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

(7) whether the applicant has targeted specific best management practices to resolve specific environmental problems;

(8) past performance of the applicant in completing projects identified in prior applications and allocation agreements; and

(9) whether there are off-site public benefits.

Subd. 6b. ALLOCATION AMOUNT. (a) The subcommittee created in subdivision 6a shall recommend to the commissioner the amount of allocation for each applicant. This allocation must include:

(1) the amount of repayments received by the commissioner during the previous year from prior completed projects approved by the local government unit; and

(2) the amount of funds previously designated to committed projects.

(b) Within the limits of the funds available to the commissioner, the subcommittee may recommend an increased allocation award to the applicant based on:

(1) the ranking of the local government unit application under subdivision 6a; and

(2) the amount of unallocated or uncommitted funds in, or that will be received by, the agricultural and environmental revolving accounts within one year.

(c) Notwithstanding paragraphs (a) and (b), the commissioner may reserve up to two percent of all funds appropriated to the agricultural and environmental revolving accounts to be allocated to applicants that disburse or commit all of their current

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allocations or to local lenders who wish to provide financial assistance.

The commissioner may add, for the purposes of calculating future allocations under paragraphs (a) and (b), the loan amount for projects financed from these reserved funds to the allocation for the respective local government units in which jurisdiction the project was completed.

Subd. 7. **PAYMENTS TO LOCAL LENDERS.** (a) Payments made from the water pollution control revolving fund commissioner to the local lender must be made in accordance with applicable state and federal laws and rules governing the payments and the lender agreement.

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

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

Subd. 8. **APPLICANT; BORROWERS ALLOCATION AGREEMENT.** (a) A county may submit a local allocation request. A county or a group of counties may designate another local government unit to submit a local allocation request.

(b) If a county does not submit a local allocation request, and does not designate another local government unit, a soil and water conservation district may submit a local allocation request. In all instances, there may be only one request from a county. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant. (a) Eligible local government units with an allocation award may enter into an allocation agreement with the commissioner and participate in this program.

(b) The allocation agreement must contain terms and conditions for participation in this program and providing of funds through this program, including, but not limited to: program requirements, reporting requirements, project eligibility and limitations, allowable expenses, limitations, rescission and cancellation provisions, and the responsibilities of the commissioner, local government unit, and local lender.

(c) If the commissioner determines that a local government unit is not in compliance with the terms of the allocation agreement, the commissioner may rescind all or part of any allocation awarded through this program.

New language is indicated by underline, deletions by strikeout.

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

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

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

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

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

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

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

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

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

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

(9) the proposed interest rate. (a) Continued availability of allocations granted to a local government unit is contingent upon the commissioner's approval of the local government unit's annual report. The commissioner shall review this annual report to ensure that the past and future uses of the funds are consistent with the comprehensive water management plan, other local planning documents, the requirements of the funding source, and compliance to program requirements. If the commissioner concludes the past or intended uses of the money are not consistent with these requirements, the commissioner shall rescind all or part of the allocation awarded to a local government unit.

(b) The commissioner may rescind funds allocated to the local government unit that are not designated to committed projects or disbursed within one year from the date of the allocation agreement.

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(c) An additional year to use the undisbursed portion of an allocation may be granted by the commissioner under extenuating circumstances.

Subd. 9a. AUTHORITY AND RESPONSIBILITIES OF APPLICANTS THE LOCAL GOVERNMENT UNITS. Applicants may enter into a lender agreement designating a local lender. Applicants designating themselves as the local lender may enter into contracts for loan review, processing, and servicing. (a) A local government unit that enters into an allocation agreement with the commissioner:

(1) is responsible for the local administration and implementation of the program in accordance with this section;

(2) may submit applications for allocations to the commissioner;

(3) shall identify, develop, determine eligibility, define and approve projects, designate maximum loan amounts for projects, and certify completion of projects implemented under this program. In areas where no local government unit has applied for funds under this program, the commissioner may appoint a local government unit to review and certify projects or the commissioner may assume the authority and responsibility of the local government unit;

(4) shall certify as eligible only projects that are within its geographic jurisdiction or within the geographic area identified in its local comprehensive water management plans or other local planning documents;

(5) may require withholding by the local lender of all or a portion of the loan to the borrower until satisfactory completion of all required components of a certified project;

(6) must identify which account is used to finance an approved project if the local government unit has allocations from multiple accounts in the agricultural and environmental revolving accounts;

(7) shall report to the commissioner annually the past and intended uses of allocations awarded; and

(8) may request additional funds in excess of their allocation when funds are available in the agricultural and environmental revolving accounts, as long as all other allocation awards to the local government unit have been used or committed.

(b) If a local government unit withdraws from participation in this program, the local government unit, or the commissioner in accordance with the priorities established under subdivision 6a, may designate another local government unit that is eligible under subdivision 6 as the new local government unit responsible for local administration of this program. This designated local government unit may accept responsibility and administration of allocations awarded to the former responsible local government unit.

Subd. 9b. LENDER AGREEMENT. (a) Any local lender entering into a lender agreement with the commissioner may participate in this program.

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(b) The lender agreement will contain terms and conditions for participation in this program and providing funds to the local lenders, including but not limited to, program requirements, loan and account management requirements, payments, repayments, term limits, allowable expenses, fee limitations, rescission and cancellation provisions, collateral and security requirements, reporting requirements, review and appeal procedure for cancellation of the loan agreement or disqualification as a local lender, and the responsibilities of the commissioner, local government unit, and local lender.

(c) If the commissioner determines that a local lender is not in compliance with the terms of the lender agreement, the commissioner may take the following actions:

(1) disqualifying the local lender as a participating lender in this program for a period of up to five years from the date that the commissioner determines noncompliance to the lender agreement; and

(2) requiring immediate or accelerated repayment of all or part of all funds provided to the local lender.

(d) Existing lender agreements, executed prior to July 1, 2001, may be amended by mutual consent of all signatory parties, to comply with this section, to establish a single allocation agreement that includes the amount of prior allocation awards and defines the terms and conditions required under subdivision 8, or to modify the amount of allocation awarded.

Subd. 10. AUTHORITY AND RESPONSIBILITIES OF LOCAL LENDERS.

(a) Local lenders may enter into lender agreements with the commissioner.

(b) Local lenders may enter into loan agreements with borrowers to finance eligible projects under this section.

(c) Local lenders may establish revolving loan programs to finance projects under this section. The local lender shall notify the local government unit of the loan amount issued to the borrower after the closing of each loan.

(d) Local lenders with local revolving loan accounts created before July 1, 2001, may continue to retain and use those accounts in accordance with their lending agreements for the full term of those agreements.

(e) Local lenders, including applicants local government units designating themselves as the local lender, may enter into participation agreements with other lenders.

(f) Local lenders may also enter into contracts with other lenders for the limited purposes of loan review, processing and servicing, or to enter into loan agreements with borrowers to finance projects under this section. Other lenders entering into contracts with local lenders under this section must meet the definition of local lender in subdivision 4, must comply with all provisions of the lender agreement and this section, and must guarantee repayment of the loan funds to the local lender. In no case

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may there be more than one local lender per county or more than one revolving fund per county.

(g) When required by the local government unit, a local lender must withhold all or a portion of the loan disbursement for a project until notified by the local government unit that the project has been satisfactorily completed.

(h) The local lender is responsible for repaying all funds provided by the commissioner to the local lender.

(i) The local lender is responsible for collecting repayments from borrowers. If a borrower defaults on a loan issued by the local lender, it is the responsibility of the local lender to obtain repayment from the borrower. Default on the part of borrowers shall have no effect on the local lender's responsibility to repay its obligations to the commissioner whether or not the local lender fully recovers defaulted amounts from borrowers.

(j) The local lender shall provide sufficient collateral or protection to the commissioner for the funds provided to the local lender. The commissioner must approve the collateral or protection provided.

Subd. 11. LOANS ISSUED TO BORROWER ELIGIBILITY, TERMS, REPAYMENT, REGION. (a) Local lenders shall use the following criteria in addition to other criteria they deem necessary in determining the eligibility of borrowers for loans:

(1) whether the activity is certified by a local unit of government may issue loans only for projects that are approved and certified by the local government unit as meeting priority needs identified in a comprehensive water management plan and is or other local planning documents, are in compliance with accepted practices, standards, specifications, or criteria;

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

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

(b) The local lender may use any additional criteria considered necessary to determine the eligibility of borrowers for loans.

(c) Local lenders shall set the terms and conditions of loans to borrowers, except that:

(1) no loan to an individual a borrower may exceed \$50,000;

(2) no loan for a project may exceed \$50,000; and

(3) no borrower shall, at any time, have multiple loans from this program with a total outstanding loan balance of more than \$50,000. In all instances, local lenders must provide for sufficient collateral or protection for the loan principal. They are responsible for collecting repayments by borrowers.

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

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

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

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

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

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

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

(d) The maximum term length for conservation tillage and individual sewage treatment system projects is five years. The maximum term length for other projects in this paragraph is ten years.

(e) Fees charged at the time of closing must:

(1) be in compliance with normal and customary practices of the local lender;

(2) be in accordance with published fee schedules issued by the local lender;

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(3) not be based on participation program; and

(4) be consistent with fees charged other similar types of loans offered by the local lender.

(f) The interest rate assessed to an outstanding loan balance by the local lender must not exceed three percent per year.

Subd. 11a. ELIGIBLE PROJECTS. All projects that remediate or mitigate adverse environmental impacts are eligible if:

(1) the project is eligible under the allocation agreement and funding sources designated by the local government unit to finance the project; and

(2) manure management projects remediate or mitigate impacts from facilities with less than 1,000 animal units as defined in Minnesota Rules, chapter 7020.

Subd. 12. DATA PRIVACY. The following data on applicants local government units, local lenders, or borrowers collected by the commissioner under this section are private for data on individuals as provided in section 13.02, subdivision 12, or nonpublic for data not on individuals as provided in section 13.02, subdivision 9: financial information, including, but not limited to, credit reports, financial statements, tax returns and net worth calculations received or prepared by the commissioner.

Subd. 13. ESTABLISHMENT OF ACCOUNT. The public facilities authority shall establish an account called the agriculture best management practices revolving fund account to provide loans and other forms of financial assistance authorized under section 446A.07. The fund account must be credited with repayments.

Subd. 14. FEES AND INTEREST. (a) Origination fees charged directly to borrowers by local lenders upon executing a loan shall not exceed one-half of one percent of the loan amount. Interest assessed to loan repayments by the local lender must not exceed three percent.

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

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

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

Subd. 15. COMMISSIONER'S REPORT. (a) The commissioner and chair shall prepare and submit a report to the house of representatives and senate committees with jurisdiction over the environment, natural resources, and agriculture by October 15 of each odd-numbered year.

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(b) The report shall include, but need not be limited to, matters such as loan allocations and uses, the extent to which the financial assistance is helping implement local water and other environmental planning priorities, the integration or coordination that has occurred with related programs, and other matters deemed pertinent to the implementation of the program.

Subd. 16. **LIENS AGAINST PROPERTY.** (a) Unless a county determines otherwise, at the time of the disbursement of funds on a loan to a borrower under this section, the principal balance due plus accrued interest on the principal balance as provided by this section becomes a lien in favor of the county making the loan upon the real property on which the project is located. The lien must be first and prior to all other liens against the property, including state tax liens, whether filed before or after the placing of a lien under this subdivision, except liens for special assessments by the county under applicable special assessments laws, which liens shall be of equal rank with the lien created under this subdivision. A lien in favor of the county shall be first and prior as provided in this subdivision only if the county making the loan gives written notice of the intent to make the loan under this subdivision to all other persons having a recorded interest in the real property subject to the lien, no less than 30 days prior to the disbursement of the funds, and receives an agreement to subordinate superior lien positions held by all other lenders having a recorded interest in the real property subject to the lien. This lien and subordination agreement must be recorded against the real estate in the county recorder's office or filed with the registrar of titles for the county or counties in which the property is located. The county may bill amounts due on the loan on the tax statement for the property. Enforcement of the lien created by this subdivision shall, at the county's option, be in the manner set forth in chapter 580 or 581. When the amount due plus interest has been paid, the county shall file a satisfaction of the lien created under this subdivision. The amount of loans and accruing interest made by counties acting as local lenders under this section is a lien against the real property for which the improvement was made and must be assessed against the property or properties benefited unless the amount is prepaid. An amount loaned under the program and its accruing interest assessed against the property is a priority lien only against subsequent liens.

(b) The county may bill amounts due on the loan on the tax statement for the property. Enforcement of the lien created by this subdivision must, at the county's option, be in the manner set forth in chapter 580 or 581. When the amount due and all interest has been paid, the county shall file a satisfaction of the lien created under this subdivision.

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

Subd. 17. **REFERENDUM EXEMPTION.** For the purpose of obtaining a loan from the commissioner, a local government unit acting as a local lender may provide to the commissioner its general obligation note. All obligations incurred by a local

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government unit in obtaining a loan from the commissioner must be in accordance with chapter 475, except that so long as the obligations are issued to evidence a loan from the commissioner to the local government unit, an election is not required to authorize the obligations issued, and the amount of the obligations shall not be included in determining the net indebtedness of the local government unit under the provisions of any law or chapter limiting the indebtedness.

Sec. 26. Minnesota Statutes 2000, section 17.457, subdivision 10, is amended to read:

Subd. 10. **FEE.** The commissioner shall impose a fee for permits in an amount sufficient to cover the costs of issuing the permits and for facility inspections. The fee may not exceed \$50. Fee receipts must be deposited in the agricultural fund and credited to the Eurasian wild pigs account and are appropriated to the commissioner for the purposes of this section general fund.

Sec. 27. Minnesota Statutes 2000, section 17.53, subdivision 2, is amended to read:

Subd. 2. **AGRICULTURAL COMMODITY.** (a) Except as provided in paragraph (b), "agricultural commodity" means any agricultural product, including, without limitation, animals and animal products, grown, raised, produced, or fed within Minnesota for use as food, feed, seed, or any industrial or chemurgic purpose.

(b) For wheat and, barley, and cultivated wild rice, "agricultural commodity" means wheat and, barley, and cultivated wild rice including, without limitation, wheat and, barley, and cultivated wild rice grown or produced within or outside Minnesota, for use as food, feed, seed, or any industrial or chemurgic purpose.

Sec. 28. Minnesota Statutes 2000, section 17.53, subdivision 8, is amended to read:

Subd. 8. **FIRST PURCHASER.** (a) Except as provided in paragraph (b), "first purchaser" means any person that buys agricultural commodities for movement into commercial channels from the producer; or any lienholder, secured party or pledgee, public or private, or assignee of said lienholder, secured party or pledgee, who gains title to the agricultural commodity from the producer as the result of exercising any legal rights by the lienholder, secured party, pledgee, or assignee thereof, regardless of when the lien, security interest or pledge was created and regardless of whether the first purchaser is domiciled within the state or without. "First purchaser" does not mean the commodity credit corporation when a commodity is used as collateral for a federal nonrecourse loan unless the commissioner determines otherwise.

(b) For wheat and, barley, and cultivated wild rice, "first purchaser" means a person who buys, receives delivery of, or provides storage for the agricultural commodity from a producer for movement into commercial channels; or a lienholder, secured party, or pledgee, who gains title to the agricultural commodity from the producers as the result of exercising any legal rights by the lienholder, secured party, pledgee, or assignee, regardless of when the lien, security interest, or pledge was

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created and regardless of whether or not the first purchaser is domiciled in the state. "First purchaser" does not mean the commodity credit corporation when the wheat or, barley, or cultivated wild rice is used as collateral for a federal nonrecourse loan unless the commissioner determines otherwise.

Sec. 29. Minnesota Statutes 2000, section 17.53, subdivision 13, is amended to read:

Subd. 13. **PRODUCER.** (a) Except as provided in paragraph (b), "producer" means any person who owns or operates an agricultural producing or growing facility for an agricultural commodity and shares in the profits and risk of loss from such operation, and who grows, raises, feeds or produces the agricultural commodity in Minnesota during the current or preceding marketing year.

(b) For wheat and, barley, and cultivated wild rice, "producer" means in addition to the meaning in paragraph (a) and for the purpose of the payment or the refund of the checkoff fee paid pursuant to sections 17.51 to 17.69 only, a person who delivers into, stores within, or makes the first sale of the agricultural commodity in Minnesota.

Sec. 30. Minnesota Statutes 2000, section 17.63, is amended to read:

17.63 REFUND OF FEES.

(a) Any producer, except a producer of potatoes in area number one, as listed in section 17.54, subdivision 9, a producer of wheat or barley, or a producer of paddy cultivated wild rice, may, by the use of forms to be provided by the commissioner and upon presentation of such proof as the commissioner requires, have the checkoff fee paid pursuant to sections 17.51 to 17.69 fully or partially refunded, provided the checkoff fee was remitted on a timely basis. The request for refund must be received in the office of the commissioner within the time specified in the promotion order following the payment of the checkoff fee. In no event shall these requests for refund be accepted more often than 12 times per year. Refund shall be made by the commissioner and council within 30 days of the request for refund provided that the checkoff fee sought to be refunded has been received. Rules governing the refund of checkoff fees for all commodities shall be formulated by the commissioner, shall be fully outlined in the promotion order, and shall be available for the information of all producers concerned with the referendum.

(b) The commissioner must allow partial refund requests from corn producers who have checked off and must allow for assignment of payment to the Minnesota corn growers association if the Minnesota corn research and promotion council requests such action by the commissioner.

(c) The Minnesota corn research and promotion council shall not elect to impose membership on any individual producer not requesting a partial refund or assignment of payment to the association.

(d) For any wheat or, barley, or cultivated wild rice for which the checkoff fee must be paid pursuant to sections 17.51 to 17.69 and for which a checkoff fee or fee

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that serves a comparable purpose in a jurisdiction outside Minnesota had been previously paid for the same wheat or, barley, or cultivated wild rice, the producer of the wheat or, barley, or cultivated wild rice is exempt from payment of the checkoff fee. The commissioner, in consultation with the wheat research and promotion council and, barley research and promotion council, and cultivated wild rice research and promotion council, shall determine jurisdictions outside of Minnesota which collect a checkoff fee or fee that serves a comparable purpose. In order to qualify for the exemption, the producer must demonstrate to the first purchaser that a checkoff fee or fee has been paid to such a jurisdiction.

Sec. 31. Minnesota Statutes 2000, section 17.85, is amended to read:

17.85 LABORATORY SERVICES ACCOUNT.

Subdivision 1. ACCOUNT. A laboratory services account is established in the agricultural fund. Payments for laboratory services performed by the laboratory services division of the department of agriculture must be deposited in the agricultural fund and credited to the laboratory services account. Money in the account, including interest earned on the account, is annually appropriated to the commissioner of agriculture to administer the programs of the laboratory services division.

Subd. 2. AGRICULTURE LABORATORY. The agriculture laboratory exists to provide analytical and technical services in support of agency programs that protect and enhance the states' agriculture, environment, and food chain. The laboratory may provide analytical and technical services for a fee to any public or private entity as requested or required to meet department objectives in support of Minnesota agriculture and a national food safety system.

Sec. 32. Minnesota Statutes 2000, section 17A.03, subdivision 7, is amended to read:

Subd. 7. LIVESTOCK DEALER. "Livestock dealer" means any person, including a packing company, engaged in the business of buying or selling livestock on a regular basis for the person's own account or for the account of others.

"Livestock dealer" does not include:

(a) persons licensed under section 28A.04 who are primarily engaged in the sale of meats at retail and persons operating as frozen food processing plants as defined in section 31.185; and

(b) persons engaged in the business of farming, when purchasing livestock for breeding or herd replacement purposes or feeding programs, and when selling the livestock they have owned and raised, fed out or fattened for slaughter in their specific farming program.

Sec. 33. Minnesota Statutes 2000, section 17B.15, subdivision 1, is amended to read:

Subdivision 1. ADMINISTRATION; APPROPRIATION. The fees for inspection and weighing shall be fixed by the commissioner and be a lien upon the grain. The

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commissioner shall set fees for all inspection and weighing in an amount adequate to pay the expenses of carrying out and enforcing the purposes of sections 17B.01 to ~~17B.23~~ 17B.22, including the portion of general support costs and statewide indirect costs of the agency attributable to that function, with a reserve sufficient for up to six months. The commissioner shall review the fee schedule twice each year. Fee adjustments are not subject to chapter 14. Payment shall be required for services rendered.

All fees collected and all fines and penalties for violation of any provision of this chapter shall be deposited in the grain inspection and weighing account, which is created in the agricultural fund for carrying out the purpose of sections 17B.01 to 17B.23. The money in the account, including interest earned on the account, is annually appropriated to the commissioner of agriculture to administer the provisions of sections 17B.01 to 17B.23. When money from any other account is used to administer sections 17B.01 to 17B.23, the commissioner shall notify the chairs of the agriculture, environment and natural resources finance, and ways and means committees of the house of representatives; the agriculture and rural development and finance committees of the senate; and the finance division of the environment and natural resources committee of the senate.

Sec. 34. Minnesota Statutes 2000, section 18B.01, is amended by adding a subdivision to read:

Subd. 26a. SCHOOL PEST MANAGEMENT COORDINATOR. "School pest management coordinator" means a person employed by a Minnesota kindergarten through 12th grade public school who is responsible for the school's pest management plans and implementation of pest management at the school, including the application of pesticides to the inside or outdoor property of the school.

EFFECTIVE DATE. This section is effective January 1, 2002.

Sec. 35. Minnesota Statutes 2000, section 18B.065, subdivision 5, is amended to read:

Subd. 5. WASTE PESTICIDE COLLECTION ACCOUNT; APPROPRIATION. A waste pesticide account is established in the state treasury agricultural fund. Assessments collected under subdivision 2 shall be deposited in the state treasury and credited to the waste pesticide account. Money in the account is appropriated to the commissioner to pay for costs incurred to implement the waste pesticide collection program.

Sec. 36. [18B.095] PESTICIDE APPLICATION IN SCHOOLS.

Subdivision 1. AUTHORIZED APPLICATORS. To the extent authorized under this chapter, application of a pesticide to the inside or outdoor property of a Minnesota kindergarten through 12th grade public school must be performed by a:

(1) structural pest control applicator;

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(2) commercial or noncommercial pesticide applicator with appropriate use category certification; or

(3) school pest management coordinator or a school employee with school pest management knowledge.

Subd. 2. EXEMPTION. Pesticides determined by the commissioner to be sanitizers or disinfectants are exempt from subdivision 1.

Subd. 3. REGISTRY AND INFORMATION. The commissioner, in consultation with the departments of health; administration; and children, families, and learning; the University of Minnesota Extension Service; the Minnesota School Boards Association; and other persons as necessary and appropriate, must:

(1) establish and maintain a registry of school pest management coordinators; and

(2) provide information on a regular and periodic basis to school pest management coordinators on pest management techniques and programs, including model school policies; proper pesticide use, storage, handling, and disposal; and other relevant pesticide and pest management information.

EFFECTIVE DATE. This section is effective August 1, 2002.

Sec. 37. [18B.345] PESTICIDE APPLICATION ON GOLF COURSES.

(a) Application of a pesticide to the property of a golf course must be performed by:

(1) a structural pest control applicator;

(2) a commercial or noncommercial pesticide applicator with appropriate use certification; or

(3) an aquatic pest control applicator.

(b) Pesticides determined by the commissioner to be sanitizers and disinfectants are exempt from the requirements in paragraph (a).

EFFECTIVE DATE. This section is effective January 1, 2002.

Sec. 38. Minnesota Statutes 2000, section 18E.04, subdivision 2, is amended to read:

Subd. 2. PAYMENT OF CORRECTIVE ACTION COSTS. (a) On request by an eligible person, the board may pay the eligible person for the reasonable and necessary cash disbursements for corrective action costs incurred by the eligible person as provided under subdivision 4 if the board determines:

(1) the eligible person pays the first \$1,000 of the corrective action costs;

(2) the eligible person provides the board with a sworn affidavit and other convincing evidence that the eligible person is unable to pay additional corrective action costs;

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(3) the eligible person continues to assume responsibility for carrying out the requirements of corrective action orders issued to the eligible person or that are in effect; and

(4) the incident was reported as required in chapters 18B, 18C, and 18D; and

(5) the eligible person submits an application for payment or reimbursement to the department within three years of (i) incurring eligible corrective action costs, or (ii) approval of a corrective action report, whichever is later.

(b) The eligible person must submit an application for payment or reimbursement of eligible cost incurred prior to the effective date of this subdivision no later than June 1, 2004.

(b) (c) An eligible person is not eligible for payment or reimbursement and must refund amounts paid or reimbursed by the board if false statements or misrepresentations are made in the affidavit or other evidence submitted to the commissioner to show an inability to pay corrective action costs.

(e) (d) The board may pay the eligible person and one or more designees by multiparty check.

Sec. 39. Minnesota Statutes 2000, section 18E.04, subdivision 4, is amended to read:

Subd. 4. **REIMBURSEMENT PAYMENTS.** (a) The board shall pay a person that is eligible for reimbursement or payment under subdivisions 1, 2, and 3 from the agricultural chemical response and reimbursement account for:

(1) 90 percent of the total reasonable and necessary corrective action costs greater than \$1,000 and less than or equal to ~~\$100,000~~ \$200,000;

(2) ~~100 percent of the total reasonable and necessary corrective action costs greater than \$100,000 but less than or equal to \$200,000;~~

~~(3) 80 percent of the total reasonable and necessary corrective action costs greater than \$200,000 but less than or equal to \$300,000; and~~

~~(4) (3) 60 percent of the total reasonable and necessary corrective action costs greater than \$300,000 but less than or equal to \$350,000.~~

(b) A reimbursement or payment may not be made until the board has determined that the costs are reasonable and are for a reimbursement of the costs that were actually incurred.

(c) The board may make periodic payments or reimbursements as corrective action costs are incurred upon receipt of invoices for the corrective action costs.

(d) Money in the agricultural chemical response and reimbursement account is appropriated to the commissioner to make payments and reimbursements directed by the board under this subdivision.

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(e) The board may not make reimbursement greater than the maximum allowed under paragraph (a) for all incidents on a single site which:

(1) were not reported at the time of release but were discovered and reported after July 1, 1989; and

(2) may have occurred prior to July 1, 1989, as determined by the commissioner.

(f) The board may only reimburse an eligible person for separate incidents within a single site if the commissioner determines that each incident is completely separate and distinct in respect of location within the single site or time of occurrence.

Sec. 40. Minnesota Statutes 2000, section 18E.04, subdivision 5, is amended to read:

Subd. 5. REIMBURSEMENT OR PAYMENT DECISIONS. (a) The board may issue a letter of intent on whether a person is eligible for payment or reimbursement. The letter is not binding on the board.

(b) The board must issue an order granting or denying a request within 30 days following the board meeting at which the board votes to grant or deny a request for reimbursement or for payment under subdivision 1, 2, or 3.

(c) After an initial request is made for reimbursement, notwithstanding subdivisions 1 to 4, the board may deny additional requests for reimbursement.

(d) An eligible person adversely affected by the board's disapproval of a reimbursement or payment application under paragraph (b) or a partial reimbursement under subdivision 3 may, within 60 days of receipt of the board's order, request a hearing of determination before the board. A request for a hearing must be made in writing and specify the grounds for the request.

(e) Within 30 days of the receipt of a request for hearing under paragraph (d), the eligible person must be notified either as to the date of the hearing for determination or of the denial of the request for a hearing. A hearing must be scheduled immediately following the next regularly scheduled board meeting as determined by the notification letter.

(f) If a dispute related to the disapproval of a reimbursement is not resolved after a hearing under paragraph (e) or if a request is denied, the eligible person may appeal the decision as a contested case hearing under chapter 14. A request for a contested case hearing must be submitted in writing to the board within 30 days of the date of the hearing or within 30 days of the receipt of notification of denial of the hearing request under paragraph (e).

Sec. 41. Minnesota Statutes 2000, section 21.85, subdivision 12, is amended to read:

Subd. 12. SERVICE TESTING AND IDENTIFICATION. The commissioner shall provide for purity and germination tests of seeds and identification of seeds and plants for farmers, dealers, and others, and may establish and collect fees for testing

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and identification shall establish schedules to recover the cost of services provided. Money collected must be deposited in the laboratory services account in the agricultural fund.

Sec. 42. Minnesota Statutes 2000, section 27.041, subdivision 2, is amended to read:

Subd. 2. **LICENSES.** (a) The license, or a certified copy of the license, must be kept posted in the office of the licensee at each place within the state where the licensee transacts business. A wholesale produce dealer may not appoint, delegate, or authorize a person, firm, or company to purchase produce unless a certified copy, identification card, or truck decal has been issued at the request of the wholesale produce dealer to that person, firm, or company acting as the buyer or agent.

(b) A license expires June 30 following its issuance and must be renewed July 1 of each year.

(c) A license issued under this subdivision is automatically void upon the termination of the surety bond covering the licensed operation.

(d) The fee for each license must include a \$50 ~~\$75~~ registration fee and an additional fee of ~~.025~~ .045 percent of the total annual dollar amount of produce purchased the previous year from sellers within the state of Minnesota subject to this chapter. Fees may not exceed \$1,500 ~~\$2,000~~ per license. In addition, a fee of \$20 shall be charged for each certified copy of a license, \$5 for each license identification card, and \$10 for each license identification truck decal.

(e) A penalty amounting to ten percent of the fees due may be imposed by the commissioner for each month for which the fees are delinquent.

(f) A licensee who sells, disposes of, or discontinues the licensee's business during the lifetime of a license shall, at the time the action is taken, notify the commissioner in writing, and upon demand produce before the commissioner a full statement of all assets and liabilities as of the date of transfer or discontinuance of the business.

Sec. 43. Minnesota Statutes 2000, section 28A.04, subdivision 1, is amended to read:

Subdivision 1. **APPLICATION; DATE OF ISSUANCE.** (a) No person shall engage in the business of manufacturing, processing, selling, handling, or storing food without having first obtained from the commissioner a license for doing such business. Applications for such license shall be made to the commissioner in such manner and time as required and upon such forms as provided by the commissioner and shall contain the name and address of the applicant, address or description of each place of business, and the nature of the business to be conducted at each place, and such other pertinent information as the commissioner may require.

(b) A retail or wholesale food handler license shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 each year, except that licenses for all mobile food concession units and retail mobile

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units shall be issued for the period April 1 to March 31, and shall be renewed thereafter by the licensee on or before April 1 each year. A license for a food broker or for a food processor or manufacturer shall be issued for the period January 1 to December 31 following and shall be renewed thereafter by the licensee on or before January 1 of each year, except that a license for a wholesale food processor or manufacturer operating only at the state fair shall be issued for the period July 1 to June 30 following and shall be renewed thereafter by the licensee on or before July 1 of each year. A penalty for a late renewal shall be assessed in accordance with section 28A.08.

(c) A person applying for a new license up to 14 calendar days before the effective date of the new license period under paragraph (b) must be issued a license for the 14 days and the next license year as a single license and pay a single license fee as if the 14 days were part of the upcoming license period.

Sec. 44. Minnesota Statutes 2000, section 28A.075, is amended to read:

28A.075 DELEGATION TO LOCAL BOARD OF HEALTH.

(a) At the request of a local board of health that licensed and inspected grocery and convenience stores on January 1, 1999, the commissioner must enter into agreements before January 1, 2001, with local boards of health to delegate to the appropriate local board of health the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. At the request of a local board of health that licensed and inspected part of any grocery or convenience store on January 1, 1999, the commissioner must enter into agreements before July 1, 2001, with local boards of health to delegate to the appropriate local board of health the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. At any time thereafter, the commissioner may enter into an agreement with a local board of health that licensed and inspected all or part of any grocery or convenience store on January 1, 1999, to delegate to the appropriate local board of health the licensing and inspection duties of the commissioner pertaining to retail food handlers that are grocery or convenience stores. Retail grocery or convenience stores inspected under the state meat inspection program of chapter 31A are exempt from delegation.

(b) A local board of health must adopt an ordinance consistent with the Minnesota Food Code, Minnesota Rules, chapter 4626, for all of its jurisdiction to regulate grocery and convenience stores and the ordinance (Food Code) must not be in conflict with standards set in law or rule.

(c) A fee to recover the estimated costs of enforcement of this chapter must be established by ordinance and must be fair, reasonable, and proportionate to the actual cost of the licensing and inspection services. The fee must only be maintained and used for the estimated costs of enforcing this chapter.

Sec. 45. Minnesota Statutes 2000, section 28A.0752, subdivision 1, is amended to read:

Subdivision 1. AGREEMENTS TO PERFORM DUTIES OF THE COMMISSIONER. (a) Agreements to delegate licensing and inspection duties pertaining to

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retail grocery or convenience stores shall include licensing, inspection, reporting, and enforcement duties authorized under sections 17.04, 28A.13, 29.21, 29.23, 29.235, 29.236, 29.237, 29.24, 29.25, 29.26, 29.27, 29.28, 30.003, 30.01, 30.099, 30.103, 30.104, 30.15, 30.19, 30.49, ~~30.50~~, 30.55, 30.56, 30.57, 30.58, and 30.59, appropriate sections of the Minnesota Food Law, chapter 31, and applicable Minnesota food rules.

(b) Agreements are subject to subdivision 3.

(c) This subdivision does not affect agreements entered into under section 28A.075 or current cooperative agreements which base inspections and licensing responsibility on the firm's most predominant mode of business.

Sec. 46. [28A.082] FOOD HANDLER PLAN REVIEW FEES.

Subdivision 1. FEES; APPLICATION. The fees for review of food handler facility floor plans under the Minnesota Food Code are based upon the square footage of the structure being newly constructed, remodeled, or converted. The fees for the review shall be:

<u>square footage ..</u>	<u>review fee</u>
<u>0 - 4,999</u>	<u>\$156.25</u>
<u>5,000 - 24,999</u>	<u>\$218.75</u>
<u>25,000 plus</u>	<u>\$343.75</u>

The applicant must submit the required fee, review application, plans, equipment specifications, materials lists, and other required information on forms supplied by the department at least 30 days prior to commencement of construction, remodeling, or conversion.

Subd. 2. FOOD HANDLER PLAN REVIEW ACCOUNT; APPROPRIATION. A food handler plan review account is created in the agricultural fund. Fees paid under subdivision 1 must be deposited in the food handler plan review account. Money in the account, including interest accrued, is appropriated to the commissioner for the costs of the food handler plan review program.

Sec. 47. Minnesota Statutes 2000, section 28A.085, subdivision 4, is amended to read:

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

Sec. 48. Minnesota Statutes 2000, section 29.22, subdivision 2, is amended to read:

New language is indicated by underline, deletions by strikeout.

Subd. 2. **FEE.** In addition to the annual food handler's license, required under section 28A.04, there is an annual inspection fee applicable to every person who engages in the business of buying for resale, selling, or trading in eggs except a retail grocer who sells eggs previously candled and graded. The fee must be computed on the basis of the number of cases of shell eggs handled at each place of business during the highest volume month of each licensing year. If a given lot of eggs is moved from one location of business to a second location of business and the food handler's license is held by the same person at both locations, the given lot of eggs must be counted in determining the volume of business on which the inspection fee is based at the first location of business but must not enter into the computation of volume of business for the second location. For the purpose of determining fees, "case" means one of 30 dozen capacity. The schedule of fees is as follows:

HIGHEST VOLUME OF CASES EACH LICENSING YEAR	FEE
1 - 50	\$ 10 \$ 12.50
51 - 100	\$ 25 \$ 31.25
101 - 1000	\$ 50 \$ 62.50
1001 - 2000	\$ 75 \$ 93.75
2001 - 4000	\$100 \$125.00
4001 - 6000	\$125 <u>\$156.25</u>
6001 - 8000	\$150 <u>\$187.50</u>
8001 - 10,000	\$200 <u>\$250.00</u>
OVER 10,000	\$250 <u>\$312.00</u>

Each person subject to the inspection fee in this section shall, under the direction of the commissioner, keep records necessary to accurately determine the volume of shell eggs on which the inspection fee is due and shall prepare annually a written report of the volume upon forms supplied by the commissioner. This report, together with the required inspection fee, must be filed with the department on or before the last day of May of each year.

Sec. 49. Minnesota Statutes 2000, section 29.23, subdivision 2, is amended to read:

Subd. 2. **EQUIPMENT.** The commissioner shall also by rule provide for minimum plant and equipment requirements for candling, grading, handling and storing eggs, and shall define candling. Equipment in use before July 1, 1991, that does not meet the design and fabrication requirements of this chapter may remain in use if it is in good repair, capable of being maintained in a sanitary condition, and capable of maintaining a temperature of 50 45 degrees Fahrenheit (~~40 7~~ degrees Celsius) or less.

Sec. 50. Minnesota Statutes 2000, section 29.23, subdivision 3, is amended to read:

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Subd. 3. **EGG TEMPERATURE.** Eggs must be held at a temperature not to exceed ~~50~~ 45 degrees Fahrenheit (~~10~~ 7 degrees Celsius) after being received by the egg handler except for cleaning, sanitizing, grading, and further processing when they must immediately be placed under refrigeration that is maintained at 45 degrees Fahrenheit (7 degrees Celsius) or below. Eggs offered for retail sale must be held at a temperature not to exceed 45 degrees Fahrenheit (7 degrees Celsius). After August 1, 1992, eggs offered for retail sale must be held at a temperature not to exceed 45 degrees Fahrenheit (~~7~~ degrees Celsius). Equipment in use prior to August 1, 1991, is not subject to this requirement.

Sec. 51. Minnesota Statutes 2000, section 29.23, subdivision 4, is amended to read:

Subd. 4. **VEHICLE TEMPERATURE.** A vehicle used for the transportation of shell eggs from a warehouse, retail store, candling and grading facility, or egg holding facility must have an ambient air temperature of ~~50~~ 45 degrees Fahrenheit (~~10~~ 7 degrees Celsius) or below.

Sec. 52. Minnesota Statutes 2000, section 29.237, is amended to read:

29.237 UNIFORMITY WITH FEDERAL LAW.

Subdivision 1. **SHELL EGGS.** Federal regulations governing the grading of shell eggs and United States standards, grades, and weight classes for shell eggs, in effect on July 1, 1990 2000, as provided by Code of Federal Regulations, title 7, part 56, are the grading and candling rules in this state, subject to amendment by the commissioner under chapter 14, the Administrative Procedure Act.

Subd. 2. **INSPECTION.** Federal regulations governing the inspection of eggs and egg products, in effect on May 1, 1990 2000, as provided by Code of Federal Regulations, title 7, part 59, are the inspection of egg and egg products rules in this state, subject to amendment by the commissioner under chapter 14, the Administrative Procedure Act.

Sec. 53. Minnesota Statutes 2000, section 31.101, is amended by adding a subdivision to read:

Subd. 12. **DAIRY GRADE RULES; MANUFACTURING PLANT STANDARDS.** Federal grading and inspection standards for manufacturing dairy plants and products and amendments thereto in effect on January 1, 2001, as provided by Code of Federal Regulations, title 7, part 58, subparts B-W, are adopted as the dairy grade rules and manufacturing plant standards in this state.

Sec. 54. Minnesota Statutes 2000, section 31.39, is amended to read:

31.39 ASSESSMENTS; INSPECTION SERVICES; COMMERCIAL CANNERIES ACCOUNT.

Subdivision 1. **ASSESSMENTS.** The commissioner is hereby authorized and directed to collect from each commercial cannery an assessment for inspection and

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services furnished, and for maintaining a bacteriological laboratory and employing such bacteriologists and trained and qualified sanitarians as the commissioner may deem necessary. The assessment to be made on each commercial cannery, for each and every packing season, shall not exceed one-half cent per case on all foods packed, canned, or preserved therein, nor shall the assessment in any one calendar year to any one cannery exceed \$3,000 \$6,000, and the minimum assessment to any cannery in any one calendar year shall be \$100. The commissioner shall provide appropriate deductions from assessments for the net weight of meat, chicken, or turkey ingredients which have been inspected and passed for wholesomeness by the United States Department of Agriculture. The commissioner may, when the commissioner deems it advisable, graduate and reduce the assessment to such sum as is required to furnish the inspection and laboratory services rendered. The assessment made and the license fees, penalties, and other sums so collected shall be deposited in the state treasury, as other departmental receipts are deposited, but shall constitute a separate account to be known as the commercial canneries inspection account, which is hereby created, and together with moneys now remaining in said account, set aside, and appropriated as a revolving fund, to meet the expense of special inspection, laboratory and other services rendered, as provided in sections 31.31 to 31.392. The amount of such the assessment shall be due and payable on or before December 31, of each year, and if not paid on or before February 15 following, shall bear interest after that date at the rate of seven percent per annum, and a penalty of ten percent on the amount of the assessment shall also be added and collected.

Subd. 2. COMMERCIAL CANNERIES INSPECTION ACCOUNT; APPROPRIATION. A commercial canneries inspection account is created in the agricultural fund. The assessments collected under subdivision 1 shall be deposited in the commercial canneries inspection account. Money in the account is appropriated to the commissioner to meet the expense of special inspection, laboratory, and other services rendered, as provided in sections 31.31 to 31.392.

Sec. 55. Minnesota Statutes 2000, section 31A.21, subdivision 2, is amended to read:

Subd. 2. FEDERAL ASSISTANCE. In its cooperative efforts, the Minnesota department of agriculture may accept from the United States Secretary of Agriculture (1) advisory assistance in planning and otherwise developing the state program, (2) technical and laboratory assistance and training, including necessary curricular and instructional materials and equipment, and (3) financial and other aid for the administration of the program. ~~The Minnesota department of agriculture may spend a sum for administration of this chapter equal to 50 percent of the estimated total cost of the cooperative program.~~

Sec. 56. [32.105] MILK PROCUREMENT FEE.

Each dairy plant operator within the state must pay to the commissioner on or before the 18th of each month a fee of .71 cents per hundredweight of milk purchased the previous month. If a milk producer within the state ships milk out of the state for

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sale, the producer must pay the fee to the commissioner unless the purchaser voluntarily pays the fee.

Producers who ship milk out of state or processors must submit monthly reports as to milk purchases along with the appropriate procurement fee to the commissioner. The commissioner may have access to all relevant purchase or sale records as necessary to verify compliance with this section and may require the producer or purchaser to produce records as necessary to determine compliance.

The fees collected under this section must be deposited in the dairy services account in the agricultural fund. Money in the account, including interest earned, is appropriated to the commissioner to administer this chapter.

EFFECTIVE DATE. This section is effective for milk delivered after June 30, 2001.

Sec. 57. Minnesota Statutes 2000, section 32.21, subdivision 4, is amended to read:

Subd. 4. **PENALTIES.** (a) A person, other than a milk producer, who violates this section is guilty of a misdemeanor or subject to a civil penalty up to \$1,000.

(b) A milk producer may not change milk plants within 30 days, without permission of the commissioner, after receiving notification from the commissioner under paragraph (c) or (d) that the milk producer has violated this section.

(c) A milk producer who violates subdivision 3, clause (1), (2), (3), (4), or (5), is subject to clauses (1) to (3) of this paragraph.

(1) Upon notification of the first violation in a 12-month period, the producer must meet with the dairy plant field service representative to initiate corrective action within 30 days.

(2) Upon the second violation within a 12-month period, the producer is subject to a civil penalty of \$300. The commissioner shall notify the producer by certified mail stating the penalty is payable in 30 days, the consequences of failure to pay the penalty, and the consequences of future violations.

(3) Upon the third violation within a 12-month period, the producer is subject to an additional civil penalty of \$300 and possible revocation of the producer's permit or certification. The commissioner shall notify the producer by certified mail that all civil penalties owed must be paid within 30 days and that the commissioner is initiating administrative procedures to revoke the producer's permit or certification to sell milk for at least 30 days.

(d) The producer's shipment of milk must be immediately suspended if the producer is identified as an individual source of milk containing residues causing a bulk load of milk to test positive in violation of subdivision 3, clause (6) or (7). The Grade A or manufacturing grade permit must be converted to temporary status for not more than 30 days and shipment may resume only after subsequent milk has been

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sampled by the commissioner or the commissioner's agent and found to contain no residues above established tolerances or safe levels.

The Grade A or manufacturing grade permit may be restored if the producer completes the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the signed certificate in the milkhouse, and sends verification to the commissioner within the 30-day temporary permit status period. If the producer does not comply within the temporary permit status period, the Grade A or manufacturing grade permit must be suspended. A milk producer whose milk supply is in violation of subdivision 3, clause (6) or (7), and has caused a bulk load to test positive is subject to clauses (1) to (3) of this paragraph.

(1) For the first violation in a 12-month period, the penalty is the value of all milk on the contaminated load plus any costs associated with the disposition of the contaminated load. Future pick-ups are prohibited until subsequent testing reveals the milk is free of drug residue. A farm inspection must be completed by the plant representative and the producer to determine the cause of the residue and actions required to prevent future violations.

(2) For the second violation in a 12-month period, the penalty is the value of all milk on the contaminated load plus any costs associated with the disposition of the contaminated load. Future pick-ups are prohibited until subsequent testing reveals the milk is free of drug residue. A farm inspection must be completed by the regulatory agency or its agent to determine the cause of the residue and actions required to prevent future violations.

(3) For the third violation in a 12-month period, the penalty is the value of all milk on the contaminated load plus any costs associated with the disposition of the contaminated load. Future pick-ups are prohibited until subsequent testing reveals the milk is free of drug residue. The commissioner or the commissioner's agent shall also notify the producer by certified mail that the commissioner is initiating administrative procedures to revoke the producer's right to sell milk for a minimum of 30 days.

(4) If a bulk load of milk tests negative for residues and there is a positive producer sample on the load, no civil penalties may be assessed to the producer. The plant must report the positive result within 24 hours and reject further milk shipments from that producer until the producer's milk tests negative. A farm inspection must be completed by the plant representative and the producer to determine the cause of the residue and actions required to prevent future violations. The department shall suspend the producer's permit and count the violation on the producer's record. The Grade A or manufacturing grade permit must be converted to temporary status for not more than 30 days during which time the producer must review the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, display the signed certificate in the milkhouse, and send verification to the commissioner. If these conditions are met, the Grade A or manufacturing grade permit must be reinstated. If the producer does not comply within the temporary permit status period, the Grade A or manufacturing grade permit must be suspended.

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(e) A milk producer that has been certified as completing the "Milk and Dairy Beef Residue Prevention Protocol" within 12 months of the first violation of subdivision 3, clause (7), need only review the cause of the violation with a field service representative within three days to maintain Grade A or manufacturing grade permit and shipping status if all other requirements of this section are met.

(f) Civil penalties collected under this section must be deposited in the milk inspection services account established in this chapter.

Sec. 58. Minnesota Statutes 2000, section 32.392, is amended to read:

32.392 APPROVAL OF DAIRY PLANTS.

No person shall operate a dairy plant in this state unless the dairy plant, and the equipment, water supply and plumbing system connected therewith shall have been first approved by the commissioner and a permit issued to operate the same. At the time of filing the application for a permit, the applicant shall submit to the commissioner duplicate floor plans of such plant which shall show the placement of equipment, the source of water supply and method of distribution, and the location of the plumbing system, including the disposal of wastes. All new construction or alteration of any existing dairy plants shall be made only with the approval of the commissioner and duplicate plans for such construction or alteration shall be submitted to the commissioner for approval. Any permit may be revoked by the commissioner for due cause after the holder of the permit has been given the opportunity for a hearing, in which case the holder of the permit shall be notified in writing, at least seven days prior to the date of such hearing, of the time and place of such hearing.

The fee for approval services is \$45 per hour of department staff time spent in the approval process. The fees must be deposited in the dairy services account in the agricultural fund. Money in the account, including interest earned, is appropriated to the commissioner to administer this chapter.

Sec. 59. Minnesota Statutes 2000, section 32.394, subdivision 4, is amended to read:

Subd. 4. **RULES.** The commissioner shall by rule promulgate identity, production and processing standards for milk, milk products and goat milk which are intended to bear the Grade A label.

In the exercise of the authority to establish requirements for Grade A milk, milk products and goat milk, the commissioner ~~may adopt~~ adopts definitions, standards of identity, and requirements for production and processing contained in the "1999 Grade A Pasteurized Milk Ordinance" and the "1995 Grade A Condensed and Dry Milk Ordinance" of the United States Department of Health and Human Services, in a manner provided for and not in conflict with law.

Sec. 60. Minnesota Statutes 2000, section 32.394, subdivision 8a, is amended to read:

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

Subd. 8a. **LABORATORY CERTIFICATION.** A laboratory, before conducting a test the results of which are to be used in the enforcement of requirements for distribution of milk, milk products or goat milk under the Grade A label, must be certified as meeting the requirements for laboratory approval that are established by rule of the commissioner, and must receive a permit from the commissioner. The permit shall remain valid without renewal unless suspended or revoked by the commissioner for failure to comply with the requirements. Satisfactory analytical procedures and results for split samples, the nature, number and frequency of which shall be in accordance with rules established by the commissioner, shall be required of a certified laboratory for retention of its certification and permit.

An application for initial certification or biennial recertification, or for recertification following suspension or revocation of a permit shall be accompanied by an annual fee of not less than \$100 nor more than \$350. The fee for each set of split samples shall be not less than \$25 nor more than \$75 based on the number of analysts approved and the number of specific tests for which they are approved. The fee is not less than \$150 or more than \$200 for each analyst approved and not less than \$35 or more than \$50 for each test approved. The commissioner may annually adjust assessments within the limits established by this subdivision to meet the cost recovery of the services required by this subdivision.

A certified laboratory of record on June 5, 1975 shall be issued a permit without having to pay the initial certification fee.

Sec. 61. Minnesota Statutes 2000, section 32.394, subdivision 8e, is amended to read:

Subd. 8e. **FARM BULK MILK PICK-UP TANKERS.** Farm bulk milk pick-up tankers, milk transports, and tankers used to transport milk products must be inspected and obtain a permit issued by the commissioner annually by July 1. The owner or operator must pay a \$25 permit fee per tanker to the commissioner. The commissioner may appoint such persons as the commissioner deems qualified to make inspections.

Sec. 62. Minnesota Statutes 2000, 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 4, 1997 November 12, 1996, except that the commissioner shall 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.

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

(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. 63. Minnesota Statutes 2000, section 32.475, subdivision 2, is amended to read:

Subd. 2. **MINNESOTA GRADES.** It is unlawful to sell, offer or expose for sale, or have in possession with intent to sell any butter at retail unless it has been graded and labeled with such grades as follows:

(a) Grade, Minnesota, AA — ~~93 score~~ U.S. Grade AA

(b) Grade, Minnesota, A — ~~92 score~~ U.S. Grade A

(c) Grade, Minnesota, B — ~~90 score~~ U.S. Grade B

(d) Grade, Minnesota, undergrade — all butter below Minnesota B.

For the purposes of this section “sale at retail” shall include all sales to a restaurant or eating establishment that serves butter to its patrons or that uses butter in the preparation of any food which is served to its patrons.

Sec. 64. Minnesota Statutes 2000, section 32.70, subdivision 7, is amended to read:

Subd. 7. **SELECTED CLASS I DAIRY PRODUCTS.** “Selected class I dairy products” means milk for human consumption in fluid form and all other class I dairy products as defined by the Upper Midwest Milk Marketing Order, Code of Federal Regulations, title 7, part ~~1068.40~~ 1030.40, or successor orders.

Sec. 65. Minnesota Statutes 2000, section 32.70, subdivision 8, is amended to read:

Subd. 8. **SELECTED CLASS II DAIRY PRODUCTS.** “Selected class II dairy products” means milk for human consumption processed into fluid cream, eggnog, yogurt, and all other class II dairy products as defined by the Upper Midwest Milk Marketing Order, Code of Federal Regulations, title 7, part ~~1068.40~~ 1030.40, or successor orders.

Sec. 66. Minnesota Statutes 2000, section 34.07, is amended to read:

34.07 BEVERAGE INSPECTION FUND ACCOUNT; APPROPRIATION.

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

A beverage inspection account is created in the agricultural fund. All fees and fines collected hereunder by the commissioner, together with all fines paid for the violation of the provisions of sections 34.02 to 34.11, shall be paid into the state treasury and credited to the beverage inspection fund, hereby created. The money so derived is hereby appropriated to compensate for and meet the expense of inspection and supervision, as provided for in sections 34.02 to 34.11. The money so collected and appropriated shall be expended by the commissioner for inspection, supervisions, publications, short courses, and such other activities as in the commissioner's judgment may be necessary, not inconsistent with the provisions of sections 34.02 to 34.11 under this chapter shall be credited to the beverage inspection account. Money in the account is appropriated to the commissioner for inspection and supervision under this chapter.

Sec. 67. Minnesota Statutes 2000, section 41B.025, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** There is created a public body corporate and politic to be known as the "Minnesota rural finance authority," which shall perform the governmental functions and exercise the sovereign powers delegated to it in sections 41B.01 to 41B.23 and chapter 41C in furtherance of the public policies and purposes declared in section 41B.01. The board of the authority consists of the commissioners of agriculture, commerce, trade and economic development, and finance, the state auditor, and six public members appointed by the governor with the advice and consent of the senate. The state auditor may designate one staff member to serve in the auditor's place. No public member may reside within the metropolitan area, as defined in section 473.121, subdivision 2. Each member shall hold office until a successor has been appointed and has qualified. A certificate of appointment or reappointment of any member is conclusive evidence of the proper appointment of the member.

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

Sec. 68. Minnesota Statutes 2000, section 41B.03, subdivision 2, is amended to read:

Subd. 2. **ELIGIBILITY FOR RESTRUCTURED LOAN.** In addition to the eligibility requirements of subdivision 1, a prospective borrower for a restructured loan must:

(1) have received at least 50 percent of average annual gross income from farming for the past three years or, for homesteaded property, received at least 40 percent of average gross income from farming in the past three years, and farming must be the principal occupation of the borrower;

(2) have a debt-to-asset ratio equal to or greater than 50 percent and in determining this ratio, the assets must be valued at their current market value;

(3) have projected annual expenses, including operating expenses, family living, and interest expenses after the restructuring, that do not exceed 95 percent of the borrower's projected annual income considering prior production history and projected prices for farm production, except that the authority may reduce the 95 percent

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requirement if it finds that other significant factors in the loan application support the making of the loan;

(4) (3) demonstrate substantial difficulty in meeting projected annual expenses without restructuring the loan; and

(5) (4) must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$400,000 in 1999 and an amount in subsequent years which is adjusted for inflation by multiplying \$400,000 by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

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

Sec. 69. Minnesota Statutes 2000, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. **LOAN PARTICIPATION.** The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or \$100,000 \$125,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

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

Sec. 70. Minnesota Statutes 2000, section 41B.043, subdivision 2, is amended to read:

Subd. 2. **SPECIFICATIONS.** No direct loan may exceed \$35,000 or \$125,000 for a loan participation ~~or be made to refinance an existing debt~~. Each direct loan and participation must be secured by a mortgage on real property and such other security as the authority may require.

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

Sec. 71. Minnesota Statutes 2000, section 41B.046, subdivision 2, is amended to read:

Subd. 2. **ESTABLISHMENT.** The authority shall establish and implement a value-added agricultural product loan program to help farmers finance the purchase of stock in a cooperative that is proposing to build or purchase and operate an agricultural product processing facility or already owns and operates an agricultural product processing facility.

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

Sec. 72. [84.0261] **DISPOSITION OF REIMBURSEMENT FROM NATURAL DISASTERS.**

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Notwithstanding any other law to the contrary, money received by the commissioner of natural resources as reimbursement for damages, losses, or service costs incurred because of a natural disaster shall be deposited in the special revenue fund and are appropriated to the commissioner to accomplish the goals of those programs from which funds were diverted in response to the natural disaster.

Sec. 73. Minnesota Statutes 2000, section 84.0887, subdivision 1, is amended to read:

Subdivision 1. **PROGRAM CONTENT.** The commissioner shall operate youth Minnesota Conservation Corps programs which may include summer youth programs and year-round young adult programs. The commissioner shall insure that youths in all parts of the state have an equal opportunity for employment and that equal numbers of male and female youth are selected for the summer programs. Youth corps members must be 15 to 18 years old and young adult corps members must be 18 to 26 years old. Minnesota Conservation Corps members are not public employees under chapter 43A or 179A. Youth Minnesota Conservation Corps programs may provide services that include but are not limited to the following:

- (1) conservation, rehabilitation, and the improvement of wildlife habitat, prairie, parks, and recreational areas;
- (2) urban and rural revitalization, historical and cultural site preservation, and reforestation of both urban and rural areas;
- (3) fish culture, wildlife habitat maintenance and improvement, and other fishery assistance;
- (4) road and trail development, maintenance, and improvement;
- (5) erosion, flood, drought, and storm damage assistance and controls;
- (6) stream, lake, waterfront harbor, and port improvement;
- (7) wetlands protection and pollution control;
- (8) insect, disease, rodent, and fire prevention and control;
- (9) the improvement of abandoned railroad beds and rights-of-way;
- (10) energy conservation projects, renewable resource enhancement, and recovery of biomass;
- (11) reclamation and improvement of strip-mined land; and
- (12) forestry, nursery, and cultural operations.

Sec. 74. Minnesota Statutes 2000, 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 Minnesota Conservation Corps programs may coordinate with or provide services to:

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

- (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 Americorps 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

(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.

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(e) 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. 75. Minnesota Statutes 2000, section 84.0887, subdivision 4, is amended to read:

Subd. 4. **ADVISORY COMMITTEE.** The commissioner shall establish a youth Minnesota Conservation Corps advisory committee with broad state representation including youth. Notwithstanding section 15.059, subdivision 5, or other law to the contrary, the committee expires June 30, 2001-2003.

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

Sec. 76. Minnesota Statutes 2000, section 84.0887, subdivision 5, is amended to read:

Subd. 5. **OLDER MEMBERS.** ~~Youth~~ Minnesota Conservation Corps programs may enroll a limited number of special corps members over age 26 so that the corps may draw on their unique knowledge, skills, or abilities to fulfill the purposes of the programs.

Sec. 77. Minnesota Statutes 2000, section 84.0887, subdivision 6, is amended to read:

Subd. 6. **EXPENDITURES FROM SPECIAL FUNDS.** An appropriation from a special revenue fund or account to the commissioner for youth Minnesota Conservation Corps programs must be spent for projects that are consistent with the purposes of the fund or account from which the appropriation was made.

Sec. 78. Minnesota Statutes 2000, section 84.0887, subdivision 9, is amended to read:

Subd. 9. **CONTRACTS; GRANTS.** The commissioner of natural resources may contract with and make grants to nonprofit agencies to assist in carrying out the purposes, plans, and programs of the ~~office of youth programs,~~ Minnesota Conservation Corps.

Sec. 79. Minnesota Statutes 2000, section 84.83, subdivision 3, as amended by Laws 2001, chapter 185, section 8, is amended to read:

Subd. 3. **PURPOSES FOR THE ACCOUNT.** The money deposited in the account and interest earned on that money may be expended only as appropriated by law for the following purposes:

(1) for a grant-in-aid program to counties and municipalities for construction and maintenance of snowmobile trails, including maintenance of trails on lands and waters of Voyageurs National Park;

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

(2) for acquisition, development, and maintenance of state recreational snowmobile trails;

(3) for snowmobile safety programs; and

(4) for the administration and enforcement of sections 84.81 to 84.91 and appropriated grants to local law enforcement agencies.

Sec. 80. Minnesota Statutes 2000, section 84.925, subdivision 1, is amended to read:

Subdivision 1. **PROGRAM ESTABLISHED.** (a) The commissioner shall establish a comprehensive all-terrain vehicle environmental and safety education and training program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of all-terrain vehicle operators, and the issuance of all-terrain vehicle safety certificates to vehicle operators over the age of 12 years who successfully complete the all-terrain vehicle environmental and safety education and training course.

(b) For the purpose of administering the program and to defray a portion of the expenses of training and certifying vehicle operators, the commissioner shall collect a fee of \$15 from each person who receives the training. ~~The commissioner shall establish a fee that neither significantly overrecovers nor underrecovers costs, including overhead costs, involved in providing the services. The fee is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The fees shall be deposited in the all-terrain vehicle account and the amount thereof is appropriated annually to the enforcement division of the department of natural resources for the administration of the program. In addition to the fee established by the commissioner, instructors may charge each person up to the established fee amount for class materials and expenses. Fee proceeds shall be deposited in the all-terrain vehicle account in the natural resources fund.~~

(c) 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 section. School districts may cooperate with the commissioner and volunteer instructors to provide space for the classroom portion of the training. 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 vehicle operators. By June 30, 2003, the commissioner shall incorporate a riding component in the safety education and training program.

Sec. 81. Minnesota Statutes 2000, section 84.9256, subdivision 1, is amended to read:

Subdivision 1. **PROHIBITIONS ON YOUTHFUL OPERATORS.** (a) Except for operation on public road rights-of-way that is permitted under section 84.928, a driver's license issued by the state or another state is required to operate an all-terrain vehicle along or on a public road right-of-way.

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(b) A person under 12 years of age shall not:

- (1) make a direct crossing of a public road right-of-way;
- (2) operate an all-terrain vehicle on a public road right-of-way in the state; or
- (3) operate an all-terrain vehicle on public lands or waters.

(c) Except for public road rights-of-way of interstate highways, a person 12 years of age but less than 16 years may make a direct crossing of a public road right-of-way of a trunk, county state-aid, or county highway or operate on public lands and waters, only if that person possesses a valid all-terrain vehicle safety certificate issued by the commissioner and is accompanied on another all-terrain vehicle by a person 18 years of age or older who holds a valid driver's license.

(d) All-terrain vehicle safety certificates issued by the commissioner to persons 12 years old, but less than 16 years old, are not valid for machines in excess of 90cc engine capacity unless:

(1) the person successfully completed the safety education and training program under section 84.925, subdivision 1, including a riding component;

(2) the riding component of the training was conducted using an all-terrain vehicle with over 90cc engine capacity; and

(3) the person is able to properly reach and control the handle bars and reach the foot pegs while sitting upright on the seat of the all-terrain vehicle.

Sec. 82. [84.9257] PASSENGERS.

(a) A parent or guardian may operate an all-terrain vehicle carrying one passenger who is under 16 years of age and who wears a safety helmet approved by the commissioner of public safety.

(b) For the purpose of this section, "guardian" means a legal guardian of a person under age 16, or a person 18 or older who has been authorized by the parent or legal guardian to supervise the person under age 16.

Sec. 83. Minnesota Statutes 2000, section 84.928, subdivision 2, is amended to read:

Subd. 2. **OPERATION GENERALLY.** A person may not drive or operate an all-terrain vehicle:

- (1) at a rate of speed greater than reasonable or proper under the surrounding circumstances;
- (2) in a careless, reckless, or negligent manner so as to endanger or to cause injury or damage to the person or property of another;
- (3) without headlight and taillight lighted at all times if the vehicle is equipped with headlight and taillight;

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- (4) without a functioning stoplight if so equipped;
- (5) in a tree nursery or planting in a manner that damages or destroys growing stock;
- (6) without a brake operational by either hand or foot;
- (7) with more persons on the vehicle than it was designed for, except as allowed under section 84.9257;
- (8) at a speed exceeding ten miles per hour on the frozen surface of public waters within 100 feet of a person not on an all-terrain vehicle or within 100 feet of a fishing shelter; or
- (9) in a manner that violates operation rules adopted by the commissioner.

Sec. 84. Minnesota Statutes 2000, section 85.015, is amended by adding a subdivision to read:

Subd. 22. MINNESOTA RIVER TRAIL; BIG STONE, SWIFT, YELLOW MEDICINE, CHIPPEWA, RENVILLE, NICOLLET, SIBLEY, AND LESUEUR COUNTIES. The trail shall originate at the entrance to Big Stone Lake state park and extend along the Minnesota river valley to connect to the Minnesota Valley trail at the city of LeSueur.

Sec. 85. Minnesota Statutes 2000, section 85.015, is amended by adding a subdivision to read:

Subd. 23. CENTRAL LAKES TRAIL; OTTER TAIL, GRANT, AND DOUGLAS COUNTIES. The trail shall originate at the city of Fergus Falls and extend in a southeasterly direction through Grant and Douglas counties to the eastern boundary of Douglas county.

EFFECTIVE DATE. This section is effective August 1, 2005.

Sec. 86. Minnesota Statutes 2000, section 85.052, subdivision 4, is amended to read:

Subd. 4. DEPOSIT OF FEES. (a) Fees paid for special state park uses under this section shall be deposited in the ~~state treasury~~ natural resources fund and credited to ~~the general fund~~ a state parks account.

(b) Gross receipts derived from sales, rentals, or leases of natural resources within state parks, recreation areas, and waysides, other than those on trust fund lands, must be deposited in the state treasury and be credited to the general fund.

Sec. 87. Minnesota Statutes 2000, section 85.055, subdivision 2, is amended to read:

Subd. 2. FEE DEPOSIT AND APPROPRIATION. The fees collected under this section shall be deposited in the ~~state treasury~~ natural resources fund and credited to ~~the general fund~~ a state parks account.

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

Sec. 88. Minnesota Statutes 2000, section 85.32, subdivision 1, is amended to read:

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

Sec. 89. Minnesota Statutes 2000, section 86A.21, is amended to read:

86A.21 POWERS AND DUTIES OF COMMISSIONER.

(a) The commissioner may:

(1) acquire, construct, and maintain small craft harbors, channels, and facilities for recreational watercraft in the navigable waters lying within the locations identified in Laws 1993, chapter 333, section 1;

(2) acquire by purchase, lease, gift, or condemnation the lands, rights-of-way, easements, and other interests necessary for small craft harbors, channels, mooring facilities, marinas, launching ramps, and facilities normally used to support harbors of refuge, channels, docks, and launching ramps;

(3) provide the public within the boundaries of small craft harbors, through leases of public property, with mooring facilities and marinas developed and operated by public or nonpublic entities at no cost to the state or its political subdivisions;

(4) charge fees for both seasonal and daily moorage at state-operated or state-assisted small craft harbors and mooring facilities;

(5) collect the proceeds from the sale of marine fuel at small craft harbors or mooring facilities operated by the state.

(b) Fees and proceeds collected under paragraph (a) must be credited to the water recreation account. The fees and proceeds are appropriated to the commissioner of natural resources and may must be used for purposes relating to mooring facilities and small craft harbors, including:

- (1) operation and maintenance;
- (2) purchase of marine fuel and other petroleum supplies;
- (3) replacement or expansion; or
- (4) debt service on funds provided through the sale of state bonds.

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(c) Fees collected at small craft harbors and boating facilities constructed or operated by local units of government with financial assistance from the state shall, after payment of the costs of operating and maintaining the facilities, be used for purposes relating to mooring facilities and small craft harbors, including:

- (1) operation and maintenance;
- (2) replacement or expansion; or
- (3) debt service on funds provided through the sale of state bonds.

Sec. 90. Minnesota Statutes 2000, section 86B.106, is amended to read:

86B.106 BARRING VEHICLES FROM UNSAFE ICE.

(a) Whenever ice conditions on a body of water deteriorate to such an extent that there is substantial danger to persons using motorized vehicles, including snowmobiles and all-terrain vehicles, the sheriff of the county where the body of water is located may prohibit or restrict the use of motorized vehicles on all or a portion of the body of water. If the body of water is located in more than one county, all counties involved must coordinate any prohibitions or restrictions that are imposed. A county sheriff acting under this section shall, as soon as practicable, post all common access sites and publicize the prohibitions or restrictions. The commissioner must be notified immediately and may review and suspend any restrictions imposed. Restrictions may be lifted as soon as conditions warrant.

(b) A person may not operate a motorized vehicle in violation of a prohibition or restriction imposed under this section.

(c) This section does not apply to a person who:

(1) is a member of a sanctioned circuit watercross association and can provide proof of membership;

(2) operates a snowmobile with a silenced exhaust and is practicing for a sanctioned event; and

(3) receives written permission from a conservation officer who must set the date, time, and location of the practice.

Sec. 91. Minnesota Statutes 2000, section 88.641, is amended by adding a subdivision to read:

Subd. 1a. DECORATIVE BOUGHS. "Decorative boughs" mean decorative materials that are side branches or slashings that have been cut from any growing coniferous or deciduous trees, bushes, saplings, seedlings, or shrubs and that are intended to be sold or used for decorative purposes.

Sec. 92. Minnesota Statutes 2000, section 88.641, is amended by adding a subdivision to read:

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Subd. 1b. DECORATIVE MATERIALS. “Decorative materials” mean forest products that are collected or harvested from growing coniferous or deciduous trees, bushes, saplings, seedlings, shrubs, or herbaceous plants, including the tops, branches, or other parts cut from any of the foregoing, untrimmed or in their natural condition, intended to be sold or used for decorative purposes. Nursery stock is not included in this definition.

Sec. 93. Minnesota Statutes 2000, section 88.641, subdivision 2, is amended to read:

Subd. 2. DECORATIVE TREES. “Decorative trees” means mean decorative materials that are growing pines, spruce, balsam, cedar, evergreen or coniferous or deciduous trees, bushes, saplings, seedlings, or shrubs, boughs or branches, including the tops cut from any of the foregoing, untrimmed or in their natural condition, intended to be sold or used for decorative purposes. Nursery stock shall not be included in this definition.

Sec. 94. Minnesota Statutes 2000, section 88.641, is amended by adding a subdivision to read:

Subd. 4a. OFFICER. “Officer” means a forest officer, conservation officer, or other peace officer.

Sec. 95. Minnesota Statutes 2000, section 88.641, is amended by adding a subdivision to read:

Subd. 6. WRITTEN CONSENT. “Written consent” means written permission, a bill of sale, or a governmental or reservation permit.

Sec. 96. Minnesota Statutes 2000, section 88.642, is amended to read:

88.642 DECORATIVE TREES; CUTTING, REMOVAL OF; TRANSPORTATION; PROHIBITIONS; EXCEPTIONS MATERIALS.

Subdivision 1. WRITTEN CONSENT. No person shall cut, harvest, remove, or transport, or possess for decorative purposes or for sale in natural condition and untrimmed, more than three decorative trees as defined herein, more than 100 pounds of decorative boughs, or more than 100 pounds of any other decorative materials without the written consent of or a bill of sale provided by the owner or authorized agent of the private or public land on which the same are grown and whether such land be publicly or privately owned decorative materials were cut or harvested. The written consent shall be on a form furnished and or otherwise approved by the department commissioner of natural resources, and shall contain the legal description of the land where the decorative trees materials were cut or harvested, as well as the name of the legal owner, of the land or a duly the owner’s authorized agent or agents, thereof. The written consent or bill of sale, or a copy thereof certified as a true copy by the person to whom the consent was given or sale made, or by the county recorder of the county in which the land is situated, if recorded, shall must be carried by every person cutting, harvesting, removing, possessing, or transporting any decorative trees, untrimmed or in

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their ~~natural condition~~ materials, or in any way aiding therein, and shall ~~must~~ be exhibited to any officer of the law, forest ranger, forest patrol officer, conservation officer, or other officer of the department of natural resources, at the officer's request at any time.

Subd. 2. INSPECTION AND INVESTIGATION. Any officer shall have power to inspect any decorative ~~trees~~ materials when being transported in any vehicle or other means of conveyance or by common carrier, to make an investigation with reference thereto as may be necessary to determine whether or not the provisions of sections 88.641 to 88.648 have been complied with, to stop any vehicle or other means of conveyance found carrying decorative ~~trees~~ materials upon any public highways of this state, for the purpose of making an inspection and investigation, and to seize and hold subject to the order of the court any decorative ~~trees~~ materials found being cut, removed, or transported in violation of any provision of sections 88.641 to 88.648. Failure to comply with the requirements of sections 88.641 to 88.648 subjects the decorative materials to seizure and confiscation as contraband in addition to other penalties provided by law.

Subd. 3. TRANSPORTATION REQUIREMENTS. No person, common carrier, bough buyer, or authorized agent thereof shall purchase or otherwise receive for shipment or transportation any decorative ~~trees~~ materials without recording the consignor, whose seller's or consignor's name and address shall be recorded, exhibits at the time of consignment and the written consent, bill of sale, or certified copy thereof herein provided for on a form furnished or otherwise approved by the commissioner of natural resources.

Subd. 4. NO WRITTEN CONSENT. Failure to ~~so~~ possess or exhibit a written consent or bill of sale shall be prima facie evidence that no consent was given or exists.

Subd. 5. EXCEPTIONS. (a) This section does not apply to decorative materials in the possession of or being transported by a federal, state, or local government official for a legitimate public purpose.

(b) This section does not apply to a person cutting, harvesting, possessing, or transporting decorative materials cut from the person's own property if the person produces documentation that the person owns the property where the decorative materials were cut.

Sec. 97. [88.6435] BOUGH BUYERS.

Subdivision 1. PERMITS. A person may not buy more than 100 pounds of decorative boughs in any calendar year without a bough buyer's permit issued by the commissioner of natural resources. The annual fee for a permit for a resident or nonresident to buy decorative boughs is \$25. The annual fee may be reduced to \$10 if the buyer attends an approved annual workshop or other orientation session for balsam bough harvesters and buyers.

Subd. 2. BUYING AND RECORD REQUIREMENTS. (a) When buying or otherwise receiving decorative boughs, a person permitted under this section must record:

New language is indicated by underline, deletions by strikeout.

- (1) the seller's name and address;
- (2) the form of written consent; and
- (3) the government permit number or legal description or property tax identification number of the land from which the boughs were obtained.

The information must be provided on a form furnished or otherwise approved by the commissioner of natural resources in consultation with the balsam bough industry groups.

(b) Boughs may not be purchased if the seller fails to exhibit the written consent required under section 88.642, subdivision 1, or if the boughs do not conform to the standards specified on the consent. Decorative boughs cut from public lands must conform to standards specified in the written consent.

(c) Records shall be maintained from July 1 until June 30 of the following calendar year and shall be open to inspection to an officer during reasonable hours.

(d) Customer name and address records created and maintained by permittees under this section are classified as private or nonpublic government data.

Subd. 3. REVOCATION OF PERMITS. (a) The commissioner may deny, modify, suspend, or revoke a permit issued under this section for cause, including falsification of records required under this section or violation of any other provision of sections 88.641 to 88.648.

(b) A person convicted of two or more violations of sections 88.641 to 88.648 within three years may not obtain a bough buyer's permit for three years from the date of the last conviction.

Subd. 4. DISPOSITION OF PERMIT FEES AND PENALTIES. Fees for permits issued under this section shall be deposited in the state treasury and credited to the special revenue fund and are annually appropriated to the commissioner of natural resources for costs associated with balsam bough educational programs for harvesters and buyers.

EFFECTIVE DATE. This section is effective July 1, 2002.

Sec. 98. Minnesota Statutes 2000, section 88.645, is amended to read:

88.645 ENFORCEMENT.

Subdivision 1. **SEARCH WARRANTS.** Any A court having authority to issue warrants in criminal cases may issue a search warrant, in the manner provided by law for issuing search warrants for stolen property, to search for and seize any trees alleged upon sufficient grounds to have been decorative materials affected by or involved in any an offense under sections 88.641 to ~~88.647~~ 88.648. The warrant may be directed to and executed by any officer authorized to make arrests and seizures by sections 88.641 to ~~88.647~~ 88.648.

New language is indicated by underline, deletions by strikeout.

Subd. 2. **COMPLAINT.** ~~Any~~ An officer having knowledge of ~~any~~ an offense under sections 88.641 to ~~88.647~~ 88.648 shall ~~forthwith~~ make a complaint against the offender before a court having jurisdiction of the offense and request the court to issue a warrant of arrest in the case.

Sec. 99. Minnesota Statutes 2000, section 88.647, is amended to read:

88.647 RELATION TO EXISTING LAWS.

Sections 88.641 to ~~88.647~~ 88.6435 do not be deemed to supersede any existing provision of law relating to any matter within the scope thereof but shall be construed as supplementary thereto.

Sec. 100. Minnesota Statutes 2000, section 88.648, is amended to read:

88.648 ~~FALSE STATEMENT; CRIMINAL PENALTIES; MISDEMEANOR.~~

~~Any~~ (a) A person who makes ~~any~~ a false statement in any application, form, or other statement for the purpose of obtaining any written consent or bill of sale as described in sections 88.641 to ~~88.644~~ 88.6435 is guilty of a misdemeanor.

(b) Except as otherwise provided in this ~~subdivision~~ section, ~~any~~ a person who violates ~~any~~ a provision of sections 88.641 to ~~88.647~~, 88.6435 is guilty of a misdemeanor.

Sec. 101. Minnesota Statutes 2000, section 88.75, subdivision 1, is amended to read:

Subdivision 1. **MISDEMEANOR OFFENSES; DAMAGES; INJUNCTIVE RELIEF.** Any person who violates any of the provisions of sections 88.03 to 88.22 for which no specific penalty is therein prescribed shall be guilty of a misdemeanor and be punished accordingly.

Failure by any person to comply with any provision or requirement of sections 88.03 to 88.22 to which such person is subject shall be deemed a violation thereof.

Any person who violates any provisions of sections 88.03 to 88.22, in addition to any penalties therein prescribed, or hereinbefore in this section prescribed, for such violation, shall also be liable in full damages to any and every person suffering loss or injury by reason of such violation, including liability to the state, and any of its political subdivisions, for all expenses incurred in fighting or preventing the spread of, or extinguishing, any fire caused by, or resulting from, any violation of these sections. All expenses so collected by the state shall be ~~returned to, and deposited in, the original fund from which the expenses were paid and are available for expenditure for the purposes for which the funds were originally appropriated deposited in the general fund.~~ When a fire set by any person spreads to and damages or destroys property belonging to another, the setting of the fire shall be prima facie evidence of negligence in setting and allowing the same to spread.

At any time the state, or any political subdivision thereof, either of its own motion, or at the suggestion or request of the director, may bring an action in any court

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of competent jurisdiction to restrain, enjoin, or otherwise prohibit any violation of sections 88.03 to 88.22, whether therein described as a crime or not, and likewise to restrain, enjoin, or prohibit any person from proceeding further in, with, or at any timber cutting or other operations without complying with the provisions of those sections, or the requirements of the director pursuant thereto; and the court may grant such relief, or any other appropriate relief, whenever it shall appear that the same may prevent loss of life or property by fire, or may otherwise aid in accomplishing the purposes of sections 88.03 to 88.22.

Sec. 102. Minnesota Statutes 2000, section 89A.06, subdivision 2a, is amended to read:

Subd. 2a. **REGIONAL FOREST COMMITTEE REPORTING.** The council must report annually on the activities and progress made by the regional forest committees established under subdivision 2, including the following:

(1) by December 1, 1999, the regional committee for the council's northeast landscape will complete the identification of draft desired future outcomes, key issues, and strategies for the landscape;

(2) by July 1, 2000, the council will complete assessments for the council's north central and southeast landscape regions;

(3) by July 1, 2001, the regional committees for the north central and southeast landscapes will complete draft desired future outcomes, key issues, and strategies for their respective landscapes; and

(4) the council will establish time lines for additional regional landscape committees and activities as staffing and funding allow by June 30, 2002, all remaining landscape regions must complete assessments and by June 30, 2003, desired future outcomes and strategies for all remaining regions except the metropolitan and prairie regions.

Sec. 103. Minnesota Statutes 2000, section 93.002, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** The mineral coordinating committee is established to plan for diversified mineral development. The mineral coordinating committee consists of the director of the minerals division of the department of natural resources, the deputy commissioner of the Minnesota pollution control agency, the director of United Steelworkers of America, district 11, or the director's designee, the commissioner of the iron range resources and rehabilitation board, the director of the Minnesota geological survey, the dean of the University of Minnesota institute of technology, the director of the natural resources research institute, and three individuals appointed by the governor for a four-year term, one each representing the iron ore and taconite, the nonferrous metallic minerals, and the industrial minerals industries within the state. The director of the minerals division of the department of natural resources shall serve as chair. A member of the committee may designate another person of the member's organization to act in the member's place. The commissioner of natural

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resources shall provide staff and administrative services necessary for the committee's activities. Notwithstanding section 15.059, subdivision 5, or other law to the contrary, the committee expires June 30, 2003.

The mineral coordinating committee is encouraged to solicit and receive advice from representatives of the United States Geological Survey and the United States Environmental Protection Agency.

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

Sec. 104. Minnesota Statutes 2000, section 97A.045, subdivision 7, is amended to read:

Subd. 7. **DUTY TO ENCOURAGE STAMP DESIGN AND PURCHASES.** (a) The commissioner shall encourage the purchase of:

(1) Minnesota migratory waterfowl stamps by nonhunters interested in migratory waterfowl preservation and habitat development;

(2) pheasant stamps by persons interested in pheasant habitat improvement;

(3) trout and salmon stamps by persons interested in trout and salmon stream and lake improvement; and

(4) turkey stamps by persons interested in wild turkey management and habitat improvement.

(b) The commissioner shall make rules governing contests for selecting a design for each stamp, including those stamps not required to be in possession while taking game or fish.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 105. Minnesota Statutes 2000, section 97A.055, is amended by adding a subdivision to read:

Subd. 4b. **CITIZEN OVERSIGHT SUBCOMMITTEES.** (a) The commissioner shall appoint subcommittees of affected persons to review the reports prepared under subdivision 4; review the proposed work plans and budgets for the coming year; propose changes in policies, activities, and revenue enhancements or reductions; review other relevant information; and make recommendations to the legislature and the commissioner for improvements in the management and use of money in the game and fish fund.

(b) The commissioner shall appoint the following subcommittees, each comprised of at least three affected persons:

(1) a fisheries operations subcommittee to review fisheries funding, excluding activities related to trout and salmon stamp funding;

(2) a wildlife operations subcommittee to review wildlife funding, excluding activities related to migratory waterfowl, pheasant, and turkey stamp funding and

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excluding review of the amounts available under section 97A.075, subdivision 1, paragraphs (b) and (c);

(3) a big game subcommittee to review the report required in subdivision 4, paragraph (a), clause (2);

(4) an ecological services operations subcommittee to review ecological services funding;

(5) a subcommittee to review game and fish fund funding of enforcement, support services, and department of natural resources administration;

(6) a subcommittee to review the trout and salmon stamp report and address funding issues related to trout and salmon;

(7) a subcommittee to review the report on the migratory waterfowl stamp and address funding issues related to migratory waterfowl;

(8) a subcommittee to review the report on the pheasant stamp and address funding issues related to pheasants; and

(9) a subcommittee to review the report on the turkey stamp and address funding issues related to wild turkeys.

(c) The chairs of each of the subcommittees shall form a budgetary oversight committee to coordinate the integration of the subcommittee reports into an annual report to the legislature; recommend changes on a broad level in policies, activities, and revenue enhancements or reductions; provide a forum to address issues that transcend the subcommittees; and submit a report for any subcommittee that fails to submit its report in a timely manner.

(d) The budgetary oversight committee shall develop recommendations for a biennial budget plan and report for expenditures on game and fish activities. By August 15 of each even-numbered year, the committee shall submit the budget plan recommendations to the commissioner.

(e) Each subcommittee shall choose its own chair, except that the chair of the budgetary oversight committee shall be appointed by the commissioner and may not be the chair of any of the subcommittees.

(f) The budgetary oversight committee must make recommendations to the commissioner for outcome goals from expenditures.

(g) Notwithstanding section 15.059, subdivision 5, or other law to the contrary, the budgetary oversight committee and subcommittees do not expire until June 30, 2005.

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

Sec. 106, Minnesota Statutes 2000, section 97A.405, subdivision 2, is amended to read:

New language is indicated by underline, deletions by strikeout.

Subd. 2. **PERSONAL POSSESSION.** (a) A person acting under a license or traveling from an area where a licensed activity 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, 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 of the license or stamp validation, except for a pictorial turkey stamp or a pictorial trout and salmon stamp. A pictorial turkey stamp or a pictorial trout and salmon stamp shall be mailed to the licensee after purchase of a license or stamp validation only if the licensee pays an additional \$2 fee.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 107. Minnesota Statutes 2000, section 97A.411, subdivision 2, is amended to read:

Subd. 2. **SIGNATURE ON STAMPS.** A migratory waterfowl or pheasant stamp issued under the game and fish laws must be signed by the licensee across the front of the stamp to be valid.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 108. Minnesota Statutes 2000, section 97A.473, subdivision 2, is amended to read:

Subd. 2. **LIFETIME ANGLING LICENSE; FEE.** (a) A resident lifetime angling license authorizes a person to take fish by angling in the state. The license authorizes those activities authorized by the annual resident angling license. The license does not include a trout and salmon stamp validation or other stamps required by law.

(b) The fees for a resident lifetime angling license are:

(1) age 3 and under, \$227;

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- (2) age 4 to age 15, \$300;
- (3) age 16 to age 50, \$383; and
- (4) age 51 and over, \$203.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 109. Minnesota Statutes 2000, section 97A.473, subdivision 3, is amended to read:

Subd. 3. **LIFETIME SMALL GAME HUNTING LICENSE; FEE.** (a) A resident lifetime small game hunting license authorizes a person to hunt small game in the state. The license authorizes those hunting activities authorized by the annual resident small game hunting license. The license does not include a turkey stamp validation or any of the other hunting stamps required by law.

(b) The fees for a resident lifetime small game hunting license are:

- (1) age 3 and under, \$217;
- (2) age 4 to age 15, \$290;
- (3) age 16 to age 50, \$363; and
- (4) age 51 and over, \$213.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 110. Minnesota Statutes 2000, section 97A.473, subdivision 5, is amended to read:

Subd. 5. **LIFETIME SPORTING LICENSE; FEE.** (a) A resident lifetime sporting license authorizes a person to take fish by angling and hunt small game in the state. The license authorizes those activities authorized by the annual resident angling and resident small game hunting licenses. The license does not include a trout and salmon stamp validation, a turkey stamp validation, or any of the other hunting stamps required by law.

(b) The fees for a resident lifetime sporting license are:

- (1) age 3 and under, \$357;
- (2) age 4 to age 15, \$480;
- (3) age 16 to age 50, \$613; and
- (4) age 51 and over, \$413.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 111. Minnesota Statutes 2000, section 97A.474, subdivision 2, is amended to read:

Subd. 2. **NONRESIDENT LIFETIME ANGLING LICENSE; FEE.** (a) A nonresident lifetime angling license authorizes a person to take fish by angling in the

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state. The license authorizes those activities authorized by the annual nonresident angling license. The license does not include a trout and salmon stamp validation or other stamps required by law.

(b) The fees for a nonresident lifetime angling license are:

(1) age 3 and under, \$447;

(2) age 4 to age 15, \$600;

(3) age 16 to age 50, \$773; and

(4) age 51 and over, \$513.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 112. Minnesota Statutes 2000, section 97A.474, subdivision 3, is amended to

read:

Subd. 3. **NONRESIDENT LIFETIME SMALL GAME HUNTING LICENSE; FEE.** (a) A nonresident lifetime small game hunting license authorizes a

person to hunt small game in the state. The license authorizes those hunting activities authorized by the annual nonresident small game hunting license. The license does not include a turkey stamp validation or any of the other hunting stamps required by law.

(b) The fees for a nonresident lifetime small game hunting license are:

(1) age 3 and under, \$947;

(2) age 4 to age 15, \$1,280;

(3) age 16 to age 50, \$1,633; and

(4) age 51 and over, \$1,083.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 113. Minnesota Statutes 2000, section 97A.475, subdivision 5, is amended to

read:

Subd. 5. **HUNTING STAMPS.** Fees for the following stamps and stamp

validations are:

(1) migratory waterfowl stamp, \$5;

(2) pheasant stamp, \$5; and

(3) turkey stamp validation, \$5.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 114. Minnesota Statutes 2000, section 97A.475, subdivision 6, is amended to

read:

Subd. 6. **RESIDENT FISHING.** Fees for the following licenses, to be issued to

residents only, are:

New language is indicated by underline, deletions by strikethrough.

- (1) to take fish by angling, ~~for persons under age 65,~~ \$17;
- (2) ~~to take fish by angling, for persons age 65 and over,~~ \$6.50;
- ~~(3)~~ to take fish by angling, for a combined license for a married couple, \$25;
- (4) (3) to take fish by spearing from a dark house, \$17; and
- ~~(5)~~ (4) to take fish by angling for a 24-hour period selected by the licensee, \$8.50.

EFFECTIVE DATE. This section is effective March 1, 2003.

Sec. 115. Minnesota Statutes 2000, section 97A.475, subdivision 10, is amended to read:

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

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 116. Minnesota Statutes 2000, section 97A.485, subdivision 6, is amended to read:

Subd. 6. **LICENSES TO BE SOLD AND ISSUING FEES.** (a) Persons authorized to sell licenses under this section must sell the following licenses for the license fee and the following issuing fees:

- (1) to take deer or bear with firearms and by archery, the issuing fee is \$1;
- (2) Minnesota sporting, the issuing fee is \$1; and
- (3) to take small game, for a person under age 65 to take fish by angling or for a person of any age to take fish by spearing, and to trap fur-bearing animals, the issuing fee is \$1;
- (4) for a trout and salmon stamp that is not issued simultaneously with an angling or sporting license, an issuing fee of 50 cents may be charged at the discretion of the authorized seller; and
- (5) for stamps other than a trout and salmon stamp, and for a special season Canada goose license, there is no fee.

(b) An issuing fee may not be collected for issuance of a trout and salmon stamp if a stamp validation is issued simultaneously with the related angling or sporting license. Only one issuing fee may be collected when selling more than one trout and salmon stamp in the same transaction after the end of the season for which the stamp was issued.

(c) The auditor or subagent shall keep the issuing fee as a commission for selling the licenses.

(d) The commissioner shall collect the issuing fee on licenses sold by the commissioner.

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(e) A license, except stamps, must state the amount of the issuing fee and that the issuing fee is kept by the seller as a commission for selling the licenses.

(f) For duplicate licenses, the issuing fees are:

(1) for licenses to take big game, 75 cents; and

(2) for other licenses, 50 cents.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 117. Minnesota Statutes 2000, section 97B.001, subdivision 1, is amended to read:

Subdivision 1. **AGRICULTURAL LAND DEFINITION.** For purposes of this section, "agricultural land" means land:

(1) that is plowed or tilled;

(2) that has standing crops or crop residues; or

(3) within a maintained fence for enclosing domestic livestock;

(4) that is planted native or introduced grassland or hay land; or

(5) that is planted to short rotation woody crops as defined in section 41B.048, subdivision 4.

Sec. 118. Minnesota Statutes 2000, section 97B.721, is amended to read:

97B.721 LICENSE AND STAMP VALIDATION 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 possessing 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 have 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.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 119. Minnesota Statutes 2000, section 97C.305, is amended to read:

97C.305 TROUT AND SALMON STAMP VALIDATION.

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:~~

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

(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.

Subd. 2. **EXCEPTION.** A trout and salmon stamp validation is not required to take fish by angling or to possess trout and salmon if:

(1) the person:

(i) possesses a license to take fish by angling for a period of 24 hours from the time of issuance under section 97A.475, subdivision 6, clause (5), or subdivision 7, clause (5), and

(ii) is taking fish by angling, or the trout or salmon were taken by the person, during the period the license is valid; or

(2) the person is taking fish, or the trout or salmon were taken by the person, as authorized under section 97C.035.

EFFECTIVE DATE. This section is effective March 1, 2002.

Sec. 120. Minnesota Statutes 2000, section 115.03, is amended by adding a subdivision to read:

Subd. 8a. **PERMIT DURATION FOR MAJOR ABOVEGROUND STORAGE FACILITIES.** Agency permits for major aboveground storage facilities may be issued for a term of up to ten years.

Sec. 121. Minnesota Statutes 2000, section 115.55, subdivision 3, is amended to read:

Subd. 3. **RULES.** (a) The agency shall adopt rules containing minimum standards and criteria for the design, location, installation, use, and maintenance of individual sewage treatment systems. The rules must include:

(1) how the agency will ensure compliance under subdivision 2;

(2) how local units of government shall enforce ordinances under subdivision 2, including requirements for permits and inspection programs;

(3) how the advisory committee will participate in review and implementation of the rules;

(4) provisions for alternative systems;

(5) provisions for handling and disposal of effluent;

(6) provisions for system abandonment; and

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

(7) procedures for the commissioner to approve new individual sewage treatment system technologies; and

(8) procedures for variances, including the consideration of variances based on cost and variances that take into account proximity of a system to other systems.

(b) The agency shall consult with the advisory committee before adopting rules under this subdivision.

(c) Notwithstanding the repeal of the agency rule under which the commissioner has established a list of warrantied individual sewage treatment systems, the warranties for all systems so listed as of the effective date of the repeal shall continue to be valid for the remainder of the warranty period.

Sec. 122. Minnesota Statutes 2000, section 115A.0716, is amended by adding a subdivision to read:

Subd. 3. REVOLVING ACCOUNT. An environmental assistance revolving account is established in the environmental fund. All repayments of loans awarded under this subdivision, including principal and interest, must be deposited into the account. Money in the account is annually appropriated to the director for loans for purposes identified in subdivisions 1 and 2.

Sec. 123. Minnesota Statutes 2000, 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

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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 ~~12~~ 16 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.

(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. 124. [115A.545] MIXED MUNICIPAL SOLID WASTE PROCESSING PAYMENT.

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

Subdivision 1. DEFINITION. For the purpose of this section, "processed" means mixed municipal solid waste that has been:

- (1) burned for energy recovery; or
- (2) processed into usable compost or refuse derived fuel.

Subd. 2. PROCESSING PAYMENT. (a) The director shall pay counties a processing payment for each ton of mixed municipal solid waste that is generated in the county and processed at a resource recovery facility located in Minnesota. The processing payment shall be \$5 for each ton of mixed municipal solid waste processed.

(b) By the last day of October, January, April, and July, each county claiming the processing payment shall file a claim for payment with the director for the three previous months certifying the number of tons of mixed municipal solid waste that were generated in the county and processed at a resource recovery facility. The director shall pay the processing payments by November 15, February 15, May 15, and August 15 each year.

(c) If the total amount for which all counties are eligible in a quarter exceeds the amount available for payment, the director shall make the payments on a pro rata basis.

(d) All of the money received by a county under this section must be used to lower the tipping fee for waste to be processed at a resource recovery facility.

Subd. 3. EXPIRATION DATE. The payment in subdivision 2 expires on July 1, 2005. For waste delivered to a resource recovery facility from April 1, 2005, to June 30, 2005, a county must submit payment claims by July 31, 2005. The director shall make the final mixed municipal solid waste processing payments by August 15, 2005.

Sec. 125. Minnesota Statutes 2000, section 115A.557, subdivision 2, is amended to read:

Subd. 2. PURPOSES FOR WHICH MONEY MAY BE SPENT. A county receiving money distributed by the director under this section may use the money only for the development and implementation of programs to:

- (1) reduce the amount of solid waste generated;
- (2) recycle the maximum amount of solid waste technically feasible;
- (3) create and support markets for recycled products;
- (4) remove problem materials from the solid waste stream and develop proper disposal options for them;
- (5) inform and educate all sectors of the public about proper solid waste management procedures;
- (6) provide technical assistance to public and private entities to ensure proper solid waste management; and

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(7) provide educational, technical, and financial assistance for litter prevention;
and

(8) process mixed municipal solid waste generated in the county at a resource recovery facility located in Minnesota.

Sec. 126. Minnesota Statutes 2000, section 115A.912, subdivision 1, is amended to read:

Subdivision 1. **PURPOSE.** Money appropriated to the agency for waste tire management may be spent for ~~elimination of health and safety hazards of tire dumps and collection sites; tire dump abatement, collection, management and clean up of waste tires;~~ regulation of permitted waste tire facilities, research and studies to determine the technical and economic feasibility of uses for tire derived products, public education on waste tire management, and grants and loans under section 115A.913.

Sec. 127. Minnesota Statutes 2000, section 115A.914, subdivision 2, is amended to read:

Subd. 2. **AGENCY RULES.** The agency shall adopt rules for administration of waste tire collector and processor permits, ~~waste tire nuisance abatement,~~ and waste tire collection.

Sec. 128. Minnesota Statutes 2000, section 115B.49, subdivision 4a, is amended to read:

Subd. 4a. **INTERIM FEES.** For the period from July 1, ~~1999~~ 2001, to June 30, 2004 2003, the commissioner shall, after a public hearing, but notwithstanding section 16A.1285, subdivision 4, annually adjust the fees in subdivision 4 as necessary to maintain an annual income of \$650,000. ~~This income amount supersedes the amount described in Minnesota Statutes 1998, section 115B.49, subdivision 4, paragraph (e), clause (3), that is in effect until July 1, 2001.~~

Sec. 129. Minnesota Statutes 2000, section 115C.07, subdivision 3, is amended to read:

Subd. 3. **RULES.** (a) The board shall adopt rules regarding its practices and procedures, the form and procedure for applications for compensation from the fund, procedures for investigation of claims and specifying the costs that are eligible for reimbursement from the fund.

(b) ~~By January 1, 1994, the board shall publish proposed rules establishing a fee schedule of costs or criteria for evaluating the reasonableness of costs submitted for reimbursement. The board shall adopt the rules by June 1, 1994.~~

(e) The board may adopt rules requiring certification of environmental consultants.

(d) (c) The board may adopt other rules necessary to implement this chapter.

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

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 130. Minnesota Statutes 2000, section 115C.09, subdivision 1, is amended to read:

Subdivision 1. **REIMBURSABLE COSTS.** (a) The board shall provide reimbursement to eligible applicants for reimbursable costs.

(b) The following costs are reimbursable for purposes of this chapter:

(1) corrective action costs incurred by the applicant and documented in a form prescribed by the board, except the costs related to the physical removal of a tank; and

(2) costs that the responsible person is legally obligated to pay as damages to third parties for bodily injury, property damage, or corrective action costs incurred by a third party caused by a release where the responsible person's liability for the costs has been established by a court order or court-approved settlement;

(3) ~~up to 180 days worth of interest costs associated with the financing of corrective action and incurred by the applicant in a written financing contract signed by the applicant and executed after May 25, 1991. Interest costs are not eligible for reimbursement to the extent they exceed two percentage points above the adjusted prime rate charged by banks, as defined in section 270.75, subdivision 5, at the time the financing contract was executed; and~~

(4) ~~preremoval site assessment costs incurred by the applicant and eligible for reimbursement under section 115C.092.~~

(c) A cost for liability to a third party is incurred by the responsible person when an order or court-approved settlement is entered that sets forth the specific costs attributed to the liability. Except as provided in this paragraph, reimbursement may not be made for costs of liability to third parties until all eligible corrective action costs have been reimbursed. If a corrective action is expected to continue in operation for more than one year after it has been fully constructed or installed, the board may estimate the future expense of completing the corrective action and, after subtracting this estimate from the total reimbursement available under subdivision 3, reimburse the costs for liability to third parties. The total reimbursement may not exceed the limit set forth in subdivision 3.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 131. Minnesota Statutes 2000, section 115C.09, subdivision 2a, is amended to read:

Subd. 2a. **APPLICATION FOR REIMBURSEMENT.** (a) The board may consider Applications for reimbursement may be submitted for consideration by the board at the following stages:

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

(1) after the commissioner approves corrective actions related to soil excavation and treatment or after the commissioner determines that further soil excavation and treatment should not be done, costs have been incurred, and the associated tasks completed, for excavation basin soil sampling, excavation of contaminated soil, treatment of contaminated soil, or remedial investigation costs tasks such as soil borings boring drilling, monitoring wells well installation, vapor risk assessment, and well searches are reimbursable at this stage, but groundwater receptor survey; corrective action costs relating to the construction and installation of a comprehensive corrective action design system are not reimbursable at this stage; and

(2) after costs have been incurred, and the associated tasks completed, for tasks related to the construction and installation of a comprehensive corrective action design system, but only if the commissioner approves has approved a comprehensive plan for corrective action that will adequately address the entire release, including groundwater contamination if necessary; for corrective action costs related to the construction and installation of a comprehensive corrective action design system.

(b) An applicant shall not submit an application for reimbursement more frequently than four times per 12-month period unless the application is for more than \$2,000 in reimbursement.

(b) (c) The commissioner shall review a plan, and provide an approval or disapproval to the applicant and the board, within 60 days in the case of a plan submitted under paragraph (a), clause (1), and within 120 days in the case of a plan submitted under paragraph (a), clause (2), or the commissioner shall explain to the board why additional time is necessary. The board shall consider a complete initial application within 60 days of its submission of the application under paragraph (a), clause (1), and shall consider a complete supplemental application within 120 days of its submission of the application under paragraph (a), clause (2), or the board shall explain for the record why additional time is necessary. For purposes of the preceding sentence, board consideration of an application is timely if it occurs at the regularly scheduled meeting following the deadline. Board staff may review applications submitted to the board at the same time the commissioner considers the appropriateness of the corrective action, but the board may not act on the application until after the commissioner's approval is received.

(e) (d) A reimbursement may not be made unless the board determines that the commissioner has determined that the corrective action was appropriate in terms of protecting public health, welfare, and the environment.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 132. Minnesota Statutes 2000, section 115C.09, subdivision 3, is amended to read:

Subd. 3. **REIMBURSEMENTS; SUBROGATION; APPROPRIATION.** (a) The board shall reimburse an eligible applicant from the fund in the following

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amounts: for 90 percent of the total reimbursable costs incurred at the site, except that the board may reimburse an eligible applicant from the fund for greater than 90 percent of the total reimbursable costs, if the applicant previously qualified for a higher reimbursement rate.

(1) 90 percent of the total reimbursable costs on the first \$250,000 and 75 percent on any remaining costs in excess of \$250,000 on a site;

(2) for corrective actions at a residential site used as a permanent residence at the time the release was discovered, 92.5 percent of the total reimbursable costs on the first \$100,000 and 100 percent of any remaining costs in excess of \$100,000; or

(3) 90 percent of the total reimbursable costs on the first \$250,000 and 100 percent of the cumulative total reimbursable costs in excess of \$250,000 at all sites in which the responsible person had interest, and for which the commissioner has not issued a closure letter as of April 3, 1996, if the responsible person dispensed less than 1,000,000 gallons of petroleum at each location in each of the last three calendar years that the responsible person dispensed petroleum at the location and:

(i) has owned no more than three locations in the state at which motor fuel was dispensed into motor vehicles and has discontinued operation of all petroleum retail operations; or

(ii) has owned no more than one location in the state at which motor fuel was dispensed into motor vehicles. Not more than \$1,000,000 may be reimbursed for costs associated with a single release, regardless of the number of persons eligible for reimbursement, and not more than \$2,000,000 may be reimbursed for costs associated with a single tank facility.

(b) A reimbursement may not be made from the fund under this chapter until the board has determined that the costs for which reimbursement is requested were actually incurred and were reasonable.

(c) When an applicant has obtained responsible competitive bids or proposals according to rules promulgated under this chapter prior to June 1, 1995, the eligible costs for the tasks, procedures, services, materials, equipment, and tests of the low bid or proposal are presumed to be reasonable by the board, unless the costs of the low bid or proposal are substantially in excess of the average costs charged for similar tasks, procedures, services, materials, equipment, and tests in the same geographical area during the same time period.

(d) When an applicant has obtained a minimum of two responsible competitive bids or proposals on forms prescribed by the board and where the rules promulgated under this chapter after June 1, 1995, designate maximum costs for specific tasks, procedures, services, materials, equipment and tests, the eligible costs of the low bid or proposal are deemed reasonable if the costs are at or below the maximums set forth in the rules.

(e) Costs incurred for change orders executed as prescribed in rules promulgated under this chapter after June 1, 1995, are presumed reasonable if the costs are at or

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below the maximums set forth in the rules, unless the costs in the change order are above those in the original bid or proposal or are unsubstantiated and inconsistent with the process and standards required by the rules.

(f) A reimbursement may not be made from the fund in response to either an initial or supplemental application for costs incurred after June 4, 1987, that are payable under an applicable insurance policy, except that if the board finds that the applicant has made reasonable efforts to collect from an insurer and failed, the board shall reimburse the applicant.

(g) If the board reimburses an applicant for costs for which the applicant has insurance coverage, the board is subrogated to the rights of the applicant with respect to that insurance coverage, to the extent of the reimbursement by the board. The board may request the attorney general to bring an action in district court against the insurer to enforce the board's subrogation rights. Acceptance by an applicant of reimbursement constitutes an assignment by the applicant to the board of any rights of the applicant with respect to any insurance coverage applicable to the costs that are reimbursed. Notwithstanding this paragraph, the board may instead request a return of the reimbursement under subdivision 5 and may employ against the applicant the remedies provided in that subdivision, except where the board has knowingly provided reimbursement because the applicant was denied coverage by the insurer.

(h) Money in the fund is appropriated to the board to make reimbursements under this chapter. A reimbursement to a state agency must be credited to the appropriation account or accounts from which the reimbursed costs were paid.

(i) The board may reduce the amount of reimbursement to be made under this chapter if it finds that the applicant has not complied with a provision of this chapter, a rule or order issued under this chapter, or one or more of the following requirements:

- (1) the agency was given notice of the release as required by section 115.061;
- (2) the applicant, to the extent possible, fully cooperated with the agency in responding to the release;
- (3) the state rules applicable after December 22, 1993, to operating an underground storage tank and appurtenances without leak detection;
- (4) the state rules applicable after December 22, 1998, to operating an underground storage tank and appurtenances without corrosion protection or spill and overflow protection; and
- (5) the state rule applicable after November 1, 1998, to operating an aboveground tank without a dike or other structure that would contain a spill at the aboveground tank site.

(j) The reimbursement may be reduced as much as 100 percent for failure by the applicant to comply with the requirements in paragraph (i), clauses (1) to (5). In determining the amount of the reimbursement reduction, the board shall consider:

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(1) the reasonable determination by the agency that the noncompliance poses a threat to the environment;

(2) whether the noncompliance was negligent, knowing, or willful;

(3) the deterrent effect of the award reduction on other tank owners and operators;

(4) the amount of reimbursement reduction recommended by the commissioner; and

(5) the documentation of noncompliance provided by the commissioner.

(k) An applicant may assign the right to receive reimbursement to each lender who advanced funds to pay the costs of the corrective action or to each contractor or consultant who provided corrective action services. An assignment must be made by filing with the board a document, in a form prescribed by the board, indicating the identity of the applicant, the identity of the assignee, the dollar amount of the assignment, and the location of the corrective action. An assignment signed by the applicant is valid unless terminated by filing a termination with the board, in a form prescribed by the board, which must include the written concurrence of the assignee. The board shall maintain an index of assignments filed under this paragraph. The board shall pay the reimbursement to the applicant and to one or more assignees by a multiparty check. The board has no liability to an applicant for a payment under an assignment meeting the requirements of this paragraph.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 133. Minnesota Statutes 2000, section 115C.09, subdivision 3h, is amended to read:

Subd. 3h. **REIMBURSEMENT; ABOVEGROUND TANKS IN BULK PLANTS.** (a) As used in this subdivision, "bulk plant" means an aboveground or underground tank facility with a storage capacity of more than 1,100 gallons but less than 1,000,000 gallons that is used to dispense petroleum into cargo tanks for transportation and sale at another location.

(b) Notwithstanding any other provision in this chapter and any rules adopted pursuant to this chapter, the board shall reimburse 90 percent of an applicant's cost for bulk plant upgrades or closures completed between June 1, 1998, and November 1, 2003, to comply with Minnesota Rules, chapter 7151, provided that the board determines the costs were incurred and reasonable. The reimbursement may not exceed \$10,000 per bulk plant.

(c) For corrective action at a bulk plant located on what is or was railroad right-of-way, the board shall reimburse 90 percent of total reimbursable costs on the first \$40,000 of reimbursable costs and 100 percent of any remaining reimbursable costs when the applicant can document that more than one bulk plant was operated on the same section of right-of-way, as determined by the commissioner of commerce.

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EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 134. Minnesota Statutes 2000, section 115C.093, is amended to read:

115C.093 CORRECTIVE ACTION PERFORMANCE AUDITS.

(a) The board shall ~~may~~ contract for performance audits of corrective actions for which reimbursement is sought under section 115C.09, subdivision 3, paragraph (a), ~~clause (3)~~, and may contract for audits of other corrective actions.

(b) ~~A responsible person may request a performance audit under this section. If the board denies the request, it must provide the requester with the reasons for the denial.~~

(c) ~~A performance audit conducted under this section must evaluate the adequacy of the corrective actions, the validity of the corrective action costs, and whether alternative methods or technologies could have been used to carry out the corrective actions at a lower cost. The board shall report the results of audits conducted under this section to the chairs of the senate committees on environment and natural resources and commerce and consumer protection, the finance division of the senate committee on environment and natural resources, and the house of representatives committees on environment and natural resources, environment and natural resources finance, and commerce, tourism, and consumer affairs. Money in the fund is appropriated to the board for the purposes of this section.~~

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 135. Minnesota Statutes 2000, section 115C.112, is amended to read:

115C.112 CONSULTANT AND CONTRACTOR SANCTIONS; ACTIONS BASED ON CONDUCT OCCURRING ON AND AFTER MARCH 14, 1996.

The commissioner of commerce may by order deny a registration, censure, suspend, or revoke a registrant and require payment of all costs of proceedings resulting in an action instituted under this section and impose a civil penalty of not more than \$10,000 if the commissioner of commerce finds: (i) that the order is in the public interest; and (ii) that the registrant or, in the case of a registrant that is not a natural person, any partner, officer, or director, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the registrant:

(1) has engaged in conduct that departs from or fails to conform to the minimal standards of acceptable and prevailing engineering, hydrogeological, or other technical practices within the reasonable control of the consultant or contractor;

(2) has participated in a kickback scheme prohibited under section 115C.045;

(3) has engaged in conduct likely to deceive or defraud, or demonstrating a willful or careless disregard for public health or the environment;

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(4) has committed fraud, embezzlement, theft, forgery, bribery, falsified or destroyed records, made false statements, received stolen property, made false claims, or obstructed justice;

(5) is the subject of an order revoking, suspending, restricting, limiting, or imposing other disciplinary action against the contractor's or consultant's license or certification in another state or jurisdiction;

(6) if the person is a consultant, has failed to comply with any of the ongoing obligations for registration as a consultant in section 115C.11, subdivision 1;

(7) has failed to comply with any provision or any rule or order under this chapter or chapter 45;

(8) has engaged in anticompetitive activity;

(9) has performed corrective action without having an accurate and complete registration on file with the board or has allowed another to perform corrective action when that party does not have a complete registration on file with the board;

(10) has been shown to be incompetent, untrustworthy, or financially irresponsible; or

(11) has made or assisted another in making any material misrepresentation or omission to the board, commissioner, commissioner of commerce, or upon reasonable request has withheld or concealed information from, or refused to furnish information to, the board, commissioner, or commissioner of commerce; or

(12) has failed to reasonably supervise its employees or representatives to assure their compliance with this chapter and Minnesota Rules, chapter 2890.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 136. Minnesota Statutes 2000, section 115C.13, is amended to read:

115C.13 REPEALER.

Sections 115C.01, 115C.02, 115C.021, 115C.03, 115C.04, 115C.045, 115C.05, 115C.06, 115C.065, 115C.07, 115C.08, 115C.09, ~~115C.092~~, 115C.093, 115C.10, 115C.11, and 115C.111, 115C.112, 115C.12, and 115C.13, are repealed effective June 30, 2005.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to applications received on or after the day following final enactment.

Sec. 137. Minnesota Statutes 2000, section 116.07, subdivision 2, is amended to read:

Subd. 2. **ADOPTION OF STANDARDS.** The pollution control agency shall improve air quality by promoting, in the most practicable way possible, the use of energy sources and waste disposal methods which produce or emit the least air

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contaminants consistent with the agency's overall goal of reducing all forms of pollution. The agency shall also adopt standards of air quality, including maximum allowable standards of emission of air contaminants from motor vehicles, recognizing that due to variable factors, no single standard of purity of air is applicable to all areas of the state. In adopting standards the pollution control agency shall give due recognition to the fact that the quantity or characteristics of air contaminants or the duration of their presence in the atmosphere, which may cause air pollution in one area of the state, may cause less or not cause any air pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, prevailing wind directions and velocities, and the fact that a standard of air quality which may be proper as to an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such standards of air quality shall be premised upon scientific knowledge of causes as well as effects based on technically substantiated criteria and commonly accepted practices. No local government unit shall set standards of air quality which are more stringent than those set by the pollution control agency.

The pollution control agency shall promote solid waste disposal control by encouraging the updating of collection systems, elimination of open dumps, and improvements in incinerator practices. The agency shall also adopt standards for the control of the collection, transportation, storage, processing, and disposal of solid waste and sewage sludge for the prevention and abatement of water, air, and land pollution, recognizing that due to variable factors, no single standard of control is applicable to all areas of the state. In adopting standards, the pollution control agency shall give due recognition to the fact that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, topography, soils and geology, climate, transportation, and land use. Such standards of control shall be premised on technical criteria and commonly accepted practices.

The pollution control agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. Such standards shall give due consideration to such factors as the intensity of noises, the types of noises, the frequency with which noises recur, the time period for which noises continue, the times of day during which noises occur, and such other factors as could affect the extent to which noises may be injurious to human health or welfare, animal or plant life, or property, or could interfere unreasonably with the enjoyment of life or property. In adopting standards, the pollution control agency shall give due recognition to the fact that the quantity or characteristics of noise or the duration of its presence in the outdoor atmosphere, which may cause noise pollution in one area of the state, may cause less or not cause any noise pollution in another area of the state, and it shall take into

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consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, meteorological conditions and the fact that a standard which may be proper in an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such noise standards shall be premised upon scientific knowledge as well as effects based on technically substantiated criteria and commonly accepted practices. No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the pollution control agency.

The pollution control agency shall adopt standards for the identification of hazardous waste and for the management, identification, labeling, classification, storage, collection, transportation, processing, and disposal of hazardous waste, recognizing that due to variable factors, a single standard of hazardous waste control may not be applicable to all areas of the state. In adopting standards, the pollution control agency shall recognize that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state. The agency shall consider existing physical conditions, topography, soils, and geology, climate, transportation and land use. Standards of hazardous waste control shall be premised on technical knowledge, and commonly accepted practices. Hazardous waste generator licenses may be issued for a term not to exceed five years. No local government unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the pollution control agency.

A person who generates less than 100 kilograms of hazardous waste per month is exempt from the following agency hazardous waste rules:

(1) rules relating to transportation, manifesting, storage, and labeling for photographic fixer and X-ray negative wastes that are hazardous solely because of silver content; and

(2) any rule requiring the generator to send to the agency or commissioner a copy of each manifest for the transportation of hazardous waste for off-site treatment, storage, or disposal, except that counties within the metropolitan area may require generators to provide manifests.

Nothing in this paragraph exempts the generator from the agency's rules relating to on-site accumulation or outdoor storage. A political subdivision or other local unit of government may not adopt management requirements that are more restrictive than this paragraph.

Sec. 138. Minnesota Statutes 2000, section 116.70, subdivision 1, is amended to read:

Subdivision 1. **APPLICABILITY.** The definitions in this section apply to sections ~~416.74~~ 116.731 to 116.734.

Sec. 139. Minnesota Statutes 2000, section 116O.09, subdivision 1a, is amended to read:

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Subd. 1a. **BOARD OF DIRECTORS.** The board of directors of the agricultural utilization research institute is comprised of:

(1) the chairs of the senate agriculture and rural development committee and the house of representatives committees with jurisdiction over agriculture committee policy;

(2) two representatives of statewide farm organizations;

(3) two representatives of agribusiness, one of whom is a member of the Minnesota Technology, Inc. board representing agribusiness; and

(4) three representatives of the commodity promotion councils.

A member of the board of directors under clauses (1) to (4) may designate a permanent or temporary replacement member representing the same constituency.

Sec. 140. [116P.14] FEDERAL LAND AND WATER CONSERVATION FUNDS.

Subdivision 1. DESIGNATED AGENCY. The department of natural resources is designated as the state agency to apply for, accept, receive, and disburse federal reimbursement funds and private funds, which are granted to the state of Minnesota from the federal Land and Water Conservation Fund Act.

Subd. 2. STATE LAND AND WATER CONSERVATION ACCOUNT; CREATION. A state land and water conservation account is created in the Minnesota future resources fund. All of the money made available to the state from funds granted under subdivision 1 shall be deposited in the state land and water conservation account.

Subd. 3. LOCAL SHARE. Fifty percent of all money made available to the state from funds granted under subdivision 1 shall be distributed for projects to be acquired, developed, and maintained by local units of government, providing that any project approved is consistent with a statewide or a county or regional recreational plan and compatible with the statewide recreational plan. All money received by the commissioner for local units of government is appropriated annually to carry out the purposes for which the funds are received.

Subd. 4. STATE SHARE. Fifty percent of the money made available to the state from funds granted under subdivision 1 shall be used for state land acquisition and development for the state outdoor recreation system under chapter 86A and the administrative expenses necessary to maintain eligibility for the federal Land and Water Conservation Fund.

Sec. 141. [116P.15] LAND ACQUISITION RESTRICTIONS.

Subdivision 1. SCOPE. A recipient of an appropriation from the trust fund or the Minnesota future resources fund who acquires an interest in real property with the appropriation must comply with this section. For the purposes of this section, "interest in real property" includes, but is not limited to, an easement or fee title to property.

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Subd. 2. RESTRICTIONS; MODIFICATION PROCEDURE. (a) An interest in real property acquired with an appropriation from the trust fund or the Minnesota future resources fund must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made.

(b) A recipient of funding who acquires an interest in real property subject to this section may not alter the intended use of the interest in real property or convey any interest in the real property without the prior review and approval of the commission. The commission shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria:

(1) the interest is at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

(2) the interest is in a reasonably equivalent location, and has a reasonably equivalent usefulness compared to the interest being replaced.

(c) An interest in real property acquired with an appropriation from the trust fund or the Minnesota future resources fund to be held by an entity other than this state shall include the following restrictive covenant on the conveyance instrument used to acquire the real property interests:

"The above described property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement or work program controlling the acquisition of the property. The property, or any portion of the property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the legislative commission on Minnesota resources. If the holder of the property fails to comply with the terms and conditions of the grant agreement or work program, ownership of the property shall revert to this state."

Sec. 142. Minnesota Statutes 2000, section 223.17, subdivision 3, is amended to read:

Subd. 3. GRAIN BUYERS AND STORAGE ACCOUNT; 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.

The fee for any license issued or renewed after June 30, 1997 2001, shall be set according to the following schedule:

(a) ~~\$100~~ \$125 plus ~~\$50~~ \$100 for each additional location for grain buyers whose gross annual purchases are less than \$100,000;

(b) ~~\$200~~ \$250 plus ~~\$50~~ \$100 for each additional location for grain buyers whose gross annual purchases are at least \$100,000, but not more than \$750,000;

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(c) ~~\$300~~ \$375 plus ~~\$100~~ \$200 for each additional location for grain buyers whose gross annual purchases are more than \$750,000 but not more than \$1,500,000;

(d) ~~\$400~~ \$500 plus ~~\$100~~ \$200 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~~ \$625 plus ~~\$100~~ \$200 for each additional location for grain buyers whose gross annual purchases are more than \$3,000,000.

There is created the grain buyers and storage account in the agricultural 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 account and is appropriated to the commissioner for the administration and enforcement of sections 223.15 to 223.22.

Sec. 143. Minnesota Statutes 2000, section 231.16, is amended to read:

231.16 WAREHOUSE OPERATOR OR HOUSEHOLD GOODS WAREHOUSE OPERATOR TO OBTAIN LICENSE.

A warehouse operator or household goods warehouse operator must be licensed annually by the department. The department shall prescribe the form of the written application. If the department approves the license application and the applicant files with the department the necessary bond, in the case of household goods warehouse operators, or proof of warehouse operators legal liability insurance coverage in an amount of \$50,000 or more, as provided for in this chapter, the department shall issue the license upon payment of the license fee required in this section. A warehouse operator or household goods warehouse operator to whom a license is issued shall pay a fee as follows:

Building square footage used for public storage

(1) 5,000 or less	\$ 80 <u>\$100</u>
(2) 5,001 to 10,000	\$155 <u>\$200</u>
(3) 10,001 to 20,000	\$250 <u>\$300</u>
(4) 20,001 to 100,000	\$315 <u>\$400</u>
(5) 100,001 to 200,000	\$410 <u>\$500</u>
(6) over 200,000	\$470 <u>\$600</u>

Fees collected under this chapter must be paid into the grain buyers and storage account established in section 232.22.

The license must be renewed annually on or before July 1, and always upon payment of the full license fee required in this section. No license shall be issued for any portion of a year for less than the full amount of the license fee required in this section. Each license obtained under this chapter must be publicly displayed in the main office of the place of business of the warehouse operator or household goods warehouse operator to whom it is issued. The license authorizes the warehouse operator or household goods warehouse operator to carry on the business of warehousing only in the one city or town named in the application and in the buildings

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therein described. The department, without requiring an additional bond and license, may issue permits from time to time to any warehouse operator already duly licensed under the provisions of this chapter to operate an additional warehouse in the same city or town for which the original license was issued during the term thereof, upon the filing an application for a permit in the form prescribed by the department.

A license may be refused for good cause shown and revoked by the department for violation of law or of any rule adopted by the department, upon notice and after hearing.

Sec. 144. Minnesota Statutes 2000, section 256J.20, subdivision 3, is amended to read:

Subd. 3. **OTHER PROPERTY LIMITATIONS.** To be eligible for MFIP, the equity value of all nonexcluded real and personal property of the assistance unit must not exceed \$2,000 for applicants and \$5,000 for ongoing participants. The value of assets in clauses (1) to ~~(20)~~ (19) must be excluded when determining the equity value of real and personal property:

(1) a licensed vehicle up to a loan value of less than or equal to \$7,500. The county agency shall apply any excess loan value as if it were equity value to the asset limit described in this section. If the assistance unit owns more than one licensed vehicle, the county agency shall determine the vehicle with the highest loan value and count only the loan value over \$7,500, excluding: (i) the value of one vehicle per physically disabled person when the vehicle is needed to transport the disabled unit member; this exclusion does not apply to mentally disabled people; (ii) the value of special equipment for a handicapped member of the assistance unit; and (iii) any vehicle used for long-distance travel, other than daily commuting, for the employment of a unit member.

The county agency shall count the loan value of all other vehicles and apply this amount as if it were equity value to the asset limit described in this section. To establish the loan value of vehicles, a county agency must use the N.A.D.A. Official Used Car Guide, Midwest Edition, for newer model cars. When a vehicle is not listed in the guidebook, or when the applicant or participant disputes the loan value listed in the guidebook as unreasonable given the condition of the particular vehicle, the county agency may require the applicant or participant document the loan value by securing a written statement from a motor vehicle dealer licensed under section 168.27, stating the amount that the dealer would pay to purchase the vehicle. The county agency shall reimburse the applicant or participant for the cost of a written statement that documents a lower loan value;

(2) the value of life insurance policies for members of the assistance unit;

(3) one burial plot per member of an assistance unit;

(4) the value of personal property needed to produce earned income, including tools, implements, farm animals, inventory, business loans, business checking and savings accounts used at least annually and used exclusively for the operation of a

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self-employment business, and any motor vehicles if at least 50 percent of the vehicle's use is to produce income and if the vehicles are essential for the self-employment business;

(5) the value of personal property not otherwise specified which is commonly used by household members in day-to-day living such as clothing, necessary household furniture, equipment, and other basic maintenance items essential for daily living;

(6) the value of real and personal property owned by a recipient of Supplemental Security Income or Minnesota supplemental aid;

(7) the value of corrective payments, but only for the month in which the payment is received and for the following month;

(8) a mobile home or other vehicle used by an applicant or participant as the applicant's or participant's home;

(9) money in a separate escrow account that is needed to pay real estate taxes or insurance and that is used for this purpose;

(10) money held in escrow to cover employee FICA, employee tax withholding, sales tax withholding, employee worker compensation, business insurance, property rental, property taxes, and other costs that are paid at least annually, but less often than monthly;

(11) monthly assistance, emergency assistance, and diversionary payments for the current month's needs;

(12) the value of school loans, grants, or scholarships for the period they are intended to cover;

(13) payments listed in section 256J.21, subdivision 2, clause (9), which are held in escrow for a period not to exceed three months to replace or repair personal or real property;

(14) income received in a budget month through the end of the payment month;

(15) savings from earned income of a minor child or a minor parent that are set aside in a separate account designated specifically for future education or employment costs;

(16) the federal earned income credit, Minnesota working family credit, state and federal income tax refunds, state homeowners and renters credits under chapter 290A, property tax rebates and other federal or state tax rebates in the month received and the following month;

(17) payments excluded under federal law as long as those payments are held in a separate account from any nonexcluded funds;

(18) ~~money received by a participant of the corps to career program under section 84.0887, subdivision 2, paragraph (b), as a postservice benefit under the federal Americorps Act;~~

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(19) the assets of children ineligible to receive MFIP benefits because foster care or adoption assistance payments are made on their behalf; and

(20) (19) the assets of persons whose income is excluded under section 256J.21, subdivision 2, clause (43).

Sec. 145. Minnesota Statutes 2000, section 296A.01, subdivision 19, is amended to read:

Subd. 19. **E85**. "E85" means a petroleum product that is a blend of agriculturally derived denatured ethanol and gasoline or natural gasoline that typically contains 85 percent ethanol by volume, but at a minimum must contain 60 percent ethanol by volume. For the purposes of this chapter, the energy content of E85 will be considered to be 82,000 BTUs per gallon. E85 produced for use as a motor fuel in alternative fuel vehicles as defined in ~~section 296A.01~~, subdivision 5, must comply with ASTM specification D 5798-96.

Sec. 146. Minnesota Statutes 2000, section 297A.94, is amended to read:

297A.94 DEPOSIT OF REVENUES.

(a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 16, paragraphs (b) and (f), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

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(d) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(e) For fiscal year 2001, 97 percent; for fiscal years 2002 and 2003, 87 percent; and for fiscal year ~~2002~~ 2004 and thereafter, 87 88.5 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) 50 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; and

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota zoological garden, the Como park zoo and conservatory, and the Duluth zoo.

(f) The revenue dedicated under paragraph (e) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (e) must be open to public hunting and fishing during the open season. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (e) must be allocated for field operations.

Sec. 147. Minnesota Statutes 2000, section 473.845, subdivision 3, is amended to read:

Subd. 3. **EXPENDITURES FROM THE FUND.** Money in the fund may only be is appropriated to the agency for expenditure for:

(1) reasonable and necessary expenses for closure and postclosure care of a mixed municipal solid waste disposal facility in the metropolitan area for a 30-year period after closure, if the agency determines that the operator or owner will not take the necessary actions requested by the agency for closure and postclosure in the manner and within the time requested;

(2) reasonable and necessary response and postclosure costs at a mixed municipal solid waste disposal facility in the metropolitan area that has been closed for 30 years

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in compliance with the closure and postclosure rules of the agency; or

(3) reimbursement to a local government unit for costs incurred over \$400,000 under a work plan approved by the commissioner of the agency to remediate methane at a closed disposal facility owned by the local government unit; or

(4) reasonable and necessary response costs at an unpermitted facility for mixed municipal solid waste disposal in the metropolitan area that was permitted by the agency for disposal of sludge ash from a wastewater treatment facility.

Sec. 148. Minnesota Statutes 2000, section 609.687, subdivision 4, is amended to read:

Subd. 4. **CHARGING DISCRETION.** Criminal proceedings may be instituted under this section, notwithstanding the provisions of section ~~24.141~~, 29.24, 31.02, 31.601, 34.01, 151.34, 340A.508, subdivision 2, or other law proscribing adulteration of substances intended for use by persons.

Sec. 149. **[626.94] CONSERVATION LAW ENFORCEMENT AUTHORITY.**

Subdivision 1. **DEFINITION.** As used in this section, "Indian conservation enforcement authority" means:

(1) a federally recognized Indian tribe, as defined in United States Code, title 25, section 450b, subsection (e), located within Minnesota, provided that the tribe has the authority to adopt and enforce game, fish, and natural resources codes governing the conduct of its members within the geographic boundaries of a reservation or in the 1854 or 1837 ceded territories; or

(2) an Indian conservation agency having the authority to adopt or enforce game, fish, and natural resources codes and regulations governing the conduct of Indians in the 1854 or 1837 ceded territories.

Subd. 2. **INDIAN CONSERVATION ENFORCEMENT AUTHORITY REQUIREMENTS.** Upon agreement by the commissioner of natural resources, an Indian conservation enforcement authority may exercise authority under subdivision 3 if it satisfies the following minimum requirements:

(1) the Indian conservation enforcement authority agrees to be subject to liability for its torts and those of its officers, employees, and agents acting within the scope of their employment or duties arising out of the conservation enforcement powers conferred by this section to the same extent as a municipality under chapter 466 and the Indian conservation enforcement authority further agrees, notwithstanding section 16C.05, subdivision 7, to waive its sovereign immunity for purposes of claims arising out of the liability;

(2) the Indian conservation enforcement authority files with the board of peace officer standards and training a bond or certificate of insurance for liability coverage with the maximum single occurrence amounts set forth in section 466.04 and an annual cap for all occurrences within a year of three times the single occurrence amounts;

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(3) the Indian conservation enforcement authority files with the board of peace officer standards and training a certificate of insurance for liability of its conservation law enforcement officers, employees, and agents for lawsuits under the United States Constitution;

(4) the Indian conservation enforcement authority agrees to be subject to section 13.82 and any other laws of the state relating to data practices of law enforcement agencies;

(5) the Indian conservation enforcement authority enters into a written cooperative agreement with the commissioner of natural resources under section 471.59 to define and regulate the provision of conservation law enforcement services under this section and to provide conservation officers employed by the department of natural resources with authority described in the cooperative agreement to enforce Indian codes and regulations on lands agreed upon within the reservation or ceded territory; and

(6) the Indian conservation enforcement authority appoints a licensed peace officer to serve as a chief law enforcement officer with authority to appoint and supervise the authority's conservation officers under this section.

When entering into an agreement under clause (5), the Indian conservation enforcement authority is considered a "governmental unit" as defined under section 471.59, subdivision 1. Nothing in this section shall be construed to invalidate or limit the terms of any valid agreement approved by a federal court order.

Subd. 3. JURISDICTION. If the requirements of subdivision 2 are met:

(1) the Indian conservation enforcement authority's chief law enforcement officer may appoint peace officers, as defined in section 626.84, subdivision 1, paragraph (c), to serve as conservation officers having the same powers as conservation officers employed by the department of natural resources. The exercise of these powers is limited to the geographical boundaries of the reservation or ceded territory; and

(2) the jurisdiction of conservation officers appointed under this subdivision is concurrent with the jurisdiction of conservation officers employed by the department of natural resources to enforce the state's game and fish, natural resource, and recreational laws within the geographical boundaries of the reservation or ceded territory.

Subd. 4. EFFECT ON FEDERAL LAW. Nothing in this section shall be construed to restrict the Indian conservation enforcement authority's authority under federal law.

Subd. 5. CONSTRUCTION. This section is limited to conservation enforcement authority only. Nothing in this section shall affect any other jurisdictional relationship or dispute or current agreement.

Sec. 150. Laws 1986, chapter 398, article 1, section 18, as amended by Laws 1987, chapter 292, section 37; Laws 1989, chapter 350, article 16, section 8; Laws

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1990, chapter 525, section 1; Laws 1991, chapter 208, section 2; Laws 1993, First Special Session chapter 2, article 6, section 2; Laws 1995, chapter 212, article 2, section 11; Laws 1997, chapter 183, article 3, section 29; Laws 1998, chapter 395, section 7; Laws 1998, chapter 402, section 6; Laws 1999, chapter 214, article 2, section 19; and Laws 2001, chapter 195, article 1, section 23, is amended to read:

Sec. 18. REPEALER.

Sections 1 to 17 and Minnesota Statutes, section 336.9-601, subsections (h) and (i), and sections 583.284, 583.285, 583.286, and 583.305, are repealed on July 1, ~~2001~~ 2003.

Sec. 151. Laws 1995, chapter 220, section 142, as amended by Laws 1995, chapter 263, section 12, Laws 1996, chapter 351, section 1, and Laws 1999, chapter 231, section 191, is amended to read:

Sec. 142. EFFECTIVE DATES.

Sections 2, 5, 7, 20, 42, 44 to 49, 56, 57, 101, 102, 117, and 141, paragraph (d), are effective the day following final enactment.

Sections 114, 115, 118, and 121 are effective January 1, 1996.

Sections 120, subdivisions 2, 3, 4, and 5, and 141, paragraph (c), are effective July 1, 1996.

Section 141, paragraph (b), is effective June 30, ~~2001~~ 2007.

Sections 58 and 66 are effective retroactively to August 1, 1991.

Section 119 is effective September 1, 1996.

Section 120, subdivision 1, is effective July 1, 1999.

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

Sec. 152. Laws 1996, chapter 407, section 32, subdivision 4, is amended to read:

Subd. 4. **ADVISORY COMMITTEE.** (a) A local area advisory committee is established to provide direction on the establishment, planning, development, and operation of the Iron Range off-highway vehicle recreation area. Except as provided in paragraph (b), the commissioner of natural resources shall appoint the members of the advisory committee.

(b) Membership on the advisory committee shall include:

- (1) a representative of the all-terrain vehicle association of Minnesota;
- (2) a representative of the amateur riders of motorcycles association;
- (3) a representative of the Minnesota four-wheel drive association;
- (4) a representative of the St. Louis county board;
- (5) a state representative appointed by the speaker of the house of representatives;

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(6) a state senator appointed by the senate committee on committees;

(7) a designee of the local environmental community selected by the area environmental organizations;

(8) a designee of the local tourism community selected by the iron trail convention and visitors bureau; and

(9) a representative of the Tower regional office of the department of natural resources.

(c) The advisory committee shall elect its own chair and meetings shall be at the call of the chair.

(d) The advisory committee members shall serve as volunteers and accept no per diem.

(e) Notwithstanding Minnesota Statutes, section 15.059, subdivision 5, or other law to the contrary, the advisory committee expires June 30, 2003.

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

Sec. 153. Laws 1999, chapter 231, section 16, subdivision 4, is amended to read:

Subd. 4. Recreation

8,357,000 2,770,000

Summary by Fund

Future Resources Fund	5,587,000	-0-
Trust Fund	2,770,000	2,770,000

(a) Local Initiatives Grants Program.

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

(1) \$1,953,000 is from the future resources fund to local units of government for local park and recreation areas of up to \$250,000 notwithstanding Minnesota Statutes, section 85.019. \$50,000 is to complete the Larue Pit Recreation Development. \$28,000 is to the city of Hitterdal for park construction at Lake Flora. \$460,000 is

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available on the day following final enactment.

(2) \$435,000 the first year and \$435,000 the second year are from the trust fund to local units of government for natural and scenic areas pursuant to Minnesota Statutes, section 85.019.

(3) \$1,484,000 ~~\$1,324,000~~ is from the future resources fund for trail grants to local units of government on land to be maintained for at least 20 years for the purposes of the grant. \$500,000 is for grants of up to \$50,000 per project for trail linkages between communities, trails, and parks, and \$720,000 is for grants of up to \$250,000 for locally funded trails of regional significance outside the metropolitan area. \$50,000 is to the upper Minnesota River valley regional development commission for the preliminary design and engineering of a single segment of the Minnesota River trail from Appleton to the Milan Beach on Lake Lae Qui Parle. ~~\$160,000 is to the Department of Natural Resources to resurface four miles of recreational trail from the town of Milan to Lake Lae Qui Parle in Chippewa county.~~

(4) \$305,000 the first year and \$305,000 the second year are from the trust fund 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 \$20,000 each. \$10,000 is for an agreement with the Canby Sportsman's Club for shelterbelts for habitat and erosion control.

(5) \$100,000 the first year and \$100,000

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the second year are from the trust fund for environmental partnerships program grants of up to \$20,000 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 commission shall monitor the grants for approximate balance over extended periods of time between the metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision 2, and the nonmetropolitan area through work program oversight and periodic allocation decisions. For the purpose of this paragraph, the match must be nonstate contributions, but may be either cash or in-kind. Recipients may receive funding for more than one project in any given grant period. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program. If a project financed under this program receives a federal grant, the availability of the financing from this subdivision for that project is extended to equal the period of the federal grant.

(b) Mesabi Trail Land
Acquisition and
Development - Continuation

\$1,000,000 is from the future resources fund to the commissioner of natural resources for an agreement with St. Louis and Lake Counties Regional Rail Authority for the fourth biennium to develop and acquire segments of the Mesabi trail and

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procure design and engineering for trail heads and enhancements. This appropriation must be matched by at least \$1,000,000 of nonstate money. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(c) Kabetogama to Ash River
Community Trail System

\$100,000 is from the future resources fund to the commissioner of natural resources for an agreement with Kabetogama Lake Association in cooperation with the National Park Service for trail construction linking Lake Kabetogama, Ash River, and Voyageurs National Park. This appropriation must be matched by at least \$100,000 of nonstate money.

This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(d) Mesabi Trail
Connection

\$80,000 is from the future resources fund to the commissioner of natural resources for an agreement with the East Range Joint Powers Board to develop trail connections to the Mesabi Trail with the communities of Aurora, Hoyt Lakes, and White. This appropriation must be matched by at least \$80,000 of nonstate money. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

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(e) Dakota County
Bikeway Mapping

\$15,000 is from the future resources fund to the metropolitan council for an agreement with Dakota county to cost share the integration of digital elevation information in the Dakota county geographic information system database with trail and bikeway routes and develop maps for trail and bikeway users.

(f) Mississippi Riverfront
Trail and Access

\$155,000 is from the future resources fund to the commissioner of natural resources for an agreement with the city of Hastings to acquire and restore the public access area and to complete the connecting riverfront trail from the public access to lock and dam number two adjacent to Lake Rebecca. This appropriation must be matched by at least \$155,000 of nonstate money.

(g) Management and Restoration
of Natural Plant Communities
on State Trails

\$75,000 the first year and \$75,000 the second year are from the trust fund to the commissioner of natural resources to manage and restore natural plant communities along state trails under Minnesota Statutes, section 85.015

(h) Gitchi-Gami State Trail

\$275,000 the first year and \$275,000 the second year are from the trust fund to the commissioner of natural resources for construction of the Gitchi-Gami state trail through Split Rock State Park. The commissioner must submit grant requests for supplemental funding for federal TEA-21 money in eligible categories and report the

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results to the legislative commission on Minnesota resources. All segments of the trail must become part of the state trail system. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(i) State Park and Recreation
Area Acquisition, Development,
Betterment, and Rehabilitation

\$500,000 the first year and \$500,000 the second year are from the trust fund to the commissioner of natural resources as follows: (1) for state park and recreation area acquisition, \$500,000; and (2) for state park and recreation area development, rehabilitation, and resource management, \$500,000, 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 TEA-21 money in eligible categories and report the results to the legislative commission on Minnesota resources. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(j) Fort Snelling State Park;
Upper Bluff Implementation -
Continuation

\$50,000 the first year and \$50,000 the second year are from the trust fund to the commissioner of natural resources to implement the utilization plan for the Upper Bluff area of Fort Snelling Park.

(k) Interpretive Boat
Tours of Hill Annex
Mine State Park

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\$30,000 the first year and \$30,000 the second year are from the trust fund to the commissioner of natural resources to add interpretive boat excursion tours of the mine. The project will include purchase and equipping of a craft and development of a landing area.

(l) Metropolitan Regional Parks
Acquisition, Rehabilitation,
and Development

\$1,000,000 the first year and \$1,000,000 the second year are from the trust fund 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 that is available to the public. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(m) Como Park Campus Maintenance

\$500,000 is from the future resources fund to the department of finance for a grant to the city of St. Paul for a subsidy for the maintenance and repair of live plant and animal exhibits for the zoo and the conservatory at the Como Park campus.

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(n) Luce Line Trail
Connection Through
Wirth Park

\$300,000 the first year is from the future resources fund to the metropolitan council for an agreement with the Minneapolis Park and Recreation Board to complete the construction of a bicycle and pedestrian trail link through Wirth Park to connect the Minneapolis Regional Trail System with the Luce Line State Trail. This appropriation must be matched by at least \$300,000 of nonstate money. This appropriation is available until June 30, 2002, at which time the project must be completed and final products delivered, unless an earlier date is specified in the work program.

(o) Milan Trail Resurfacing

\$160,000 is from the future resources fund to the commissioner of natural resources to resurface four miles of recreational trail from the town of Milan to Lake Lac Qui Parle in Chippewa county.

Sec. 154. Laws 2000, chapter 473, section 21, is amended to read:

Sec. 21. **APPROPRIATIONS.**

\$200,000 is appropriated from the state forest suspense account to the commissioner of natural resources for transfer to the University of Minnesota Duluth for the purpose of funding the inventory conducted pursuant to this section and is available until expended. Because the University of Minnesota is a land grant university, and because most of the state-owned land to be inventoried is granted land, the chancellor of the University of Minnesota Duluth is requested to direct the School of Business and Economics to conduct an inventory of state-owned land located within the Boundary Waters Canoe Area for the purpose of providing the legislature and state officers with more precise information as to the nature, extent, and value of the land. The inventory must include the following: (1) a list of the tracts of state-owned land within the area, together with the available legal description by government tract, insofar as possible; (2) the number of linear feet of shoreline in each tract, together with a general description of that shoreline, whether it is rocky, sandy, or swampy, or some other descriptive system that generally describes the shoreland; (3) the acreage of each tract; (4) a general description of the surface of each tract, including topography and the predominant vegetative cover for each tract and any known unique surface features,

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such as areas of virgin and other old growth timber; and (5) using available real estate market value information and accepted real estate valuation techniques, assign estimates of the value for each tract, exclusive of minerals and mineral interests, using each of the real estate valuation techniques adopted for the inventory. For the purposes of this section, "state-owned land" is defined as any class of state-owned land, whether it is granted land such as school, university, swampland, or internal improvement, or whether it is tax-forfeited, acquired, or state-owned land of any other classification. At the request of the university, the commissioner of natural resources shall promptly provide the university with all published maps, whether federal, state, or county, together with a descriptive list of state-owned land in the area, using available legal descriptions, forest inventories, and other factual information, published data, and photographs that are necessary for the university's inventory. From these maps, lists, data, and other information, the university is requested to prepare a report of its inventory. The legislature requests that the University of Minnesota submit the report to the legislature by January 15, ~~2002~~ 2003.

Sec. 155. REORGANIZATION OF WATER PROGRAMS AND FUNCTIONS.

(a) The director of the office of strategic and long-range planning shall, according to the schedule provided in paragraph (c), develop and present to the house and senate chairs of the committees with jurisdiction over environment and natural resources policy and finance issues a plan for the reorganization of the state water programs and functions. The plan shall be designed to ensure regulatory efficiency and program effectiveness in that:

(1) all specific plans and implementation projects should be coordinated with and relate to an overall water management plan;

(2) similar programs and functions should be assigned to a single agency, when feasible; and

(3) inherent conflicts of interest should be avoided.

(b) The plan should, at a minimum, allocate the programs into the following five categories:

(1) overall water management planning;

(2) establishment of water quantity and quality standards, including biological and chemical indicators;

(3) monitoring and assessment;

(4) technical and financial assistance; education and training; and implementation; and

(5) enforcement.

The director may develop an alternative allocation of programs and functions, provided the plan meets the criteria established in paragraph (a), clauses (1) to (3), and provided

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the director first consults with the legislative chairs in paragraph (a).

(c) The director shall provide the proposed plan to the legislative chairs in paragraph (a) according to the following schedule:

(1) by August 15, 2001, a chart listing all of the current water programs and functions provided by state government, with (i) a brief description of the program, identifying the agency to which the program is currently assigned; (ii) the number of full-time equivalent staff assigned to the program; and (iii) a summary of outcomes expected from each program;

(2) by November 15, 2001, a preliminary plan for reorganizing the state water programs and functions, with a chart similar to that provided in clause (1), displaying the proposed reallocation of programs, functions, and full-time equivalents to the respective agencies and a summary of outcomes expected from each program; and

(3) by February 15, 2002, a final plan with associated chart, and draft legislative language to accomplish the proposed reorganization. After consultation with the legislative chairs in paragraph (a), implementation of the proposed plan may be staged over a number of years to minimize program disruption.

Sec. 156. TEMPORARY SUSPENSION OF RULE.

The application of Minnesota Rules, part 1720.0620, is temporarily suspended from January 1, 2001, to June 1, 2002, for products used exclusively for poultry.

Sec. 157. STUDY; MOTOR VEHICLE USE OF STATE AND COUNTY FOREST ROADS.

The commissioners of administration, transportation, natural resources, and revenue shall work with the affected counties to study and determine the percentage of revenue received from the unrefunded gasoline and special fuel tax that is derived from gasoline and special fuel for the operation of motor vehicles on state forest roads and county forest access roads. The commissioners shall report the results of this study by December 1, 2002.

Sec. 158. MCQUADE ROAD SMALL CRAFT HARBOR ACQUISITION.

Subdivision 1. LEGISLATIVE FINDINGS. The legislature recognizes the need to provide small craft harbors on Lake Superior and that it is in the public interest to direct the commissioner of natural resources to acquire necessary interests in land in the southwest area of Lake Superior for small craft harbor purposes.

Subd. 2. ACQUISITION. The commissioner shall acquire interests in land, without undue delay, under Minnesota Statutes, section 86A.21, paragraph (a), clause (2), as necessary to provide a small craft harbor on Lake Superior at McQuade Road.

Sec. 159. SUNKEN LOG MORATORIUM.

The commissioner of natural resources must suspend recovery of sunken logs under Minnesota Statutes, section 103G.650. The commissioner must not issue leases

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to remove sunken logs or permit the removal of sunken logs from inland waters during the moratorium period. The commissioner must cancel all existing leases issued under Minnesota Statutes, section 103G.650, and refund the lease application fees. The permanent moratorium may be lifted only by an act of the legislature.

Sec. 160. REPORT BY FINANCE COMMISSIONER.

(a) The commissioner of finance must identify the following in the special revenue fund:

- (1) accounts where there has been no activity in the past six years;
- (2) accounts where there has been no expenditure for the past six years;
- (3) accounts where the authorizing legislation has been repealed; and
- (4) other account balances determined by the commissioner as not needed for normal operations.

(b) For purposes of this section, "account" means that there is or has been specified in law a revenue source and there is or has been a corresponding expenditure.

(c) The commissioner must complete the responsibilities specified in paragraph (a) as soon as possible.

(d) The commissioner must report to the chair of the ways and means committee in the house of representatives and the chair of the finance committee in the senate on the commissioner's actions under this section by January 31, 2003.

Sec. 161. REFUND OF CERTAIN DAIRY FINES.

For civil fines levied under Minnesota Statutes 1999 Supplement, section 32.21, subdivision 4, paragraph (d), for violations that occurred between April 13, 2000, and August 1, 2000, the commissioner of agriculture shall waive the amount of the civil fine that is above the amount required under Minnesota Statutes 2000, section 32.21, subdivision 4, paragraph (d). The commissioner shall reimburse the amount waived to dairy producers who have paid civil fines for violations that occurred between April 13, 2000, and August 1, 2000.

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

Sec. 162. REPEALER.

(a) Minnesota Statutes 2000, sections 13.6435, subdivision 7; 17.042; 17.06; 17.07; 17.108; 17.139; 17.45; 17.76; 17.987; 17A.091, subdivision 1; 17B.21; 17B.23; 17B.24; 17B.25; 17B.26; 17B.27; 18.205; 24.001; 24.002; 24.12; 24.131; 24.135; 24.141; 24.145; 24.151; 24.155; 24.161; 24.171; 24.175; 24.18; 24.181; 25.47; 27.185; 29.025; 29.049; 30.50; 30.51; 31.11, subdivision 2; 31.185; 31.73; 31B.07; 32.11; 32.12; 32.18; 32.19; 32.20; 32.203; 32.204; 32.206; 32.208; 32.471, subdivision 1; 32.474; 32.481, subdivision 2; 32.529; 32.53; 32.531, subdivisions 1, 5, 6, and 7; 32.5311; 32.5312; 32.532; 32.533; 32.534; 32.55, subdivisions 15, 16, and 17; 33.001; 33.002; 33.01; 33.011; 33.02; 33.03; 33.031; 33.032; 33.06; 33.07; 33.08; 33.09;

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33.091; 33.111; 35.04; 35.14; 35.84; 86.71; 86.72; 88.641, subdivisions 4 and 5; 88.644; 115.55, subdivision 8; 115A.906; 115A.912, subdivisions 2 and 3; 115C.02, subdivisions 11a and 12a; 115C.082; 115C.09, subdivision 3g; 115C.091; 115C.092; 116.67; 116.70, subdivisions 2, 3a, and 4; 116.71; 116.72; 116.73; and 116.74, are repealed.

(b) Minnesota Rules, parts 1560.9000, subpart 2; 7023.9000; 7023.9005; 7023.9010; 7023.9015; 7023.9020; 7023.9025; 7023.9030; 7023.9035; 7023.9040; 7023.9045; 7023.9050; 7080.0020, subparts 24c and 51a; 7080.0400; and 7080.0450, are repealed.

Sec. 163. EFFECTIVE DATE.

Laws 2000, chapter 492, article 1, section 60, applies to applications made after July 1, 2000, for funding under Minnesota Statutes, section 446A.072.

Presented to the governor June 27, 2001

Signed by the governor June 29, 2001, 3:30 p.m.

CHAPTER 3—H.F.No. 4

An act relating to family and early childhood education; providing for children and family support programs, prevention and intervention, self-sufficiency and lifelong learning, and libraries; appropriating money; amending Minnesota Statutes 2000, sections 119A.12, by adding subdivisions; 119A.13, subdivision 4; 119A.21; 119A.22; 119B.011, subdivision 19, by adding a subdivision; 119B.06, by adding a subdivision; 119B.061, subdivision 4; 119B.11, subdivision 1; 119B.13, subdivision 6; 119B.24; 124D.135, by adding subdivisions; 124D.16, subdivision 2, by adding subdivisions; 124D.19, by adding subdivisions; 124D.20, subdivisions 1, 5, by adding a subdivision; 124D.518, subdivision 5; 124D.52, subdivision 2; 124D.522; 124D.531, subdivisions 1, 3, 7; 125A.28; 125B.20, subdivision 1; 134.31, subdivision 5; Laws 2000, chapter 489, article 5, section 23; proposing coding for new law in Minnesota Statutes, chapters 119A; 134; repealing Minnesota Statutes 2000, sections 119A.13, subdivisions 1, 2, 3; 119A.14, subdivision 2; 119A.23; 124D.33; 124D.331; 125B.20, subdivision 3; Minnesota Rules, parts 3530.2610; 3530.2612; 3530.2614; 3530.2616; 3530.2618; 3530.2620; 3530.2622; 3530.2624; 3530.2626; 3530.2628; 3530.2630; 3530.2632; 3530.2634; 3530.2636; 3530.2638; 3530.2640; 3530.2642; 3530.2644.

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

ARTICLE 1

CHILDREN AND FAMILY SUPPORT PROGRAMS

Section 1. Minnesota Statutes 2000, section 119B.011, subdivision 19, is amended to read:

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