CHAPTER 256--H.F.No. 1926

An act relating to natural resources; appropriating money from outdoor heritage fund; modifying restoration evaluation requirements; modifying provisions for acquiring real property with money from outdoor heritage fund; modifying previous parks and trails fund appropriation; amending Minnesota Statutes 2012, section 97A.056, subdivisions 1, 10, 13.

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

ARTICLE 1

OUTDOOR HERITAGE FUND

Section 1. OUTDOOR HERITAGE APPROPRIATION.

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2014" and "2015" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2014, or June 30, 2015, respectively. "The first year" is fiscal year 2014. "The second year" is fiscal year 2015. "The biennium" is fiscal years 2014 and 2015. The appropriations in this act are onetime.

> **APPROPRIATIONS** Available for the Year **Ending June 30** 2014 2015

Sec. 2. OUTDOOR HERITAGE FUND

Subdivision 1. Total Appropriation	<u>\$</u>	<u>-0-</u> <u>\$</u>	109,320,000
This appropriation is from the outdoor heritage fund.			
The amounts that may be spent for each purpose are			

specified in the following subdivisions.

Subd. 2. Prairies -0-37,435,000

(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase VI

\$8,145,000 in the second year is to the commissioner of natural resources to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Of this amount, \$4,250,000 is for the Vermillion River Wildlife Management Area addition in Dakota

County. Money appropriated in this paragraph may not be used to acquire any portion of the Vermillion River Wildlife Management Area Addition that is or will be subject to the removal of gravel or other mining activities. Any funds not spent on the Vermillion River Wildlife Management Area addition must be used for acquisition of land in the sevencounty metropolitan area. Lands acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. Subject to the evaluation criteria under Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land and permanent conservation easement acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Acquisition - Phase VI

\$10,350,000 in the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Lands acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. Subject to the evaluation criteria under Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project - Phase V

\$3,940,000 in the second year is to the commissioner of natural resources for a contract with The Nature Conservancy to acquire native prairie, wetlands, and savanna and restore and enhance grasslands, wetlands, and savanna. A list of proposed land acquisitions must be provided as part of the required ac-

complishment plan and must be consistent with the priorities identified in the Minnesota Prairie Conservation Plan. Lands acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. Subject to the evaluation criteria under Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days following the close of The Nature Conservancy's fiscal year.

(d) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition - Phase V

\$2,450,000 in the second year is to the commissioner of natural resources for a contract with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Lands acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. Subject to the evaluation criteria under Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Accelerated Protection of Grassland and Prairie Habitat with Reinvest in Minnesota and Native Prairie Bank Easements

\$3,000,000 in the second year is to the commissioner of natural resources and \$2,450,000 in the second

year is to the Board of Water and Soil Resources to implement the Minnesota Prairie Conservation Plan through acquisition of permanent conservation easements to protect native prairie and grasslands. Of these amounts, up to \$112,000 to the Department of Natural Resources and up to \$65,000 to the Board of Water and Soil Resources are for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17, Lands with easements acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. Subject to the evaluation criteria under Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(f) Minnesota Buffers for Wildlife and Water - Phase IV

\$2,200,000 in the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements to protect and enhance habitat by expanding the clean water fund riparian buffer program for at least equal wildlife benefits from buffers on private land. Up to \$112,500 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Lands with easements acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of permanent conservation easements must be provided as part of the final report.

(g) Cannon River Headwaters Habitat Complex - Phase IV

\$1,430,000 in the second year is to the commissioner of natural resources for an agreement with

The Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Lands acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. Subject to the evaluation criteria under Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VI

\$1,530,000 in the second year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairie communities in wildlife management areas, scientific and natural areas, aquatic management areas, state forest land, and land under native prairie bank easements. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(i) Anoka Sandplain Habitat Restoration and Enhancement - Phase III

\$1,190,000 in the second year is to the commissioner of natural resources for agreements to restore and enhance wildlife habitat on public lands in Anoka, Benton, Isanti, Morrison, Sherburne, and Stearns Counties as follows: \$155,000 is to Anoka Conservation District; \$79,000 is to Isanti County Parks Department; \$901,000 is to Great River Greening; and \$55,000 is to Stearns County Soil and Water Conservation District. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(j) Crow-Hassan Prairie Complex Restoration and Enhancement

\$370,000 in the second year is to the commissioner of natural resources for an agreement with Three Rivers Park District to restore and enhance prairie habitat

within the Crow-Hassan Park Reserve. A restoration and enhancement plan and a list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) Prairie and Oak Savanna Restoration along Mississippi and Rum Rivers

\$380,000 in the second year is to the commissioner of natural resources for an agreement with Anoka County to restore and enhance riparian and upland habitat in the Rum River Central Regional Park/Cedar Creek Conservation Area complex and in the Mississippi West Regional Park. A restoration and enhancement plan and a list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

Subd. 3. **Forests** -0- 16,100,000

(a) Preventing Forest Fragmentation and Protecting and Restoring Lake and Stream Habitat in St. Louis River

\$2,800,000 in the second year is to the commissioner of natural resources for a contract with the Fond du Lac Band of Lake Superior Chippewa to acquire lands in fee in the St. Louis River watershed to be managed for fish and wildlife purposes. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Northeastern Minnesota Sharp-Tailed Grouse Habitat Program - Phase V

\$3,150,000 in the second year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Sharp-Tailed Grouse Society to acquire and enhance lands in Aitkin, Carlton, Kanabec, Pine, and St. Louis Counties for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Lands acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Protecting Pineland Sands Aquifer Forest Lands

\$1,050,000 in the second year is to the commissioner of natural resources to acquire forest lands in Cass, Hubbard, and Wadena Counties for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8; to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5; or to acquire land in fee for state forests under Minnesota Statutes, section 86A.05, subdivision 7. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Protecting Key Forest Lands in Cass County - Phase V

\$880,000 in the second year is to the commissioner of natural resources for a contract with Cass County to acquire land in fee in Cass County for forest wildlife habitat or to prevent forest fragmentation. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(e) State Forest Acquisitions - Phase II

\$950,000 in the second year is to the commissioner of natural resources to acquire lands in fee and permanent management easements, including for habitat purposes, in the Richard J. Dorer State Forest under Minnesota Statutes, section 86A.05, subdivision 7. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Southeast Minnesota Protection and Restoration - Phase II

\$5,770,000 in the second year is to the commissioner of natural resources for agreements to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8; to acquire land in fee for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; to acquire land in fee for state forest purposes under Minnesota Statutes, section 86A.05, subdivision 7; for permanent conservation easements; and to restore and enhance habitat on publicly protected lands as follows: \$4,800,000 to The Nature

Conservancy; and \$970,000 to Minnesota Land Trust, of which up to \$160,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed acquisitions, permanent conservation easements, and restorations and enhancements must be provided as part of the required accomplishment plan.

(g) Camp Ripley Partnership - Phase IV

\$1,200,000 in the second year is to the Board of Water and Soil Resources in cooperation with the Morrison County Soil and Water Conservation District to acquire permanent conservation easements within the boundaries of the Minnesota National Guard Compatible Use Buffer to protect forest wildlife habitat. Up to \$45,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) Floodplain Forest Enhancement on Mississippi River

\$300,000 is to the commissioner of natural resources for an agreement with National Audubon Society to enhance floodplain forest habitat for wildlife on public lands along the Mississippi River. A list of restorations and enhancements must be provided as part of the required accomplishment plan.

<u>Subd. 4. Wetlands</u> <u>-0-</u> <u>24,010,000</u>

(a) Reinvest in Minnesota Wetlands Partnership - Phase VI

\$9,710,000 in the second year is to the Board of Soil and Water Resources to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United

States Department of Agriculture and Ducks Unlimited, including \$645,000 for an agreement with Ducks Unlimited to provide technical and bioengineering assistance. Up to \$190,000 to the Board of Water and Soil Resources is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report. The appropriations in Laws 2012, chapter 264, article 1, section 2, subdivision 4, paragraph (a), and Laws 2013, chapter 137, article 1, section 2, subdivision 4, paragraph (a), may be used for the purposes of this appropriation.

(b) Accelerating Waterfowl Production Area Acquisition - Phase VI

\$7,280,000 in the second year is to the commissioner of natural resources for a contract with Pheasants Forever to acquire land in fee to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Living Shallow Lakes and Wetland Initiative - Phase IV

\$4,910,000 in the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to assess, enhance, and restore shallow lakes and wetlands, including bioengineering, technical assistance, feasibility investigation, survey, and design to develop new enhancement and restoration projects for future implementation. A list of proposed enhancements and restorations to be constructed through this appropriation must be provided as part of the required accomplishment plan.

(d) Wild Rice Shoreland Protection Program - Phase III

\$198,000 in the second year is to the commissioner of natural resources for acquisition of land in fee and \$862,000 is to the Board of Water and Soil Resources to acquire permanent conservation easements on wild rice lake shoreland habitat for native wild rice bed pro-

tection. Of this amount, up to \$70,000 to the Board of Water and Soil Resources is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed fee land acquisitions must be included as part of the required accomplishment plan by the Department of Natural Resources and a list of permanent conservation easements must be provided as part of the final report by the Board of Water and Soil Resources.

(e) Accelerated Shallow Lakes and Wetlands Enhancement - Phase VI

\$1,050,000 in the second year is to the commissioner of natural resources to enhance and restore shallow lakes statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

<u>Subd. 5. **Habitats**</u> <u>-0-</u> <u>30,890,000</u>

(a) DNR Aquatic Habitat - Phase VI

\$2,560,000 in the second year is to the commissioner of natural resources to acquire interests in land in fee for aquatic management purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, and to restore and enhance aquatic habitat. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(b) Fisheries Habitat Protection on Strategic North Central Minnesota Lakes

\$2,130,000 in the second year is to the commissioner of natural resources for agreements with the Leech Lake Area Watershed Foundation and Minnesota Land Trust to acquire land in fee and permanent conservation easements to sustain healthy fish habitat on lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties as follows: \$1,150,300 to Leech Lake Area Watershed Foundation; and \$979,700 to Minnesota Land Trust, of which up to \$120,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed

land acquisitions must be provided as part of the required accomplishment plan.

(c) Habitat Protection in Dakota County - Phase V

\$1,190,000 in the second year is to the commissioner of natural resources for a contract with Dakota County to acquire permanent conservation easements and land in fee and to restore and enhance habitats in rivers and lake watersheds in Dakota County. Up to \$15,000 to Dakota County is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed land acquisitions and restorations and enhancements must be provided as part of the required accomplishment plan.

(d) Metro Big Rivers - Phase V

\$2,650,000 in the second year is to the commissioner of natural resources for agreements to acquire land in fee and permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$600,000 to Minnesota Valley National Wildlife Refuge Trust, Inc.; \$160,000 to Friends of the Mississippi River; \$400,000 to Great River Greening; \$590,000 to Minnesota Land Trust, of which up to \$77,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17; and \$900,000 to The Trust for Public Land. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed land acquisitions and permanent conservation easements must be provided as part of the required accomplishment plan.

(e) Mustinka River Fish and Wildlife Habitat Corridor Rehabilitation

\$2,440,000 in the second year is to the commissioner of natural resources for an agreement with the Bois de Sioux Watershed District to acquire land in fee and to restore natural systems associated with the Mustinka River located within the Bois de Sioux Watershed. Lands acquired with this appropriation may not be used for emergency haying and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase VI

\$1,900,000 in the second year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance habitat for trout and other species in and along coldwater rivers and streams in Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(g) St. Louis River Restoration Initiative - Phase II

\$2,290,000 in the second year is to the commissioner of natural resources to restore habitat in the lower St. Louis River estuary. Of this appropriation, up to \$500,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations must be provided as part of the required accomplishment plan.

(h) Knife River Habitat Rehabilitation - Phase II

\$1,410,000 in the second year is to the commissioner of natural resources for an agreement with the Lake Superior Steelhead Association to enhance trout habitat in the Knife River watershed. A list of proposed enhancements must be provided as part of the required accomplishment plan.

(i) Restoration and Enhancement of Washington County Public Lands

\$430,000 in the second year is to the commissioner of natural resources for an agreement with Washington County to restore and enhance habitat on

public lands in Washington County. A restoration and enhancement plan and a list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(j) Wirth Park Enhancements

\$600,000 in the second year is to the commissioner of natural resources for an agreement with the Minneapolis Park Board to enhance riparian and upland habitat within Wirth Park in Hennepin County. A restoration and enhancement plan and a list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) Evaluate Effectiveness of Aquatic Invasive Species Prevention Strategies

\$4,040,000 in the second year is to the commissioner of natural resources for an agreement with the Central Minnesota Initiative Fund to develop a series of pilot projects to enhance aquatic habitat by preventing the spread of aquatic invasive species, including pilot projects conducting education and outreach, inspection and decontamination, enforcement, and other activities. All pilot projects must be conducted on a reimbursement basis and require a match of nonoutdoor heritage fund dollars. A required evaluation of results must be funded with nonoutdoor heritage fund dollars. The required evaluation must evaluate the efficacy of inspection and decontamination activities utilized in any of the pilot projects in preventing the spread of aquatic invasive species. A list of pilot projects must be included in the required final report. This appropriation is available until June 30, 2019. The accomplishment plan must accelerate the start of the pilot project.

(l) Albert Lea Lake Management and Invasive Species Control Structure - Supplement

\$700,000 in the second year is added to the appropriation contained in Laws 2013, chapter 137, article 1, section 2, subdivision 5, paragraph (h), to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to construct structural deterrents and lake level controls.

(m) Conservation Partners Legacy Grant Program - Phase VI

\$4,550,000 in the second year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of this appropriation, \$460,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority shall be given to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes,

section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2018. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

(n) Conservation Partners Legacy Metro Grant Program

\$4,000,000 in the second year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in the seven-county metropolitan area and cities with a population of 50,000 or greater. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from the appropriation in this paragraph for projects that have a total project cost exceeding \$575,000. Of this appropriation, \$70,000 may be spent for direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. Lands acquired or lands with easements acquired with this appropriation may not be used for emergency having and grazing in response to federal or state disaster declarations. Conservation grazing under a management plan that is already being implemented may continue. The program shall require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota

Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. If acquiring land or a conservation easement, priority shall be given to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2018. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the game and fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. Administration

(a) Contract Management

\$150,000 in the second year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner shall provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council on the expenditure of this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended prior to Lessard-Sams Outdoor Heritage Council approval of the accomplishment plan.

(b) Legislative Coordinating Commission

-0- 885,000

\$570,000 in the second year is to the Legislative Coordinating Commission for administrative expenses of the Lessard-Sams Outdoor Heritage Council and for compensation and expense reimbursement of council members. This appropriation is available until June 30, 2015. Minnesota Statutes, section 16A.281, applies to this appropriation.

(c) Technical Evaluation Panel

\$100,000 in the second year is to the commissioner of natural resources for a technical evaluation panel to conduct up to ten restoration evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

(d) High Priority Pre-Transaction Service Acceleration for Lessard-Sams Outdoor Heritage Council

\$50,000 in the second year is to the commissioner of natural resources to provide land acquisition pretransaction services including but not limited to appraisals, surveys, or title research for acquisition proposals under consideration by the Lessard-Sams Outdoor Heritage Council. A list of activities must be included in the final accomplishment plan.

(e) Legacy Web Site

\$15,000 in the second year is to the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Subd. 7. Availability of Appropriation

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise provided, the amounts in this section are available until June 30, 2017. For acquisition of real property, the amounts in this section are available until June 30, 2018, if a binding agreement with a landowner or purchase agreement is entered into by June 30, 2017, and closed no later than June 30, 2018. Funds for restoration or enhancement

are available until June 30, 2019, or five years after acquisition, whichever is later, in order to complete initial restoration or enhancement work. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding. Funds appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public use facilities must have a minimal impact on habitat in acquired lands.

Subd. 8. Payment Conditions and Capital Equipment Expenditures

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2014, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 9. Mapping

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded

pursuant to this section, must provide geographic information to the Department of Natural Resources for mapping of any lands acquired in fee with funds appropriated in this section and open to public taking of fish and game. The commissioner of natural resources shall include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps shall include information on and acknowledgement of the outdoor heritage fund, including a notation of any restrictions.

Subd. 10. Pollinators

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section that conducts a prairie restoration using funds appropriated in this section, must include an appropriate diversity of native species selected to provide habitat for pollinators throughout the growing season as required under Minnesota Statutes, section 84.973.

Sec. 3. Minnesota Statutes 2012, section 97A.056, subdivision 1, is amended to read:

Subdivision 1. **Outdoor heritage fund.** An outdoor heritage fund, under article XI, section 15, of the Minnesota Constitution, is established as an account in the state treasury. All money earned by the outdoor heritage fund must be credited to the fund. At least 99 percent of the money appropriated from the fund must be expended to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife. Money appropriated from the outdoor heritage fund shall not be spent to acquire property by eminent domain unless the owner requests that the owner's property be acquired by eminent domain.

EFFECTIVE DATE. This section is effective July 1, 2014, and applies to eminent domain actions started after that date.

Sec. 4. Minnesota Statutes 2012, section 97A.056, subdivision 10, is amended to read:

Subd. 10. **Restoration evaluations.** The commissioner of natural resources and the Board of Water and Soil Resources may convene a technical evaluation panel comprised of five members, including one technical representative from the Board of Water and Soil Resources, one technical representative from the Department of Natural Resources, one technical expert from the University of Minnesota or the Minnesota State Colleges and Universities, and two representatives with expertise in the project being evaluated. The board and the commissioner may add a technical representative from a unit of federal or local government. The members of the technical evaluation panel may not be associated with the restoration, may vary depending upon the projects being reviewed, and shall avoid any potential conflicts of interest. Each year, the board and the commissioner may assign a coordinator to identify a sample of up to ten habitat restoration projects completed with outdoor heritage funding. The coordinator shall secure the restoration plans for the projects specified and direct the technical evaluation panel to evaluate the restorations relative to the law, current science, and the stated goals and standards in the restoration plan and, when applicable, to the Board of Water and Soil Resources' native vegetation establishment and enhancement guidelines. The coordinator

shall summarize the findings of the panel and provide a report to the chair of the Lessard-Sams Outdoor Heritage Council and the chairs of the respective house of representatives and senate policy and finance committees with jurisdiction over natural resources and spending from the outdoor heritage fund. The report shall determine if the restorations are meeting planned goals, any problems with the implementation of restorations, and, if necessary, recommendations on improving restorations. The report shall be focused on improving future restorations. Up to At least one-tenth of one percent of forecasted receipts from the outdoor heritage fund may must be used for restoration evaluations under this section.

- Sec. 5. Minnesota Statutes 2012, section 97A.056, subdivision 13, is amended to read:
- Subd. 13. **Project requirements.** (a) As a condition of accepting money appropriated from the outdoor heritage fund, an agency or entity receiving money from an appropriation must comply with this subdivision for any project funded in whole or in part with funds from the appropriation.
 - (b) All conservation easements acquired with money appropriated from the outdoor heritage fund must:
 - (1) be permanent;
 - (2) specify the parties to the easement;
 - (3) specify all of the provisions of an agreement that are permanent;
 - (4) specify the habitat types and location being protected;
- (5) where appropriate for conservation or water protection outcomes, require the grantor to employ practices retaining water on the eased land as long as practicable;
- (6) specify the responsibilities of the parties for habitat enhancement and restoration and the associated costs of these activities;
 - (7) be sent to the office of the Lessard-Sams Outdoor Heritage Council;
- (8) include a long-term stewardship plan and identify the sources and amount of funding for monitoring and enforcing the easement agreement; and
 - (9) identify the parties responsible for monitoring and enforcing the easement agreement.
- (c) For all restorations, a recipient must prepare and retain an ecological restoration and management plan that, to the degree practicable, is consistent with current conservation science and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success and durability of the restoration. The plan must include the proposed timetable for implementing the restoration, including, but not limited to, site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and use current conservation science to achieve the best restoration.
- (d) For new lands acquired, a recipient must prepare a restoration and management plan in compliance with paragraph (c), including identification of sufficient funding for implementation.
- (e) To ensure public accountability for the use of public funds, a recipient must provide to the Lessard-Sams Outdoor Heritage Council documentation of the process used to select parcels acquired in fee or

as permanent conservation easements and must provide the council with documentation of all related transaction costs, including, but not limited to, appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient must also report to the Lessard-Sams Outdoor Heritage Council any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted. The commissioner of natural resources may conduct or require additional appraisals of parcels to be acquired in fee title or as conservation easements. Acquisition data such as appraisals may remain private during negotiations but must ultimately be made public according to chapter 13.

- (f) Except as otherwise provided in the appropriation, all restoration and enhancement projects funded with money appropriated from the outdoor heritage fund must be on land permanently protected by a conservation easement or public ownership or in public waters as defined in section 103G.005, subdivision 15.
- (g) To the extent an appropriation is used to acquire an interest in real property, a recipient of an appropriation from the outdoor heritage fund must provide to the Lessard-Sams Outdoor Heritage Council and the commissioner of management and budget an analysis of increased operation and maintenance costs likely to be incurred by public entities as a result of the acquisition and of how the costs are to be paid.
- (h) A recipient of money appropriated from the outdoor heritage fund must give consideration to and make timely written contact with Conservation Corps Minnesota for possible use of the corps' services to contract for restoration and enhancement services. A copy of the written contact must be filed with the Lessard-Sams Outdoor Heritage Council within 15 days of execution.
- (i) A recipient of money appropriated from the outdoor heritage fund must erect signage according to Laws 2009, chapter 172, article 5, section 10.

ARTICLE 2

PARKS AND TRAILS FUND

Section 1. CARVER COUNTY PARKS AND TRAILS GRANT MODIFICATION.

The fiscal year 2015 appropriation from the parks and trails fund to the Metropolitan Council for grants to Carver County contained in Laws 2013, chapter 137, article 3, section 4, paragraph (d), may be used for a park programmer position, roads, parking lots, and paving construction at Lake Minnewashta Regional Park.

Presented to the governor May 13, 2014

Signed by the governor May 16, 2014, 10:08 a.m.