

CHAPTER 281—S.F.No. 2973

An act relating to natural resources; modifying contractual and grant agreement provisions; excepting the electronic licensing system commission from certain standing appropriations; modifying snowmobile state trail sticker requirements; modifying invasive species provisions; modifying certain state trail descriptions; designating a state trail; modifying authority to mark canoe and boating routes; modifying certain forestry duties; modifying and providing certain definitions; providing for land donor appraisal reimbursement; providing for acquisition of land for certain facilities; providing for disposition of certain receipts; modifying state park permit provisions; modifying forest services provided to private owners; granting authority to establish state forest user fees; modifying the State Timber Act; extending certain pilot programs; granting certain authority to the Lower Minnesota River Watershed District; exempting counties from certain rules; requiring reports; eliminating the requirement for a comprehensive forest resource management plan; creating two classes of all-terrain vehicles; modifying critical habitat private sector matching account provisions; providing for and modifying disposition of certain revenue; modifying provisions for designating game refuges; modifying restrictions on motorized watercraft and recreational vehicles in wildlife management areas; modifying procedure for confiscation of property; providing for inspection of equipment used to take wild animals; modifying certain penalty and fee amounts; modifying certain game and fish license provisions; modifying firearms possession provisions for persons under 16; providing for collecting antler sheds; modifying certain provisions for taking and possessing game and fish; modifying restrictions on using lights to locate animals; modifying provisions for fishing contests; modifying regulation of all-terrain vehicles and snowmobiles; requiring rulemaking; requiring a report; removing a spearing restriction; modifying certain provisions for economic development; modifying water use surcharge provisions; modifying water aeration safety provisions; amending Minnesota Statutes 2004, sections 43A.08, subdivision 1a; 80C.01, subdivision 4; 84.026; 84.085, subdivision 1; 84.0911, as amended; 84.8205, subdivision 2; 84.92, subdivision 8, by adding subdivisions; 84.928, by adding a subdivision; 84.943, subdivision 3; 84D.01, subdivisions 9a, 13, 15, 16; 84D.02, subdivision 2; 85.015, subdivisions 2, 7, 8, 11, 12, by adding a subdivision; 85.052, subdivision 4; 85.053, by adding a subdivision; 85.054, by adding a subdivision; 85.32, subdivision 1; 88.79, subdivision 1; 89.01, subdivision 1; 90.14; 90.151, subdivisions 1, 6, by adding a subdivision; 97A.015, subdivision 18, by adding subdivisions; 97A.045, subdivision 11; 97A.055, subdivision 2; 97A.065, subdivision 2; 97A.075, subdivision 1; 97A.085, subdivision 4; 97A.101, subdivision 4; 97A.221, subdivisions 3, 4; 97A.225, subdivisions 2, 5; 97A.251, subdivision 1; 97A.321; 97A.465, by adding a subdivision; 97A.475, subdivisions 2, 20; 97A.535, subdivision 1; 97B.021, by adding a subdivision; 97B.081, subdivision 1; 97B.301, subdivision 7; 97B.311; 97C.025; 97C.081, subdivisions 4, 6, 8, 9; 97C.205; 97C.315, subdivision 2; 97C.355, subdivision 7; 97C.371, subdivisions 3, 4; 103D.271, subdivision 7; 103G.611, by adding a subdivision; 103I.005, subdivision 9; 115B.48, subdivision 3; 116J.421, subdivision 3; 116L.04, subdivisions 1, 1a; 116L.12, subdivision 4; 183.02, by adding a subdivision; 216C.41, subdivision 4; 298.22, subdivisions 1, 8, by adding a subdivision; 298.2213, subdivision 4; 298.223, subdivisions 2, 3; 446A.03, subdivision 5; 446A.072, subdivision 7; 446A.12, subdivision 1; 469.312, subdivision 5; Minnesota Statutes 2005 Supplement, sections 84.8205, subdivision 1; 84.9256, subdivision

1; 84.9257; 84.926, subdivision 4; 84.928, subdivision 1; 85.015, subdivision 5; 85.053, subdivision 2; 85.055, subdivision 1; 88.17, subdivision 5; 97A.405, subdivision 4; 97A.475, subdivision 3; 97A.551, subdivision 6; 103G.271, subdivision 6; 115C.09, subdivision 3j; 216C.052, subdivisions 3, 4; 216C.41, subdivision 3; 298.296, subdivision 1; 298.298; 327.201; Laws 2003, chapter 128, article 1, section 165; Laws 2005, First Special Session chapter 1, article 3, section 17; proposing coding for new law in Minnesota Statutes, chapters 80C; 85; 89; 90; 97B; repealing Minnesota Statutes 2004, sections 89.011, subdivisions 1, 2, 3, 6; 97C.355, subdivision 6; 103D.271, subdivision 6; 103G.611, subdivision 6.

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

ARTICLE 1

NATURAL RESOURCES TECHNICAL AMENDMENTS

Section 1. Minnesota Statutes 2004, section 84.026, is amended to read:

84.026 CONTRACTS AND GRANTS FOR PROVISION OF NATURAL RESOURCES SERVICES.

Subdivision 1. **Contracts.** The commissioner of natural resources is authorized to enter into contractual ~~or grant~~ agreements with any public or private entity for the provision of statutorily prescribed natural resources services by ~~or for~~ the department. The contracts ~~or grants~~ shall specify the services to be provided and, where services are being provided for the department, the amount and method of payment after services are rendered. Funds generated in a contractual agreement made pursuant to this section shall be deposited in the special revenue fund and are appropriated to the department for purposes of providing the services specified in the contracts. ~~All contractual and grant agreements shall be processed in accordance with the provisions of section 16C.05.~~ The commissioner shall report revenues collected and expenditures made under this ~~section~~ subdivision to the chairs of the Committees on Ways and Means in the house and Finance in the senate by January 1 of each odd-numbered year.

Subd. 2. **Grants.** The commissioner is authorized to enter into grant agreements for the provision of statutorily prescribed natural resources services with any public or private entity. The grant agreements shall specify the services to be provided to the department and the amount and method of payment after services are rendered.

Subd. 3. **Procurement law.** All contractual and grant agreements under this section shall be processed according to section 16C.05.

Sec. 2. Minnesota Statutes 2004, section 84.0911, as amended by Laws 2005, First Special Session chapter 1, article 2, section 17, is amended to read:

84.0911 WILD RICE MANAGEMENT ACCOUNT.

Subdivision 1. **Account established.** The wild rice management account is established as an account in the game and fish fund.

Subd. 2. **Receipts.** Money received from the sale of wild rice licenses issued by the commissioner under section 84.091, subdivision 3, paragraph (a), clauses (1), (3), and (4), and subdivision 3, paragraph (b), ~~except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15,~~ shall be credited to the wild rice management account.

Subd. 3. **Use of money in account.** Except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, money in the wild rice management

account is annually appropriated to the commissioner and shall be used for management of designated public waters to improve natural wild rice production.

Sec. 3. Minnesota Statutes 2005 Supplement, section 84.8205, subdivision 1, is amended to read:

Subdivision 1. **Sticker required; fee.** (a) Except as provided in paragraph (b), a person may not operate a snowmobile on a state or grant-in-aid snowmobile trail unless a snowmobile state trail sticker is affixed to the snowmobile. The commissioner of natural resources shall issue a sticker upon application and payment of a \$15 fee. The fee for a three-year snowmobile state trail sticker that is purchased at the time of snowmobile registration is \$30. In addition to other penalties prescribed by law, a person in violation of this subdivision must purchase an annual state trail sticker for a fee of \$30. The sticker is valid from November 1 through April 30. Fees collected under this section, except for the issuing fee for licensing agents under this section and for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, shall be deposited in the state treasury and credited to the snowmobile trails and enforcement account in the natural resources fund and, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, must be used for grants-in-aid, trail maintenance, grooming, and easement acquisition.

(b) A state trail sticker is not required under this section for:

(1) a snowmobile owned by the state or a political subdivision of the state that is registered under section 84.82, subdivision 5;

(2) a snowmobile that is owned and used by the United States, another state, or a political subdivision thereof that is exempt from registration under section 84.82, subdivision 6;

(3) a collector snowmobile that is operated as provided in a special permit issued for the collector snowmobile under section 84.82, subdivision 7a; or

(4) a person operating a snowmobile only on the portion of a trail that is owned by the person or the person's spouse, child, or parent.

Sec. 4. Minnesota Statutes 2004, section 84.8205, subdivision 2, is amended to read:

Subd. 2. **Placement of sticker.** The state trail sticker shall be permanently affixed to either:

(1) the forward half of the snowmobile directly above or below the headlight of the snowmobile;

(2) above the expiration year on the top portion of the snowmobile registration validation decal; or

(3) the lower right corner of a registration plate issued to a dealer or manufacturer under section 84.82, subdivision 3.

Sec. 5. Minnesota Statutes 2004, section 84D.01, subdivision 9a, is amended to read:

Subd. 9a. **Invasive species.** "Invasive species" means a nonnative species that ~~can naturalize and:~~

(1) causes or may cause economic or environmental harm or harm to human health; or

(2) threatens or may threaten natural resources or the use of natural resources in the state.

Sec. 6. Minnesota Statutes 2004, section 84D.01, subdivision 13, is amended to read:

Subd. 13. **Prohibited invasive species.** "Prohibited invasive species" means ~~an invasive~~ a nonnative species that has been designated as a prohibited invasive species in a rule adopted by the commissioner under section 84D.12.

Sec. 7. Minnesota Statutes 2004, section 84D.01, subdivision 15, is amended to read:

Subd. 15. **Regulated invasive species.** "Regulated invasive species" means ~~an invasive~~ a nonnative species that has been designated as a regulated invasive species in a rule adopted by the commissioner under section 84D.12.

Sec. 8. Minnesota Statutes 2004, section 84D.01, subdivision 16, is amended to read:

Subd. 16. **Transport.** "Transport" means to cause or attempt to cause a species to be carried or moved into or within the state, and includes accepting or receiving the species for transportation or shipment. Transport does not include the ~~unintentional~~ transport of infested water or a species within a water of the state or to a connected water of the state where the species being transported is already present.

Sec. 9. Minnesota Statutes 2004, section 84D.02, subdivision 2, is amended to read:

Subd. 2. **Purple loosestrife, curly-leaf pondweed, and Eurasian water milfoil programs.** (a) The program required in subdivision 1 must include specific programs to curb the spread and manage the growth of purple loosestrife, curly-leaf pondweed, and Eurasian water milfoil. These programs must include:

(1) compiling inventories and monitoring the growth of purple loosestrife and Eurasian water milfoil in the state, for which the commissioner may use volunteers;

(2) publication and distribution of informational materials to boaters and lakeshore owners;

(3) cooperative research with the University of Minnesota and other public and private research facilities to study the use of nonchemical control methods, including biological control methods; and

(4) managing the growth of Eurasian water milfoil, curly-leaf pondweed, and purple loosestrife in coordination with appropriate local units of government, special purpose districts, and lakeshore associations, to include providing requested technical assistance.

(b) The commissioners of agriculture and transportation shall cooperate with the commissioner to establish, implement, and enforce the purple loosestrife program.

Sec. 10. Minnesota Statutes 2004, section 85.015, subdivision 2, is amended to read:

Subd. 2. **Casey Jones Trail, Murray, Redwood, and Pipestone Counties.** (a) The trail shall originate in Lake Shetek State Park in Murray County and include the six-mile loop between Currie in Murray County and Lake Shetek State Park. From there, the first half of the trail shall trail southwesterly to Slayton in Murray County; thence westerly to the point of intersection with the most easterly terminus of the state-owned abandoned railroad right-of-way, commonly known as the Casey Jones unit; thence westerly along said Casey Jones unit to Pipestone in Pipestone County; thence southwesterly to Split Rock Creek State Park in Pipestone County, and there terminate. The second half of the trail shall commence in Lake Shetek State Park in Murray County and trail northeasterly to Walnut Grove in Redwood County ~~and there terminate;~~ thence northeasterly to Redwood Falls in Redwood County to join with the Minnesota River State Trail.

(b) The trail shall be developed as a multiuse, multiseasonal, dual treadway trail. Nothing herein shall abrogate the purpose for which the Casey Jones unit was originally established, and the use thereof shall be concurrent.

Sec. 11. Minnesota Statutes 2005 Supplement, section 85.015, subdivision 5, is amended to read:

Subd. 5. **Glacial Lakes Trail, Kandiyohi, Pope, Stearns, and Douglas Counties.** (a) The trail shall originate at Kandiyohi County Park on the north shore of Green Lake in Kandiyohi County and thence

extend northwesterly to Sibley State Park, thence northwesterly to Glacial Lakes State Park in Pope County, thence northeasterly to Lake Carlos State Park in Douglas County, and there terminate.

~~(b) Trails may be established that extend the Glacial Lakes Trail system from New London to Cold Spring. A segment shall be established beginning in the city of Willmar, Kandiyohi County, and extending northeasterly into Stearns County.~~

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

Sec. 12. Minnesota Statutes 2004, section 85.015, subdivision 7, is amended to read:

Subd. 7. **Blufflands Trail system, Fillmore, Olmsted, Winona, and Houston Counties.** (a) The Root River Trail shall originate at Chatfield in Fillmore County, and thence extend easterly in the Root River Valley to the intersection of the river with Minnesota Trunk Highway No. 26 in Houston County, and extend to the Mississippi River.

(b) Additional trails may be established that extend the Blufflands Trail system to include La Crescent, Hokah, Caledonia, and Spring Grove in Houston County; Preston, Harmony, Fountain, Wykoff, Spring Valley, Mabel, Canton, and Ostrander in Fillmore County; Rochester, Dover, Eyota, Stewartville, Byron, and Chester Woods County Park in Olmsted County; and Winona, Minnesota City, Rollingstone, Altura, Lewiston, Utica, St. Charles, and Elba in Winona County. In addition to the criteria in section 86A.05, subdivision 4, these trails must utilize abandoned railroad rights-of-way where possible.

(c) The trails shall be developed primarily for nonmotorized riding and hiking.

Sec. 13. Minnesota Statutes 2004, section 85.015, subdivision 8, is amended to read:

Subd. 8. **Sakatah Singing Hills trail, Blue Earth, Le Sueur, and Rice Counties.** (a) The trail shall originate ~~at mile post 4.1 of the Chicago and Northwestern Railway Company right-of-way in the junction of Benning in Mankato, Blue Earth County, and shall extend in a northeasterly direction on or along the railroad right-of-way to mile post 46.01 of the Chicago and Northwestern Railway at a point commonly known as Faribault Junction in~~ into Rice County, a distance of approximately 42 miles, and there terminate.

(b) The trail shall be developed primarily for riding and hiking. Motorized vehicles, except snowmobiles, are prohibited from the trail.

Sec. 14. Minnesota Statutes 2004, section 85.015, subdivision 11, is amended to read:

Subd. 11. **Willard Munger Trail, Ramsey, ~~Anoka,~~ Washington, Chisago, Pine, St. Louis, and Carlton Counties.** (a) The trail shall ~~originate in the vicinity of Arden Hills, Ramsey County, and thence extend northeasterly, traversing Anoka and Washington Counties to the vicinity of Taylors Falls in Chisago County, thence northwesterly and northerly to St. Croix State Park in Pine County, thence northerly to Jay Cooke State Park in Carlton County, and there terminate.~~ consist of four segments. One segment shall be known as the "gateway segment" and shall originate at the State Capitol, then extend northerly and northeasterly to William O'Brien State Park, and then extend northerly to Taylors Falls in Chisago County. One segment shall originate in Chisago County and extend into Duluth in St. Louis County. One segment shall originate at Hinckley in Pine County and extend through Moose Lake in Carlton County to Duluth in St. Louis County. One segment shall originate in Carlton County at Carlton and extend through Wrenshall to the Minnesota-Wisconsin border.

(b) The gateway segment shall be developed primarily for hiking and nonmotorized riding, and the remaining segments of the trail shall be developed primarily for riding and hiking.

(c) Additional ~~trails~~ segments shall be established that extend the Willard Munger Trail to include Proctor, Duluth, and Hermantown in St. Louis County.

Sec. 15. Minnesota Statutes 2004, section 85.015, subdivision 12, is amended to read:

Subd. 12. **Heartland Trail, Clay, Becker, Hubbard, and Cass Counties.** (a) The trail shall originate at Moorhead in Clay County and extend in an easterly direction through Detroit Lakes in Becker County to mile post 90.92 at Park Rapids in Hubbard County ~~and shall extend; thence in an easterly direction along the Burlington Northern Railroad right-of-way through Walker in Cass County. The trail shall then continue; thence in a northerly direction along the Burlington Northern Railroad right-of-way to Cass Lake in Cass County, and there terminate.~~

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

~~(c) In addition to the authority granted in subdivision 1, lands and interests in lands for the Heartland Trail may be acquired by eminent domain. Before acquiring any land or interest in land by eminent domain the commissioner of administration shall obtain the approval of the governor. The governor shall consult with the Legislative Advisory Commission before granting approval. Recommendations of the Legislative Advisory Commission shall be advisory only. Failure or refusal of the commission to make a recommendation shall be deemed a negative recommendation.~~

Sec. 16. Minnesota Statutes 2004, section 85.015, is amended by adding a subdivision to read:

Subd. 25. **Great River Ridge Trail, Wabasha and Olmsted Counties.** The trail shall originate in the city of Plainview in Wabasha County and extend southwesterly through the city of Elgin in Wabasha County and the town of Viola in Olmsted County to the Chester Woods Trail in Olmsted County.

Sec. 17. Minnesota Statutes 2004, 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, Sauk, 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. 18. Minnesota Statutes 2005 Supplement, section 88.17, subdivision 5, is amended to read:

Subd. 5. **Permit fees.** (a) The annual fees for an electronic burning permit are:

(1) \$5 for a noncommercial burning permit; and

(2) for commercial enterprises that obtain multiple permits, \$5 per permit for each burning site, up to a maximum of \$50 per individual business enterprise per year.

(b) ~~Except for the issuing fee under paragraph (c), and for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, money received from permits issued under this section shall be deposited in the state treasury and credited to the burning permit account and, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, is annually appropriated to the commissioner of natural resources for the costs of operating the burning permit system.~~

(c) Of the fee amount collected under paragraph (a), \$1 shall be retained by the permit agent as a commission for issuing electronic permits.

(d) Fire wardens who issue written permits may charge a fee of up to \$1 for each permit issued, to be retained by the fire warden as a commission for issuing the permit. This paragraph does not limit a local government unit from charging an administrative fee for issuing open burning permits within its jurisdiction.

Sec. 19. Minnesota Statutes 2004, section 89.01, subdivision 1, is amended to read:

Subdivision 1. **Best methods.** The commissioner shall ascertain and observe the best methods of reforesting cutover and denuded lands, foresting waste ~~and prairie~~ lands, preventing destruction of forests and lands by fire, administering forests on forestry principles, encouraging private owners to preserve and grow timber for commercial purposes, and conserving the forests around the head waters of streams and on the watersheds of the state.

Sec. 20. Minnesota Statutes 2004, section 97A.015, subdivision 18, is amended to read:

Subd. 18. **Enforcement officer.** "Enforcement officer" means the commissioner, the director of the Enforcement Division, or a conservation officer, ~~or a game refuge manager~~.

Sec. 21. Minnesota Statutes 2005 Supplement, section 103G.271, subdivision 6, is amended to read:

Subd. 6. **Water use permit processing fee.** (a) Except as described in paragraphs (b) to (f), a water use permit processing fee must be prescribed by the commissioner in accordance with the schedule of fees in this subdivision for each water use permit in force at any time during the year. The schedule is as follows, with the stated fee in each clause applied to the total amount appropriated:

- (1) \$101 for amounts not exceeding 50,000,000 gallons per year;
- (2) \$3 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less than 100,000,000 gallons per year;
- (3) \$3.50 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less than 150,000,000 gallons per year;
- (4) \$4 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but less than 200,000,000 gallons per year;
- (5) \$4.50 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less than 250,000,000 gallons per year;
- (6) \$5 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but less than 300,000,000 gallons per year;
- (7) \$5.50 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less than 350,000,000 gallons per year;
- (8) \$6 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but less than 400,000,000 gallons per year;
- (9) \$6.50 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less than 450,000,000 gallons per year;
- (10) \$7 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but less than 500,000,000 gallons per year; and
- (11) \$7.50 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

(b) For once-through cooling systems, a water use processing fee must be prescribed by the commissioner in accordance with the following schedule of fees for each water use permit in force at any time during the year:

- (1) for nonprofit corporations and school districts, \$150 per 1,000,000 gallons; and
- (2) for all other users, \$300 per 1,000,000 gallons.

(c) The fee is payable based on the amount of water appropriated during the year and, except as provided in paragraph (f), the minimum fee is \$100.

(d) For water use processing fees other than once-through cooling systems:

- (1) the fee for a city of the first class may not exceed \$250,000 per year;
- (2) the fee for other entities for any permitted use may not exceed:
 - (i) \$50,000 per year for an entity holding three or fewer permits;
 - (ii) \$75,000 per year for an entity holding four or five permits;
 - (iii) \$250,000 per year for an entity holding more than five permits;
- (3) the fee for agricultural irrigation may not exceed \$750 per year;
- (4) the fee for a municipality that furnishes electric service and cogenerates steam for home heating may not exceed \$10,000 for its permit for water use related to the cogeneration of electricity and steam; and
- (5) no fee is required for a project involving the appropriation of surface water to prevent flood damage or to remove flood waters during a period of flooding, as determined by the commissioner.

(e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of two percent per month calculated from the original due date must be imposed on the unpaid balance of fees remaining 30 days after the sending of a second notice of fees due. A fee may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal governmental agency holding a water appropriation permit.

(f) The minimum water use processing fee for a permit issued for irrigation of agricultural land is \$20 for years in which:

- (1) there is no appropriation of water under the permit; or
- (2) the permit is suspended for more than seven consecutive days between May 1 and October 1.

(g) A surcharge of \$20 per million gallons in addition to the fee prescribed in paragraph (a) shall be applied to the volume of water used in each of the months of June, July, and August that exceeds the volume of water used in January for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge for municipalities with more than one permit shall be determined based on the total appropriations from all permits that supply a common distribution system.

Sec. 22. Minnesota Statutes 2004, section 103G.611, is amended by adding a subdivision to read:

Subd. 7. **Public waters without access.** A person who receives a permit to operate an aeration system on a public water without a public access and who owns all of the riparian land or all of the possessory rights to the riparian land around that water is not subject to the provisions of subdivisions 2, paragraph (b), and 3.

Sec. 23. **AGREEMENT; WABASHA COUNTY REGIONAL RAIL AUTHORITY.**

The commissioner of natural resources shall enter an agreement with the Wabasha County Regional Rail Authority to maintain and develop the Great River Ridge Trail as a state trail.

Sec. 24. **REPEALER.**

Minnesota Statutes 2004, section 103G.611, subdivision 6, is repealed.

Sec. 25. **EFFECTIVE DATE.**

Sections 16 and 23 are effective the day after the governing body of the Wabasha County Regional Rail Authority and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

ARTICLE 2
POLICY AMENDMENTS

Section 1. Minnesota Statutes 2004, section 84.92, subdivision 8, is amended to read:

Subd. 8. **All-terrain vehicle or vehicle.** "All-terrain vehicle" or "vehicle" means a motorized flotation-tired vehicle of not less than three low pressure tires, but not more than six tires, that is limited in engine displacement of less than 800 cubic centimeters and ~~total dry weight less than 900 pounds~~ includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle.

Sec. 2. Minnesota Statutes 2004, section 84.92, is amended by adding a subdivision to read:

Subd. 9. **Class 1 all-terrain vehicle.** "Class 1 all-terrain vehicle" means an all-terrain vehicle that has a total dry weight of less than 900 pounds.

Sec. 3. Minnesota Statutes 2004, section 84.92, is amended by adding a subdivision to read:

Subd. 10. **Class 2 all-terrain vehicle.** "Class 2 all-terrain vehicle" means an all-terrain vehicle that has a total dry weight of 900 to 1,500 pounds.

Sec. 4. Minnesota Statutes 2005 Supplement, 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.

(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, except as provided in paragraph ~~(e)~~ (f).

(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) To be issued an all-terrain vehicle safety certificate, a person at least 12 years old, but less than 16 years old, must:

- (1) successfully complete the safety education and training program under section 84.925, subdivision 1, including a riding component; and
- (2) be 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.

(e) A person at least 11 years of age may take the safety education and training program and may receive an all-terrain vehicle safety certificate under paragraph (d), but the certificate is not valid until the person reaches age 12.

(f) A person at least ten years of age but under 12 years of age may operate an all-terrain vehicle with an engine capacity up to 90cc on public lands or waters if accompanied by a parent or legal guardian.

(g) A person under 15 years of age shall not operate a class 2 all-terrain vehicle.

Sec. 5. Minnesota Statutes 2005 Supplement, section 84.9257, is amended to read:

84.9257 PASSENGERS.

(a) A parent or guardian may operate ~~an~~ a class 1 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.

(c) A person 18 years of age or older may operate an all-terrain vehicle carrying one passenger who is 16 or 17 years of age and wears a safety helmet approved by the commissioner of public safety.

(d) A person 18 years of age or older may operate an all-terrain vehicle carrying one passenger who is 18 years of age or older.

(e) An operator of a class 2 all-terrain vehicle may carry two passengers.

Sec. 6. Minnesota Statutes 2005 Supplement, section 84.926, subdivision 4, is amended to read:

Subd. 4. **Off-road and all-terrain vehicles; limited or managed forests; trails.** Notwithstanding section 84.777, but subject to the commissioner's authority under subdivision 5, on state forest lands classified as limited or managed, other than the Richard J. Dorer Memorial Hardwood Forest, a person may use vehicles registered under chapter 168 or section 84.798 or 84.922, including class 2 all-terrain vehicles, on forest trails that are not designated for a specific use when:

(1) hunting big game or transporting or installing hunting stands during October, November, and December, when in possession of a valid big game hunting license;

(2) retrieving big game in September, when in possession of a valid big game hunting license;

(3) tending traps during an open trapping season for protected furbearers, when in possession of a valid trapping license; or

(4) trapping minnows, when in possession of a valid minnow dealer, private fish hatchery, or aquatic farm license.

Sec. 7. Minnesota Statutes 2005 Supplement, section 84.928, subdivision 1, is amended to read:

Subdivision 1. **Operation on roads and rights-of-way; class 1 vehicles.** (a) Unless otherwise allowed in sections 84.92 to 84.929, a person shall not operate ~~an~~ a class 1 all-terrain vehicle in this state along or on the roadway, shoulder, or inside bank or slope of a public road right-of-way of a trunk, county state-aid, or county highway other than in the ditch or the outside bank or slope of a trunk, county state-aid, or county highway unless prohibited under paragraph (b).

(b) A road authority as defined under section 160.02, subdivision 25, may after a public hearing restrict the use of class 1 all-terrain vehicles in the ditch or outside bank or slope of a public road right-of-way under its jurisdiction.

(c) The restrictions in paragraphs (a), (b), (g), (h), and (i) do not apply to the operation of ~~an~~ a class 1 all-terrain vehicle on the shoulder, inside bank or slope, ditch, or outside bank or slope of a trunk, interstate, county state-aid, or county highway when the class 1 all-terrain vehicle is:

(1) owned by or operated under contract with a publicly or privately owned utility or pipeline company; and

(2) used for work on utilities or pipelines.

(d) The commissioner may limit the use of a right-of-way for a period of time if the commissioner determines that use of the right-of-way causes:

(1) degradation of vegetation on adjacent public property;

(2) siltation of waters of the state;

(3) impairment or enhancement to the act of taking game; or

(4) a threat to safety of the right-of-way users or to individuals on adjacent public property.

(e) The commissioner must notify the road authority as soon as it is known that a closure will be ordered. The notice must state the reasons and duration of the closure.

(f) A person may operate ~~an~~ a class 1 all-terrain vehicle registered for private use and used for agricultural purposes or a class 2 all-terrain vehicle on a public road right-of-way of a trunk, county state-aid, or county highway in this state if the class 1 or class 2 all-terrain vehicle is operated on the extreme right-hand side of the road, and left turns may be made from any part of the road if it is safe to do so under the prevailing conditions.

(g) A person shall not operate ~~an~~ a class 1 all-terrain vehicle within the public road right-of-way of a trunk, county state-aid, or county highway from April 1 to August 1 in the agricultural zone unless the vehicle is being used exclusively as transportation to and from work on agricultural lands. This paragraph does not apply to an agent or employee of a road authority, as defined in section 160.02, subdivision 25, or the Department of Natural Resources when performing or exercising official duties or powers.

(h) A person shall not operate ~~an~~ a class 1 all-terrain vehicle within the public road right-of-way of a trunk, county state-aid, or county highway between the hours of one-half hour after sunset to one-half hour before sunrise, except on the right-hand side of the right-of-way and in the same direction as the highway traffic on the nearest lane of the adjacent roadway.

(i) A person shall not operate ~~an~~ a class 1 all-terrain vehicle at any time within the right-of-way of an interstate highway or freeway within this state.

Sec. 8. Minnesota Statutes 2004, section 84.928, is amended by adding a subdivision to read:

Subd. 8. **Operation; class 2 vehicles.** Except as provided in section 84.926, subdivision 4, operation of class 2 all-terrain vehicles on public lands is limited to forest roads, minimum maintenance roads, and trails designated or signed for class 2 all-terrain vehicles.

Sec. 9. Minnesota Statutes 2004, section 84.943, subdivision 3, is amended to read:

Subd. 3. **Appropriations must be matched by private funds.** Appropriations transferred to the critical habitat private sector matching account and money credited to the account under section 168.1296, subdivision 5, may be expended only to the extent that they are matched equally with contributions ~~to the account~~ from private sources or by funds contributed to the nongame wildlife management account. ~~The private contributions may be made in cash or in contributions of, property, land or interests in land that are designated by the commissioner of natural resources as program acquisitions.~~ Appropriations transferred

to the account that are not matched within three years from the date of the appropriation shall cancel to the source of the appropriation. For the purposes of this section, the private contributions of property, land, or interests in land that are retained by the commissioner shall be valued in accordance with their appraised value.

Sec. 10. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 3a. **Bonus permit.** "Bonus permit" means a license to take and tag deer by archery or firearms, in addition to deer authorized to be taken under regular firearms or archery licenses.

Sec. 11. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 14a. **Deer.** "Deer" means white-tailed or mule deer.

Sec. 12. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 26b. **Intensive deer area.** "Intensive deer area" means an area of the state where taking a deer of either sex is allowed and where multiple bonus permits are authorized.

Sec. 13. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 27b. **Lottery deer area.** "Lottery deer area" means an area of the state where taking antlerless deer is allowed only by either-sex permit and where no bonus permits are authorized.

Sec. 14. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 27c. **Managed deer area.** "Managed deer area" means an area of the state where taking a deer of either sex is allowed and where one bonus permit is authorized.

Sec. 15. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 32a. **Muzzle-loader season.** "Muzzle-loader season" means the firearms deer season option open only for legal muzzle-loading firearms, as prescribed by the commissioner.

Sec. 16. Minnesota Statutes 2004, section 97A.015, is amended by adding a subdivision to read:

Subd. 41a. **Regular firearms season.** "Regular firearms season" means any of the firearms deer season options prescribed by the commissioner that begin in November, exclusive of the muzzle-loader season.

Sec. 17. Minnesota Statutes 2004, section 97A.055, subdivision 2, is amended to read:

Subd. 2. **Receipts.** The commissioner of finance shall credit to the game and fish fund all money received under the game and fish laws and all income from state lands acquired by purchase or gift for game or fish purposes, including receipts from:

- (1) licenses and permits issued;
- (2) fines and forfeited bail;
- (3) sales of contraband, wild animals, and other property under the control of the division;
- (4) fees from advanced education courses for hunters and trappers;
- (5) reimbursements of expenditures by the division;
- (6) contributions to the division; and

(7) revenue credited to the game and fish fund under section 297A.94, paragraph (e), clause (1).

Sec. 18. Minnesota Statutes 2004, section 97A.065, subdivision 2, is amended to read:

Subd. 2. **Fines and forfeited bail.** (a) Fines and forfeited bail collected from prosecutions of violations of: the game and fish laws or rules adopted thereunder; sections 84.091 to 84.15 or rules adopted thereunder; sections 84.81 to 84.91 or rules adopted thereunder; section 169A.20, when the violation involved an off-road recreational vehicle as defined in section 169A.03, subdivision 16; chapter 348; and any other law relating to wild animals or aquatic vegetation, must be paid to the treasurer of the county where the violation is prosecuted. The county treasurer shall submit one-half of the receipts to the commissioner and credit the balance to the county general revenue fund except as provided in paragraphs (b), ~~and (c), and (d)~~. In a county in a judicial district under section 480.181, subdivision 1, paragraph (b), the share that would otherwise go to the county under this paragraph must be submitted to the commissioner of finance for deposit in the state treasury and credited to the general fund.

~~(b) The commissioner may reimburse a county, from the game and fish fund, for the cost of keeping prisoners prosecuted for violations of the game and fish laws under this section if the county board, by resolution, directs: (1) the county treasurer to submit all game and fish fines and forfeited bail to the commissioner, and (2) the county auditor to certify and submit monthly itemized statements to the commissioner.~~

~~(c)~~ (b) The county treasurer shall submit one-half of the receipts collected under paragraph (a) from prosecutions of violations of sections 84.81 to 84.91 or rules adopted thereunder, and 169A.20, except receipts that are surcharges imposed under section 357.021, subdivision 6, to the commissioner and credit the balance to the county general fund. The commissioner shall credit these receipts to the snowmobile trails and enforcement account in the natural resources fund.

~~(d)~~ (c) The county treasurer shall indicate the amount of the receipts that are surcharges imposed under section 357.021, subdivision 6, and shall submit all of those receipts to the commissioner of finance.

Sec. 19. Minnesota Statutes 2004, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. **Deer, bear, and lifetime licenses.** (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (4), (5), (9), (11), (13), and (14), and 3, clauses (2), (3), and (7), and licenses issued under section 97B.301, subdivision 4.

(b) ~~At least~~ \$2 from each annual deer license and \$2 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the deer management account and shall be used for deer habitat improvement or deer management programs.

(c) ~~At least~~ \$1 from each annual deer license and each bear license and \$1 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the deer and bear management account and shall be used for deer and bear management programs, including a computerized licensing system.

(d) Fifty cents from each deer license is credited to the emergency deer feeding and wild cervidae health management account and is appropriated for emergency deer feeding and wild cervidae health management. Money appropriated for emergency deer feeding and wild cervidae health management is available until expended. When the unencumbered balance in the appropriation for emergency deer feeding and wild cervidae health management at the end of a fiscal year exceeds \$2,500,000 for the first time, \$750,000 is canceled to the unappropriated balance of the game and fish fund. The commissioner must inform the legislative chairs of the natural resources finance committees every two years on how the money for emergency deer feeding and wild cervidae health management has been spent.

Thereafter, when the unencumbered balance in the appropriation for emergency deer feeding and wild cervidae health management exceeds \$2,500,000 at the end of a fiscal year, the unencumbered balance in excess of \$2,500,000 is canceled and available for deer and bear management programs and computerized licensing.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 20. Minnesota Statutes 2004, section 97A.085, subdivision 4, is amended to read:

Subd. 4. **Establishment by petition of county residents.** The commissioner may designate as a game refuge public waters or a contiguous area described in a petition, signed by 50 or more residents of the county where the public waters or area is located. The game refuge must be a contiguous area of at least 640 acres unless it borders or includes a marsh, or other body of water or watercourse suitable for wildlife habitat. The game refuge may be designated only if the commissioner finds that protected wild animals are depleted and are in danger of extermination, or that it will best serve the public interest. If any of the land area in the proposed game refuge is privately owned and the commissioner receives a petition opposing designation of the refuge signed by the owners, lessees, or persons in possession of at least 75 percent of the private land area within the proposed game refuge, the commissioner shall not designate the private lands as a game refuge.

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

Sec. 21. Minnesota Statutes 2004, section 97A.101, subdivision 4, is amended to read:

Subd. 4. **Restrictions on airboats, watercraft, and recreational vehicles.** (a) The use of airboats is prohibited at all times on lakes designated for wildlife management purposes under this section unless otherwise authorized by the commissioner.

(b) The commissioner may restrict the use of motorized watercraft and recreational vehicles on lakes designated for wildlife management purposes by posting all public access points on the designated lake. To minimize disturbance to wildlife or to protect wildlife habitat, the commissioner may restrict the type of allowable motorized watercraft or recreational vehicle, horsepower or thrust of motor, speed of operation, and season or area of use. Designation of areas, times, and types of restrictions to be posted shall be by written order published in the State Register. Posting of the restrictions is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(c) Before the commissioner establishes perpetual restrictions under paragraph (b), public comment must be received and a public meeting must be held in the county where the largest portion of the lake is located. Notice of the meeting must be published in a news release issued by the commissioner and in a newspaper of general circulation in the area where the waters are located. The notice must be published at least once between 30 and 60 days before the public meeting and at least once between seven and 30 days before the meeting. The notices required in this paragraph must summarize the proposed action, invite public comment, and specify a deadline for the receipt of public comments. The commissioner shall mail a copy of each required notice to persons who have registered their names with the commissioner for this purpose. The commissioner shall consider any public comments received in making a final decision. This paragraph does not apply to temporary restrictions that expire within 90 days of the effective date of the restrictions.

Sec. 22. Minnesota Statutes 2004, section 97A.221, subdivision 3, is amended to read:

Subd. 3. **Procedure for confiscation of property seized.** The enforcement officer must hold the seized property. The property held may be confiscated when:

(1) the person from whom the property was seized is convicted, the conviction is not under appeal, and the time period for appeal of the conviction has expired; or

(2) the property seized is contraband consisting of a wild animal, wild rice, or other aquatic vegetation.

Sec. 23. Minnesota Statutes 2004, section 97A.221, subdivision 4, is amended to read:

Subd. 4. **Disposal of confiscated property.** Confiscated property may be disposed of or retained for use by the commissioner, or sold at the highest price obtainable as prescribed by the commissioner. Upon acquittal or dismissal of the charged violation for which the property was seized, ;

(1) all property, other than contraband consisting of a wild animal, wild rice, or other aquatic vegetation, must be returned to the person from whom the property was seized; and

(2) the commissioner shall reimburse the person for any seized or confiscated property that is sold, lost, or damaged.

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

Sec. 24. Minnesota Statutes 2004, section 97A.225, subdivision 2, is amended to read:

Subd. 2. **Procedure for confiscation of property seized.** The enforcement officer must hold the seized property, subject to the order of the court having jurisdiction where the offense was committed. The property held is confiscated when:

(1) the commissioner complies with this section and;

(2) the person from whom it was seized is convicted of the offense; and

(3) the conviction is not under appeal and the time period for appeal of the conviction has expired.

Sec. 25. Minnesota Statutes 2004, section 97A.225, subdivision 5, is amended to read:

Subd. 5. **Court order.** (a) If the person arrested is acquitted, the court shall dismiss the complaint against the property and:

(1) order it returned to the person legally entitled to it; and

(2) order the commissioner to reimburse the person for any seized or confiscated property that is sold, lost, or damaged.

(b) Upon conviction of the person, the court shall issue an order directed to any person that may have any right, title, or interest in, or lien upon, the seized property. The order must describe the property and state that it was seized and that a complaint against it has been filed. The order shall require a person claiming right, title, or interest in, or lien upon, the property to file with the court administrator an answer to the complaint, stating the claim, within ten days after the service of the order. The order shall contain a notice that if the person fails to file an answer within the time limit, the property may be ordered sold by the commissioner.

(c) The court order must be served upon any person known or believed to have any right, title, interest, or lien in the same manner as provided for service of a summons in a civil action, and upon unknown persons by publication, in the same manner as provided for publication of a summons in a civil action.

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

Sec. 26. Minnesota Statutes 2004, section 97A.251, subdivision 1, is amended to read:

Subdivision 1. **Unlawful conduct.** A person may not:

- (1) intentionally hinder, resist, or obstruct an enforcement officer, agent, or employee of the division in the performance of official duties;
- (2) refuse to submit to inspection of ~~firearms~~ equipment used to take wild animals while in the field, licenses, or wild animals; or
- (3) refuse to allow inspection of a motor vehicle, boat, or other conveyance used while taking or transporting wild animals.

Sec. 27. Minnesota Statutes 2004, section 97A.321, is amended to read:

97A.321 DOGS PURSUING OR KILLING BIG GAME.

The owner of a dog that pursues but does not kill a big game animal is subject to a civil penalty of \$100 for each violation. The owner of a dog that kills ~~or pursues~~ a big game animal ~~is guilty of a petty misdemeanor and~~ is subject to a civil penalty of ~~up to~~ \$500 for each violation.

Sec. 28. Minnesota Statutes 2005 Supplement, section 97A.405, subdivision 4, is amended to read:

Subd. 4. **Replacement licenses.** (a) The commissioner may permit licensed deer hunters to change zone, license, or season options. The commissioner may issue a replacement license if the applicant submits the original deer license and unused tags that are being replaced and the applicant pays any increase in cost between the original and the replacement license. When a person submits both an archery and a firearms license for replacement, the commissioner may apply the value of both licenses towards the replacement license fee.

(b) A replacement license may be issued only if the applicant has not used any tag from the original license and meets the conditions of paragraph (c). The original license and all unused tags for that license must be submitted to the issuing agent at the time the replacement license is issued.

(c) A replacement license may be issued under the following conditions, or as otherwise prescribed by rule of the commissioner:

- (1) when the season for the license being surrendered has not yet opened; or
- (2) when the person is upgrading from a regular firearms or archery deer license to a multizone or all season deer license ~~that is valid in multiple zones~~.

(d) Notwithstanding section 97A.411, subdivision 3, a replacement license is valid immediately upon issuance if the license being surrendered is valid at that time.

Sec. 29. Minnesota Statutes 2004, section 97A.465, is amended by adding a subdivision to read:

Subd. 6. **Special hunts for military personnel.** The commissioner may by rule establish criteria, special seasons, and limits for military personnel and veterans to take big game and small game by firearms or archery in designated areas or times. A person hunting under this subdivision must be participating in a hunt sponsored and administered by the Minnesota Department of Military Affairs or the Minnesota Department of Veterans Affairs.

Sec. 30. Minnesota Statutes 2004, section 97A.475, subdivision 2, is amended to read:

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

- (1) for persons age 18 or over and under age 65 to take small game, \$12.50;
- (2) for persons ages 16 and 17 and age 65 or over, \$6 to take small game;

- (3) to take turkey, \$18;
- (4) for persons age 18 or over to take deer with firearms, \$26;
- (5) for persons age 18 or over to take deer by archery, \$26;
- (6) to take moose, for a party of not more than six persons, \$310;
- (7) to take bear, \$38;
- (8) to take elk, for a party of not more than two persons, \$250;
- (9) multizone license to take antlered deer in more than one zone, \$52;
- (10) to take Canada geese during a special season, \$4;
- (11) all season license to take two deer throughout the state in any open deer season, except as restricted under section 97B.305, \$78;
- (12) to take prairie chickens, \$20;
- (13) for persons at least age 12 and under age 18 to take deer with firearms during the regular firearms season in any open zone or time period, \$13; and
- (14) for persons at least age 12 and under age 18 to take deer by archery, \$13.

Sec. 31. Minnesota Statutes 2005 Supplement, section 97A.475, subdivision 3, is amended to read:

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

- (1) to take small game, \$73;
- (2) to take deer with firearms, \$135;
- (3) to take deer by archery, the greater of:
 - (i) an amount equal to the total amount of license fees and surcharges charged to a Minnesota resident to take deer by archery in the person's state or province of residence; or
 - (ii) \$135;
- (4) to take bear, \$195;
- (5) to take turkey, \$73;
- (6) to take raccoon, bobcat, fox, or coyote, \$155;
- (7) multizone license to take antlered deer in more than one zone, \$270; and
- (8) to take Canada geese during a special season, \$4.

Sec. 32. Minnesota Statutes 2004, section 97A.475, subdivision 20, is amended to read:

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

- (1) for residents over age 13 and under age 18, \$6;
- (2) for residents age 18 ~~and older~~ or over and under age 65, \$20; ~~and~~
- (3) for residents age 65 or over, \$10; and
- (4) for nonresidents, \$73.

EFFECTIVE DATE. This section is effective March 1, 2007.

Sec. 33. Minnesota Statutes 2004, section 97A.535, subdivision 1, is amended to read:

Subdivision 1. **Tags required.** (a) A person may not possess or transport deer, bear, elk, or moose taken in the state unless a tag is attached to the carcass in a manner prescribed by the commissioner. The commissioner must prescribe the type of tag that has the license number of the owner, the year of its issue, and other information prescribed by the commissioner.

(b) The tag and the license must be validated at the site of the kill as prescribed by the commissioner.

(c) Except as otherwise provided in this section, the tag must be attached to the deer, bear, elk, or moose at the site of the kill before the animal is removed from the site of the kill, ~~and~~

(d) The tag must remain attached to the animal until the animal is processed for storage.

(e) A person may move a lawfully taken deer, bear, elk, or moose from the site of the kill without attaching the validated tag to the animal only while in the act of manually or mechanically dragging, carrying, or carting the animal across the ground and while possessing the validated tag on their person. A motor vehicle may be used to drag the animal across the ground. At all other times, the validated tag must be attached to the deer, bear, elk, or moose:

(1) as otherwise provided in this section; and

(2) prior to the animal being placed onto and transported on a motor vehicle, being hung from a tree or other structure or device, or being brought into a camp or yard or other place of habitation.

Sec. 34. Minnesota Statutes 2005 Supplement, section 97A.551, subdivision 6, is amended to read:

Subd. 6. **Tagging and registration.** The commissioner may, by rule, require persons taking, possessing, and transporting certain species of fish to tag the fish with a special fish management tag and may require registration of tagged fish. A person may not possess or transport a fish species taken in the state for which a special fish management tag is required unless a tag is attached to the fish in a manner prescribed by the commissioner. The commissioner shall prescribe the manner of issuance and the type of tag as authorized under section 97C.087. The tag must be attached to the fish as prescribed by the commissioner immediately upon reducing the fish to possession and must remain attached to the fish until the fish is processed or consumed. Species for which a special fish management tag is required must be transported undressed, except as otherwise prescribed by the commissioner.

Sec. 35. Minnesota Statutes 2004, section 97B.021, is amended by adding a subdivision to read:

Subd. 1a. **Parent or guardian duties.** A parent or guardian may not knowingly direct, allow, or permit a person under the age of 16 to possess a firearm in violation of this section.

Sec. 36. Minnesota Statutes 2004, section 97B.081, subdivision 1, is amended to read:

Subdivision 1. **With firearms and bows.** (a) A person may not cast the rays of a spotlight, headlight, or other artificial light on a highway, or in a field, woodland, or forest, to spot, locate, or take a wild animal, except while taking raccoons in accordance with section 97B.621, subdivision 3, or tending traps in accordance with section 97B.931, while having in possession, either individually or as one of a group of persons, a firearm, bow, or other implement that could be used to kill big game.

(b) This subdivision does not apply to a firearm that is:

(1) unloaded;

(2) in a gun case expressly made to contain a firearm that fully encloses the firearm by being zipped, snapped, buckled, tied, or otherwise fastened without any portion of the firearm exposed; and

(3) in the closed trunk of a motor vehicle.

(c) This subdivision does not apply to a bow that is:

(1) completely encased or unstrung; and

(2) in the closed trunk of a motor vehicle.

(d) If the motor vehicle under paragraph (b) or (c) does not have a trunk, the firearm or bow must be placed in the rearmost location of the vehicle.

(e) This subdivision does not apply to persons taking raccoons under section 97B.621, subdivision 3.

(f) This subdivision does not apply to a person hunting fox or coyote from January 1 to March 15 while using a hand-held artificial light, provided that the person:

(1) is on foot;

(2) is using a shotgun;

(3) is not within a public road right-of-way;

(4) is using a hand-held or electronic calling device; and

(5) is not within 200 feet of a motor vehicle.

Sec. 37. **[97B.22] COLLECTING ANTLER SHEDS.**

(a) A person may take and possess naturally shed antlers without a license.

(b) A person may not place, arrange, or set equipment in a manner that is likely to artificially pull, sever, or otherwise cause antlers of live deer, moose, elk, or caribou to be shed or removed.

Sec. 38. Minnesota Statutes 2004, section 97B.301, subdivision 7, is amended to read:

Subd. 7. **All season deer license.** (a) A resident may obtain an all season deer license. ~~This license that authorizes the resident to take one buck by firearm or archery hunt during any season statewide. In addition, a resident obtaining this license may take one antlerless deer.~~ the archery, regular firearms, and muzzle-loader seasons. The all season license is valid for taking three deer, no more than one of which may be a legal buck.

~~(1) by firearms in the regular firearms season if the resident first obtains an antlerless deer permit or if the resident takes the antlerless deer in an area where the commissioner has authorized taking a deer of either sex without an antlerless permit;~~

~~(2) by archery in the archery season, or~~

~~(3) by muzzleloader in the muzzleloader season.~~

(b) The all season deer license is valid for taking antlerless deer as follows:

(1) up to two antlerless deer may be taken during the archery or muzzle-loader seasons in any open area or during the regular firearms season in managed or intensive deer areas; and

(2) one antlerless deer may be taken during the regular firearms season in a lottery deer area, only with an either-sex permit or statutory exemption from an either-sex permit.

(c) The commissioner shall issue ~~one tag for a buck and one tag for an antlerless deer~~ three tags when issuing a license under this subdivision.

Sec. 39. Minnesota Statutes 2004, section 97B.311, is amended to read:

97B.311 DEER SEASONS AND RESTRICTIONS.

(a) The commissioner may, by rule, prescribe restrictions and designate areas where deer may be taken, including hunter selection criteria for special hunts established under section 97A.401, subdivision 4. The commissioner may, by rule, prescribe the open seasons for deer within the following periods:

- (1) taking with firearms, other than muzzle-loading firearms, between November 1 and December 15;
- (2) taking with muzzle-loading firearms between September 1 and December 31; and
- (3) taking by archery between September 1 and December 31.

(b) Notwithstanding paragraph (a), the commissioner may establish special seasons within designated areas at any time of year.

(c) Smokeless gunpowder may not be used in a muzzle-loader during the muzzle-loader season.

Sec. 40. **97B.318] ARMS USE AREAS AND RESTRICTIONS; REGULAR FIREARMS SEASON.**

Subdivision 1. **Shotgun use area.** During the regular firearms season in the shotgun use area, only legal shotguns loaded with single-slug shotgun shells, legal muzzle-loading long guns, and legal handguns may be used for taking deer. Legal shotguns include those with rifled barrels. The shotgun use area is that portion of the state lying within the following described boundary: Beginning on the west boundary of the state at U.S. Highway 10; thence along U.S. Highway 10 to State Trunk Highway (STH) 32; thence along STH 32 to STH 34; thence along STH 34 to Interstate Highway 94 (I-94); thence along I-94 to County State Aid Highway (CSAH) 40, Douglas County; thence along CSAH 40 to CSAH 82, Douglas County; thence along CSAH 82 to CSAH 22, Douglas County; thence along CSAH 22 to CSAH 6, Douglas County; thence along CSAH 6 to CSAH 14, Douglas County; thence along CSAH 14 to STH 29; thence along STH 29 to CSAH 46, Otter Tail County; thence along CSAH 46, Otter Tail County, to CSAH 22, Todd County; thence along CSAH 22 to U.S. Highway 71; thence along U.S. Highway 71 to STH 27; thence along STH 27 to the Mississippi River; thence along the east bank of the Mississippi River to STH 23; thence along STH 23 to STH 95; thence along STH 95 to U.S. Highway 8; thence along U.S. Highway 8 to the eastern boundary of the state; thence along the east, south, and west boundaries of the state to the point of beginning.

Subd. 2. **All legal firearms use area.** The all legal firearms use area is that part of the state lying outside of the shotgun use area.

Sec. 41. **97B.327] REPORT; DEER OTHER THAN WHITE-TAILED OR MULE.**

A hunter legally taking a deer that is not a white-tailed or mule deer must report the type of deer taken to the commissioner of natural resources within seven days of taking. Violation of this section shall not result in a penalty and is not subject to section 97A.301.

Sec. 42. Minnesota Statutes 2004, section 97C.025, is amended to read:

97C.025 FISHING AND MOTORBOATS RESTRICTED IN CERTAIN AREAS.

(a) The commissioner may prohibit or restrict the taking of fish or the operation of motorboats by posting waters that:

- (1) are designated as spawning beds or fish preserves;
- (2) are being used by the commissioner for fisheries research or management activities; or

(3) are licensed by the commissioner as a private fish hatchery or aquatic farm under section 17.4984, subdivision 1, or 97C.211, subdivision 1.

An area may be posted under this paragraph if necessary to prevent excessive depletion of fish or interference with fisheries research or management activities or private fish hatchery or aquatic farm operations.

(b) The commissioner will consider the following criteria in determining if waters licensed under a private fish hatchery or aquatic farm should be posted under paragraph (a):

(1) the waters contain game fish brood stock that are vital to the private fish hatchery or aquatic farm operation;

(2) game fish are present in the licensed waters only as a result of aquaculture activities by the licensee; and

(3) no public access to the waters existed when the waters were first licensed.

(c) A private fish hatchery or aquatic farm licensee may not take fish or authorize others to take fish in licensed waters that are posted under paragraph (a), except as provided in section 17.4983, subdivision 3, and except that if waters are posted to allow the taking of fish under special restrictions, licensees and others who can legally access the waters may take fish under those special restrictions.

(d) Before March 1, 2003, riparian landowners adjacent to licensed waters on April 30, 2002, and riparian landowners who own land adjacent to waters licensed after April 30, 2002, on the date the waters become licensed waters, plus their children and grandchildren, may take two daily limits of fish per month under an angling license subject to the other limits and conditions in the game and fish laws.

(e) Except as provided in paragraphs (c), (d), and (f), a person may not take fish or operate a motorboat if prohibited by posting under paragraph (a).

(f) An owner of riparian land adjacent to an area posted under paragraph (a) may operate a motorboat through the area by the shortest direct route at a speed of not more than five miles per hour.

(g) Postings for water bodies designated under paragraph (a), clause (1), or being used for fisheries research or management under paragraph (a), clause (2), are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Sec. 43. Minnesota Statutes 2004, section 97C.081, subdivision 4, is amended to read:

Subd. 4. **Restrictions.** The commissioner may by rule establish restrictions on fishing contests to protect fish and fish habitat, to restrict activities during high use periods, to restrict activities that affect research or management work, to restrict the number of boats, and for the safety of contest participants.

Sec. 44. Minnesota Statutes 2004, section 97C.081, subdivision 6, is amended to read:

Subd. 6. **Permit application process.** (a) Beginning ~~September~~ August 1 each year, the commissioner shall accept permit applications for fishing contests to be held in the following year.

(b) If the number of permit applications received by the commissioner from ~~September~~ August 1 through the last Friday in ~~October~~ September exceeds the limits specified in subdivisions 7 and 8, the commissioner shall notify the affected applicants that their requested locations and time period are subject to a drawing. After notification, the commissioner shall allow the affected applicants a minimum of seven days to change the location or time period requested on their applications, provided that the change is not to a location or time period for which applications are already at or above the limits specified in subdivisions 7 and 8.

(c) After the applicants have been given at least seven days to change their applications, the commissioner shall conduct a drawing for all locations and time periods for which applications exceed limits. First preference in the drawings shall be given to applicants for established or traditional fishing contests, and second preference to applicants for contests that are not established as traditional fishing contests based on the number of times they have been unsuccessful in previous drawings. Except for applicants of established or traditional fishing contests, an applicant who is successful in a drawing loses all accumulated preference. "Established or traditional fishing contest" means a fishing contest that was issued permits in 1999 and 2000 or was issued permits four out of five years from 1996 to 2000 for the same lake and time period. Beginning with 2001, established or traditional fishing contests must continue to be conducted at least four out of five years for the same lake and time period to remain established or traditional.

(d) The commissioner has until ~~December~~ November 7 to approve or deny permit applications that are submitted by 4:30 p.m. on the last Friday in ~~October~~ September. The commissioner may approve a permit application that is received after 4:30 p.m. on the last Friday in ~~October~~ September if approving the application would not result in exceeding the limits in subdivisions 7 and 8.

Sec. 45. Minnesota Statutes 2004, section 97C.081, subdivision 8, is amended to read:

Subd. 8. **Limits on number of fishing contests.** ~~(a)~~ The number of permitted fishing contests allowed each month on a water body shall not exceed the following limits:

(1) Lakes:

Size/acres	Maximum number of permitted fishing contests	Maximum number of large permitted fishing contests	Maximum number of permitted fishing contest days
less than 2,000	2	0	4
2,000-4,999	3	1	6
5,000-14,999	4	2	8
15,000-55,000	5	3	10
more than 55,000	no limit	no limit	no limit

~~(b)~~ For boundary ~~waters~~ water lakes, the limits on the number of permitted fishing contests shall be determined based on the Minnesota acreage.

(2) Rivers:

	<u>Maximum number of permitted fishing contests</u>	<u>Maximum number of large permitted fishing contests</u>	<u>Maximum number of permitted fishing contest days</u>
<u>Mississippi River: Pool 1, 2, 3, 5, 5A, 6, 7, 8, 9</u>	<u>4 (each pool)</u>	<u>2 (each pool)</u>	<u>8 (each pool)</u>
<u>Pool 4</u>	<u>5</u>	<u>3</u>	<u>10</u>
<u>St. Croix River</u>	<u>2</u>	<u>1</u>	<u>4</u>
<u>Lake St. Croix</u>	<u>4</u>	<u>2</u>	<u>8</u>

Contest waters identified in the permit for Mississippi River pools are limited to no more than one lockage upstream and one lockage downstream from the pool where the contest access and weigh-in is located.

Contest waters for Lake St. Croix are bounded by the U.S. Highway 10 bridge at Prescott upstream to the Arcola Bar. Contest waters for the St. Croix River are bounded by the Arcola Bar upstream to the Wisconsin state line.

For all other rivers, no more than two contest permits, not to exceed four days combined, may be issued for any continuous segment of a river per month. Of the two contests permitted, only one shall be a large permitted fishing contest. Permits issued by the commissioner shall not exceed 60 continuous river miles.

Sec. 46. Minnesota Statutes 2004, section 97C.081, subdivision 9, is amended to read:

Subd. 9. **Permit restrictions.** (a) The commissioner may require fishing contest permittees to limit pre-fishing to week days only as a condition of a fishing contest permit. The commissioner may require proof from permittees that pre-fishing restrictions on the permit are communicated to fishing contest participants and enforced.

(b) The commissioner may require permit restrictions on the hours that a permitted fishing contest is conducted, including, but not limited to, starting and ending times.

(c) The commissioner may require permit restrictions on the number of parking spaces that may be used on a state-owned public water access site. The commissioner may require proof from permittees that parking restrictions on the permit are communicated to fishing contest participants and enforced.

(d) To prevent undue ~~loss~~ mortality of released fish, the commissioner may require restrictions for off-site weigh-ins and live releases on a fishing contest permit or may deny permits requesting an off-site weigh-in or live release.

(e) A person may not transfer a fishing contest permit to another person.

(f) Failure to comply with fishing contest permit restrictions may be considered grounds for denial of future permit applications.

Sec. 47. Minnesota Statutes 2004, section 97C.205, is amended to read:

97C.205 RULES FOR TRANSPORTING AND STOCKING FISH.

(a) Except on the water body where taken, a person may not transport a live fish in a quantity of water sufficient to keep the fish alive, unless the fish:

(1) is being transported under an aquaculture license as authorized under sections 17.4985 and 17.4986;

(2) is being transported for a fishing contest weigh-in under section 97C.081;

(3) is a minnow being transported under section 97C.505 or 97C.515;

(4) is being transported by a commercial fishing license holder under section 97C.821; or

(5) is being transported as otherwise authorized in this section.

(b) The commissioner may adopt rules to allow and regulate:

(1) the transportation of fish and fish eggs from one body of water to another; and

(2) the stocking of waters with fish or fish eggs.

~~(b)~~(c) The commissioner shall prescribe rules designed to encourage local sporting organizations to propagate game fish by using rearing ponds. The rules must:

- (1) prescribe methods to acquire brood stock for the ponds by seining public waters;
- (2) allow the sporting organizations to own and use seines and other necessary equipment; and
- (3) prescribe methods for stocking the fish in public waters that give priority to the needs of the community where the fish are reared and the desires of the organization operating the rearing pond.

~~(c)~~(d) A person age 16 or under may, for purposes of display in a home aquarium, transport largemouth bass, smallmouth bass, yellow perch, rock bass, black crappie, white crappie, bluegill pumpkinseed, green sunfish, orange spotted sunfish, and black, yellow, and brown bullheads taken by angling. No more than four of each species may be transported at any one time, and any individual fish can be no longer than ten inches in total length.

Sec. 48. Minnesota Statutes 2004, section 97C.315, subdivision 2, is amended to read:

Subd. 2. **Hooks.** An angler may not have more than one hook on a line, except:

- (1) three artificial flies may be on a line used to take largemouth bass, smallmouth bass, trout, crappies, sunfish, and rock bass; ~~and~~
- (2) a single artificial bait may contain more than one hook; and
- (3) as otherwise prescribed by the commissioner.

Sec. 49. Minnesota Statutes 2004, section 97C.355, subdivision 7, is amended to read:

Subd. 7. **Dates and times houses may remain on ice.** (a) Except as provided in paragraph (d), a shelter, including a fish house or dark house, may not be on the ice between 12:00 a.m. and one hour before sunrise after the following dates:

- (1) the last day of February, for state waters south of a line starting at the Minnesota-North Dakota border and formed by rights-of-way of U.S. Route No. 10, then east along U.S. Route No. 10 to Trunk Highway No. 34, then east along Trunk Highway No. 34 to Trunk Highway No. 200, then east along Trunk Highway No. 200 to U.S. Route No. 2, then east along U.S. Route No. 2 to the Minnesota-Wisconsin border; and
- (2) March 15, for other state waters.

A shelter, including a fish house or dark house, on the ice in violation of this subdivision is subject to the enforcement provisions of paragraph (b). The commissioner may, by rule, change the dates in this paragraph for any part of state waters. Copies of the rule must be conspicuously posted on the shores of the waters as prescribed by the commissioner.

(b) A conservation officer must confiscate a fish house ~~or,~~ dark house, or shelter in violation of paragraph (a). The officer may remove, burn, or destroy the house or shelter. The officer shall seize the contents of the house or shelter and hold them for 60 days. If the seized articles have not been claimed by the owner, they may be retained for the use of the division or sold at the highest price obtainable in a manner prescribed by the commissioner.

(c) When the last day of February, under paragraph (a), clause (1), or March 15, under paragraph (a), clause (2), falls on a Saturday, a shelter, including a fish house or dark house, may be on the ice between 12:00 a.m. and one hour before sunrise until 12:00 a.m. the following Monday.

(d) A person may have a shelter, including a fish house or dark house, on the ice between 12:00 a.m. and one hour before sunrise on waters within the area prescribed in paragraph (a), clause (2), but the house or shelter may not be unattended during those hours.

Sec. 50. Minnesota Statutes 2004, section 97C.371, subdivision 3, is amended to read:

Subd. 3. **Restrictions while spearing from dark house.** A person may not take fish by angling or the use of tip-ups while spearing fish in a dark house, except that a person may take fish by angling if only one angling line is in use and any fish caught by angling is immediately released to the water or placed on the ice.

Sec. 51. Minnesota Statutes 2004, section 97C.371, subdivision 4, is amended to read:

Subd. 4. **Open season.** The open season for spearing through the ice is December 1 to the third last Sunday in February.

Sec. 52. **REQUIRED RULEMAKING; ALL-TERRAIN VEHICLE OR SNOWMOBILE USE ON PRIVATE LANDS DURING DEER SEASON.**

(a) The commissioner of natural resources shall amend Minnesota Rules, part 6232.0300, subpart 7, to permit an individual to operate an all-terrain vehicle or snowmobile on privately owned land in an area open to taking deer by firearms during the legal shooting hours of the deer season, if the individual is:

(1) the owner of the land on which the all-terrain vehicle or snowmobile is operated; or

(2) a person with the landowner's permission to operate the all-terrain vehicle or snowmobile on the land.

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), in amending the rule under paragraph (a). Minnesota Statutes, section 14.386, does not apply, except to the extent provided under Minnesota Statutes, section 14.388.

Sec. 53. **SPRING TURKEY SEASON.**

The commissioner of natural resources must amend Minnesota Rules so that the taking of turkey in the spring season ends at sunset each day. The commissioner of natural resources may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to amend rules to conform to this section. Minnesota Statutes, section 14.386, does not apply to the rulemaking under this section except to the extent provided under Minnesota Statutes, section 14.388.

Sec. 54. **PHEASANT SEASON REPORT.**

By February 1, 2007, the commissioner of natural resources shall report to the house and senate committees having jurisdiction over natural resources regarding the impact of allowing a limit of three pheasants after the first 16 days of the pheasant season.

Sec. 55. **CONFORMING CHANGES; RULES.**

The commissioner of natural resources may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to amend rules to conform to section 51. Minnesota Statutes, section 14.386, does not apply to the rulemaking under this section except to the extent provided under Minnesota Statutes, section 14.388.

Sec. 56. **RULEMAKING; SPEARING RESTRICTION.**

The commissioner of natural resources shall amend Minnesota Rules, part 6264.0400, subpart 8, by deleting item H. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt the amendment. Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388.

EFFECTIVE DATE. This section is effective July 1, 2007.

Sec. 57. **TRANSITION.**

The commissioner of natural resources shall distinguish between class 1 registration and class 2 registration for all-terrain vehicles under Minnesota Statutes, section 84.922. A class 2 all-terrain vehicle that is not registered as a class 2 all-terrain vehicle on December 12, 2006, shall be registered as a class 2 vehicle when the registration next expires or when the registrant requests a duplicate registration.

Sec. 58. **REPEALER.**

Minnesota Statutes 2004, section 97C.355, subdivision 6, is repealed.

Sec. 59. **EFFECTIVE DATE.**

Sections 1 to 3; 4, paragraph (f); and 5 to 8 are effective December 12, 2006.

ARTICLE 3

ADDITIONAL POLICY AMENDMENTS

Section 1. Minnesota Statutes 2004, section 84.085, subdivision 1, is amended to read:

Subdivision 1. **Authority.** (a) The commissioner of natural resources may accept for and on behalf of the state any gift, bequest, devise, or grants of lands or interest in lands or personal property of any kind or of money tendered to the state for any purpose pertaining to the activities of the department or any of its divisions. Any money so received is hereby appropriated and dedicated for the purpose for which it is granted. Lands and interests in lands so received may be sold or exchanged as provided in chapter 94.

(b) When the commissioner of natural resources accepts lands or interests in land, the commissioner may reimburse the donor for costs incurred to obtain an appraisal needed for tax reporting purposes. If the state pays the donor for a portion of the value of the lands or interests in lands that are donated, the reimbursement for appraisal costs shall not exceed \$1,500. If the donor receives no payment from the state for the lands or interests in lands that are donated, the reimbursement for appraisal costs shall not exceed \$5,000.

~~(b)~~ (c) The commissioner of natural resources, on behalf of the state, may accept and use grants of money or property from the United States or other grantors for conservation purposes not inconsistent with the laws of this state. Any money or property so received is hereby appropriated and dedicated for the purposes for which it is granted, and shall be expended or used solely for such purposes in accordance with the federal laws and regulations pertaining thereto, subject to applicable state laws and rules as to manner of expenditure or use providing that the commissioner may make subgrants of any money received to other agencies, units of local government, private individuals, private organizations, and private nonprofit corporations. Appropriate funds and accounts shall be maintained by the commissioner of finance to secure compliance with this section.

~~(c)~~ (d) The commissioner may accept for and on behalf of the permanent school fund a donation of lands, interest in lands, or improvements on lands. A donation so received shall become state property, be classified as school trust land as defined in section 92.025, and be managed consistent with section 127A.31.

Sec. 2. **[85.0145] ACQUISITION OF LAND FOR FACILITIES.**

The commissioner of natural resources may acquire interests in land by gift, purchase, or lease for facilities outside the boundaries of state parks, state recreation areas, or state waysides that are needed for the management of state parks, state recreation areas, or state waysides established under sections 85.012 and 85.013.

Sec. 3. Minnesota Statutes 2004, section 85.052, subdivision 4, is amended to read:

Subd. 4. **Deposit of fees.** (a) Fees paid for providing contracted products and services within a state park, state recreation area, or wayside, and for special state park uses under this section shall be deposited in the natural resources fund and credited to 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 credited to the general fund.

(c) Notwithstanding paragraph (b), the gross receipts from the sale of stockpile materials, aggregate, or other earth materials from the Iron Range Off-Highway Vehicle Recreation Area shall be deposited in the dedicated accounts in the natural resources fund from which the purchase of the stockpile material was made.

Sec. 4. Minnesota Statutes 2005 Supplement, section 85.053, subdivision 2, is amended to read:

Subd. 2. **Requirement.** Except as provided in section 85.054, a motor vehicle may not enter a state park, state recreation area, or state wayside over 50 acres in area, without a state park permit issued under this section. Except for vehicles permitted under ~~subdivision~~ subdivisions 7, paragraph (a), clause (2), and 8, the state park permit must be affixed to the lower right corner windshield of the motor vehicle and must be completely affixed by its own adhesive to the windshield, or the commissioner may, by written order, provide an alternative means to display and validate annual permits.

EFFECTIVE DATE. This section is effective January 1, 2007.

Sec. 5. Minnesota Statutes 2004, section 85.053, is amended by adding a subdivision to read:

Subd. 9. **Towed vehicles.** The commissioner shall prescribe and issue a temporary permit for a vehicle that enters a park towed by a vehicle used for camping. The temporary permit shall be issued with the camping permit and allows the towed vehicle to be driven in state parks until the camping permit expires.

EFFECTIVE DATE. This section is effective January 1, 2007.

Sec. 6. Minnesota Statutes 2004, section 85.054, is amended by adding a subdivision to read:

Subd. 12. **Soudan Underground Mine State Park.** A state park permit is not required and a fee may not be charged for motor vehicle entry or parking at the visitor parking area of Soudan Underground Mine State Park.

EFFECTIVE DATE. This section is effective January 1, 2007.

Sec. 7. Minnesota Statutes 2005 Supplement, section 85.055, subdivision 1, is amended to read:

Subdivision 1. **Fees.** The fee for state park permits for:

(1) an annual use of state parks is \$25;

- (2) a second vehicle state park permit is \$18;
- (3) a state park permit valid for one day is ~~\$7~~ \$5;
- (4) a daily vehicle state park permit for groups is ~~\$5~~ \$3;
- (5) an annual permit for motorcycles is \$20;
- (6) an employee's state park permit is without charge; and
- ~~(6)~~ (7) a state park permit for ~~handicapped~~ disabled persons under section 85.053, subdivision 7, clauses (1) and (2), is \$12.

The fees specified in this subdivision include any sales tax required by state law.

EFFECTIVE DATE. This section is effective January 1, 2007.

Sec. 8. Minnesota Statutes 2004, section 88.79, subdivision 1, is amended to read:

Subdivision 1. **Employment of competent foresters; service to private owners.** The commissioner of natural resources may employ competent foresters to furnish owners of forest lands within the state of Minnesota ~~owning respectively not exceeding who own not more than 1,000 acres of such~~ forest land, forest management services consisting of:

(1) advice in management and protection of timber, including written stewardship and forest management plans;

(2) selection and marking of timber to be cut;

(3) measurement of products;

(4) aid in marketing harvested products;

(5) provision of tree-planting equipment; and

(6) such other services as the commissioner of natural resources deems necessary or advisable to promote maximum sustained yield of timber upon such forest lands.

Sec. 9. **[89.22] USES OF STATE FOREST LANDS; FEES.**

Subdivision 1. **Establishing fees.** Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish fees providing for the use of state forest lands, including motorcycle, snowmobile, and sports car rallies, races, or enduros; orienteering trials; group campouts that do not occur at designated group camps; dog sled races; dog trials; large horse trail rides; and commercial uses. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Subd. 2. **Receipts to natural resources fund.** Fees collected under subdivision 1 shall be credited to a forest land use account in the natural resources fund.

Sec. 10. Minnesota Statutes 2004, section 90.14, is amended to read:

90.14 AUCTION SALE PROCEDURE.

(a) All state timber shall be offered and sold by the same unit of measurement as it was appraised. ~~The sale shall be made to the person who (1) bids the highest price for all the several kinds of timber as advertised, or (2) if unsold at public auction, to the person who purchases at any subsequent sale authorized under section 90.101, subdivision 1. No tract shall be sold to any person other than the purchaser in whose~~

name the bid was made. The commissioner may refuse to approve any and all bids received and cancel a sale of state timber for good and sufficient reasons.

(b) The purchaser at any sale of timber shall, immediately upon the approval of the bid, or, if unsold at public auction, at the time of purchase at a subsequent sale under section 90.101, subdivision 1, pay to the commissioner a down payment of 15 percent of the appraised value. In case any purchaser fails to make such payment, the purchaser shall be liable therefor to the state in a civil action, and the commissioner may reoffer the timber for sale as though no bid or sale under section 90.101, subdivision 1, therefor had been made.

(c) In lieu of the scaling of state timber required by this chapter, a purchaser of state timber may, at the time of payment by the purchaser to the commissioner of 15 percent of the appraised value, elect in writing on a form prescribed by the attorney general to purchase a permit based solely on the appraiser's estimate of the volume of timber described in the permit, provided that the commissioner has expressly designated the availability of such option for that tract on the list of tracts available for sale as required under section 90.101. A purchaser who elects in writing on a form prescribed by the attorney general to purchase a permit based solely on the appraiser's estimate of the volume of timber described on the permit does not have recourse to the provisions of section 90.281.

(d) In the case of a public auction sale conducted by a sealed bid process, tracts shall be awarded to the high bidder, who shall pay to the commissioner a down payment of 15 percent of the appraised value within ten business days of receiving a written award notice. If a purchaser fails to make the down payment, the purchaser is liable for the down payment to the state and the commissioner may offer the timber for sale to the next highest bidder as though no higher bid had been made.

(e) Except as otherwise provided by law, at the time the purchaser signs a permit issued under section 90.151, the purchaser shall make a bid guarantee payment to the commissioner in an amount equal to 15 percent of the total purchase price of the permit less the down payment amount required by paragraph (b). If the bid guarantee payment is not submitted with the signed permit, no harvesting may occur, the permit cancels, and the down payment for timber forfeits to the state. The bid guarantee payment forfeits to the state if the purchaser and successors in interest fail to execute an effective permit.

Sec. 11. **[90.145] PURCHASER QUALIFICATIONS AND REGISTRATION.**

Subdivision 1. **Purchaser qualifications.** (a) In addition to any other requirements imposed by this chapter, the purchaser of a state timber permit issued under section 90.151 must meet the requirements in paragraphs (b) to (d).

(b) The purchaser and the purchaser's agents, employees, subcontractors, and assigns must comply with general industry safety standards for logging adopted by the commissioner of labor and industry under chapter 182. The commissioner of natural resources shall require a purchaser to provide proof of compliance with the general industry safety standards.

(c) The purchaser and the purchaser's agents, subcontractors, and assigns must comply with the mandatory insurance requirements of chapter 176. The commissioner shall require a purchaser to provide a copy of the proof of insurance required by section 176.130 before the start of harvesting operations on any permit.

(d) Before the start of harvesting operations on any permit, the purchaser must certify that a foreperson or other designated employee who has a current certificate of completion from the Minnesota logger education program (MLEP), the Wisconsin Forest Industry Safety and Training Alliance (FISTA), or any similar program acceptable to the commissioner, is supervising active logging operations.

Subd. 2. Purchaser preregistration. To facilitate the sale of permits issued under section 90.151, the commissioner may establish a purchaser preregistration system. Any system implemented by the commissioner shall be limited in scope to only that information that is required for the efficient administration of the purchaser qualification provisions of this chapter and shall conform with the requirements of chapter 13.

Sec. 12. Minnesota Statutes 2004, section 90.151, subdivision 1, is amended to read:

Subdivision 1. **Issuance; expiration.** (a) Following receipt of the down payment for state timber required under section 90.14 or 90.191, the commissioner shall issue a numbered permit to the purchaser, in a form approved by the attorney general, by the terms of which the purchaser shall be authorized to enter upon the land, and to cut and remove the timber therein described as designated for cutting in the report of the state appraiser, according to the provisions of this chapter. The permit shall be correctly dated and executed by the commissioner and signed by the purchaser. If a permit is not signed by the purchaser within 60 days from the date of purchase, the permit cancels and the down payment for timber required under section 90.14 forfeits to the state.

(b) The permit shall expire no later than five years after the date of sale as the commissioner shall specify or as specified under section 90.191, and the timber shall be cut within the time specified therein. All cut timber, equipment, and buildings not removed from the land within 90 days after expiration of the permit shall become the property of the state.

(c) The commissioner may grant an additional period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of such request by the permit holder for good and sufficient reasons. The commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of a request by the permit holder for hardship reasons only.

~~(d) No permit shall be issued to any person other than the purchaser in whose name the bid was made.~~

Sec. 13. Minnesota Statutes 2004, section 90.151, subdivision 6, is amended to read:

Subd. 6. **Notice and approval required.** The permit shall provide that the permit holder shall not start cutting any state timber nor clear building sites nor logging roads until the commissioner has been notified and has given prior approval to such cutting operations. Approval shall not be granted until the permit holder has completed a presale conference with the state appraiser designated to supervise the cutting. The permit holder shall also give prior notice whenever permit operations are to be temporarily halted, whenever permit operations are to be resumed, and when permit operations are to be completed.

Sec. 14. Minnesota Statutes 2004, section 90.151, is amended by adding a subdivision to read:

Subd. 15. **Liquidated damages.** The permit may include a schedule of liquidated damage charges for breach of permit terms by the permit holder. The damage charges shall be limited to amounts that are reasonable in light of the anticipated or actual harm caused by the breach, the difficulties of proof of loss, and the inconvenience or nonfeasibility of otherwise obtaining an adequate remedy.

Sec. 15. Minnesota Statutes 2004, section 103D.271, subdivision 7, is amended to read:

Subd. 7. **Termination hearing order.** When the board determines a termination petition has been filed that meets the requirements of subdivisions 4 and 5 ~~and the petitioners' bond has been filed~~, the board must, by order, set a time by 35 days after its determination and a location within the watershed district for a termination hearing.

Sec. 16. Minnesota Statutes 2004, section 103I.005, subdivision 9, is amended to read:

Subd. 9. **Exploratory boring.** "Exploratory boring" means a surface drilling done to explore or prospect for oil, natural gas, apatite, diamonds, graphite, gemstones, kaolin clay, and metallic minerals, including iron, copper, zinc, lead, gold, silver, titanium, vanadium, nickel, cadmium, molybdenum, chromium, manganese, cobalt, zirconium, beryllium, thorium, uranium, aluminum, platinum, palladium, radium, tantalum, tin, and niobium, and a drilling or boring for petroleum.

Sec. 17. Laws 2003, chapter 128, article 1, section 165, is amended to read:

Sec. 165. ISTS PILOT PROGRAM.

The Pollution Control Agency shall, in conjunction with the association of Minnesota counties, designate three cooperating counties with waterbodies listed as impaired by fecal coliform bacteria, and within designated counties shall:

(1) by July 1, ~~2007~~ 2008, complete an inventory of properties with individual sewage treatment systems that are an imminent threat to public health or safety due to surface water discharges of untreated sewage, and the inventory of properties may be phased over the period of the pilot project; and

(2) require compliance under the applicable requirements of this section by May 1, ~~2008~~ 2009. The pollution control agency may utilize cooperative agreements with the three pilot counties to meet the requirements of clauses (1) and (2).

Sec. 18. LOWER MINNESOTA RIVER WATERSHED DISTRICT; AUTHORITY TO ACQUIRE, MAINTAIN, OPERATE, IMPROVE, AND ENLARGE DREDGE MATERIAL SITE.

Subdivision 1. Definitions. The definitions in this subdivision apply to this section:

(1) "district" means the Lower Minnesota River Watershed District, a district established under Minnesota Statutes, chapter 103D;

(2) "governing body" means the managers of the district as defined in Minnesota Statutes, section 103D.011, subdivision 15; and

(3) "dredge material site" means a site at which public agencies or private customers may deposit material from dredging activities conducted on the Minnesota River.

Subd. 2. Authorization; authority to own and operate. The district may own and operate a dredge material site for its own needs, the needs of other public agencies, the needs of private customers, or any combination of these. The district may acquire, construct, and install all facilities needed for that purpose and may lease, purchase, or acquire by exercise of the power of eminent domain any existing properties so needed. The district may sell the dredge material to any person or entity. If the governing body determines that the dredge material has no value, the district may convey the dredge material for no consideration to any person or entity. The district may hire all personnel the governing body deems necessary and may make all necessary rules and regulations for the operation and maintenance of the dredge material site.

Subd. 3. Charges; net revenues. (a) To pay for the acquisition, maintenance, operation, improvement, and enlargement of the dredge material site and to obtain and comply with permits required by law for the dredge material site, the governing body may impose charges for permitting private customers to deposit dredge material at the dredge material site and make contracts for the charges as provided in this section.

(b) The amount of the charges imposed shall be established at the discretion of the governing body. In determining the amount of the charges to be imposed, the governing body may give consideration to all costs of the operation and maintenance of the dredge material site, the costs of depreciation and replacement of structures and equipment, the costs of improvements and enlargements, the cost of reimbursing the district for special assessment revenues expended for the benefit of persons or entities not subject to special

assessment levies by the district, the amount of the principal and interest to become due on obligations issued or to be issued, the costs of obtaining and complying with permits required by law, the price charged for similar services by other providers of dredge material sites in similar markets, and all other factors the governing body deems relevant.

(c) At its discretion, the governing body may impose a surcharge on private customers using the dredge material site in addition to the charges allowed under paragraph (a). The surcharge shall be for the purpose of paying for the removal of dredge material from the dredging site if the governing body determines it necessary. If the governing body later determines that there is no need to pay for the removal of the dredge material from the dredge material site, the governing body shall rebate all surcharges paid by private customers.

Sec. 19. **APPLICATION OF STORM WATER RULES TO COUNTIES.**

Until the Pollution Control Agency storm water rules are amended, the provisions of Minnesota Rules, part 7090.1010, subpart 1, item B, subitems (2) and (3), only, shall not apply to counties.

Sec. 20. **REPEALER.**

Minnesota Statutes 2004, sections 89.011, subdivisions 1, 2, 3, and 6; and 103D.271, subdivision 6, are repealed.

ARTICLE 4
ECONOMIC DEVELOPMENT

Section 1. Minnesota Statutes 2004, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the Departments of Administration; Agriculture; Commerce; Corrections; Education; Employee Relations; Employment and Economic Development; Explore Minnesota Tourism; Finance; Health; Human Rights; Labor and Industry; Natural Resources; Public Safety; Human Services; Revenue; Transportation; and Veterans Affairs; the Housing Finance and Pollution Control Agencies; the State Lottery; the state Board of Investment; the Office of Administrative Hearings; the Office of Environmental Assistance; the Offices of the Attorney General, Secretary of State, and State Auditor; the Minnesota State Colleges and Universities; the Higher Education Services Office; the Perpich Center for Arts Education; and the Minnesota Zoological Board.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(1) the designation of the position would not be contrary to other law relating specifically to that agency;

(2) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(3) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(4) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(5) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with, the governor and the agency head, the employing statutory board or commission, or the employing constitutional officer;

(6) the position would be at the level of division or bureau director or assistant to the agency head; and

(7) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

Sec. 2. Minnesota Statutes 2004, section 80C.01, subdivision 4, is amended to read:

Subd. 4. **Franchise.** (a) "Franchise" means (1) a contract or agreement, either express or implied, whether oral or written, for a definite or indefinite period, between two or more persons:

(i) by which a franchisee is granted the right to engage in the business of offering or distributing goods or services using the franchisor's trade name, trademark, service mark, logotype, advertising, or other commercial symbol or related characteristics;

(ii) in which the franchisor and franchisee have a community of interest in the marketing of goods or services at wholesale, retail, by lease, agreement, or otherwise; and

(iii) for which the franchisee pays, directly or indirectly, a franchise fee; or

(2) a contract, lease, or other agreement, either express or implied, whether oral or written, for a definite or indefinite period, between two or more persons, whereby the franchisee is authorized, permitted, or granted the right to market motor vehicle fuel at retail under the franchisor's trade name, trademark, service mark, logotype, or other commercial symbol or related characteristics owned or controlled by the franchisor; or

(3) the sale or lease of any products, equipment, chattels, supplies, or services to the purchaser, other than the sale of sales demonstration equipment, materials or samples for a total price of \$500 or less to any one person, for the purpose of enabling the purchaser to start a business and in which the seller:

(i) represents that the seller, lessor, or an affiliate thereof will provide locations or assist the purchaser in finding locations for the use or operation of vending machines, racks, display cases, or similar devices, or currency operated amusement machines or devices, on premises neither owned or leased by the purchaser or seller; or

(ii) represents that the seller will purchase any or all products made, produced, fabricated, grown, bred, or modified by the purchaser using, in whole or in part, the supplies, services, or chattels sold to the purchaser; or

(iii) guarantees that the purchaser will derive income from the business which exceeds the price paid to the seller; or

(4) an oral or written contract or agreement, either expressed or implied, for a definite or indefinite period, between two or more persons, under which a manufacturer, selling security systems through dealers or distributors in this state, requires regular payments from the distributor or dealer as royalties or residuals for products purchased and paid for by the dealer or distributor.

(b) "Franchise" does not include any business which is operated under a lease or license on the premises of the lessor or licensor as long as such business is incidental to the business conducted by the lessor or licensor on such premises, including, without limitation, leased departments, licensed departments, and concessions.

(c) "Franchise" does not include any contract, lease or other agreement whereby the franchisee is required to pay less than \$100 on an annual basis, except those franchises identified in paragraph (a), clause (2).

(d) "Franchise" does not include a contract, lease or other agreement between a new motor vehicle manufacturer, distributor, or factory branch and a franchisee whereby the franchisee is granted the right to market automobiles, motorcycles, trucks, truck-tractors, or self-propelled motor homes or campers if the foregoing are designed primarily for the transportation of persons or property on public highways.

(e) "Franchise" does not include a contract, lease, or other agreement or arrangement between two or more air carriers, or between one or more air carriers and one or more foreign air carriers. The terms "air carrier" and "foreign air carrier" shall have the meanings assigned to them by the Federal Aviation Act, United States Code Appendix, title 49, sections 1301(3) and 1301(22), respectively.

(f) For purposes of paragraph (a), clause (2), "franchise" does not include the marketing of motor vehicle fuel in circumstances where all the following are present:

(1) the franchisor or an affiliate of the franchisor is not a refiner of motor vehicle fuel, diesel fuel, or gasoline;

(2) the franchisor's trade name, trademark, service mark, logotype, or other commercial symbol or related characteristics is not used to identify the marketing premises generally, but only the gasoline dispensers, canopy, and gasoline price signage, provided, however, this circumstance is not changed by a voluntary decision by the retailer to identify the buildings on the premises in the manner selected by the retailer;

(3) the franchisor does not impose any requirements or franchise fee on nonmotor vehicle fuel products or sales, provided this circumstance is not changed by a voluntary decision by the retailer to purchase nonmotor vehicle fuel products from the franchisor or an affiliate of the franchisor; and

(4) the facility is not leased from the franchisor or affiliate of the franchisor.

~~(f)~~(g) For purposes of this chapter, a person who sells motor vehicle fuel at wholesale who does not own or control, or is not an affiliate of a person who owns or controls, the trademark, trade name, service mark, logotype, or other commercial symbol or related characteristics under which the motor vehicle fuel is sold at retail, is not a franchisor or a franchisee, and is not considered to be part of a franchise relationship.

Sec. 3. **[80C.144] EXEMPT MOTOR FUEL FRANCHISES; ALTERNATIVE COMPLIANCE.**

A motor fuel franchise exempt from regulation under this chapter pursuant to section 80C.01, subdivision 4, paragraph (f), is subject to regulation under chapter 80F.

Sec. 4. Minnesota Statutes 2005 Supplement, section 115C.09, subdivision 3j, is amended to read:

Subd. 3j. **Retail locations and transport vehicles.** (a) As used in this subdivision, "retail location" means a facility located in the metropolitan area as defined in section 473.121, subdivision 2, where gasoline is offered for sale to the general public for use in automobiles and trucks. "Transport vehicle" means a liquid fuel cargo tank used to deliver gasoline into underground storage tanks during 2002 ~~and~~ or 2003 at a retail location.

(b) Notwithstanding any other provision in this chapter, and any rules adopted under this chapter, the board shall reimburse 90 percent of an applicant's cost for retrofits of retail locations and transport vehicles completed between January 1, 2001, and ~~January~~ September 1, 2006, to comply with section 116.49, subdivisions 3 and 4, provided that the board determines the costs were incurred and reasonable. The reimbursement may not exceed \$3,000 per retail location and \$3,000 per transport vehicle.

EFFECTIVE DATE. This section is effective retroactively from August 1, 2003.

Sec. 5. Minnesota Statutes 2004, section 116J.421, subdivision 3, is amended to read:

Subd. 3. **Duties.** The center shall:

- (1) research and identify present and emerging social and economic issues for rural Minnesota, including health care, transportation, crime, housing, and job training;
- (2) forge alliances and partnerships with rural communities to find practical solutions to economic and social problems;
- (3) provide a resource center for rural communities on issues of importance to them;
- (4) encourage collaboration across higher education institutions to provide interdisciplinary team approaches to problem solving with rural communities; ~~and~~
- (5) involve students in center projects; and
- (6) submit to the legislature a report on the "State of Rural Minnesota" no later than March 1 in each odd-numbered year.

Sec. 6. Minnesota Statutes 2004, section 116L.04, subdivision 1, is amended to read:

Subdivision 1. **Partnership program.** (a) The partnership program may provide grants-in-aid to educational or other nonprofit educational institutions using the following guidelines:

- (1) the educational or other nonprofit educational institution is a provider of training within the state in either the public or private sector;
 - (2) the program involves skills training that is an area of employment need; and
 - (3) preference will be given to educational or other nonprofit training institutions which serve economically disadvantaged people, minorities, or those who are victims of economic dislocation and to businesses located in rural areas.
- (b) A single grant to any one institution shall not exceed \$400,000. ~~Up to 25 percent~~ A portion of a grant may be used for preemployment training.

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

Sec. 7. Minnesota Statutes 2004, section 116L.04, subdivision 1a, is amended to read:

Subd. 1a. **Pathways program.** The pathways program may provide grants-in-aid for developing programs which assist in the transition of persons from welfare to work and assist individuals at or below 200 percent of the federal poverty guidelines. The program is to be operated by the board. The board shall consult and coordinate with program administrators at the Department of Employment and Economic Development to design and provide services for temporary assistance for needy families recipients.

Pathways grants-in-aid may be awarded to educational or other nonprofit training institutions for education and training programs and services supporting education and training programs that serve eligible recipients.

Preference shall be given to projects that:

- (1) provide employment with benefits paid to employees;
- (2) provide employment where there are defined career paths for trainees;

(3) pilot the development of an educational pathway that can be used on a continuing basis for transitioning persons from welfare to work; and

(4) demonstrate the active participation of Department of Employment and Economic Development workforce centers, Minnesota State College and University institutions and other educational institutions, and local welfare agencies.

Pathways projects must demonstrate the active involvement and financial commitment of private business. Pathways projects must be matched with cash or in-kind contributions on at least a one-to-one ratio by participating private business.

A single grant to any one institution shall not exceed \$400,000. ~~Up to 25 percent of~~ A portion of a grant may be used for preemployment training.

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

Sec. 8. Minnesota Statutes 2004, section 116L.12, subdivision 4, is amended to read:

Subd. 4. **Grants.** Within the limits of available appropriations, the board shall make grants not to exceed \$400,000 each to qualifying consortia to operate local, regional, or statewide training and retention programs. Grants may be made from TANF funds, general fund appropriations, and any other funding sources available to the board, provided the requirements of those funding sources are satisfied. ~~Up to 25 percent~~ A portion of a grant may be used for preemployment training. Grant awards must establish specific, measurable outcomes and timelines for achieving those outcomes.

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

Sec. 9. Minnesota Statutes 2004, section 183.02, is amended by adding a subdivision to read:

Subd. 4. **Inland waters.** "Inland waters" means navigable bodies of water within the boundaries of this state, excluding boundary lakes and boundary rivers.

Sec. 10. Minnesota Statutes 2005 Supplement, section 216C.052, subdivision 3, is amended to read:

Subd. 3. **Assessment and appropriation.** In addition to the amount noted in subdivision 2, the commission may assess utilities, using the mechanism specified in that subdivision, up to an additional \$500,000 annually through June 30, ~~2006~~ 2008. The amounts assessed under this subdivision are appropriated to the commission, and some or all of the amounts assessed may be transferred to the commissioner of administration, for the purposes specified in section 16B.325 and Laws 2001, chapter 212, article 1, section 3, as needed to implement those sections.

Sec. 11. Minnesota Statutes 2005 Supplement, section 216C.052, subdivision 4, is amended to read:

Subd. 4. **Expiration.** ~~This section expires~~ Subdivisions 1 and 2 expire June 30, 2007. Subdivision 3 expires June 30, 2008.

Sec. 12. Minnesota Statutes 2005 Supplement, section 216C.41, subdivision 3, is amended to read:

Subd. 3. **Eligibility window.** Payments may be made under this section only for electricity generated:

(1) from a qualified hydroelectric facility that is operational and generating electricity before December 31, ~~2007~~ 2009;

(2) from a qualified wind energy conversion facility that is operational and generating electricity before January 1, ~~2007~~ 2008; or

(3) from a qualified on-farm biogas recovery facility from July 1, 2001, through December 31, 2017.

Sec. 13. Minnesota Statutes 2004, section 216C.41, subdivision 4, is amended to read:

Subd. 4. **Payment period.** (a) A facility may receive payments under this section for a ten-year period. No payment under this section may be made for electricity generated:

(1) by a qualified hydroelectric facility after December 31, ~~2017~~ 2019;

(2) by a qualified wind energy conversion facility after December 31, ~~2017~~ 2018; or

(3) by a qualified on-farm biogas recovery facility after December 31, 2015.

(b) The payment period begins and runs consecutively from the date the facility begins generating electricity or, in the case of refurbishment of a hydropower facility, after substantial repairs to the hydropower facility dam funded by the incentive payments are initiated.

Sec. 14. Minnesota Statutes 2004, section 298.22, subdivision 1, is amended to read:

Subdivision 1. **The office of the commissioner of Iron Range resources and rehabilitation.** (1) The office of the commissioner of Iron Range resources and rehabilitation is created as an agency in the executive branch of state government. The governor shall appoint the commissioner of Iron Range resources and rehabilitation under section 15.06.

(2) The commissioner may hold other positions or appointments that are not incompatible with duties as commissioner of Iron Range resources and rehabilitation. The commissioner may appoint a deputy commissioner. All expenses of the commissioner, including the payment of ~~such staff and other~~ assistance as may be necessary, must be paid out of the amounts appropriated by section 298.28 or otherwise made available by law to the commissioner.

(3) When the commissioner determines that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use of natural resources in the future and any resulting decrease in employment, the commissioner may use whatever amounts of the appropriation made to the commissioner of revenue in section 298.28 that are determined to be necessary and proper in the development of the remaining resources of the county and in the vocational training and rehabilitation of its residents, except that the amount needed to cover cost overruns awarded to a contractor by an arbitrator in relation to a contract awarded by the commissioner or in effect after July 1, 1985, is appropriated from the general fund. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

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

Sec. 15. Minnesota Statutes 2004, section 298.22, subdivision 8, is amended to read:

Subd. 8. **Spending priority.** In making or approving any expenditures on programs or projects, the commissioner and the board shall give the highest priority to programs and projects that target relief to those areas of the taconite assistance area as defined in section 273.1341, that have the largest percentages of job losses and population losses directly attributable to the economic downturn in the taconite industry since the 1980s. The commissioner and the board shall compare the 1980 population and employment figures with the 2000 population and employment figures, and shall specifically consider the job losses in 2000 and 2001 resulting from the closure of LTV Steel Mining Company, in making or approving expenditures consistent with this subdivision, as well as the areas of residence of persons who suffered job loss for which relief is to be targeted under this subdivision. The commissioner may lease, for a term not exceeding 50 years and upon the terms determined by the commissioner and approved by the board, surface and mineral interests owned or acquired by the state of Minnesota acting by and through the office of the commissioner

of Iron Range resources and rehabilitation within those portions of the taconite assistance area affected by the closure of the LTV Steel Mining Company facility near Hoyt Lakes. The payments and royalties from these leases must be deposited into the fund established in section 298.292. This subdivision supersedes any other conflicting provisions of law and does not preclude the commissioner and the board from making expenditures for programs and projects in other areas.

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

Sec. 16. Minnesota Statutes 2004, section 298.22, is amended by adding a subdivision to read:

Subd. 11. **Budgeting.** The commissioner of Iron Range resources and rehabilitation shall annually prepare a budget for operational expenditures, programs, and projects, and submit it to the Iron Range Resources and Rehabilitation Board and the governor for approval. After the budget is approved by the board and the governor, the commissioner may spend money in accordance with the approved budget.

Sec. 17. Minnesota Statutes 2004, section 298.2213, subdivision 4, is amended to read:

Subd. 4. **Project approval.** The board and commissioner shall by August 1 each year prepare a list of projects to be funded from the money appropriated in this section with necessary supporting information including descriptions of the projects, plans, and cost estimates. A project must not be approved by the board unless it finds that:

(1) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;

(2) the prospective benefits of the expenditure exceed the anticipated costs; and

(3) in the case of assistance to private enterprise, the project will serve a sound business purpose.

~~To be proposed by the board, a~~ Each project must be approved by a majority of the Iron Range Resources and Rehabilitation Board members and the commissioner of Iron Range resources and rehabilitation. The list of projects must be submitted to the governor, who shall, by November 15 of each year, approve, disapprove, or return for further consideration, each project. The money for a project may be spent only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time.

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

Sec. 18. Minnesota Statutes 2004, section 298.223, subdivision 2, is amended to read:

Subd. 2. **Administration.** The taconite area environmental protection fund shall be administered by the commissioner of the Iron Range Resources and Rehabilitation Board. The commissioner shall by September 1 of each year submit to the board a list of projects to be funded from the taconite area environmental protection fund, with such supporting information including description of the projects, plans, and cost estimates as may be necessary. Upon approval by a majority of the members of the Iron Range Resources and Rehabilitation Board, this list shall be submitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each project. Funds for a project may be expended only upon approval of the project by the board and governor. The commissioner may submit supplemental projects to the board and governor for approval at any time.

Sec. 19. Minnesota Statutes 2004, section 298.223, subdivision 3, is amended to read:

Subd. 3. **Appropriation.** There is ~~hereby~~ annually appropriated to the commissioner of Iron Range resources and rehabilitation ~~such taconite area environmental protection funds as are~~ necessary to carry out ~~the approved projects approved and programs and such the funds as are~~ necessary for administration of this section. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the amount annually expended from the fund.

Funds for the purposes of this section are provided by section 298.28, subdivision 11, relating to the taconite area environmental protection fund.

Sec. 20. Minnesota Statutes 2005 Supplement, section 298.296, subdivision 1, is amended to read:

Subdivision 1. **Project approval.** The board and commissioner shall by August 1 of each year prepare a list of projects to be funded from the Douglas J. Johnson economic protection trust with necessary supporting information including description of the projects, plans, and cost estimates. These projects shall be consistent with the priorities established in section 298.292 and shall not be approved by the board unless it finds that:

- (a) the project will materially assist, directly or indirectly, the creation of additional long-term employment opportunities;
- (b) the prospective benefits of the expenditure exceed the anticipated costs; and
- (c) in the case of assistance to private enterprise, the project will serve a sound business purpose.

~~To be proposed by the board, a~~ Each project must be approved by at least eight Iron Range Resources and Rehabilitation Board members and the commissioner of Iron Range resources and rehabilitation. The list of projects shall be submitted to the governor, who shall, by November 15 of each year, approve or disapprove, or return for further consideration, each project. The money for a project may be expended only upon approval of the project by the governor. The board may submit supplemental projects for approval at any time.

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

Sec. 21. Minnesota Statutes 2005 Supplement, section 298.298, is amended to read:

298.298 LONG-RANGE PLAN.

Consistent with the policy established in sections 298.291 to 298.298, the Iron Range Resources and Rehabilitation Board shall prepare and present to the governor and the legislature by ~~January 1, 1984~~ December 31, 2006, a long-range plan for the use of the Douglas J. Johnson economic protection trust fund for the economic development and diversification of the taconite assistance area defined in section 273.1341. ~~The Iron Range Resources and Rehabilitation Board shall, before November 15 of each even numbered year, prepare a report to the governor and legislature updating and revising this long-range plan and reporting on the Iron Range Resources and Rehabilitation Board's progress on those matters assigned to it by law. After January 1, 1984,~~ No project shall be approved by the Iron Range Resources and Rehabilitation Board which is not consistent with the goals and objectives established in the long-range plan.

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

Sec. 22. Minnesota Statutes 2005 Supplement, section 327.201, is amended to read:

327.201 STATE FAIR CAMPING AREA.

Notwithstanding sections 327.14 to 327.28 or any rule adopted by the commissioner of health, the State Agricultural Society must operate and maintain a camping area on the State Fairgrounds during the

State Fair and the Minnesota Street Rod Association's Back to the 50's event, subject to the following conditions:

(1) recreational camping vehicles and tents, including their attachments, must be separated from each other and from other structures by at least seven feet;

(2) a minimum area of 300 square feet per site must be provided and the total number of sites must not exceed one site for every 300 square feet of usable land area; and

(3) each site must face a driveway at least 16 feet in width and each driveway must have unobstructed access to a public roadway.

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

Sec. 23. Minnesota Statutes 2004, section 446A.03, subdivision 5, is amended to read:

Subd. 5. **Executive director.** The commissioner shall employ, with the concurrence of the authority, an executive director in the unclassified service. The director shall perform duties that the authority may require in carrying out its responsibilities.

Sec. 24. Minnesota Statutes 2004, section 446A.072, subdivision 7, is amended to read:

Subd. 7. **Loan repayments.** Notwithstanding the limitations set forth in section 475.54, subdivision 1, this subdivision shall govern the maturities and mandatory sinking fund redemptions of the loans under this section. A municipality receiving a loan under this section shall repay the loan in semiannual payment amounts determined by the authority. The payment amount must be based on the average payments on the municipality's water pollution control revolving fund loan or, if greater, the minimum amount required to fully repay the loan by the maturity date. Payments must begin within one year of the date of the municipality's final payment on the water pollution control revolving fund loan. The final maturity date of the loan under this section must be no later than 20 years from the date of the first payment on the loan under this section and no later than 40 years from the date of the first payment on the water pollution control revolving fund loan.

Sec. 25. Minnesota Statutes 2004, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. **Bonding authority.** The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed ~~\$1,250,000,000~~ \$1,500,000,000, excluding bonds for which refunding bonds or crossover refunding bonds have been issued.

Sec. 26. Minnesota Statutes 2004, section 469.312, subdivision 5, is amended to read:

Subd. 5. **Duration limit.** (a) The maximum duration of a zone is 12 years. The applicant may request a shorter duration. The commissioner may specify a shorter duration, regardless of the requested duration.

(b) The duration limit under this subdivision and the duration of the zone for purposes of allowance of tax incentives described in section 469.315 is extended by three calendar years for each parcel of property that meets the following requirements:

(1) the qualified business operates an ethanol plant, as defined in section 41A.09, on the site that includes the parcel; and

(2) the business subsidy agreement was executed after April 30, 2006.

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

Sec. 27. Laws 2005, First Special Session chapter 1, article 3, section 17, is amended to read:

Sec. 17. **FUND TRANSFER.**

By June 30, 2007, ~~the commissioner of the Pollution Control Agency shall transfer \$4,000,000 is appropriated~~ from the metropolitan landfill contingency action trust account within the remediation fund to the commissioner of finance for transfer to the renewable development account, under Minnesota Statutes, section 116C.779. This is a onetime ~~transfer from the metropolitan landfill contingency action trust account to the renewable development account appropriation.~~ It is the intent of the legislature to restore these funds to the metropolitan landfill contingency action trust account as revenues become available in the future to ensure the state meets future financial obligations under Minnesota Statutes, section 473.845. The funds provided for in this ~~transfer appropriation~~ may only be used to make the incentive payments for wind energy conversion systems authorized under Minnesota Statutes, section 116C.779, subdivision 2.

ARTICLE 5

MISCELLANEOUS

Section 1. Minnesota Statutes 2004, section 97A.045, subdivision 11, is amended to read:

Subd. 11. **Power to prevent or control wildlife disease.** (a) If the commissioner determines that action is necessary to prevent or control a wildlife disease, the commissioner may prevent or control wildlife disease in a species of wild animal in addition to the protection provided by the game and fish laws by further limiting, closing, expanding, or opening seasons or areas of the state; by reducing or increasing limits in areas of the state; by establishing disease management zones; by authorizing free licenses; by allowing shooting from motor vehicles by persons designated by the commissioner; by issuing replacement licenses for sick animals; by requiring sample collection from hunter-harvested animals; by limiting wild animal possession, transportation, and disposition; and by restricting wildlife feeding.

(b) The commissioner shall restrict wildlife feeding within a 15-mile radius of a cattle herd that is infected with bovine tuberculosis.

(c) The commissioner may prevent or control wildlife disease in a species of wild animal in the state by emergency rule adopted under section 84.027, subdivision 13.

Sec. 2. Minnesota Statutes 2004, section 115B.48, subdivision 3, is amended to read:

Subd. 3. **Dry cleaning facility.** "Dry cleaning facility" means a facility located in this state that is or has been used for a dry cleaning operation, other than:

- (1) a coin-operated dry cleaning operation;
- (2) a facility located on a United States military base;
- (3) a uniform service or linen supply facility;
- (4) a prison or other penal institution;
- (5) a facility on the national priorities list established under the federal Superfund Act; or

(6) a facility at which a response action has been taken or started ~~under section 115B.17~~ before July 1, 1995, except as authorized in a settlement agreement approved by the commissioner by July 1, 1997.

Sec. 3. **CONSUMPTIVE USE OF WATER.**

Pursuant to Minnesota Statutes, section 103G.265, subdivision 3, the legislature approves the consumptive use of water under a permit of more than 2,000,000 gallons per day average in a 30-day period in Itasca County, in connection with an innovative energy project facility, subject to the commissioner of natural resources making a determination that the water remaining in the basin of origin will be adequate to meet the basin's need for water and approval by the commissioner of natural resources of all applicable permits.

Presented to the governor May 22, 2006

Signed by the governor June 1, 2006, 9:55 p.m.