

## CHAPTER 116--H.F.No. 3911

*An act relating to state government; appropriating money for environment and natural resources; modifying prior appropriations; modifying and establishing duties, authorities, and prohibitions regarding environment and natural resources; modifying and creating environment and natural resources programs; modifying disposition of certain state revenue and state property; modifying remedies, penalties, and enforcement; providing for boat wrap product stewardship; providing for recovery of certain state and county costs; prohibiting certain mercury-containing lighting; establishing and modifying grant programs; providing for coordinated environmental review; modifying snowmobile requirements; modifying use of state lands; providing for tree planting; providing for gas and oil exploration and production leases and permits on state-owned land; modifying state park provisions; providing for sales, conveyances, and leases of certain state lands; modifying forestry provisions; modifying game and fish laws; modifying Water Law; establishing Packaging Waste and Cost Reduction Act; providing for domestic hog control; modifying fur farm provisions; creating accounts; modifying and providing for fees; creating task force; providing criminal penalties; requiring studies and reports; requiring rulemaking; amending Minnesota Statutes 2022, sections 13.7931, by adding a subdivision; 16A.125, subdivision 5; 84.027, subdivision 12; 84.033, subdivision 3; 84.0895, subdivisions 1, 8; 84.788, subdivisions 5a, 6; 84.871; 84B.061, as amended; 85.015, subdivision 1b; 88.82; 89.36, subdivision 1; 89.37, subdivision 3; 93.0015, subdivision 3; 93.222; 93.25, subdivisions 1, 2; 94.343, subdivision 8a; 94.3495, by adding a subdivision; 97A.015, by adding a subdivision; 97A.105; 97A.341, subdivisions 1, as amended, 2, 3; 97A.345; 97A.425, subdivision 4, by adding a subdivision; 97A.475, subdivisions 2, 3; 97A.505, subdivision 8; 97A.512; 97A.56, subdivision 2, by adding a subdivision; 97B.022, subdivisions 2, 3; 97B.667, subdivision 3; 97C.001, subdivision 2; 97C.005, subdivision 2; 97C.395, as amended; 97C.411; 103B.101, subdivisions 12, 12a, by adding a subdivision; 103F.211, subdivision 1; 103F.48, subdivision 7; 103G.005, subdivision 15; 103G.201; 103G.315, subdivision 15; 115.071, subdivisions 1, 3, 4, by adding a subdivision; 115.073; 115A.02; 115A.03, by adding a subdivision; 115A.5502; 115B.421; 116.07, subdivision 9, by adding subdivisions; 116.072, subdivisions 2, 5; 116.11; 116.92, by adding a subdivision; 116D.02, subdivision 2; 473.845, by adding a subdivision; Minnesota Statutes 2023 Supplement, sections 17.457, as amended; 97B.071; 103B.104; 103G.301, subdivision 2; 115.03, subdivision 1; 116P.09, subdivision 6; 116P.18; 297A.94; Laws 2023, chapter 60, article 1, section 3, subdivisions 3, 10; article 3, section 35; article 4, section 109; article 8, section 6, subdivision 9; proposing coding for new law in Minnesota Statutes, chapters 11A; 84; 86B; 93; 97A; 97C; 115A; 116; 282; 473; repealing Minnesota Statutes 2022, sections 17.353; 85.012, subdivisions 27b, 58; 97B.802; 115A.5501; 138.662, subdivision 33.*

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

### ARTICLE 1

#### ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS

##### Section 1. ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.

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 general fund, or another named fund, and



available until June 30, 2027. The base in fiscal year 2026 and thereafter is \$535,000.

**Subd. 5. Researching Climate Adaptation and Resilience Study**

\$750,000 the second year is for the Researching Climate Adaptation and Resilience Costs for Minnesota Study. This is a onetime appropriation and is available until June 30, 2026.

**Subd. 6. Composting Grants for Multifamily Buildings**

\$593,000 the second year is to make grants for pilot projects that encourage composting by residents of multifamily buildings. Of this amount, \$393,000 is from the general fund and \$200,000 is from the environmental fund. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the commissioner may use up to five percent of this appropriation for administrative costs. This is a onetime appropriation and is available until June 30, 2027.

Eligible applicants include: (1) a political subdivision; (2) an owner of a multifamily building; or (3) an organization that is exempt from taxation under section 501(c)(3) of the Internal Revenue Code.

The commissioner must submit a report on the grants awarded under this subdivision to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over environment policy and finance. The report must contain, at a minimum, a list of grantees, the amount of each grant awarded, the activities undertaken with grant funds, and, if possible, the results of the grant with respect to encouraging composting in multifamily buildings. The report is due by October 1, 2027.

**Subd. 7. Olmsted County Tire and Solid Waste Removal**

\$550,000 the second year is for a grant to Olmsted County for the environmental cleanup of a 12-acre tax-forfeited property in Haverhill Township. Of this amount, \$400,000 is from the general fund and \$150,000 is from the environmental fund. This appropriation may be used to remove tires and solid

waste. This is a onetime appropriation and is available until June 30, 2026.

**Subd. 8. Critical Materials Recovery Advisory Task Force**

\$319,000 the second year is from the environmental fund for the costs of the Critical Materials Recovery Advisory Task Force. This is a onetime appropriation and is available until June 30, 2026.

**Subd. 9. State Salt Purchase Reporting**

\$88,000 the second year is from the environmental fund for the annual reporting requirements of the purchase of deicing salt by state agencies under Minnesota Statutes, section 116.2021.

**Subd. 10. State Nitrogen Fertilizer Purchase Reporting**

\$88,000 the second year is from the environmental fund to prepare a report on state agency nitrogen fertilizer purchases as required by Minnesota Statutes, section 116.2022.

**Subd. 11. Analyze PFAS in Sewage Sludge**

\$350,000 the second year is from the environmental fund to prepare and implement a strategy to analyze PFAS in sewage sludge prepared for land application as required in this act. This is a onetime appropriation.

**Subd. 12. Lawn and Snow Removal Electrification Rebates**

\$1,000,000 the second year is from the environmental fund to establish a pilot program that provides financial assistance to eligible applicants for the purchase of lawn and snow removal equipment powered solely by electricity. The commissioner must engage with environmental justice communities to design eligibility criteria that prioritize applications from residents of environmental justice areas, as defined in Minnesota Statutes, section 115A.03, subdivision 10b, and as informed by the United States Environmental Protection Agency's Environmental Justice Screening and Mapping Tool. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 13. Stationary Air Monitors**

\$1,095,000 the second year is from the environmental fund for monitoring ambient air for hazardous air pollutants in Hennepin, Ramsey, Washington, and Olmsted Counties. The base in fiscal year 2026 and thereafter is \$881,000.

**Subd. 14. Availability of Climate Resiliency and Water Infrastructure Grants**

Of the amount appropriated under Laws 2023, chapter 60, article 1, section 2, subdivision 2, paragraph (k), for a climate resiliency and water infrastructure grant program, up to \$5,000,000 may be used to supplement any federal grant that the commissioner receives under the United States Environmental Protection Agency's Climate Pollution Reduction Grant (CPRG) program.

**Subd. 15. Extending Appropriation Availability**

The appropriations in Laws 2023, chapter 60, article 1, section 2, subdivision 2, paragraphs (l), (m), and (n), are available until June 30, 2025.

Any unspent portion of the appropriation under Laws 2023, chapter 60, article 1, section 2, subdivision 2, paragraph (t), remaining after the PFAS manufacturers fee work group report has been submitted to the legislature must be used for the PFAS removal report required under this act and is available until June 30, 2025.

**Sec. 3. DEPARTMENT OF NATURAL RESOURCES**

<b>Subdivision 1. <u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>768,000</u></b>	<b><u>\$</u></b>	<b><u>21,455,000</u></b>
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**Appropriations by Fund**

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>-0-</u>	<u>4,382,000</u>
<u>Game and Fish</u>	<u>-0-</u>	<u>8,160,000</u>
<u>Natural Resources</u>	<u>768,000</u>	<u>8,496,000</u>
<u>Permanent School</u>	<u>-0-</u>	<u>417,000</u>

The amounts that may be spent for each purpose are specified in the following subdivisions.

**Subd. 2. Legal Costs**

\$1,300,000 the second year is for legal costs. This is a onetime appropriation.

The commissioner of natural resources must work with the commissioners of management and budget, the Pollution Control Agency, and other cabinet departments that incur significant litigation-related costs to develop recommendations for a statewide funding strategy to address escalating litigation-related costs across cabinet agencies. That strategy should consider the unpredictable and outsized effects that major litigation can have on an individual agency's budget. The commissioners must submit a report of the recommendations to the relevant committee chairs by December 15, 2024.

**Subd. 3. Public Safety Costs**

\$200,000 the second year is for public safety costs. This is a onetime appropriation.

**Subd. 4. Report on Reopening General C.C. Andrews State Nursery**

\$200,000 the second year is from the heritage enhancement account in the game and fish fund to the commissioner of natural resources to prepare and submit a report on reopening General C.C. Andrews State Nursery to provide conservation-grade container seedlings to meet the state's reforestation needs. The report must be submitted to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources by January 15, 2025, and include funding recommendations and any statutory changes necessary to reopen the nursery and produce the seedlings. This is a onetime appropriation.

**Subd. 5. Electronic Licensing System**

\$2,600,000 the second year is to support the development and implementation of a modern electronic licensing system. Of this amount, \$330,000 is from the water recreation account; \$80,000 is from

the snowmobile account; \$204,000 is from the all-terrain vehicle account; \$7,000 is from the off-highway motorcycle account; \$4,000 is from the off-road vehicle account; and \$1,975,000 is from the game and fish fund. This is a onetime appropriation and is available until June 30, 2026.

**Subd. 6. Compensation for Conservation Officers**

\$300,000 the second year is to maintain current law enforcement service levels. Of this amount, \$30,000 is from the water recreation account; \$15,000 is from the all-terrain vehicle account; and \$255,000 is from the game and fish fund.

The increase to the base for fiscal year 2026 and thereafter is \$1,080,000, and of this amount, \$108,000 is from the water recreation account; \$54,000 is from the all-terrain vehicle account; and \$918,000 is from the game and fish fund.

**Subd. 7. Test Source Water at State Fish Hatcheries**

\$30,000 the second year is from the game and fish fund to test source water at state fish hatcheries and for reporting required under Minnesota Statutes, section 97C.202.

**Subd. 8. Plant Trees in State Parks**

\$2,000,000 the second year is from the natural resources fund to plant trees in state parks and state recreation areas. This appropriation is from revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (h), clause (2). This is a onetime appropriation and is available until June 30, 2027.

**Subd. 9. Community Tree-Planting Grants**

Notwithstanding Minnesota Statutes, section 297A.94, \$5,000,000 the second year is from the heritage enhancement account in the game and fish fund for community tree-planting grants under Minnesota Statutes, section 84.705. Of this amount, \$300,000 is for a grant to the city of Northfield and \$300,000 is for a grant to the city of St. Peter. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 10. Feral Swine and Fur Farms**

\$700,000 the second year is from the heritage enhancement account in the game and fish fund to implement feral swine and fur farm requirements under this act. The base for this appropriation in fiscal year 2026 and thereafter is \$550,000.

**Subd. 11. Unsafe Ice Search and Rescue Reimbursement**

\$200,000 the second year is to reimburse county sheriffs and other local law enforcement agencies for search and rescue operations related to recreational activities on unsafe ice under Minnesota Statutes, section 86B.1065. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 12. International Wolf Center**

\$1,332,000 the second year is for maintenance, repair, energy efficiency improvements, heating and ventilation system replacement, and visitor enhancements to the building currently leased to the International Wolf Center in Ely, Minnesota. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 13. Condemnation of Certain Land in Mille Lacs County**

\$750,000 the second year is to initiate condemnation proceedings of the lands described in article 8, section 13. The commissioner may use this appropriation for project costs, including but not limited to valuation expenses, legal fees, closing costs, transactional staff costs, and the condemnation award. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 14. Outreach and Education**

\$500,000 the second year is to create new or expand existing outreach and education programs for nonnative English-speaking communities. Of this amount, \$200,000 is for a competitive grant program for nonprofit organizations to connect youth in underserved communities in metropolitan area environmental justice areas with outdoor experiences, and \$300,000 is for the Fishing in the Neighborhood

program for outreach to new and underserved audiences. This appropriation may be used for community outreach consultants for reaching new audiences. This is a onetime appropriation and is available until June 30, 2028.

**Subd. 15. Report on Recreational Use of Permanent School Land**

\$417,000 the second year is transferred from the forest suspense account to the permanent school fund and is appropriated from the permanent school fund for the Office of School Trust Lands for conducting the study of the recreational use of school trust lands. This is a onetime transfer.

**Subd. 16. Nonpetroleum Gas Regulatory Framework**

\$768,000 the first year is from the minerals management account in the natural resources fund for the Minnesota Gas and Oil Resources Technical Advisory Committee. This is a onetime appropriation and is available until June 30, 2027.

\$2,406,000 the second year is from the minerals management account in the natural resources fund to adopt a regulatory framework for gas and oil production in Minnesota and for rulemaking. This is a onetime appropriation and is available until June 30, 2028.

**Subd. 17. All-Terrain Vehicle Grant-in-Aid Program**

\$1,500,000 the second year is from the all-terrain vehicle account in the natural resources fund for the grant-in-aid program under Minnesota Statutes, section 84.927, subdivision 2, clause (4). This is a onetime appropriation.

**Subd. 18. Prospector Loop ATV Trail System**

\$1,200,000 the second year is from the all-terrain vehicle account in the natural resources fund for a grant to St. Louis County to construct and maintain the Prospector Loop all-terrain vehicle trail system. This is a onetime appropriation and is available until June 30, 2027.

**Subd. 19. Zoo Tree-Planting**

\$300,000 the second year is from the natural resources fund for grants to be divided equally between the city of St. Paul for the Como Park Zoo and Conservatory and the city of Duluth for the Lake Superior Zoo for purposes of planting trees within the zoos. This appropriation is from revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (h), clause (5). This is a onetime appropriation and is available until June 30, 2026.

**Subd. 20. Off-Highway Motorcycle Trail Ambassador Program**

\$20,000 the second year is from the off-highway motorcycle account in the natural resources fund for grants to qualifying off-highway motorcycle organizations to assist in providing safety and environmental education and monitoring trails on public lands according to Minnesota Statutes, section 84.9011. Grants awarded under this subdivision must be issued through a formal agreement with the organization.

By December 15 each year, an organization receiving a grant under this subdivision must report to the commissioner with details on how the money was expended and what outcomes were achieved.

**Subd. 21. Accessible School Playgrounds**

(a) \$400,000 the second year is for grants to school districts for accessible and inclusive school playgrounds. This is a onetime appropriation and is from revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (j). This appropriation is available until June 30, 2027. Of this amount:

(1) \$100,000 is for Independent School District No. 196, Rosemount-Apple Valley-Eagan, for a playground at Deerwood Elementary School;

(2) \$100,000 is for Independent School District No. 197, West St. Paul-Mendota Heights-Eagan, for a playground at Somerset Elementary School;

(3) \$100,000 is for Independent School District No. 199, Inver Grove Heights, for a playground at Hilltop Elementary School; and

(4) \$100,000 is for Independent School District No. 625, St. Paul, for an autism sensory-friendly playground at Txuj Ci HMong Language and Culture, Lower Campus.

(b) A school district receiving a grant under this subdivision must use the funds to:

(1) replace, repair, expand, or install playground equipment;

(2) create accessible routes to the playground equipment;

(3) install unitary surface material to expand accessibility; or

(4) create a sensory-friendly playground, including sensory-friendly playground equipment.

(c) A grant recipient must have its playground plans previewed before construction or reviewed after the installation is complete by a certified playground safety inspector or a Minnesota certified accessibility specialist.

#### **Subd. 22. Real-Time Water Quality Network**

\$100,000 the second year is to study, in coordination with the commissioner of the Pollution Control Agency, the creation of an online real-time water quality monitoring network in Minnesota. The study must include the barriers to implementing this multiagency program, including the design of a website and the cost to deploy stream flow and nitrate monitoring equipment in the state. This is a onetime appropriation. The study must be completed by June 30, 2025, and submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over environment and natural resources.

#### **Subd. 23. Report on Outdoor Opportunities for Minnesota Youth**

Up to \$100,000 of the amount appropriated under Laws 2023, chapter 60, article 1, section 3, subdivision 6, paragraph (g), for natural-resource-based education

and recreation programs serving youth may be used for the report on outdoor opportunities for Minnesota youth required in this act.

**Subd. 24. Extending Appropriation Availability**

The appropriation in Laws 2023, chapter 60, article 1, section 3, subdivision 5, paragraph (o), for a grant to Dakota County for improvements to the Swing Bridge Trailhead and historic Rock Island Swing Bridge is available until June 30, 2025.

The appropriation in Laws 2023, chapter 60, article 1, section 3, subdivision 5, paragraph (p), for a grant to Dakota County for adding a public boat launch along the Mississippi River is available until June 30, 2025.

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

**Sec. 4. BOARD OF WATER AND SOIL RESOURCES**

<b>Subdivision 1. <u>Total Appropriation</u></b>	<b><u>\$</u></b>	<b><u>-0-</u></b>	<b><u>\$</u></b>	<b><u>1,950,000</u></b>
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The amounts that may be spent for each purpose are specified in the following subdivisions.

**Subd. 2. Manure Management Funding**

\$850,000 the second year is for manure management activities. Notwithstanding Minnesota Statutes, section 16B.98, subdivision 14, the board may use up to five percent of this appropriation for administrative costs. This is a onetime appropriation and is available until June 30, 2026.

Money appropriated in this subdivision for manure management activities may be used to enhance groundwater protection and reduce greenhouse gases associated with agriculture. Priority must be given to areas with high groundwater nitrate levels or geology conducive to groundwater pollution, such as those shown on the Department of Agriculture's vulnerable groundwater area map.

Funded activities may include: providing grants; funding projects and practices that limit agricultural use of vulnerable land, such as establishing karst feature buffers or conservation easements; and cost-share assistance for constructing manure

management and storage facilities. All funded projects must be designed to result in improved water quality or reduced greenhouse gas emissions. Feedlot funding recipients must have a nutrient management plan and must operate at fewer than 1,000 animal units. Funding for expanded liquid manure storage capacity must not exceed 12 months of storage based on current animal numbers. Anaerobic digesters are not eligible for funding under this subdivision.

The board may use this appropriation to match federal money. The board must ensure that funding agreements include terms necessary to document implementation of approved plans and activities.

### **Subd. 3. Red River of the North; Adaptive Phosphorus Management**

\$300,000 the second year is for a grant to the Red River Basin Commission to facilitate development of a feasibility assessment of adaptive phosphorus management for the Red River of the North. The commission may contract with outside experts or academic institutions in developing the assessment. The assessment: (1) must address applicable water-quality targets for phosphorus loading; (2) must include an allocation of phosphorus between point and nonpoint sources; (3) must identify cost-effective nutrient reduction implementation strategies; and (4) may include other state water-quality goals and objectives. This is a onetime appropriation and is available until June 30, 2026.

In developing the assessment, the Red River Basin Commission must use available data and analysis to the extent feasible and incorporate input from an advisory group that includes representatives of agriculture, soil and water conservation districts, watershed districts, municipalities, and other Minnesota organizations represented on the board of directors of the Red River Basin Commission. The Red River Basin Commission may also work with representatives from relevant organizations from North Dakota, South Dakota, and Manitoba.

By June 30, 2026, the Red River Basin Commission must submit the final assessment to the chairs and ranking minority members of the legislative

committees with jurisdiction over agriculture and environment policy and finance.

**Subd. 4. Lawns to Legumes**

\$800,000 the second year is for the lawns to legumes program under Minnesota Statutes, section 103B.104. The board may enter into agreements with local governments, Metro Blooms, and other organizations to support this effort. This is a onetime appropriation and is available until June 30, 2027.

Sec. 5. **METROPOLITAN COUNCIL** **\$** **-0-** **\$** **5,525,000**

Appropriations by Fund

	<u>2024</u>	<u>2025</u>
<u>General</u>	<u>-0-</u>	<u>3,625,000</u>
<u>Natural Resources</u>	<u>-0-</u>	<u>1,900,000</u>

\$3,188,000 the second year is for community tree-planting grants under Minnesota Statutes, section 473.355. Of this amount, \$688,000 is for a grant to the city of South St. Paul. This is a onetime appropriation and is available until June 30, 2026.

\$437,000 the second year is for a grant to the city of St. Paul Park to replace a pedestrian bridge in Lions Levee Park. This is a onetime appropriation and is available until June 30, 2027.

\$1,400,000 the second year is from the natural resources fund for grants to implementing agencies to plant trees within the metropolitan-area regional parks and trails system. This appropriation is from revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (h), clause (3). This is a onetime appropriation and is available until June 30, 2026.

\$500,000 the second year is from the natural resources fund for new fishing piers to increase fishing opportunities on lakes in the metropolitan parks system. The council shall solicit applications from member park systems for proposals under this section. This is a onetime appropriation and is from revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (h),

clause (3). This appropriation is available until June 30, 2026.

Sec. 6. **ZOOLOGICAL BOARD** \$ -0- \$ 150,000

\$150,000 the second year is from the natural resources fund to plant trees at the Minnesota Zoological Garden. This appropriation is from revenue deposited under Minnesota Statutes, section 297A.94, paragraph (h), clause (5). This is a onetime appropriation and is available until June 30, 2026.

Sec. 7. Laws 2023, chapter 60, article 1, section 3, subdivision 3, is amended to read:

Subd. 3. **Ecological and Water Resources** 48,738,000 45,797,000

Appropriations by Fund

	2024	2025
General	27,083,000	26,142,000
Natural Resources	13,831,000	13,831,000
Game and Fish	7,824,000	5,824,000

(a) \$4,222,000 the first year and \$4,222,000 the second year are from the invasive species account in the natural resources fund and \$2,831,000 the first year and \$2,831,000 the second year are from the general fund for management, public awareness, assessment and monitoring research, and water access inspection to prevent the spread of invasive species; management of invasive plants in public waters; and management of terrestrial invasive species on state-administered lands.

(b) \$6,056,000 the first year and \$6,056,000 the second year are from the water management account in the natural resources fund for only the purposes specified in Minnesota Statutes, section 103G.27, subdivision 2.

(c) \$124,000 the first year and \$124,000 the second year are for a grant to the Mississippi Headwaters Board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under the board's jurisdiction. By December 15, 2025, the board must submit a report to the chairs and ranking minority members of the

legislative committees and divisions with jurisdiction over environment and natural resources on the activities funded under this paragraph and the progress made in implementing the comprehensive plan.

(d) \$10,000 the first year and \$10,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement the band's portion of the comprehensive plan for the upper Mississippi River.

(e) \$300,000 the first year and \$300,000 the second year are for grants for up to 50 percent of the cost of implementing the Red River mediation agreement. The base for this appropriation in fiscal year 2026 and beyond is \$264,000.

(f) \$2,598,000 the first year and \$2,598,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (h), clause (1).

(g) \$1,150,000 the first year and \$1,150,000 the second year are from the nongame wildlife management account in the natural resources fund for nongame wildlife management. Notwithstanding Minnesota Statutes, section 290.431, \$100,000 the first year and \$100,000 the second year may be used for nongame wildlife information, education, and promotion.

(h) Notwithstanding Minnesota Statutes, section 84.943, \$48,000 the first year and \$48,000 the second year from the critical habitat private sector matching account may be used to publicize the critical habitat license plate match program.

(i) \$6,000,000 the first year and \$6,000,000 the second year are for the following activities:

(1) financial reimbursement and technical support to soil and water conservation districts or other local units of government for groundwater-level monitoring;

(2) surface water monitoring and analysis, including installing monitoring gauges;

(3) groundwater analysis to assist with water-appropriation permitting decisions;

(4) permit application review incorporating surface water and groundwater technical analysis;

(5) precipitation data and analysis to improve irrigation use;

(6) information technology, including electronic permitting and integrated data systems; and

(7) compliance and monitoring.

(j) Notwithstanding Minnesota Statutes, section 297A.94, paragraph (k), \$2,410,000 the first year and \$410,000 the second year are from the heritage enhancement account in the game and fish fund and \$500,000 the first year and \$500,000 the second year are from the general fund for grants to the Minnesota Aquatic Invasive Species Research Center at the University of Minnesota to prioritize, support, and develop research-based solutions that can reduce the effects of aquatic invasive species in Minnesota by preventing spread, controlling populations, and managing ecosystems and to advance knowledge to inspire action by others. The general fund appropriations are available until June 30, 2025, and the heritage enhancement account appropriations are available until June 30, 2028.

(k) \$268,000 the first year and \$268,000 the second year are for increased capacity for broadband utility licensing for state lands and public waters. This is a onetime appropriation and is available until June 30, 2028.

(l) \$998,000 the first year and \$568,000 the second year are for protecting and restoring carbon storage in state-administered peatlands by reviewing and updating the state's peatland inventory, piloting a restoration project, and piloting trust fund buyouts. This is a onetime appropriation and is available until June 30, 2028.

(m) \$250,000 the first year is for a grant to the Minnesota Lakes and Rivers Advocates to work with civic leaders to purchase, install, and operate waterless cleaning stations for watercraft; conduct aquatic invasive species education; and implement education upgrades at public accesses to prevent invasive starry stonewort spread beyond the lakes already infested. This is a onetime appropriation and is available until June 30, 2025.

(n) \$1,720,000 the first year is to prevent and manage invasive carp. This includes activities related to the Mississippi River Lock and Dam and stakeholder engagement. Up to \$325,000 may be used for a grant to the Board of Regents of the University of Minnesota to study the Mississippi River Lock Dam 5 spillway and provide preliminary design to optimize management to reduce invasive carp passage.

(o) Up to \$6,000,000 the first year is available for transfer from the critical habitat private sector matching account to the reinvest in Minnesota fund to expand Grey Cloud Island Scientific and Natural Area and for other scientific and natural area acquisition, restoration, and enhancement according to Minnesota Statutes, section 84.943, subdivision 5b.

(p) \$40,000 the first year is for a grant to the Stearns Coalition of Lake Associations to manage aquatic invasive species. The unencumbered balance of the general fund appropriation in Laws 2021, First Special Session chapter 6, article 1, section 3, subdivision 3, paragraph (a), for the grant to the Stearns Coalition of Lake Associations, estimated to be \$40,000, is canceled no later than June 29, 2023.

(q) \$200,000 the first year is for a grant to the Board of Regents of the University of Minnesota for the University of Minnesota Water Council to develop a scope of work, timeline, and budget for a plan to promote and protect clean water in Minnesota for the next 50 years according to this act.

(r) The total general fund base budget for the ecological and water resources division for fiscal year 2026 and later is \$24,870,000.

**EFFECTIVE DATE.** This section is effective retroactively from July 1, 2023.

Sec. 8. Laws 2023, chapter 60, article 1, section 3, subdivision 10, is amended to read:

**Subd. 10. Get Out MORE (Modernizing Outdoor Recreation Experiences)**

110,000,000

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(a) \$110,000,000 the first year is for modernizing Minnesota's state-managed outdoor recreation experiences. Of this amount:

(1) \$25,000,000 is for enhancing access and welcoming new users to public lands and outdoor recreation

facilities, including improvements to improve climate resiliency;

(2) \$5,000,000 is for modernizing camping and related infrastructure, including improvements to improve climate resiliency;

(3) \$35,000,000 is for modernizing fish hatcheries and fishing infrastructure. Of this amount, up to \$366,000 is for installing continuous water-quality monitoring devices;

(4) \$10,000,000 is for restoring streams and modernizing water-related infrastructure with priority given to fish habitat improvements, dam removal, and improvements to improve climate resiliency; and

(5) \$35,000,000 is for modernizing boating access.

(b) Priority for money allocated under paragraph (a), clauses (1), (3), (4), and (5), must be given to projects where communities are currently underserved.

(c) The commissioner may reallocate money appropriated in paragraph (a) across those purposes based on project readiness and priority. The appropriations in paragraph (a) are available until June 30, 2029.

(d) No later than November 30 each year, the commissioner must provide a progress report on the expenditure of money appropriated under this subdivision to the chairs of the legislative committees with jurisdiction over environment and natural resources finance.

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

## ARTICLE 2

### POLLUTION CONTROL

Section 1. Minnesota Statutes 2023 Supplement, section 115.03, subdivision 1, is amended to read:

Subdivision 1. **Generally.** (a) The commissioner is given and charged with the following powers and duties:

(1) to administer and enforce all laws relating to the pollution of any of the waters of the state;

(2) to investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as it may deem advisable;

(3) to establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are or may be put as it shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116;

(4) to encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution;

(5) to adopt, issue, reissue, modify, deny, ~~or~~ revoke, reopen, enter into, or enforce reasonable orders, permits, variances, standards, rules, schedules of compliance, and stipulation agreements, under such conditions as it may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities:

(i) requiring the discontinuance of the discharge of sewage, industrial waste or other wastes into any waters of the state resulting in pollution in excess of the applicable pollution standard established under this chapter;

(ii) prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or rules promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement must be accomplished;

(iii) prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;

(iv) requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;

(v) establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any nonwater quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction which the agency determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced after the publication by the agency of proposed rules prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973, and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such construction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment,

including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(vi) establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(vii) requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency shall prescribe, and providing such other information as the agency may reasonably require;

(viii) notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 13, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strategies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are available, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(ix) modifying, in its discretion, any requirement or limitation based upon best available technology with respect to any point source for which a permit application is filed after July 1, 1977, upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants; ~~and~~

(x) requiring that applicants for wastewater discharge permits evaluate in their applications the potential reuses of the discharged wastewater; and

(xi) when appropriate, requiring parties who enter into a negotiated agreement to settle an enforcement matter with the agency to reimburse the agency for oversight costs. The agency may recover oversight costs only if the agency's costs exceed \$25,000. If oversight costs exceed \$25,000, the agency may recover all the oversight costs incurred by the agency that are associated with implementing the negotiated agreement. Oversight costs may include but are not limited to any costs associated with inspections, sampling, monitoring, modeling, risk assessment, permit writing, engineering review, economic analysis and review, and other record or document review. Estimates of anticipated oversight costs must be disclosed in the negotiated agreement, and estimates must be periodically updated and disclosed to the parties to the negotiated agreement. The agency's legal and litigation costs are not recoverable under this clause. In addition to settlement

agreements, the commissioner has discretion as to whether to apply this clause in cases when the agency is using schedules of compliance to bring a class of regulated parties into compliance;

(6) to require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(7) to prescribe and alter rules, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon it by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(8) to conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which it may deem advisable for the discharge of its duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by it to conduct such investigations or, issue such notices and hold such hearings;

(9) for the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by means of, including, but not limited to, standards, plan elements, procedures for revision, intergovernmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(10) to train water pollution control personnel and charge training fees as are necessary to cover the agency's costs. All such fees received must be paid into the state treasury and credited to the Pollution Control Agency training account;

(11) to provide chloride reduction training and charge training fees as necessary to cover the agency's costs not to exceed \$350. All training fees received must be paid into the state treasury and credited to the Pollution Control Agency training account;

(12) to impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other users with any pretreatment standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder;

(13) to set a period not to exceed five years for the duration of any national pollutant discharge elimination system permit or not to exceed ten years for any permit issued as a state disposal system permit only;

(14) to require each governmental subdivision identified as a permittee for a wastewater treatment works to evaluate in every odd-numbered year the condition of its existing system and identify future capital improvements that will be needed to attain or maintain compliance with a national pollutant discharge elimination system or state disposal system permit; ~~and~~

(15) to train subsurface sewage treatment system personnel, including persons who design, construct, install, inspect, service, and operate subsurface sewage treatment systems, and charge fees as necessary to pay the agency's costs. All fees received must be paid into the state treasury and credited to the agency's

training account. Money in the account is appropriated to the agency to pay expenses related to training; and

(16) to encourage practices that enable the recovery and use of waste heat from wastewater treatment operations.

(b) The information required in paragraph (a), clause (14), must be submitted in every odd-numbered year to the commissioner on a form provided by the commissioner. The commissioner shall provide technical assistance if requested by the governmental subdivision.

(c) The powers and duties given the agency in this subdivision also apply to permits issued under chapter 114C.

Sec. 2. Minnesota Statutes 2022, section 115.071, subdivision 1, is amended to read:

Subdivision 1. **Remedies available.** The provisions of sections 103F.701 to 103F.755, this chapter and chapters 114C, 115A, and 116, and sections 325E.10 to 325E.1251 and 325E.32 and all rules, standards, orders, stipulation agreements, schedules of compliance, and permits adopted or issued by the agency thereunder or under any other law now in force or hereafter enacted for the prevention, control, or abatement of pollution may be enforced by any one or any combination of the following: criminal prosecution; action to recover civil penalties; injunction; action to compel or cease performance; or other appropriate action, in accordance with the provisions of said chapters and this section.

Sec. 3. Minnesota Statutes 2022, section 115.071, subdivision 3, is amended to read:

Subd. 3. **Civil penalties.** (a) Any person who violates any provision of this chapter or chapter 114C or 116, except any provisions of chapter 116 relating to air and land pollution caused by agricultural operations ~~which that~~ do not involve national pollutant discharge elimination system permits, or of (1) any effluent standards and limitations or water quality standards, (2) any permit or term or condition thereof, (3) any national pollutant discharge elimination system filing requirements, (4) any duty to permit or carry out inspection, entry or monitoring activities, or (5) any rules, stipulation agreements, variances, schedules of compliance, or orders issued by the agency, ~~shall forfeit~~ forfeits and must pay to the state a penalty, in an amount to be determined by the court, of not more than ~~\$10,000~~ \$15,000 per day of violation, except that if the violation relates to hazardous waste, the person ~~shall forfeit~~ forfeits and must pay to the state a penalty, in an amount to be determined by the court, of not more than ~~\$25,000~~ \$30,000 per day of violation.

(b) In addition, in the discretion of the court, the defendant may be required to:

~~(a)~~ (1) forfeit and pay to the state a sum which will adequately compensate the state for the reasonable value of cleanup and other expenses directly resulting from unauthorized discharge of pollutants, whether or not accidental; and

~~(b)~~ (2) forfeit and pay to the state an additional sum to constitute just compensation for any loss or destruction to wildlife, fish or other aquatic life and for other actual damages to the state caused by an unauthorized discharge of pollutants.

(c) As a defense to any of said damages, the defendant may prove that the violation was caused solely by (1) an act of God, (2) an act of war, (3) negligence on the part of the state of Minnesota, or (4) an act or failure to act which constitutes sabotage or vandalism, or any combination of the foregoing clauses.

(d) The civil penalties and damages provided for in this subdivision may be recovered by a civil action brought by the attorney general in the name of the state.

Sec. 4. Minnesota Statutes 2022, section 115.071, subdivision 4, is amended to read:

Subd. 4. **Injunctions.** Any violation of the provisions, rules, standards, orders, stipulation agreements, variances, schedules of compliance, or permits specified in this chapter and chapters 114C and 116 ~~shall constitute~~ constitutes a public nuisance and may be enjoined as provided by law in an action, in the name of the state, brought by the attorney general. Injunctive relief under this subdivision may include but is not limited to a requirement that a facility or person immediately cease operation or activities until such time as the commissioner has reasonable assurance that renewed operation or activities will not violate provisions, rules, standards, orders, stipulation agreements, variances, schedules of compliance, or permits specified in this chapter and chapters 114C and 116.

Sec. 5. Minnesota Statutes 2022, section 115.071, is amended by adding a subdivision to read:

Subd. 8. **Stipulation agreements.** If a party to a stipulation agreement asserts a good cause or force majeure claim for an extension of time to comply with a stipulated term, the commissioner may deny the extension if the assertion is based solely on increased costs of compliance.

Sec. 6. Minnesota Statutes 2022, section 115.073, is amended to read:

**115.073 DISPOSITION OF RECEIPTS; ENFORCEMENT FUNDING.**

(a) Except as provided in section 115C.05, all money recovered by the state under this chapter and chapters 115A and 116, including civil penalties and money paid under an agreement, stipulation, or settlement, excluding money paid for past due fees or taxes, must be deposited in the state treasury and credited to the environmental fund.

(b) Oversight funds reimbursed under sections 115.03, subdivision 1, paragraph (a), clause (5), and 116.07, subdivision 9, clause (4), must be deposited in a separate settlement oversight reimbursement account established in the environmental fund. The commissioner must manage the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, must be credited to the account. Funds remaining in the account at the end of a fiscal year remain in the account. Money in the account is appropriated to the commissioner for the purposes of the environmental fund.

Sec. 7. Minnesota Statutes 2022, section 115A.02, is amended to read:

**115A.02 LEGISLATIVE DECLARATION OF POLICY; PURPOSES.**

(a) It is the goal of this chapter to protect the state's land, air, water, and other natural resources and the public health by improving waste management in the state to serve the following purposes:

- (1) reduction in the amount and toxicity of waste generated;
- (2) separation and recovery of materials and energy from waste;
- (3) reduction in indiscriminate dependence on disposal of waste;
- (4) coordination of solid waste management among political subdivisions; and

(5) orderly and deliberate development and financial security of waste facilities including disposal facilities.

(b) The waste management goal of the state is to foster an integrated waste management system in a manner appropriate to the characteristics of the waste stream and thereby protect the state's land, air, water, and other natural resources and the public health. The following waste management practices are in order of preference:

(1) waste reduction and reuse;

(2) waste recycling;

(3) composting of source-separated compostable materials, including but not limited to, yard waste and food waste;

(4) resource recovery through mixed municipal solid waste composting or incineration;

(5) land disposal which produces no measurable methane gas or which involves the retrieval of methane gas as a fuel for the production of energy to be used on site or for sale; and

(6) land disposal which produces measurable methane and which does not involve the retrieval of methane gas as a fuel for the production of energy to be used on site or for sale.

(c) As a means of accomplishing state waste management goals with respect to surplus food and food waste, the following waste management practices are in order of preference:

(1) reducing the amount generated at the source;

(2) upcycling or donating for human consumption;

(3) diversion for animal consumption or leaving crops unharvested;

(4) composting or anaerobic digestion when the biogas and digestate are not disposed of but are used as a salable product; and

(5) either using anaerobic digestion, when the biogas is used as a salable product but the digestate is disposed of, or land application of food waste.

(d) For the purposes of this section, the following terms have the meanings given:

(1) "anaerobic digestion" means a process through which microorganisms break down organic material in the absence of oxygen and generate biogas and digestate;

(2) "biogas" means a gas that is produced when organic materials decompose and is primarily composed of methane and carbon dioxide;

(3) "composting" means controlled, aerobic biological decomposition of organic material to produce a nutrient-rich material;

(4) "digestate" means the solid or liquid residual material remaining after the anaerobic digestion process has been completed;

(5) "diversion for animal consumption" means diverting food, food scraps, food waste, or surplus food not fitting the conditions of adulteration under section 25.37 or 34A.02;

(6) "food" means a raw, cooked, processed, or prepared substance, beverage, or ingredient used for, entering into the consumption of, or used or intended for use in the preparation of a food, drink, confectionery, or condiment for humans or animals;

(7) "food scraps" means inedible food, trimmings from preparing food, and food-processing by-products. Food scraps does not include used cooking oil, grease, any material fitting the conditions of adulteration under section 25.37 or 34A.02, or food that is subject to a governmental or producer recall and that cannot be made to be safe for human or animal consumption;

(8) "food waste" means all discarded food, surplus food that is not donated, food scraps, food fitting the conditions of adulteration under section 25.37 or 34A.02, and food subject to governmental or producer recall and that cannot be made to be safe for human or animal consumption;

(9) "land application of food waste" means the direct application of food waste from food manufacturing or processing activities onto or below the surface of the land to enhance soil health;

(10) "leaving crops unharvested" means not harvesting crops that are otherwise ready for harvesting and instead leaving them in the field or tilling them into the soil;

(11) "surplus food" means food that is not sold or used and that is still safe to be consumed by humans or animals. Surplus food does not include food damaged by pests, mold, bacteria, or other contamination; food that is subject to governmental or producer recall due to food safety and that cannot be made to be safe for human or animal consumption; or any material fitting the conditions of adulteration under section 25.37 or 34A.02; and

(12) "upcycling" means capturing, processing, and remaking parts of food and food scraps into new food products for human or animal consumption when the parts of food and food scraps do not fit the conditions of adulteration under section 25.37 or 34A.02.

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

Sec. 8. Minnesota Statutes 2022, section 115A.03, is amended by adding a subdivision to read:

Subd. 24d. **Prepared sewage sludge.** "Prepared sewage sludge" means exceptional quality sewage sludge, as defined in Minnesota Rules, part 7041.0100, subpart 20, applied to a lawn or home garden and sold or given away in a bag or other container that:

(1) meets low limits on metal concentrations;

(2) has been treated to ensure pathogens, pollutants, and vectors that can transport disease have been carefully managed; and

(3) is labeled with the nutrient content.

Sec. 9. **[115A.1416] BOAT WRAP PRODUCT STEWARDSHIP PROGRAM.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Boat" has the meaning given to watercraft under section 86B.005, subdivision 18.

(c) "Boat wrap" means plastic that is used, intended for use, designed, or marketed for the purposes of wrapping a boat to protect it against moisture and damage from other potentially harmful elements during storage.

(d) "Brand" means a name, symbol, word, or mark that identifies boat wrap and attributes it to the boat wrap producer.

(e) "Independent auditor" means an independent and actively licensed certified public accountant that is:

- (1) retained by a stewardship organization;
- (2) not otherwise employed by or affiliated with the stewardship organization; and
- (3) qualified to conduct the audit required under subdivision 16.

(f) "Producer" means, with respect to boat wrap that is sold, offered for sale, imported, or distributed in the state by any means, a person that:

- (1) manufactured the boat wrap under a brand that the person owns or controls;
- (2) owns or controls or is licensed to use a brand for boat wrap;
- (3) imported or imports the boat wrap into the United States; or
- (4) distributed or distributes boat wrap in or into the state.

(g) "Recycle" or "recycling" means the process of transforming boat wrap through mechanical processes into a finished product for use or into a new material capable of being processed into a finished product. Recycle or recycling does not include:

- (1) altering the chemical structure of boat wrap;
- (2) using boat wrap as or processing boat wrap into a feedstock to produce transportation fuels; or
- (3) destroying boat wrap by incineration or other processes.

(h) "Retailer" means a person that sells or offers boat wrap for sale in or into this state by any means.

(i) "Stewardship organization" means an organization designated by one or more producers to act on their behalf as an agent to design, submit, and implement a product stewardship plan under this section.

**Subd. 2. Product stewardship program.** A producer selling or offering boat wrap for sale in or into this state must, through membership in a stewardship organization, implement and finance a statewide product stewardship program according to a stewardship plan approved by the commissioner to reduce the volume of boat wrap disposed of in landfills by promoting and providing for the negotiation and execution of agreements to collect, transport, reuse, and recycle boat wrap.

**Subd. 3. Participation required to sell.** (a) On and after September 1, 2025, no person may use boat wrap, sell boat wrap, or offer boat wrap for sale in or into this state unless the producer participates in an approved stewardship plan through a stewardship organization.

(b) Each producer must enter into an agreement with a stewardship organization to operate, on the producer's behalf, a product stewardship program approved by the commissioner.

(c) All producers offering boat wrap for sale in or into this state must become a member of a single stewardship organization implementing a single stewardship plan.

Subd. 4. **Stewardship plan required.** On or before March 1, 2025, a stewardship organization, on behalf of member producers, must submit a stewardship plan to the commissioner for review and approval or rejection. A stewardship plan must include all elements required under subdivision 5.

Subd. 5. **Plan content.** A stewardship plan must contain:

(1) contact information for the individual and the entity submitting the plan, a list of all producers participating in the product stewardship program, and the brands of boat wrap included in the product stewardship program;

(2) certification that the product stewardship program will accept all discarded boat wrap regardless of who produced it;

(3) a description of methods by which boat wrap will be collected in all areas of the state in compliance with subdivision 14, including:

(i) an explanation of how the collection system will be convenient and adequate to serve the needs of boat owners, marinas, and boat storage establishments in both urban and rural areas on an ongoing basis; and

(ii) a discussion of how existing marinas, boat storage establishments, and sites designated as recycling centers under section 115A.555 will be considered when selecting collection sites;

(4) a description of how the performance of the collection and recycling program will be measured, monitored, and maintained;

(5) the names and locations of collectors, transporters, reuse facilities, and recyclers that will manage discarded boat wrap;

(6) a description of how discarded boat wrap will be safely and securely transported, tracked, and handled from collection through final recycling and disposal of residuals;

(7) a description of the methods that will be used to separate and manage nonrecyclable materials attached to boat wrap and to recycle discarded boat wrap;

(8) a description of the promotion and outreach activities that will be undertaken to encourage participation in the boat wrap collection and recycling programs and how their effectiveness will be evaluated;

(9) the annual performance goals established by the commissioner under subdivision 12;

(10) evidence of adequate insurance and financial assurance that may be required for collection, transport, reuse, recycling, and disposal operations; and

(11) a discussion of the status of end markets for collected boat wrap and what, if any, additional end markets are needed to improve the functioning of the program.

Subd. 6. **Consultation required.** In developing a stewardship plan, a stewardship organization must consult with stakeholders, including boat owners, owners of marinas and boat storage establishments, contractors, collectors, recyclers, Tribes, and local government units.

Subd. 7. **Agency review and approval or rejection.** (a) Within 120 days after receiving a proposed stewardship plan, the commissioner must determine whether the plan complies with subdivision 5. If the commissioner approves a plan, the commissioner must notify the applicant of the plan approval in writing. If the commissioner rejects a plan, the commissioner must notify the applicant in writing of the reasons for rejection. An applicant whose plan is rejected by the commissioner must submit a revised plan to the commissioner within 60 days after receiving notice of rejection. If a revised plan is rejected by the commissioner, the commissioner may elect to write a plan that the applicant must implement.

(b) Commissioner approval of a written plan amendment is required before a stewardship organization may make any change to an approved plan or its implementation. A proposed plan amendment must be submitted to the commissioner for review and approval or rejection according to paragraph (a) and subdivision 8.

(c) A stewardship organization may operate under an approved stewardship plan for five years after the date the plan is approved by the commissioner, at which time the plan expires.

(d) Six months before an approved stewardship plan expires, a stewardship organization must submit a new proposed stewardship plan to the commissioner that meets the requirements of this section. The commissioner must review and approve or reject the new proposed stewardship plan according to this subdivision and subdivision 8.

Subd. 8. **Plan availability.** The commissioner must make a proposed stewardship plan or proposed plan amendment available on the agency website for public review and comment at least 45 days before the commissioner's decision regarding plan approval or rejection. The commissioner must make an approved stewardship plan available on the agency website.

Subd. 9. **Conduct authorized.** A stewardship organization that organizes collection, transport, reuse, and recycling of boat wrap under this section is immune from liability for conduct under state laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce only to the extent that the conduct is necessary to plan and implement the producer's or organization's chosen collection, transportation, reuse, or recycling program.

Subd. 10. **Stewardship organization responsibilities.** A stewardship organization must provide boat wrap purchasers with educational materials regarding the product stewardship program. The materials must include, but are not limited to, information regarding available collection, transportation, reuse, and recycling options for boat wrap offered through the product stewardship program.

Subd. 11. **Retailer responsibilities.** (a) A retailer and a wholesaler are responsible for reviewing the list of compliant producers on the agency website, maintained under subdivision 12, to determine whether a producer is compliant with this section.

(b) A retailer or wholesaler of boat wrap is not in violation of this subdivision if, on the date the boat wrap was ordered from a producer or wholesaler, the producer was listed as compliant on the agency website.

(c) A retailer may elect to participate as a designated point where boat wrap is collected as part of a product stewardship program approved under this section and in accordance with applicable law.

Subd. 12. **Agency responsibilities.** (a) The commissioner must maintain on the agency website a list of all compliant producers and brands participating in a stewardship plan that the commissioner has approved and a list of all producers and brands the commissioner has identified as noncompliant with this section.

(b) The commissioner must, in consultation with the stewardship organization, establish annual performance goals regarding the percentage and weight of boat wrap collected and recycled that the stewardship organization must incorporate into its stewardship plan and meet annually. The performance goals must increase each year and be based on:

(1) the most recent collection data available for the state;

(2) the estimated weight of boat wrap sold and discarded annually;

(3) actual collection data from boat wrap recycling or stewardship programs operating in other states;  
and

(4) continuous progress necessary to meet the requirements in paragraph (c).

(c) By June 1, 2030, no less than 50 percent of the total weight of boat wrap sold in this state must be collected and recycled. By June 1, 2035, no less than 80 percent of the total weight of boat wrap sold in this state must be collected and recycled.

(d) After June 1, 2035, the commissioner may establish additional requirements for the percentage of boat wrap sold in the state that must be collected and recycled. The requirements must not be less than those listed in this subdivision and must be based on the factors in paragraph (b), clauses (1) to (3).

Subd. 13. **Administrative fee.** (a) A stewardship organization must pay an annual administrative fee to the commissioner. Before June 1, 2025, and before each June 1 thereafter, the commissioner must identify the costs the agency incurs to administer and enforce this section. The commissioner must set the fee at an amount that, when paid by the stewardship organization, is sufficient to reimburse the agency's full costs of administering and enforcing this section but does not exceed those costs.

(b) A stewardship organization must pay the administrative fee required under this subdivision on or before July 1, 2025, and annually thereafter, on a schedule and in a manner prescribed by the commissioner.

(c) The commissioner must deposit all fees received under this subdivision in the account established in subdivision 15.

Subd. 14. **User fees prohibited.** The stewardship program must be fully paid for by producers, without any fee, charge, surcharge, or any other cost to members of the public, businesses other than a producer, persons managing boat wrap, the state or any political subdivision, or any other person who is not a producer.

Subd. 15. **Account established.** (a) A boat wrap stewardship account is established in the special revenue fund in the state treasury. The account consists of money received from the administrative fee established in subdivision 13. The commissioner must manage the account.

(b) Money in the account is appropriated annually to the commissioner for administering and enforcing this section.

Subd. 16. **Stewardship reports.** Beginning March 1, 2026, and each March 1 thereafter, a stewardship organization operating under this section must submit an annual report to the commissioner describing the program operations of the stewardship plan during the previous calendar year. At a minimum, the report must contain:

(1) a description of the methods used to collect, transport, reuse, and recycle discarded boat wrap in all regions of the state;

(2) the weight of all boat wrap collected and recycled in each separate region of the state;

(3) the weight of all boat wrap sold in the state;

(4) the weight of discarded boat wrap collected in the state by method of disposition, including recycling, reuse, disposal of residuals, and other methods of processing;

(5) a comparison of the amount of boat wrap collected and recycled with the performance goals established according to subdivision 12 and, if the goals have not been met, a discussion of why the performance goals were not met and proposed modifications to the collection program the stewardship organization will implement to ensure that future performance goals will be met;

(6) samples of educational materials provided to boat wrap consumers, marinas, and boat storage establishments and an evaluation of the effectiveness of the materials and the methods used to disseminate the materials; and

(7) an independent financial audit of stewardship organization activities performed by an independent auditor. The independent auditor must be selected by the stewardship organization and approved or rejected by the commissioner. If the commissioner rejects an independent auditor, the operator must select a different independent auditor for approval or rejection by the commissioner. The independent audit must meet the requirements of Accounting Standards Update 2018-08, Not-for-Profit Entities (Topic 958), Financial Accounting Standards Board, as amended.

Subd. 17. **Data classification.** Trade secret and sales information, as defined under section 13.37, submitted to the commissioner under this section are private or nonpublic data under section 13.37.

Subd. 18. **Duty to provide information.** Upon request of the commissioner for purposes of determining compliance with this section, a person must furnish to the commissioner any information that the person has or may reasonably obtain.

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

**Sec. 10. [115A.412] WASTE COMPOSITION; INFORMATION REQUIRED.**

Subdivision 1. **Study required.** (a) Every three years, beginning in 2029, the commissioner must direct the owners and operators at 20 percent of each of the following facility types to perform a waste composition study:

(1) mixed municipal solid waste land disposal facilities;

(2) industrial solid waste land disposal facilities;

(3) demolition debris land disposal facilities;

(4) transfer stations that annually transfer more than 5,000 tons of waste to a facility outside Minnesota; and

(5) other facilities identified by the commissioner.

(b) The waste composition study must be performed at the sole expense of each owner or operator as directed by the commissioner.

(c) When selecting facilities for waste composition studies, the commissioner must rotate the participants so that, over time, the studies cover the entirety of the facilities identified under paragraph (a). The

commissioner must determine the time frame for each study in the three-year cycle. The owner or operator of each selected facility must complete the study within one year of being notified by the commissioner of selection to perform a waste composition study.

Subd. 2. **Study requirements.** (a) The commissioner must:

(1) determine the sampling methods to be used and the categories of materials to be sampled for waste composition studies; and

(2) provide the sampling methods and any additional requirements identified by the commissioner to each owner or operator directed to perform a study.

(b) The sampling methods must include the number of samples to be taken, the size or weight of each sample, the duration of a sampling event, the sampling interval, and any additional methods identified by the commissioner. The categories of materials to be sampled must include categories and subcategories identified by the commissioner to represent the materials present at each facility.

(c) Resource recovery facilities required to do waste sorts required under air rules adopted under section 116.07 must use the study requirements developed under this section when conducting waste composition analysis to meet the rule requirements.

(d) The commissioner must obtain input from counties, cities, and owners or operators of waste facilities before finalizing the sampling methods and requirements. The commissioner must consider cost effectiveness and data quality when determining the sampling methods.

Subd. 3. **Report.** Within six months after completing a waste composition study required under this section, the owner or operator of a facility must submit the raw data and results of the study to the commissioner in a form and manner prescribed by the commissioner.

Subd. 4. **Compilation.** After each three-year cycle, the commissioner must compile and summarize the waste composition data received under subdivision 3. The commissioner must make the summary information available to the public.

Subd. 5. **Additional studies; information.** (a) The commissioner may conduct additional waste composition studies at facilities described in subdivision 1.

(b) Upon request of the commissioner for purposes of determining compliance with this section, a person must furnish to the commissioner any information that the person has or may reasonably obtain.

(c) The owner or operator of a facility shall allow access upon reasonable notice to authorized agency staff for the purpose of conducting waste composition studies.

Sec. 11. Minnesota Statutes 2022, section 115A.5502, is amended to read:

**115A.5502 PACKAGING PRACTICES; PREFERENCES; GOALS.**

Packaging forms a substantial portion of solid waste and contributes to environmental degradation and the costs of managing solid waste. It is imperative to reduce the amount and toxicity of packaging that must be managed as solid waste. In order to achieve significant reduction of packaging in solid waste ~~and to assist packagers and others to meet the packaging reduction goal in section 115A.5501~~, the goal of the state is that items be distributed without any packaging where feasible and, only when necessary to protect health and safety or product integrity, with the minimal amount of packaging possible. The following categories of

packaging are listed in order of preference for use by all persons who find it necessary to package items for distribution or use in the state:

(1) minimal packaging that contains no intentionally introduced toxic materials and that is designed to be and actually is reused for its original purpose at least five times;

(2) minimal packaging that contains no intentionally introduced toxic materials and consists of a significant percentage of postconsumer material;

(3) minimal packaging that contains no intentionally introduced toxic materials, that is recyclable, and is regularly collected through recycling collection programs available to at least 75 percent of the residents of the state;

(4) minimal packaging that does not comply with clause (1), (2), or (3) because it is required under federal or state law and for which there does not exist a commercially feasible alternative that does comply with clause (1), (2), or (3);

(5) packaging that contains no intentionally introduced toxic materials but does not comply with clauses (1) to (4); and

(6) all other packaging.

Sec. 12. Minnesota Statutes 2022, section 115B.421, is amended to read:

**115B.421 CLOSED LANDFILL INVESTMENT FUND.**

**Subdivision 1. Establishment.** (a) The closed landfill investment fund is established in the state treasury. The fund consists of money credited to the fund and interest and other earnings on money in the fund. Funds must be deposited as described in section 115B.445. The fund must be managed to maximize long-term gain through the State Board of Investment.

(b) Each fiscal year, up to \$4,500,000 is appropriated from the closed landfill investment fund to the commissioner for the purposes of sections 115B.39 to 115B.444.

(c) If the commissioner determines that a release or threatened release from a qualified facility for which the commissioner has assumed obligations for environmental response actions under section 115B.40 or 115B.406 constitutes an emergency requiring immediate action to prevent, minimize, or mitigate damage either to the public health or welfare or the environment or to a system designed to protect the public health or welfare or the environment, up to \$9,000,000 in addition to the amount appropriated under paragraph (b) is appropriated to the commissioner in the first year of the biennium and may be spent by the commissioner to take reasonable and necessary emergency response actions. Money not spent in the first year of the biennium may be spent in the second year. If money is appropriated under this paragraph, the commissioner must notify the chairs of the senate and house of representatives committees having jurisdiction over environment policy and finance as soon as possible. The commissioner must maintain the fund balance to ensure long-term viability of the fund and reflect the responsibility of the landfill cleanup program in perpetuity.

(d) Paragraphs (b) and (c) expire June 30, 2025.

**Subd. 2. Local notification.** If money in the closed landfill investment fund is spent or transferred for purposes other than the purposes provided under sections 115B.39 to 115B.444, the commissioner must

provide written notification to each county with a qualified facility within 30 days of the transfer or expenditure that includes the amount, purpose, and authority used to spend or transfer the money.

Sec. 13. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to read:

Subd. 4n. **Compliance protocols.** (a) The commissioner must develop a compliance protocol for use under this subdivision, consisting of:

(1) methods the agency requires a facility to employ to physically measure the actual emissions of each air toxic emitted by the facility; and

(2) the frequency with which the facility must employ each method.

(b) Methods of physical measurement the agency may require include but are not limited to:

(1) continuous emission monitoring systems;

(2) performance tests;

(3) ambient monitoring near the facility;

(4) portable monitoring units that have been calibrated with performance tests or continuous emission monitors; and

(5) any other physical method of measuring actual emissions that the commissioner determines is accurate and technically and physically feasible.

(c) For violations of state and federal air pollution laws involving emissions of hazardous air pollutants, the commissioner may require a compliance protocol as part of a state individual air quality permit issued in response to an enforcement action.

(d) The commissioner may require a facility to employ quality control measures and procedures to ensure that pollution control equipment and emissions monitoring equipment are properly calibrated, operated, and maintained to ensure accuracy.

(e) For the purposes of this subdivision, "state individual air quality permit" means an air quality permit that:

(1) is issued to an individual facility that is required to obtain a permit under Minnesota Rules, part 7007.0250, subparts 2 to 6; and

(2) is not a general permit issued under Minnesota Rules, part 7007.1100.

(f) Beginning January 15, 2025, the commissioner must annually submit a report to the chairs and ranking minority members of the environment and natural resources finance and policy committees on the use of compliance protocols over the preceding year.

Sec. 14. Minnesota Statutes 2022, section 116.07, subdivision 9, is amended to read:

Subd. 9. **Orders; investigations.** ~~The agency shall have~~ commissioner has the following powers and duties for ~~the enforcement of~~ enforcing any provision of this chapter and chapter 114C, relating to air contamination or waste:

(1) to adopt, issue, reissue, modify, deny, revoke, reopen, enter into or enforce reasonable orders, schedules of compliance and stipulation agreements;

(2) to require the owner or operator of any emission facility, air contaminant treatment facility, potential air contaminant storage facility, or any system or facility related to the storage, collection, transportation, processing, or disposal of waste to establish and maintain records; to make reports; to install, use, and maintain monitoring equipment or methods; and to make tests, including testing for odor where a nuisance may exist, in accordance with methods, at locations, at intervals, and in a manner as the agency shall prescribe; and to provide other information as the agency may reasonably require;

(3) to conduct investigations, issue notices, public and otherwise, and order hearings as it may deem necessary or advisable for the discharge of its duties under this chapter and chapter 114C, including but not limited to the issuance of permits; and to authorize any member, employee, or agent appointed by it to conduct the investigations and issue the notices; and

(4) when appropriate, requiring parties who enter into a negotiated agreement to settle an enforcement matter with the agency to reimburse the agency for oversight costs. The agency may recover oversight costs only if the agency's costs exceed \$25,000. If oversight costs exceed \$25,000, the agency may recover all the oversight costs incurred by the agency that are associated with implementing the negotiated agreement. Oversight costs may include but are not limited to any costs associated with inspections, sampling, monitoring, modeling, risk assessment, permit writing, engineering review, economic analysis and review, and other record or document review. Estimates of anticipated oversight costs must be disclosed in the negotiated agreement, and estimates must be periodically updated and disclosed to the parties to the negotiated agreement. The agency's legal and litigation costs are not recoverable under this clause. In addition to settlement agreements, the commissioner has discretion as to whether to apply this clause in cases where the agency is using schedules of compliance to bring a class of regulated parties into compliance.

Sec. 15. Minnesota Statutes 2022, section 116.07, is amended by adding a subdivision to read:

Subd. 9a. **Stipulation agreements.** If a party to a stipulation agreement asserts a good cause or force majeure claim for an extension of time to comply with a stipulated term, the commissioner may deny the extension if the assertion is based solely on increased costs of compliance.

Sec. 16. Minnesota Statutes 2022, section 116.072, subdivision 2, is amended to read:

Subd. 2. **Amount of penalty; considerations.** (a) The commissioner or county board may issue orders assessing penalties up to ~~\$20,000~~ \$25,000 for violations identified during an inspection or other compliance review.

(b) In determining the amount of a penalty, the commissioner or county board ~~may~~ must consider:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;
- (3) the history of past violations;
- (4) the number of violations;
- (5) the economic benefit gained by the person by allowing or committing the violation; and

(6) other factors as justice may require, if the commissioner or county board specifically identifies the additional factors in the commissioner's or county board's order.

(c) For a violation after an initial violation, the commissioner or county board ~~shall~~ must, in determining the amount of a penalty, consider the factors in paragraph (b) and the:

- (1) similarity of the most recent previous violation and the violation to be penalized;
- (2) time elapsed since the last violation;
- (3) number of previous violations; and
- (4) response of the person to the most recent previous violation identified.

Sec. 17. Minnesota Statutes 2022, section 116.072, subdivision 5, is amended to read:

Subd. 5. **Penalty.** (a) Except as provided in paragraph (b), if the commissioner or county board determines that the violation has been corrected or appropriate steps have been taken to correct the action, the penalty must be forgiven. Unless the person requests review of the order under subdivision 6 or 7 before the penalty is due, the penalty in the order is due and payable:

(1) on the 31st day after the order was received, if the person subject to the order fails to provide information to the commissioner or county board showing that the violation has been corrected or that appropriate steps have been taken toward correcting the violation; or

(2) on the 20th day after the person receives the commissioner's or county board's determination under subdivision 4, paragraph (b), if the person subject to the order has provided information to the commissioner or county board that the commissioner or county board determines is not sufficient to show the violation has been corrected or that appropriate steps have been taken toward correcting the violation.

(b) For a repeated or serious violation, the commissioner or county board may issue an order with a penalty that will not be forgiven after the corrective action is taken. A penalty for a repeated violation that occurs within 36 months after one or more previous violations must be at least ten percent higher than the penalty imposed for the most recent violation, except the amount must not exceed the maximum penalty established in subdivision 2. The penalty is due by 31 days after the order was received unless review of the order under subdivision 6, 7, or 8 has been sought.

(c) Interest at the rate established in section 549.09 begins to accrue on penalties under this subdivision on the 31st day after the order with the penalty was received.

Sec. 18. Minnesota Statutes 2022, section 116.11, is amended to read:

### **116.11 EMERGENCY POWERS.**

Subdivision 1. **Imminent and substantial danger.** If there is imminent and substantial danger to the health and welfare of the people of the state, or of any of them, as a result of the pollution of air, land, or water, the ~~agency~~ commissioner may by emergency order direct the immediate discontinuance or abatement of the pollution without notice and without a hearing or at the request of the ~~agency~~ commissioner, the attorney general may bring an action in the name of the state in the appropriate district court for a temporary restraining order to immediately abate or prevent the pollution. The ~~agency~~ commissioner's order or temporary restraining order ~~shall remain~~ is effective until notice, hearing, and determination pursuant to other provisions

of law, or, in the interim, as otherwise ordered. A final order of the ~~agency~~ commissioner in these cases ~~shall be~~ is appealable in accordance with chapter 14.

**Subd. 2. Other acts of concern.** (a) The commissioner may exercise the authority under paragraph (b) when the commissioner has evidence of any of the following:

(1) falsification of records;

(2) a history of noncompliance with schedules of compliance or terms of a stipulation agreement;

(3) chronic or substantial permit violations; or

(4) operating with or without a permit where there is evidence of danger to the health or welfare of the people of the state or evidence of environmental harm.

(b) When the commissioner has evidence of behavior specified in paragraph (a), regardless of the presence of imminent and substantial danger, the commissioner may investigate and may:

(1) suspend or revoke a permit;

(2) issue an order to cease operation or activities;

(3) require financial assurances;

(4) reopen and modify a permit to require additional terms;

(5) require additional agency oversight; or

(6) pursue other actions deemed necessary to abate pollution and protect human health.

#### **Sec. 19. [116.2021] STATE SALT PURCHASE REPORT AND REDUCTION GOAL.**

**Subdivision 1. Definition.** For the purposes of this section, "deicing salt" refers to salt in its solid form used to melt snow and ice, excluding salt used on roads managed by the Department of Transportation.

**Subd. 2. Salt purchase report.** By February 1, 2025, and every year thereafter, the commissioner of the Pollution Control Agency, in cooperation with other state agencies, must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources policy and finance that details the purchase of deicing salt by state agencies, excluding the Department of Transportation, and strategies to meet the salt reduction goal established in subdivision 3.

**Subd. 3. Reduction goal.** It is the goal of the state that no later than January 1, 2030, state agencies will reduce the purchase of deicing salt by 25 percent from the level first reported under subdivision 2.

**Subd. 4. Sunset.** This section expires January 1, 2030.

#### **Sec. 20. [116.2022] STATE NITROGEN FERTILIZER PURCHASE REPORT AND REDUCTION GOAL.**

**Subdivision 1. Nitrogen fertilizer report.** By February 1, 2025, and every year thereafter, the commissioner of the Pollution Control Agency, in cooperation with other state agencies, must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction

over environment and natural resources policy and finance that details the purchase of nitrogen fertilizer by state agencies and strategies to meet the nitrogen fertilizer reduction goal established in subdivision 2.

Subd. 2. **Reduction goal.** It is the goal of the state that no later than January 1, 2030, state agencies will reduce the purchase of nitrogen fertilizer by 25 percent from the level first reported under subdivision 1.

Subd. 3. **Sunset.** This section expires January 1, 2030.

## Sec. 21. [116.391] RESILIENT COMMUNITY ASSISTANCE PROGRAM.

Subdivision 1. **Citation.** This section may be cited as the "Minnesota Resilient Community Act."

Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision have the meanings given.

(b) "Commissioner" means the commissioner of the Pollution Control Agency.

(c) "Local government unit" means any unit of government other than a state or federal unit of government and includes watershed districts established according to chapter 103D, soil and water conservation districts, watershed management organizations, counties, towns, cities, port authorities, housing authorities, regional development commissions, school districts, and the Metropolitan Council.

(d) "Tribal government" means any of the Minnesota Tribal governments defined under section 10.65, subdivision 2, clause (4), and includes Tribal organizations designated by any of the Minnesota Tribal governments.

Subd. 3. **Establishment.** (a) The commissioner must establish a resilient community assistance program to:

(1) assist local government units, Tribal governments, and other relevant organizations as determined by the commissioner in adapting to and developing community resilience to impacts of climate change;

(2) help coordinate climate adaptation planning, implementation, and evaluation efforts among state agencies, local government units, Tribal governments, and other relevant organizations; and

(3) address inequities due to social, economic, historical, and political factors that result in some communities having less ability to prepare for, cope with, and recover from impacts of climate change.

(b) To address inequities under paragraph (a), clause (3), the commissioner must seek input and collaboration from disproportionately impacted communities.

Subd. 4. **Program elements.** The resilient community assistance program may include but is not limited to:

(1) developing, assembling, and disseminating information on climate adaptation and resilience;

(2) technical assistance for climate adaptation and resilience;

(3) financial assistance programs that provide grants or loans for resilience planning and for implementing climate adaptation and resilience actions, coordinated with the Public Facilities Authority, as necessary, for state bond-funded projects;

(4) outreach, including seminars, workshops, training programs, and other similar activities, designed to provide education and information on climate adaptation and resilience to local government units, Tribal governments, and other relevant organizations as determined by the commissioner;

(5) coordinating, implementing, and measuring progress on climate adaptation and resilience and measuring local government and Tribal government climate adaptation in Minnesota; and

(6) other efforts needed to support climate adaptation and community resilience in Minnesota as determined by the commissioner.

Subd. 5. **Administration.** (a) In administering the program, the commissioner may coordinate with administrators of other public and private programs that provide technical and financial assistance to local government units, Tribal governments, and other relevant organizations that receive assistance under this section.

(b) The commissioner may make grants to or enter into contracts with public or private entities to operate elements of the program. Grantees under this paragraph must provide the commissioner with periodic reports on their efforts to assist in administering the program.

(c) When operating or participating in elements of the program according to a grant or contract under paragraph (b), a person is an employee of the state who is certified to be acting within the scope of employment for purposes of indemnification under section 3.736, subdivision 9, for claims that arise out of the information, assistance, and recommendations covered by the grant or contract. The state is not obligated to defend or indemnify a grantee or contractor under this subdivision to the extent of the grantee's or contractor's liability insurance. The grantee's or contractor's right to indemnity is not a waiver of limitations, defenses, and immunities available to either the grantee or contractor or the state by law.

Subd. 6. **Award for excellence in community resilience.** The governor or commissioner may issue annual awards in the form of a commendation for excellence in climate adaptation and resilience. The commissioner must administer applications for the awards.

Sec. 22. Minnesota Statutes 2022, section 116.92, is amended by adding a subdivision to read:

Subd. 7b. **Ban; mercury-containing general purpose lighting.** (a) For purposes of this subdivision, the following terms have the meanings given:

(1) "compact fluorescent lamp" means a compact low-pressure, mercury-containing, electric-discharge light source:

(i) of any tube diameter or tube length;

(ii) of any lamp size or shape for directional and nondirectional installations, including but not limited to PL, spiral, twin tube, triple twin, 2D, U-bend, and circular;

(iii) in which a fluorescent coating transforms some of the ultraviolet energy generated by the mercury discharge into visible light;

(iv) that has one base or end cap of any type, including but not limited to screw, bayonet, two pins, and four pins;

(v) that is integrally ballasted or non-integrally ballasted; and

(vi) that has light emission between a correlated color temperature of 1700K and 24000K and a Duv of +0.024 and -0.024 in the International Commission on Illumination (CIE) Uniform Color Space (CAM02-UCS);

(2) "linear fluorescent lamp" means a low-pressure, mercury-containing, electric-discharge light source:

(i) of any tube diameter, including but not limited to T5, T8, T10, and T12;

(ii) with a tube length from 0.5 to 8.0 feet, inclusive;

(iii) of any lamp shape, including but not limited to linear, U-bend, and circular;

(iv) in which a fluorescent coating transforms some of the ultraviolet energy generated by the mercury discharge into visible light;

(v) that has two bases or end caps of any type, including but not limited to single-pin, two-pin, and recessed double contact; and

(vi) that has light emission between a correlated color temperature of 1700K and 24000K and a Duv of +0.024 and -0.024 in the CIE CAM02-UCS;

(3) "mercury vapor lamp" means a high-intensity discharge lamp, including clear, phosphor-coated, and self-ballasted screw base lamps, in which the major portion of the light is produced by radiation from mercury typically operating at a partial vapor pressure in excess of 100,000 pascals;

(4) "mercury vapor lamp ballast" means a device that is designed and marketed to start and operate mercury vapor lamps intended for general illumination by providing the necessary voltage and current; and

(5) "specialty application mercury vapor lamp ballast" means a mercury vapor lamp ballast:

(i) that is designed and marketed for operating mercury vapor lamps used in quality inspection, industrial processing, or scientific applications, including fluorescent microscopy and ultraviolet curing; and

(ii) the label of which states "For specialty applications only, not for general illumination" and indicates the specific applications for which the ballast is designed.

(b) Effective January 1, 2025, a person may not sell, offer for sale, or distribute in the state as a new manufactured product a screw- or bayonet-base type compact fluorescent lamp, a mercury vapor lamp, or a mercury vapor lamp ballast, whether sold separately, in a retrofit kit, or in a luminaire. Effective January 1, 2026, a person may not sell, offer for sale, or distribute in the state as a new manufactured product a pin-base type compact fluorescent lamp or a linear fluorescent lamp.

(c) This subdivision does not apply to:

(1) a lamp designed and marketed exclusively for image capture and projection, including for:

(i) photocopying;

(ii) printing, directly or in preprocessing;

(iii) lithography;

(iv) film and video projection; or

(v) holography;

(2) a lamp that has a high proportion of ultraviolet light emission and that:

(i) has high ultraviolet content and ultraviolet power greater than two milliwatts per kilolumen;

(ii) is for germicidal use, such as for destroying DNA, and emits a peak radiation of approximately 253.7 nanometers;

(iii) is designed and marketed exclusively for disinfection or fly-trapping and from which:

(A) the radiation power emitted between 250 and 315 nanometers represents at least five percent of the total radiation power emitted between 250 and 800 nanometers; or

(B) the radiation power emitted between 315 and 400 nanometers represents at least 20 percent of the total radiation power emitted between 250 and 800 nanometers;

(iv) is designed and marketed exclusively for generating ozone when the primary purpose is to emit radiation at approximately 185.1 nanometers;

(v) is designed and marketed exclusively for coral zooxanthellae symbiosis and from which the radiation power emitted between 400 and 480 nanometers represents at least 40 percent of the total radiation power emitted between 250 and 800 nanometers; or

(vi) is designed and marketed exclusively for use in a sunlamp product, as defined in Code of Federal Regulations, title 21, section 1040.20(b)(9) (2022);

(3) specialty application mercury vapor lamp ballasts; or

(4) a compact fluorescent lamp used to replace a lamp in a motor vehicle if the motor vehicle was manufactured on or before January 1, 2020.

(d) Nothing in this section limits the ability of a utility to offer energy-efficient lighting, rebates, or lamp-recycling services or to claim energy savings resulting from such programs through the utility's energy conservation and optimization plans approved by the commissioner of commerce under section 216B.241 or an energy conservation and optimization plan filed by a consumer-owned utility under section 216B.2403.

Sec. 23. Minnesota Statutes 2022, section 116D.02, subdivision 2, is amended to read:

Subd. 2. **State responsibilities.** In order to carry out the policy set forth in Laws 1973, chapter 412, it is the continuing responsibility of the state government to use all practicable means, consistent with other essential considerations of state policy, to improve and coordinate state plans, functions, programs and resources to the end that the state may:

(1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

(2) assure for all people of the state safe, healthful, productive, and aesthetically and culturally pleasing surroundings;

(3) discourage ecologically unsound aspects of population, economic and technological growth, and develop and implement a policy such that growth occurs only in an environmentally acceptable manner;

(4) preserve important historic, cultural, and natural aspects of our national heritage, and maintain, wherever practicable, an environment that supports diversity, and variety of individual choice;

(5) encourage, through education, a better understanding of natural resources management principles that will develop attitudes and styles of living that minimize environmental degradation;

(6) develop and implement land use and environmental policies, plans, and standards for the state as a whole and for major regions thereof through a coordinated program of planning and land use control;

(7) define, designate, and protect environmentally sensitive areas;

(8) establish and maintain statewide environmental information systems sufficient to gauge environmental conditions;

(9) practice thrift in the use of energy and maximize the use of energy efficient systems for ~~the utilization of producing, distributing, and using energy, including recovering and reusing waste heat,~~ and minimize the environmental impact from energy production and use;

(10) preserve important existing natural habitats of rare and endangered species of plants, wildlife, and fish, and provide for the wise use of our remaining areas of natural habitation, including necessary protective measures where appropriate;

(11) reduce wasteful practices which generate solid wastes;

(12) minimize wasteful and unnecessary depletion of nonrenewable resources;

(13) conserve natural resources and minimize environmental impact by encouraging ~~extension of extended product lifetime, by lifetimes;~~ reducing ~~the number of unnecessary and wasteful materials practices;~~ and ~~by recycling materials, water, and energy~~ to conserve both materials and energy;

(14) improve management of renewable resources in a manner compatible with environmental protection;

(15) provide for reclamation of mined lands and assure that any mining is accomplished in a manner compatible with environmental protection;

(16) reduce the deleterious impact on air and water quality from all sources, including the deleterious environmental impact due to operation of vehicles with internal combustion engines in urbanized areas;

(17) minimize noise, particularly in urban areas;

(18) prohibit, where appropriate, floodplain development in urban and rural areas; and

(19) encourage advanced waste treatment in abating water pollution.

Sec. 24. Minnesota Statutes 2022, section 473.845, is amended by adding a subdivision to read:

**Subd. 3a. Local notification.** If money in the metropolitan landfill contingency action trust account is spent or transferred for purposes other than the purposes provided under this section, the commissioner must provide written notification to each county with a facility eligible for spending from the metropolitan landfill contingency action trust account within 30 days of the transfer or expenditure that includes the amount, purpose, and authority used to spend or transfer the money.

Sec. 25. Laws 2023, chapter 60, article 3, section 35, is amended to read:

Sec. 35. **RESOURCE MANAGEMENT; REPORT.**

(a) By ~~July 15, 2025~~ January 15, 2026, the commissioner of the Pollution Control Agency must conduct a study and prepare a report that includes a pathway to implement resource management policies, programs, and infrastructure. The commissioner must submit the report to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over environmental policy and finance and energy policy. The report must include:

(1) an overview of how municipal solid waste is currently managed, including how much material is generated in the state and is reused, recycled, composted, digested, or disposed of;

(2) a summary of infrastructure, programs, policies, and resources needed to reduce the amount of materials disposed of in landfills or incinerators statewide by more than 90 percent over a 2021 baseline by 2045 or sooner. The summary must include analysis and recommendations of scenarios above Waste-to-Energy on the state's Waste Hierarchy that maximizes the environmental benefits when meeting the 90 percent reduction target;

(3) an analysis of:

(i) waste prevention program impacts and opportunities;

(ii) how much additional capacity is needed after prevention for reuse, recycling, composting, and anaerobic digestion systems to achieve that goal; and

(iii) what steps can be taken to implement that additional capacity, including working collaboratively with local governments, industry, and community-based organizations to invest in such facilities and to work together to seek additional state and federal funding assistance;

(4) strategic programmatic, regulatory, and policy initiatives that will be required to produce source reduction, rethink and redesign products and packaging to more efficiently use resources, and maximize diversion from disposal of materials in a way that prevents pollution and does not discharge to land, water, or air or threaten the environment or human health;

(5) recommendations for reducing the environmental and human health impacts of waste management, especially across environmental justice areas as defined under Minnesota Statutes, section 115A.03, and ensuring that the benefits of these resource management investments, including the creation of well-paying green jobs, flow to disadvantaged communities that are marginalized, underserved, and overburdened by pollution and that land, water, air, and climate impacts are considered; and

(6) a review of feasibility, assumptions, costs, and milestones necessary to meet study goals.

(b) The commissioner must obtain input from counties and cities inside and outside the seven-county metropolitan area; reuse, recycling, and composting facilities; anaerobic digestion facilities; waste haulers; environmental organizations; community-based organizations; Tribal representatives; and diverse communities located in environmental justice areas that contain a waste facility. The commissioner must provide for an open public comment period of at least 60 days on the draft report. Written public comments and commissioner responses to all those comments must be included in the final report.

Sec. 26. Laws 2023, chapter 60, article 8, section 6, subdivision 9, is amended to read:

Subd. 9. **Report to legislature.** No later than ~~March~~ February 15, 2025 2026, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with primary jurisdiction over environment policy and finance on the results of the grant program, including:

- (1) any changes in the agency's air-monitoring network that will occur as a result of data developed under the program;
- (2) any actions the agency has taken or proposes to take to reduce levels of pollution that impact the areas that received grants under the program; and
- (3) any recommendations for legislation, including whether the program should be extended or expanded.

Sec. 27. **SEWAGE SLUDGE FOR LAND APPLICATION ANALYZED FOR PFAS.**

The commissioner of the Pollution Control Agency must develop a strategy to require sewage sludge prepared for application to land in Minnesota to be analyzed under Minnesota Rules, part 7041.1500, subpart 3, for the presence of perfluoroalkyl and polyfluoroalkyl substances (PFAS) by December 31, 2024, and begin implementing this strategy in water discharge permits thereafter.

Sec. 28. **CRITICAL MATERIALS RECOVERY ADVISORY TASK FORCE.**

Subdivision 1. **Definitions.** In this section, the following terms have the meanings given:

(1) "critical materials" means materials on the final 2023 Critical Materials List published by the United States Secretary of Energy in the Federal Register on August 4, 2023, as amended, as required under section 7002 of the Energy Act of 2020; and

(2) "recovery" means the deployment of technological processes to extract and remove critical materials from waste streams with the goal of reconstituting them in a pure form that can be reused.

Subd. 2. **Composition of task force.** (a) The commissioner of the Pollution Control Agency must, no later than October 1, 2024, establish and appoint a Critical Materials Recovery Advisory Task Force consisting of 15 members appointed as follows:

- (1) the commissioner of the Pollution Control Agency or the commissioner's designee;
- (2) the commissioner of employment and economic development or the commissioner's designee;
- (3) an expert in one or more subjects that are relevant to the work of the task force;
- (4) one representative from the Solid Waste Administrators Association;
- (5) one representative from a company that disassembles electronic waste;
- (6) one representative from an energy advocacy organization;
- (7) one representative from an organization that is primarily involved in environmental justice issues;
- (8) one representative from an industrial labor union;
- (9) one representative from a labor union affiliated with the Building and Construction Trades Council;
- (10) one representative from a manufacturer that uses critical materials as inputs;

(11) one representative from the Minnesota Indian Affairs Council;

(12) one representative from an electronics manufacturer that operates an e-waste recycling program and is also an electronics retailer;

(13) one representative from the Natural Resources Research Institute in Duluth;

(14) one representative of a utility providing retail electric service to customers in Minnesota; and

(15) one representative from a recovery infrastructure operator, who is a nonvoting member of the task force.

(b) A member appointed under paragraph (a) may not be a registered lobbyist.

Subd. 3. **Duties.** (a) The task force must advise the commissioner of the Pollution Control Agency with respect to policy and program options designed to increase the recovery of critical materials from end-of-life products by:

(1) developing a strategic road map for achieving domestic recovery of critical materials;

(2) investigating emerging technologies employed to recover critical materials from electronic waste, components of renewable energy generating systems, and other end-of-life products;

(3) evaluating the economic, environmental, and social costs, benefits, and impacts associated with various methods of recovering critical materials from end-of-life products;

(4) identifying options to prevent products containing critical materials from being disposed of in a landfill or waste combustor;

(5) consulting with stakeholders regarding recycling and end-of-life management options for products containing critical materials that enhance the possibility of recovery; and

(6) identifying infrastructure needed to develop an integrated system to collect, transport, and recycle products for critical materials recovery.

(b) The task force must convene at least one public meeting to gather comments on issues regarding critical materials recovery.

Subd. 4. **Task force; administration.** (a) The task force must elect a chair by majority vote at its initial meeting. The task force must meet quarterly. Additional meetings may be held at the call of the chair. The commissioner or the commissioner's designee and the member appointed under subdivision 2, paragraph (a), clause (3), must cofacilitate task force meetings.

(b) The Pollution Control Agency must serve as staff to the task force.

Subd. 5. **Report.** No later than December 30, 2025, the task force must submit a written report containing its findings and recommendations for administrative and legislative action to the commissioner of the Pollution Control Agency and the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over solid waste. The recommendations in the report must be specific and actionable and may not include recommendations for further reports or studies. The task force expires December 30, 2025, or upon submission of the report required by this subdivision, whichever occurs first.

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

**Sec. 29. MINNESOTA POLLUTION CONTROL AGENCY AND DEPARTMENT OF HEALTH; PFAS REMOVAL REPORT.**

(a) By January 15, 2025, the commissioners of the Pollution Control Agency and health must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over health finance and policy, environment and natural resources finance and policy, and capital investment. The report must provide recommendations for:

(1) strategies or fee mechanisms the state may use to require companies that manufacture, use, or release perfluoroalkyl and polyfluoroalkyl substances (PFAS) to pay for the cost of providing safe drinking water to people that have had their private and public water sources contaminated by PFAS; and

(2) strategies or fee mechanisms the state may use to require companies that manufacture, use, or release PFAS to:

(i) prevent or remove PFAS from influent waters entering municipal wastewater facilities so that treatment of effluent is not required; or

(ii) pay the cost of treating and disposing of the PFAS from municipal wastewater facilities effluent.

(b) The report must include recommendations for any legislation needed to implement the strategies or fee mechanisms. The report must consider options from the report submitted by the PFAS manufacturers fee work group required under Laws 2023, chapter 60, article 3, section 30, in developing the recommendations. The recommendations in the report must be specific and actionable and may not include recommendations for further reports or studies.

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

**Sec. 30. POSTCLOSURE CARE SOLID WASTE DISPOSAL FACILITIES; RULEMAKING.**

(a) The commissioner of the Pollution Control Agency must amend rules related to solid waste disposal facilities to require the commissioner's approval to terminate the postclosure care period.

(b) The commissioner may use the good-cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

**Sec. 31. RECOMMENDATIONS FOR PRODUCTS CONTAINING LEAD, CADMIUM, AND PFAS; ENFORCEMENT MORATORIUM.**

(a) By January 31, 2025, the commissioner of the Pollution Control Agency must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over environment and natural resources finance and policy with legislative recommendations related to the following chemicals and products:

(1) the use of intentionally added perfluoroalkyl and polyfluoroalkyl substances (PFAS) in electronic or other internal components of upholstered furniture in the 2025 prohibition under Minnesota Statutes, section 116.943;

(2) the use of lead and cadmium in internal electronic components of keys fobs in the prohibition under Minnesota Statutes, section 325E.3892;

(3) the use of lead in pens or mechanical pencils included in the prohibition under Minnesota Statutes, section 325E.3892; and

(4) the use of intentionally added PFAS in firefighting foam used in fire suppression systems installed in airport hangers in the prohibitions under Minnesota Statutes, section 325F.072.

(b) The report required by paragraph (a) must include recommendations on whether extensions should be allowed for the uses of the chemicals described in paragraph (a).

(c) Until July 1, 2025, the commissioner of the Pollution Control Agency must not enforce the provisions enumerated in paragraph (a) for the chemicals and products listed in that paragraph.

**Sec. 32. RULEMAKING; CAPITAL ASSISTANCE PROGRAM.**

The commissioner of the Pollution Control Agency must, using the expedited rulemaking process in Minnesota Statutes, section 14.389, amend the rules related to the capital assistance program in Minnesota Rules, parts 9210.0100 to 9210.0180, to conform with and implement the changes made in Minnesota Statutes, sections 115A.03 and 115A.49 to 115A.54 by Laws 2023, chapter 60, article 3, sections 6 and 9 to 13.

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

**Sec. 33. RESEARCHING CLIMATE ADAPTATION AND RESILIENCE COSTS FOR MINNESOTA.**

(a) The commissioner of the Pollution Control Agency must research and report the projected costs in Minnesota of climate change adaptation and resilience measures needed to mitigate the projected impacts for at least two different future scenarios using either the Shared Socioeconomic Pathways or Representative Concentration Pathways as described by the Intergovernmental Panel on Climate Change. The report must identify what research, data, modeling, stakeholder engagement, and other resources are needed in order to:

(1) estimate costs for mid-century, late-century, and end-of-century, using 2024 dollars as a baseline;

(2) estimate costs related to hazards, including but not limited to precipitation and heat and the impacts of precipitation and heat on soil and lakes;

(3) provide an analysis of the projected costs and impacts of additional hazards like flooding, drought, wildfires, high-wind events, extreme cold, and vector-borne illnesses;

(4) provide analyses of how these hazards and impacts are experienced differently by Minnesotans based on demographics, including race, gender, ability, and age, as well as economic status and geography; and

(5) identify methods for understanding and making decisions about the trade-offs between the financial and social costs to mitigate climate risks and the level of risk reduction achieved.

(b) The report must identify what research, data, modeling, stakeholder engagement, and other resources are needed in order to estimate the costs of impacts on:

(1) Minnesota's natural environment, including but not limited to impacts on:

(i) working lands and natural lands;

(ii) water, including but not limited to surface waters, rivers, drinking water, and Lake Superior;

(iii) air, including but not limited to surface temperature and air quality; and

(iv) the biodiversity of Minnesota's biomes;

(2) Minnesota's built environment, including but not limited to impacts on:

(i) residential, commercial, and public buildings; and

(ii) critical infrastructure, including but not limited to the infrastructure that manages stormwater, wastewater, drinking water, transportation, electricity, gas, and communications technologies; and

(3) Minnesota's social environment, including but not limited to impacts on:

(i) human settlement and migration;

(ii) statewide and regional economies, including but not limited to impacts on industries like tourism, agriculture, and forest products; and

(iii) public health, including but not limited to impacts related to emergency response, asthma, heat exposure, and vector-borne illnesses.

(c) The report should recommend best practices for integrating costs estimates with University of Minnesota's Minnesota CliMAT (Climate Mapping and Analysis Tool) or any related preceding or successor modeling tools.

(d) To prepare the report, the commissioner must engage subject-area experts and other stakeholders, as needed, to contribute to the report.

(e) By February 1, 2025, the commissioner shall submit a written report to the chairs and ranking minority members of the legislative committees with primary jurisdiction over energy, environment, health, transportation, and capital investment summarizing the findings of the research.

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

#### Sec. 34. **REVISOR INSTRUCTION.**

The revisor of statutes must renumber Minnesota Statutes, section 115A.03, subdivision 24c, as Minnesota Statutes, section 115A.03, subdivision 24e.

#### Sec. 35. **REPEALER.**

Minnesota Statutes 2022, section 115A.5501, is repealed.

### ARTICLE 3

#### NATURAL RESOURCES

##### Section 1. **[11A.236] ACCOUNT TO INVEST FINANCIAL ASSURANCE MONEY FROM PERMITS TO MINE.**

Subdivision 1. **Establishment; appropriation.** (a) The State Board of Investment, when requested by the commissioner of natural resources, may invest money collected by the commissioner as part of financial assurance provided under a permit to mine issued under chapter 93. The State Board of Investment may

establish one or more accounts into which money may be deposited for the purposes of this section, subject to the policies and procedures of the State Board of Investment. Use of any money in the account is restricted to the financial assurance purposes identified in sections 93.46 to 93.51 and rules adopted thereunder and as authorized under any trust fund agreements or other conditions established under a permit to mine.

(b) Money in an account established under paragraph (a) is appropriated to the commissioner of natural resources for the purposes for which the account is established under this section.

Subd. 2. **Account maintenance and investment.** (a) The commissioner of natural resources may deposit money in the appropriate account and may withdraw money from the appropriate account for the financial assurance purposes identified in sections 93.46 to 93.51 and rules adopted thereunder and as authorized under any trust fund agreements or other conditions established under the permit to mine for which the financial assurance is provided, subject to the policies and procedures of the State Board of Investment.

(b) Investment strategies related to an account established under this section must be determined jointly by the commissioner of natural resources and the executive director of the State Board of Investment. The authorized investments for an account are the investments authorized under section 11A.24 that are made available for investment by the State Board of Investment.

(c) Investment transactions must be at a time and in a manner determined by the executive director of the State Board of Investment. Decisions to withdraw money from the account must be determined by the commissioner of natural resources, subject to the policies and procedures of the State Board of Investment. Investment earnings must be credited to the appropriate account for financial assurance under the identified permit to mine.

(d) The commissioner of natural resources may terminate an account at any time, so long as the termination is in accordance with applicable statutes, rules, trust fund agreements, or other conditions established under the permit to mine, subject to the policies and procedures of the State Board of Investment.

Sec. 2. Minnesota Statutes 2022, section 13.7931, is amended by adding a subdivision to read:

Subd. 7. **Forest industry data.** Information that the Department of Natural Resources collects, receives, or maintains through voluntary responses to questionnaires or surveys by forest industry businesses is classified under section 84.0871.

Sec. 3. Minnesota Statutes 2022, section 16A.125, subdivision 5, is amended to read:

Subd. 5. **Forest trust lands.** (a) The term "state forest trust fund lands" as used in this subdivision, means public land in trust under the constitution set apart as "forest lands under the authority of the commissioner" of natural resources as defined by section 89.001, subdivision 13.

(b) The commissioner of management and budget shall credit the revenue from the forest trust fund lands to the forest suspense account. The account must specify the trust funds interested in the lands and the respective receipts of the lands.

(c) After a fiscal year, the commissioner of management and budget shall certify the costs incurred for forestry during that year under appropriations for the improvement, administration, and management of state forest trust fund lands and construction and improvement of forest roads to enhance the forest value of the lands. The certificate must specify the trust funds interested in the lands. After presentation to the Legislative Permanent School Fund Commission or by June 30 each year, whichever is sooner, the commissioner of

natural resources shall supply the commissioner of management and budget with the information needed for the certificate. The certificate shall include an analysis that compares costs certified under this section with costs incurred on other public and private lands with similar land assets.

(d) After a fiscal year, the commissioner shall distribute the receipts credited to the suspense account during that fiscal year as follows:

(1) the amount of the certified costs incurred by the state for forest management, forest improvement, and road improvement during the fiscal year shall be transferred to the forest management investment account established under section 89.039;

(2) the amount of costs incurred by the Legislative Permanent School Fund Commission under section 127A.30, and by the school trust lands director under section 127A.353, shall be transferred to the general fund;

(3) the balance of the certified costs incurred by the state during the fiscal year shall be transferred to the general fund; and

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

Sec. 4. Minnesota Statutes 2022, section 84.027, subdivision 12, is amended to read:

Subd. 12. **Property disposal; gift acknowledgment; advertising sales.** (a) The commissioner may recognize the contribution of money or in-kind services on plaques, signs, publications, audiovisual materials, and media advertisements by allowing the organization's contribution to be acknowledged in print of readable size.

(b) The commissioner may accept paid advertising for departmental publications. Advertising revenues received are appropriated to the commissioner to be used to defray costs of publications, media productions, or other informational materials. The commissioner may not accept paid advertising from any elected official or candidate for elective office.

(c) Notwithstanding section 16B.2975, subdivision 6, clause (2), if the commissioner determines that a transfer benefits the state's natural resources management or bison management, the commissioner may request that the commissioner of administration donate and convey bison to a governmental unit or nonprofit organization, in or outside Minnesota, or sell bison. The recipient of the bison is solely responsible for all future expenses related to the bison.

Sec. 5. Minnesota Statutes 2022, section 84.033, subdivision 3, is amended to read:

Subd. 3. **County approval.** The commissioner must follow the procedures under section 97A.145, subdivision 2, when acquiring land for designation as a scientific and natural area under this section located outside the seven-county metropolitan area.

Sec. 6. **[84.0871] DATA ON FOREST INDUSTRY.**

(a) The following data that the Department of Natural Resources collects, receives, or maintains through voluntary responses to questionnaires or surveys by forest industry businesses are classified as private data on individuals, as defined in section 13.02, subdivision 12, if the data are data on individuals or as nonpublic data, as defined in section 13.02, subdivision 9, if the data are data not on individuals:

- (1) timber resource consumption;
- (2) origin of timber resources;
- (3) cost of delivered timber;
- (4) forest industry product output; and
- (5) production costs.

(b) Data that the department collects, receives, or maintains through voluntary responses to questionnaires or surveys by forest industry businesses and that are not specified under paragraph (a), clauses (1) to (5), are public data.

(c) Summary data, as defined in section 13.02, subdivision 19, that the department compiles from data under paragraph (a) or (b) are public data.

(d) Data collected, received, or maintained by the department from bidders on state timber under section 90.145 are not subject to this section.

Sec. 7. Minnesota Statutes 2022, section 84.0895, subdivision 1, is amended to read:

Subdivision 1. **Prohibition.** Notwithstanding any other law, a person may not take, import, transport, release, or sell any portion of an endangered or threatened species of wild animal or plant, or sell or possess with intent to sell an article made with any part of the skin, hide, or parts of an endangered or threatened species of wild animal or plant, except as provided in subdivisions 2 and 7.

Sec. 8. Minnesota Statutes 2022, section 84.0895, subdivision 8, is amended to read:

Subd. 8. **Application.** This section does not apply retroactively ~~or prohibit importation into this state and subsequent possession, transport, and sale of wild animals, wild plants, or parts of wild animals or plants that are legally imported into the United States or legally acquired and exported from another territory, state, possession, or political subdivision of the United States.~~

Sec. 9. **[84.705] COMMUNITY TREE-PLANTING GRANTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Shade tree" means a woody perennial grown primarily for aesthetic or environmental purposes with minimal to residual timber value.

(c) "Supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Subd. 2. **Grants.** (a) The commissioner must establish a grant program to provide grants to cities, counties, townships, Tribal governments, and park and recreation boards in cities of the first class for the following purposes:

- (1) removing and planting shade trees on public or Tribal land to provide environmental benefits;

(2) replacing trees lost to forest pests, disease, or storms; and

(3) establishing a more diverse community forest better able to withstand disease and forest pests.

(b) Any tree planted with money granted under this section must be a climate-adapted species to Minnesota.

Subd. 3. **Priority.** (a) Priority for grants awarded under this section must be given to:

(1) projects removing and replacing ash trees that pose significant public safety concerns; and

(2) projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

(b) The commissioner may not prioritize projects based on criteria other than the criteria established under paragraph (a).

Subd. 4. **Eligible projects.** (a) The proceeds of state general obligation bonds may only be expended for grants to cities, counties, townships, and park and recreation boards in cities of the first class.

(b) Appropriations from the general fund may be expended for grants to Tribal governments, cities, counties, townships, and park and recreation boards in cities of the first class.

Sec. 10. Minnesota Statutes 2022, section 84.788, subdivision 5a, is amended to read:

Subd. 5a. **Report of registration transfers.** (a) Application for transfer of registration under this section must be made to the commissioner within 15 days of the date of transfer.

(b) An application for transfer must be executed by the ~~registered~~ current owner and the purchaser using a bill of sale that includes the vehicle serial number.

(c) The purchaser is subject to the penalties imposed by section 84.774 if the purchaser fails to apply for transfer of registration as provided under this subdivision.

Sec. 11. Minnesota Statutes 2022, section 84.788, subdivision 6, is amended to read:

Subd. 6. **Registration fees.** (a) The fee for registration of an off-highway motorcycle under this section, other than those registered by a dealer or manufacturer under paragraph (b) or (c), is ~~\$30~~ \$45 for three years and \$4 for a duplicate or transfer.

(b) The total registration fee for off-highway motorcycles owned by a dealer and operated for demonstration or testing purposes is \$50 per year. Dealer registrations are not transferable.

(c) The total registration fee for off-highway motorcycles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes is \$150 per year. Manufacturer registrations are not transferable.

(d) The fees collected under this subdivision must be deposited in the state treasury and credited to the off-highway motorcycle account.

Sec. 12. Minnesota Statutes 2022, section 84.871, is amended to read:

**84.871 EQUIPMENT MUFFLER REQUIREMENTS; PENALTIES.**

Subdivision 1. **Mufflers.** (a) Except as provided in this section under paragraph (c), every snowmobile shall be a person may not operate a snowmobile unless:

(1) the snowmobile is equipped with a muffler meeting the requirements of rules adopted by the commissioner; and

(2) the snowmobile is equipped at all times with a muffler in good working order which that blends the exhaust noise into the overall snowmobile noise and is in constant operation to prevent excessive or unusual noise. The

(b) A snowmobile operated, offered for sale, or sold in this state must have an exhaust system shall that does not emit or produce a sharp popping or crackling sound.

(c) This section does not apply to organized races or similar competitive events held on:

(1) private lands, with the permission of the owner, lessee, or custodian of the land;

(2) public lands and water under the jurisdiction of the commissioner of natural resources, with the commissioner's permission; or

(3) other public lands, with the consent of the public agency owning the land.

(d) No person shall have for sale, sell, or offer for sale on any new snowmobile any muffler that fails to comply with the specifications required by the rules of the commissioner after the effective date of the rules.

Subd. 3. **Certification.** Beginning July 1, 2026, all after-market mufflers installed on a snowmobile must have a permanent stamp, clearly visible on the muffler, certified by the muffler manufacturer and stating that the muffler conforms to the snowmobile muffler noise limits specified by the rules of the commissioner.

Subd. 4. **Penalties.** (a) A person who operates a snowmobile in violation of subdivision 1, paragraph (a) or (b), is guilty of a misdemeanor.

(b) Notwithstanding section 609.101, subdivision 4, clause (2), the minimum fine for a person who operates a snowmobile in violation of subdivision 1, paragraph (a) or (b), must not be less than:

(1) \$250 for the first offense;

(2) \$500 for the second offense; and

(3) \$1,000 for the third and subsequent offenses.

(c) A conservation officer or other licensed peace officer may issue a civil citation to a person who operates a snowmobile in violation of subdivision 1, paragraph (a) or (b). A civil citation under this subdivision must impose a penalty of:

(1) \$250 for the first offense;

(2) \$500 for the second offense; and

(3) \$1,000 for the third and subsequent offenses.

**Sec. 13. [84.9736] STATE COOPERATIVE FARMING AGREEMENT AND AGRICULTURAL LEASE REQUIREMENTS; FOOD PLOTS.**

(a) The commissioner of natural resources must require state cooperative farming agreements and agricultural leases of lands administered by the commissioner located east of Interstate Highway 35 in the karst region of the state to:

(1) prohibit application of fertilizer in the fall;

(2) require that no more than 50 percent of the nitrogen budget may be applied before crop emergence;

(3) prohibit nitrogen application rates from exceeding the University of Minnesota recommendations on rates; and

(4) require the use of fall cover crops.

(b) The commissioner must evaluate existing food plots and establish a process to retire food plots on lands administered by the commissioner that do not have a significant value to resident and migrating wildlife.

**EFFECTIVE DATE.** This section is effective January 1, 2025.

Sec. 14. Minnesota Statutes 2022, section 84B.061, as amended by Laws 2024, chapter 90, article 2, section 8, is amended to read:

**84B.061 STATE JURISDICTION OVER RAINY LAKE AND OTHER NAVIGABLE WATERS; DUTIES OF GOVERNOR, ATTORNEY GENERAL, AND OTHER PUBLIC OFFICERS.**

As required by this chapter and the act of Congress authorizing Voyageurs National Park, the state of Minnesota donated in excess of 35,000 acres of state and other publicly owned land for the park, roughly one-fourth of the land area of the park, at a cost of over \$5,000,000 to the state. More than 24,000 acres of this land was state trust fund land which the state condemned before making its donation. Pursuant to section 84B.06, lands donated by the state, along with other lands acquired by the National Park Service for the park, were made subject to concurrent jurisdiction by the state and the United States under section 1.041. In making these donations, none of the navigable waters within the park and the lands under them have been donated to the United States. These navigable waters include the following: Rainy, Kabetogama, Namakan, Sand Point, and Crane Lakes. Pursuant to applicable federal and state law, navigable waters and their beds are owned by the state. Ownership of and jurisdiction over these waters, frozen waters, and their beds has not been ceded by the state, either expressly or implicitly, to the United States. Unlike section 1.044 relating to the Upper Mississippi Wildlife and Fish Refuge, where the state expressly granted its consent and jurisdiction to the United States to acquire interests in water, as well as land, the consent granted by the state in section 84B.06 to acquisitions by the United States for Voyageurs National Park is limited to land, only. In the discharge of their official duties, the governor, attorney general, other constitutional officers, and other public officials, such as the commissioner of natural resources, shall vigorously assert and defend, in all forums, the state's ownership of and jurisdiction over these waters and their beds and related natural resources, together with associated rights of the state and its citizens arising from the state's ownership and jurisdiction. In discharging their duties, the governor, attorney general, other constitutional officers, and other public officials shall, additionally, be especially cognizant of the free rights of travel afforded to citizens of Minnesota and others under the Webster-Ashburton Treaty (proclaimed November 10, 1842) and the Root-Bryce Treaty (proclaimed May 13, 1910) on international and associated boundary waters. Also, in

furtherance of duties under this section, the commissioner of natural resources shall continue in effect the commercial removal of native rough fish, as defined in section 97A.015, subdivision 43, from these waters, together with any rights to do so possessed by any person on January 1, 1995, so long as the commissioner determines that such taking is desirable to the management of the native fishery.

Sec. 15. **[86B.1065] COUNTY SHERIFF COSTS FOR UNSAFE ICE SEARCH AND RESCUE.**

A county sheriff may be reimbursed for costs that are over and above the county sheriff's regular operating budget and that are incurred from search and rescue operations due to recreational activities on unsafe ice. Reimbursement may include reimbursements made by the commissioner of natural resources with available appropriations or other available federal, state, and local funds. Reimbursement under this section is limited to 50 percent of the reimbursable costs subject to a maximum state payment of \$5,000 per agency for each search and rescue operation.

Sec. 16. Minnesota Statutes 2022, section 88.82, is amended to read:

**88.82 MINNESOTA RELEAF PROGRAM.**

(a) The Minnesota releaf program is established in the Department of Natural Resources to encourage, promote, and fund the inventory, planting, assessment, maintenance, improvement, protection, utilization, and restoration of trees and forest resources in this state to enhance community forest ecosystem health and sustainability as well as to reduce atmospheric carbon dioxide levels and promote energy conservation.

(b) Priority for grants awarded under this section must be given to projects located in whole or in part in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

(c) For the purposes of this section, "supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Sec. 17. Minnesota Statutes 2022, section 89.36, subdivision 1, is amended to read:

Subdivision 1. **Production at state nurseries.** The commissioner of natural resources may produce tree planting stock for the purposes of sections 89.35 to 89.39 upon any lands under control of the commissioner which may be deemed suitable and available therefor so far as not inconsistent with other uses to which such lands may be dedicated by law. ~~The commissioner may not produce more than 10,000,000 units of planting stock annually, after January 1, 2003.~~

Sec. 18. Minnesota Statutes 2022, section 89.37, subdivision 3, is amended to read:

Subd. 3. **Private lands.** The commissioner may supply ~~only bare root~~ seedlings, woody cuttings, and transplant material for use on private land, provided that such material must be sold in lots of not less than 250 for a sum determined by the commissioner to be equivalent to the cost of the materials and the expenses of their distribution. The commissioner may not directly or indirectly supply any other planting stock for use on private lands.

Sec. 19. Minnesota Statutes 2022, section 93.0015, subdivision 3, is amended to read:

Subd. 3. **Expiration.** The committee expires June 30, ~~2026~~ 2033.

Sec. 20. Minnesota Statutes 2022, section 93.222, is amended to read:

**93.222 TACONITE IRON ORE SPECIAL ADVANCE ROYALTY ACCOUNT.**

The taconite iron ore special advance royalty account is created as an account in the state treasury for disposal of certain mineral lease money received under negotiated state iron ore or taconite iron ore mining leases and under the terms of extension agreements adopted under section 93.193, relating to state iron ore or taconite iron ore mining leases. The principal of the account is distributed under the terms of the negotiated leases or extension agreements to the account or entity entitled by applicable law and lease terms to receive the income from the class of land being leased. Interest accruing from investment of the account remains with the account until distributed as provided in this section. The interest accrued through June 30 under each extension agreement is distributed annually, as soon as possible after June 30, to the account or entity entitled by applicable law and lease terms to receive the income from the class of land being leased in the same proportion that the total acres included in a particular class of land bears to the total acreage of the leased land covered by each extension agreement. Money in the taconite iron ore special advance royalty account is appropriated for distribution as provided in this section.

Sec. 21. Minnesota Statutes 2022, section 93.25, subdivision 1, is amended to read:

Subdivision 1. **Leases.** The commissioner may issue leases to prospect for, mine, and remove or extract gas, oil, and minerals other than iron ore ~~upon~~ from any lands owned by the state, including trust fund lands, lands forfeited for nonpayment of taxes whether held in trust or otherwise, and lands otherwise acquired, and the beds of any waters belonging to the state. For purposes of this section, iron ore means iron-bearing material where the primary product is iron metal. For purposes of this section, "gas" includes both hydrocarbon and nonhydrocarbon gases.

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

Sec. 22. Minnesota Statutes 2022, section 93.25, subdivision 2, is amended to read:

Subd. 2. **Lease requirements.** All leases for nonferrous metallic minerals ~~or petroleum~~, gas, or oil must be approved by the Executive Council, and any other mineral lease issued pursuant to this section that covers 160 or more acres must be approved by the Executive Council. The rents, royalties, terms, conditions, and covenants of all such leases ~~shall~~ must be fixed by the commissioner according to rules adopted by the commissioner, but no lease shall be for a longer term than 50 years, and all rents, royalties, terms, conditions, and covenants ~~shall~~ must be fully set forth in each lease issued. No nonferrous metallic mineral lease shall be canceled by the state for failure to meet production requirements prior to the 36th year of the lease. The rents and royalties ~~shall~~ must be credited to the funds as provided in section 93.22. For purposes of this section, "gas" includes both hydrocarbon and nonhydrocarbon gases.

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

Sec. 23. **[93.513] PROHIBITION ON PRODUCTION OF GAS OR OIL WITHOUT PERMIT.**

Subdivision 1. **Permit required.** Except as provided in section 103I.681, a person must not engage in or carry out production of gas or oil from consolidated or unconsolidated formations in the state unless the person has first obtained a permit for the production of gas or oil from the commissioner of natural resources.

Any permit under this section must be protective of natural resources and require a demonstration of control of the extraction area through ownership, lease, or agreement. For purposes of this section, "gas" includes both hydrocarbon and nonhydrocarbon gases. For purposes of this section, "production" includes extraction and beneficiation of gas or oil.

Subd. 2. **Moratorium.** Until rules are adopted under section 93.514, the commissioner may not grant a permit for the production of gas or oil unless the legislature approves a temporary permit framework that allows issuance of temporary permits.

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

#### Sec. 24. **[93.514] GAS AND OIL PRODUCTION RULEMAKING.**

(a) The following agencies may adopt rules governing gas and oil exploration or production, as applicable:

(1) the commissioner of the Pollution Control Agency may adopt or amend rules regulating air emissions; water discharges, including stormwater management; and storage tanks as they pertain to gas and oil production;

(2) the commissioner of health may adopt or amend rules on groundwater and surface water protection, exploratory boring construction, drilling registration and licensure, and inspections as they pertain to the exploration and appraisal of gas and oil resources;

(3) the Environmental Quality Board may adopt or amend rules to establish mandatory categories for environmental review as they pertain to gas and oil production;

(4) the commissioner of natural resources must adopt or amend rules pertaining to the conversion of an exploratory boring to a production well, pooling, spacing, unitization, well abandonment, siting, financial assurance, and reclamation for the production of gas and oil; and

(5) the commissioner of labor and industry may adopt or amend rules to protect workers from exposure and other potential hazards from gas and oil production.

(b) An agency adopting rules under this section must use the expedited procedure in section 14.389. Rules adopted or amended under this authority are exempt from the 18-month time limit under section 14.125. The agency must publish notice of intent to adopt expedited rules within 24 months of the effective date of this section.

(c) For purposes of this section, "gas" includes both hydrocarbon and nonhydrocarbon gases. "Production" includes extraction and beneficiation of gas or oil from consolidated or unconsolidated formations in the state.

(d) Any grant of rulemaking authority in this section is in addition to existing rulemaking authority and does not replace, impair, or interfere with any existing rulemaking authority.

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

#### Sec. 25. **[93.516] GAS AND OIL LEASING.**

Subdivision 1. **Authority to lease.** (a) With the approval of the Executive Council, the commissioner of natural resources may enter into leases for gas or oil exploration and production from lands belonging to the state or in which the state has an interest.

(b) For purposes of this section, "gas or oil exploration and production" includes the exploration and production of both hydrocarbon and nonhydrocarbon gases, including noble gases. "Noble gases" means a group of gases that includes helium, neon, argon, krypton, xenon, radon, and oganesson. "Production" includes extraction and beneficiation of gas or oil from consolidated or unconsolidated formations in the state.

Subd. 2. **Application.** An application for a lease under this section must be submitted to the commissioner of natural resources. The commissioner must prescribe the information to be included in the application. The applicant must submit with the application a certified check, cashier's check, or bank money order payable to the Department of Natural Resources in the sum of \$100 as a fee for filing the application. The application fee must not be refunded under any circumstances. The right is reserved to the state to reject any or all applications for an oil or gas lease.

Subd. 3. **Lease terms.** The commissioner must negotiate the terms of each lease entered into under this section on a case-by-case basis, taking into account the unique geological and environmental aspects of each proposal, control of adjacent lands, and the best interests of the state. A lease entered into under this section must be consistent with the following:

(1) the primary term of the lease may not exceed five years plus the unexpired portion of the calendar year in which the lease is issued. The commissioner and applicant may negotiate the conditions by which the lease may be extended beyond the primary term, in whole or in part;

(2) a bonus consideration of not less than \$15 per acre must be paid by the applicant to the Department of Natural Resources before the lease is executed;

(3) the commissioner of natural resources may require an applicant to provide financial assurance to ensure payment of any damages resulting from the production of gas or oil;

(4) the rental rates must not be less than \$5 per acre per year for the unexpired portion of the calendar year in which the lease is issued and in years thereafter; and

(5) on gas and oil produced and sold by the lessee from the lease area, the lessee must pay a production royalty to the Department of Natural Resources of not less than 18.75 percent of the gross sales price of the product sold free on board at the delivery point, and the royalty must be credited as provided in section 93.22. For purposes of this section, "gross sales price" means the total consideration paid by the first purchaser that is not an affiliate of the lessee for gas or oil produced from the leased premises.

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

Sec. 26. Minnesota Statutes 2022, section 97A.015, is amended by adding a subdivision to read:

Subd. 47a. **Taxidermist.** "Taxidermist" means a person who engages in the business or operation of preserving or mounting wild animals or parts thereof that do not belong to the person.

Sec. 27. Minnesota Statutes 2022, section 97A.341, subdivision 1, as amended by Laws 2024, chapter 90, article 2, section 13, is amended to read:

Subdivision 1. **Liability for restitution.** A person who kills, injures, or possesses a wild animal in violation of the game and fish laws or section 343.21 is liable to the state for the value of the wild animal as provided in this section. Species afforded protection include members of the following groups as defined by statute or rule: game fish, native rough fish, game birds, big game, small game, fur-bearing animals,

minnows, and threatened and endangered animal species. Other animal species may be added by rule of the commissioner as determined after public meetings and notification of the chairs of the environment and natural resources committees in the senate and house of representatives.

Sec. 28. Minnesota Statutes 2022, section 97A.341, subdivision 2, is amended to read:

Subd. 2. **Arrest and charging procedure.** (a) An enforcement officer who arrests a person for killing, injuring, or possessing a wild animal in violation of the game and fish laws or section 343.21 must describe the number, species, and restitution value of wild animals illegally killed, injured, or possessed on the warrant or the notice to appear in court.

(b) As part of the charge against a person arrested for killing, injuring, or possessing a wild animal in violation of the game and fish laws or section 343.21, the prosecuting attorney must include a demand that restitution be made to the state for the value of the wild animal killed, injured, or possessed. The demand for restitution is in addition to the criminal penalties otherwise provided for the violation.

Sec. 29. Minnesota Statutes 2022, section 97A.341, subdivision 3, is amended to read:

Subd. 3. **Sentencing procedure.** If a person is convicted of or pleads guilty to killing, injuring, or possessing a wild animal in violation of the game and fish laws or section 343.21, the court must require the person to pay restitution to the state for replacement of the wild animal as part of the sentence or state in writing why restitution was not imposed. The court may consider the economic circumstances of the person and, in lieu of monetary restitution, order the person to perform conservation work representing the amount of restitution that will aid the propagation of wild animals. If the court does not order a person to pay restitution, the court administrator must send a copy of the court order to the commissioner.

Sec. 30. Minnesota Statutes 2022, section 97A.345, is amended to read:

**97A.345 RESTITUTION VALUE OF WILD ANIMALS.**

(a) The commissioner may, by rules adopted under chapter 14, prescribe the dollar value to the state of species of wild animals. The value may reflect the value to other persons to legally take the wild animal, the replacement cost, or the intrinsic value to the state of the wild animals. Species of wild animals with similar values may be grouped together.

(b) The value of a wild animal under the rules adopted by the commissioner is prima facie evidence of a wild animal's value under section 97A.341.

(c) The commissioner shall report annually to the legislature the amount of restitution collected under section 97A.341 and the manner in which the funds were expended.

(d) When a person kills, injures, or possesses a wild animal in violation of section 343.21, the restitution value prescribed by the commissioner under paragraph (a) is doubled.

Sec. 31. Minnesota Statutes 2022, section 97A.425, is amended by adding a subdivision to read:

Subd. 3a. **Waste disposal.** (a) Licensed taxidermists must dispose of all cervid carcasses or cervid parts not returned to the patron, all biosolids resulting from cleaning cervid skulls, and all carrion beetles and beetle waste used to clean cervid skulls. All disposals must be to a disposal facility or transfer station that is permitted to accept it, and proof of the disposal must be retained for inspection.

(b) The following cervid parts are exempt from the disposal requirement:

- (1) cervid hides from which all excess tissue has been removed;
- (2) if free of brain and muscle tissues, whole or portions of skulls, antlers, or teeth; and
- (3) finished taxidermy mounts.

Sec. 32. Minnesota Statutes 2022, section 97A.425, subdivision 4, is amended to read:

Subd. 4. **Rules.** The commissioner may adopt rules, not inconsistent with subdivisions 1 to ~~3~~ 3a, governing record keeping, reporting, and marking of specimens by taxidermists.

Sec. 33. Minnesota Statutes 2022, 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, \$15.50;
- (2) for persons age 65 or over, \$7 to take small game;
- (3) for persons age 18 or over to take turkey, \$26;
- (4) for persons age 13 or over and under age 18 to take turkey, \$5;
- (5) for persons age 18 or over to take deer with firearms during the regular firearms season, \$34;
- (6) for persons age 18 or over to take deer by archery, \$34;
- (7) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$34;
- (8) to take moose, for a party of not more than six persons, \$356;
- (9) for persons age 18 or over to take bear, \$44;
- (10) to take elk, for a party of not more than two persons, \$287;
- ~~(11) to take Canada geese during a special season, \$4;~~
- ~~(12) (11) to take light geese during the light goose conservation order, \$2.50;~~
- ~~(13) (12) to take sandhill crane during the sandhill crane season, \$3;~~
- ~~(14) (13) to take prairie chickens, \$23;~~
- ~~(15) (14) for persons age 13 or over and under age 18 to take deer with firearms during the regular firearms season, \$5;~~
- ~~(16) (15) for persons age 13 or over and under age 18 to take deer by archery, \$5;~~
- ~~(17) (16) for persons age 13 or over and under age 18 to take deer by muzzleloader during the muzzleloader season, \$5;~~
- ~~(18) (17) for persons age 10, 11, or 12 to take bear, no fee;~~
- ~~(19) (18) for persons age 13 or over and under age 18 to take bear, \$5;~~

~~(20)~~ (19) for persons age 18 or over to take small game for a consecutive 72-hour period selected by the licensee, \$19, of which an amount equal to one-half of the fee for the migratory-waterfowl stamp under subdivision 5, clause (1), shall be deposited in the waterfowl habitat improvement account under section 97A.075, subdivision 2; one-half of the fee for the pheasant stamp under subdivision 5, clause (2), shall be deposited in the pheasant habitat improvement account under section 97A.075, subdivision 4; and one-half of the small-game surcharge under subdivision 4, shall be deposited in the wildlife acquisition account;

~~(21)~~ (20) for persons age 16 or over and under age 18 to take small game, \$5;

~~(22)~~ (21) to take wolf, \$30;

~~(23)~~ (22) for persons age 12 and under to take turkey, no fee;

~~(24)~~ (23) for persons age 10, 11, or 12 to take deer by firearm, no fee;

~~(25)~~ (24) for persons age 10, 11, or 12 to take deer by archery, no fee; and

~~(26)~~ (25) for persons age 10, 11, or 12 to take deer by muzzleloader during the muzzleloader season, no fee.

Sec. 34. Minnesota Statutes 2022, section 97A.475, subdivision 3, is amended to read:

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

(1) for persons age 18 or over to take small game, \$90.50;

(2) for persons age 18 or over to take deer with firearms during the regular firearms season, \$180;

(3) for persons age 18 or over to take deer by archery, \$180;

(4) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, \$180;

(5) for persons age 18 or over to take bear, \$225;

(6) for persons age 18 or over to take turkey, \$91;

(7) for persons age 13 or over and under age 18 to take turkey, \$5;

(8) to take raccoon or bobcat, \$178;

~~(9) to take Canada geese during a special season, \$4;~~

~~(10)~~ (9) to take light geese during the light goose conservation order, \$2.50;

~~(11)~~ (10) to take sandhill crane during the sandhill crane season, \$3;

~~(12)~~ (11) for persons age 13 or over and under age 18 to take deer with firearms during the regular firearms season in any open season option or time period, \$5;

~~(13)~~ (12) for persons age 13 or over and under age 18 to take deer by archery, \$5;

~~(14)~~ (13) for persons age 13 or over and under age 18 to take deer during the muzzleloader season, \$5;

~~(15)~~ (14) for persons age 13 or over and under 18 to take bear, \$5;

~~(16)~~ (15) for persons age 18 or over to take small game for a consecutive 72-hour period selected by the licensee, \$75, of which an amount equal to one-half of the fee for the migratory-waterfowl stamp under subdivision 5, clause (1), shall be deposited in the waterfowl habitat improvement account under section 97A.075, subdivision 2; one-half of the fee for the pheasant stamp under subdivision 5, clause (2), shall be deposited in the pheasant habitat improvement account under section 97A.075, subdivision 4; and one-half of the small-game surcharge under subdivision 4, shall be deposited into the wildlife acquisition account;

~~(17)~~ (16) for persons age 16 or 17 to take small game, \$5;

~~(18)~~ (17) to take wolf, \$250;

~~(19)~~ (18) for persons age 12 and under to take turkey, no fee;

~~(20)~~ (19) for persons age 10, 11, or 12 to take deer by firearm, no fee;

~~(21)~~ (20) for persons age 10, 11, or 12 to take deer by archery, no fee;

~~(22)~~ (21) for persons age 10, 11, or 12 to take deer by muzzleloader during the muzzleloader season, no fee; and

~~(23)~~ (22) for persons age 10, 11, or 12 to take bear, no fee.

(b) A \$5 surcharge shall be added to nonresident hunting licenses issued under paragraph (a), clauses (1) to (6) and (8). An additional commission may not be assessed on this surcharge.

Sec. 35. Minnesota Statutes 2022, section 97A.505, subdivision 8, is amended to read:

Subd. 8. **Importing Cervidae carcasses.** (a) Importing Cervidae carcasses procured by any means into Minnesota is prohibited except for:

(1) cut and wrapped meat;

(2) quarters or other portions of meat with no part of the spinal column or head attached;

(3) antlers, hides, or teeth, ~~finished taxidermy mounts, and;~~

(4) if cleaned of all brain tissue, antlers attached to skull caps ~~that are cleaned of all brain tissue.~~ or whole skulls; and

(5) finished taxidermy mounts.

(b) Cervidae carcasses originating from outside Minnesota may be transported on a direct route through the state by nonresidents.

(c) Heads from cervids with or without the cape and neck attached that originate from outside Minnesota may be transported into Minnesota only if they are delivered to a licensed taxidermist within 48 hours of entering Minnesota.

Sec. 36. Minnesota Statutes 2022, section 97A.512, is amended to read:

**97A.512 SALE OF INEDIBLE PORTIONS OF BIG GAME ANIMALS, FUR-BEARING ANIMALS, FISH, AND GAME BIRDS OTHER THAN MIGRATORY WATERFOWL.**

(a) Except as otherwise provided by the game and fish laws and as restricted in this section, a person may possess, transport, buy, or sell the following inedible portions of lawfully taken or acquired big game animals, fur-bearing animals, fish, and game birds other than migratory waterfowl: bones, including skulls; sinews; adipose tissue, hides, and skins; hooves; teeth; claws; and antlers.

(b) A person may not buy or sell bear paws, unless attached to the hide, or bear gallbladders.

Sec. 37. Minnesota Statutes 2022, section 97B.022, subdivision 2, is amended to read:

Subd. 2. **Requirements.** (a) A resident or nonresident born after December 31, 1979, who is age 12 or over and who does not possess a hunter education firearms safety certificate or a resident or nonresident born after December 31, 1989, who does not possess a trapper education certificate may be issued an apprentice-hunter/trapper validation. An apprentice-hunter/trapper validation may be purchased two license years in a lifetime and used to obtain hunting or trapping licenses during the same license year that the validation is purchased.

(b) An individual in possession of an apprentice-hunter/trapper validation may ~~hunt~~ take small game, deer, and bear only when accompanied by an adult who has a valid license to ~~hunt~~ take the same species of game in Minnesota and whose license was not obtained using an apprentice-hunter validation.

(c) When an individual in possession of an apprentice-hunter/trapper validation is hunting turkey or prairie chicken under paragraph (b), the accompanying adult may be licensed for another permit area or time period but must be licensed for the same season as the apprentice hunter. If the accompanying adult is not licensed for the same permit area or time period as the apprentice hunter, the accompanying adult may not shoot or possess a firearm or bow while accompanying the apprentice hunter under this paragraph.

(d) An apprentice-hunter/trapper-validation holder must obtain all required licenses and stamps.

Sec. 38. Minnesota Statutes 2022, section 97B.022, subdivision 3, is amended to read:

Subd. 3. **Apprentice-hunter/trapper validation; fee.** The fee for an apprentice-hunter/trapper validation is \$3.50. Fees collected must be deposited in the firearms safety and trapper education training account, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, and issuing fees collected under section 97A.485, subdivision 6, and are appropriated annually to the Enforcement Division of the Department of Natural Resources for administering the firearm safety course program and trapper education programs.

Sec. 39. Minnesota Statutes 2023 Supplement, section 97B.071, is amended to read:

**97B.071 CLOTHING AND GROUND BLIND REQUIREMENTS; BLAZE ORANGE OR BLAZE PINK.**

(a) Except as provided in rules adopted under paragraph (d), a person may not hunt or trap during the open season where deer may be taken by firearms under applicable laws and ordinances, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is blaze orange or blaze pink. Blaze orange or blaze pink includes a camouflage pattern of at least 50 percent blaze orange

or blaze pink within each foot square. This section does not apply to migratory-waterfowl hunters on waters of this state or in a stationary shooting location or to trappers on waters of this state.

(b) Except as provided in rules adopted under paragraph (d), and in addition to the requirement in paragraph (a), a person may not take small game other than turkey, migratory birds, raccoons, and predators, except while trapping, unless a visible portion of at least one article of the person's clothing above the waist is blaze orange or blaze pink. This paragraph does not apply to a person when in a stationary location while hunting deer by archery or when hunting small game by falconry.

(c) A person hunting deer in a fabric or synthetic ground blind on public land must have:

(1) a blaze orange safety covering on the top of the blind that is visible for 360 degrees around the blind; or

(2) at least 144 square inches of blaze orange material on each side of the blind.

(d) The commissioner may, by rule, prescribe an alternative color in cases where paragraph (a) or (b) would violate the Religious Freedom Restoration Act of 1993, Public Law 103-141.

(e) A violation of paragraph (b) does not result in a penalty, but is punishable only by a safety warning.

Sec. 40. Minnesota Statutes 2022, section 97B.667, subdivision 3, is amended to read:

Subd. 3. **Permits and notice; requirements.** (a) Before killing or arranging to kill a beaver under this section, the road authority or government unit must contact a conservation officer for a special beaver permit if the beaver will be killed within two weeks before or after the trapping season for beaver, and the conservation officer must issue the permit for any beaver subject to this section. A permit is not required:

(1) for a licensed trapper during the open trapping season for beaver; or

(2) when the trapping season for beaver is closed and it is not within two weeks before or after the trapping season for beaver.

(b) A road authority or government unit that kills or arranges to have killed a beaver under this section must notify a conservation officer or employee of the Fish and Wildlife Division within ten days after the animal is killed.

(c) Unless otherwise directed by a conservation officer, the road authority, local government unit, the landowner, or their agent may dispose of or retain beaver killed under this section. Human consumption of a retained beaver is prohibited.

Sec. 41. Minnesota Statutes 2022, section 97C.001, subdivision 2, is amended to read:

Subd. 2. **Public notice and meeting comment.** (a) Before the commissioner designates, or vacates or extends the designation of, experimental waters, ~~a public meeting must be held in the county where the largest portion of the waters is located~~ notice of the proposed change must be provided in the county where the largest portion of the waters is located, a virtual or in-person meeting must be held, and opportunity to submit public comment must be offered.

(b) ~~At least 90 days before the public meeting and during the open angling season for fish the taking of which is, or is proposed to be, regulated under subdivision 3 on the waters under consideration, Before the year that the designation is to become effective, the commissioner must give notice of the proposed~~

designation, vacation, or extension ~~must be~~. The notice must summarize the proposed action and invite public comment. Public comments must be accepted at least through September 30, and the commissioner must consider any public comments received in making a final decision. Notice must include:

(1) signs of the proposed changes and instructions for submitting comments posted at publicly maintained access points on the water; by June 1;

(2) a list of proposed changes posted on the department's website by June 1, summarizing the proposed actions and inviting public comment; and

(3) a news release issued by the commissioner by July 1, a notice published in a newspaper of general circulation in the area where the waters are located by August 20, and at least one more digital media communication published by August 31.

~~(c) Before the public meeting, 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 proposed experimental waters are located. The notice must be published at least once between 30 and 60 days before the meeting, and at least once between seven and 30 days before the meeting. A virtual or in-person meeting must be held before September 20 where public comment must be accepted. An in-person meeting, where public comment must be accepted, must be held in the county where the largest portion of the waters is located if:~~

(1) a water or connected waters to be designated is over 5,000 acres or a stream or river reach is over ten miles; or

(2) a request for an in-person meeting is submitted to the commissioner by August 20 before the year that the designation is to become effective.

(d) The notices required in this subdivision 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.

(e) If a water to be designated is a lake with a water area of more than 1,500 acres, or is a stream or river with a reach of more than six miles, a public meeting must also be held in the seven-county metropolitan area unless a virtual meeting is held and notice of the meeting is published in a newspaper of general circulation in the seven-county metropolitan area.

Sec. 42. Minnesota Statutes 2022, section 97C.005, subdivision 2, is amended to read:

Subd. 2. **Public notice and meeting comment.** ~~(a) Before the commissioner designates special management waters, public comment must be received and, for waters other than those proposed to be designated as trout streams or trout lakes, a public meeting must be held in the county where the largest portion of the waters is located~~ notice of the proposed designation must be given, a virtual or in-person meeting must be held, and opportunity to submit public comment must be offered.

~~(b) For waters previously designated as experimental waters, a proposed change in status to special management waters must be announced before the public meeting by notice 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. If a water proposed to be designated is a lake with a water area of more than 1,500 acres, or is a stream or river with a reach of more than six miles, a public~~

meeting must also be held in the seven-county metropolitan area unless a virtual meeting is held and notice of the meeting is published in a newspaper of general circulation in the seven-county metropolitan area.

~~(e) For proposed special management waters, other than designated trout lakes and designated trout streams, that were not previously designated as experimental waters, notice of the proposed designation must be given as provided in this paragraph. The notice must be posted at publicly maintained access points at least 90 days before the public meeting and during the open angling season for fish the taking of which on the waters is proposed to be regulated under subdivision 3. Before the public meeting, 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 proposed special management waters are located. The notice must be published at least once between 30 and 60 days before the meeting, and at least once between seven and 30 days before the meeting. If a water to be designated is a lake with a water area of more than 1,500 acres, or is a stream or river with a reach of more than six miles, a public meeting must also be held in the seven-county metropolitan area.~~

(c) For proposed special management waters other than designated trout lakes and designated trout streams, before the year that the designation is to become effective, the commissioner must give notice of the proposed designation. The notice must summarize the proposed action and invite public comment. Public comments must be accepted at least through September 30, and the commissioner must consider any public comments received in making a final decision. Notice must include:

(1) signs of the proposed designation and instructions for submitting comments posted at publicly maintained access points on the water by June 1;

(2) a list of proposed designations posted on the department's website by June 1, summarizing the proposed action and inviting public comment; and

(3) a news release issued by the commissioner by July 1, a notice published in a newspaper of general circulation in the area where the waters are located by August 15, and at least one more digital media communication published by August 31.

(d) A virtual or in-person meeting must be held before September 20 where public comment must be accepted. An in-person meeting, where public comment must be accepted, must be held in the county where the largest portion of the waters is located if:

(1) a water to be designated is a lake over 5,000 acres or is a stream or river reach over ten miles; or

(2) a request for an in-person meeting is submitted to the commissioner by August 20 before the year that the designation is to become effective.

~~(e)~~ (e) For waters proposed to be designated as trout streams or trout lakes, notice of the proposed designation must be published at least 90 days before the effective date of the designation in a news release issued by the commissioner and in a newspaper of general circulation in the area where the waters are located. In addition, all riparian owners along the waters must be notified at least 90 days before the effective date of the designation.

~~(f)~~ (f) The notices required in this subdivision 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.

Sec. 43. **97C.202] WATER-QUALITY MONITORING AT STATE FISH HATCHERIES.**

(a) The commissioner, in conjunction with the commissioners of health, agriculture, and the Pollution Control Agency, must test the source water at the state fish hatcheries located in the cities of Altura, Lanesboro, and Peterson monthly for nitrates and pesticides, including neonicotinoids. By February 15 each year, the commissioner must report the results of the previous calendar year's testing to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources policy and finance and health policy and finance.

(b) Once construction of the state fish hatchery in the city of Waterville is completed, the commissioner must test the groundwater source water monthly and report the results as required for other hatcheries under paragraph (a).

Sec. 44. Minnesota Statutes 2022, section 97C.395, as amended by Laws 2023, chapter 60, article 4, section 70, and Laws 2024, chapter 90, article 2, section 33, is amended to read:

**97C.395 OPEN SEASONS FOR ANGLING.**

Subdivision 1. **Dates for certain species.** (a) The open seasons to take fish by angling are as follows:

(1) for walleye, sauger, northern pike, muskellunge, largemouth bass, and smallmouth bass, the Saturday two weeks prior to the Saturday of Memorial Day weekend through the last Sunday in February;

~~(2) for lake trout, from January 1 through October 31;~~

~~(3) for the winter season for lake trout, brown trout, brook trout, rainbow trout, and splake on all lakes located outside or partially within the Boundary Waters Canoe Area, from January 15 through March 31;~~

~~(4) for the winter season for lake trout, brown trout, brook trout, rainbow trout, and splake on all lakes located entirely within the Boundary Waters Canoe Area, from January 1 through March 31;~~

~~(5)~~ (2) for brown trout, brook trout, lake trout, rainbow trout, and splake, between January 1 through October 31 as prescribed by the commissioner by rule except as provided in section 97C.415, subdivision 2; and

~~(6)~~ (3) for salmon, as prescribed by the commissioner by rule.

(b) The commissioner shall close the season in areas of the state where fish are spawning and closing the season will protect the resource.

Subd. 2. **Continuous season for certain species.** For sunfish, white crappie, black crappie, yellow perch, channel catfish, rock bass, white bass, yellow bass, burbot, cisco (tullibee), lake whitefish, common carp, and native rough fish, the open season is continuous.

Sec. 45. Minnesota Statutes 2022, section 97C.411, is amended to read:

**97C.411 STURGEON AND PADDLEFISH.**

Lake sturgeon, shovelnose sturgeon, and paddlefish may not be taken, bought, sold, transported or possessed except as provided by rule of the commissioner. ~~The commissioner may only allow the taking of these fish in waters that the state boundary passes through and in tributaries to the St. Croix River.~~

Sec. 46. Minnesota Statutes 2022, section 103F.211, subdivision 1, is amended to read:

Subdivision 1. **Adoption.** The commissioner shall adopt model standards and criteria for the subdivision, use, and development of shoreland in municipalities and areas outside of a municipality. The authority to adopt model standards and criteria is exempt from the 18-month time limit under section 14.125 and does not expire. The standards and criteria must include:

- (1) the area of a lot and length of water frontage suitable for a building site;
- (2) the placement of structures in relation to shorelines and roads;
- (3) the placement and construction of sanitary and waste disposal facilities;
- (4) designation of types of land uses;
- (5) changes in bottom contours of adjacent public waters;
- (6) preservation of natural shorelands through the restriction of land uses;
- (7) variances from the minimum standards and criteria; and
- (8) for areas outside of a municipality only, a model ordinance.

Sec. 47. Minnesota Statutes 2022, section 103G.005, subdivision 15, is amended to read:

Subd. 15. **Public waters.** (a) "Public waters" means:

(1) water basins assigned a shoreland management classification by the commissioner under sections 103F.201 to 103F.221;

(2) waters of the state that have been finally determined to be public waters or navigable waters by a court of competent jurisdiction;

(3) meandered lakes, excluding lakes that have been legally drained;

(4) water basins previously designated by the commissioner for management for a specific purpose such as trout lakes and game lakes pursuant to applicable laws;

(5) water basins designated as scientific and natural areas under section 84.033;

(6) water basins located within and totally surrounded by publicly owned lands;

(7) water basins where the state of Minnesota or the federal government holds title to any of the beds or shores, unless the owner declares that the water is not necessary for the purposes of the public ownership;

(8) water basins where there is a publicly owned and controlled access that is intended to provide for public access to the water basin;

(9) natural and altered watercourses with a total drainage area greater than two square miles;

(10) natural and altered watercourses designated by the commissioner as trout streams; and

(11) public waters wetlands, unless the statute expressly states otherwise.

(b) Public waters are not determined exclusively by:

(1) the proprietorship of the underlying, overlying, or surrounding land ~~or by~~;

(2) whether it is a body or stream of water that was navigable in fact or susceptible of being used as a highway for commerce at the time this state was admitted to the union; or

(3) their inclusion in or exclusion from the public waters inventory required under section 103G.201. This clause is effective July 1, 2027.

Sec. 48. Minnesota Statutes 2022, section 103G.201, is amended to read:

**103G.201 PUBLIC WATERS INVENTORY.**

(a) The commissioner shall maintain a public waters inventory map of each county that shows the waters of this state that are designated as public waters under the public waters inventory and classification procedures prescribed under Laws 1979, chapter 199, and shall provide access to a copy of the maps. As county public waters inventory maps are revised according to this section, the commissioner shall send a notification or a copy of the maps to the auditor of each affected county.

(b) The commissioner ~~is authorized to~~ must revise the map of public waters established under Laws 1979, chapter 199, to reclassify those types 3, 4, and 5 wetlands previously identified as public waters wetlands under Laws 1979, chapter 199, as public waters or as wetlands under section 103G.005, subdivision 19. The commissioner may only reclassify public waters wetlands as public waters if:

(1) they are assigned a shoreland management classification by the commissioner under sections 103F.201 to 103F.221;

(2) they are classified as lacustrine wetlands or deepwater habitats according to Classification of Wetlands and Deepwater Habitats of the United States (Cowardin, et al., 1979 edition); or

(3) the state or federal government has become titleholder to any of the beds or shores of the public waters wetlands, subsequent to the preparation of the public waters inventory map filed with the auditor of the county, pursuant to paragraph (a), and the responsible state or federal agency declares that the water is necessary for the purposes of the public ownership.

(c) The commissioner must provide notice of the reclassification to the local government unit, the county board, the watershed district, if one exists for the area, and the soil and water conservation district. Within 60 days of receiving notice from the commissioner, a party required to receive the notice may provide a resolution stating objections to the reclassification. If the commissioner receives an objection from a party required to receive the notice, the reclassification is not effective. If the commissioner does not receive an objection from a party required to receive the notice, the reclassification of a wetland under paragraph (b) is effective 60 days after the notice is received by all of the parties.

(d) The commissioner shall give priority to the reclassification of public waters wetlands that are or have the potential to be affected by public works projects.

(e) The commissioner may revise the public waters inventory map of each county:

(1) to reflect the changes authorized in paragraph (b); and

(2) as needed, to:

(i) correct errors in the original inventory;

(ii) add or subtract trout stream tributaries within sections that contain a designated trout stream following written notice to the landowner;

(iii) add depleted quarries, and sand and gravel pits, when the body of water exceeds 50 acres and the shoreland has been zoned for residential development; and

(iv) add or subtract public waters that have been created or eliminated as a requirement of a permit authorized by the commissioner under section 103G.245.

(f) \$1,000,000 is appropriated from the general fund each year in fiscal years 2025 through 2032 to the commissioner to update the public water inventory as required in this section. The commissioner must develop and implement a process to update the public water inventory. This paragraph expires June 30, 2032.

Sec. 49. Minnesota Statutes 2023 Supplement, section 103G.301, subdivision 2, is amended to read:

Subd. 2. **Permit application and notification fees.** (a) A fee to defray the costs of receiving, recording, and processing must be paid for a permit application authorized under this chapter, except for a general permit application, for each request to amend or transfer an existing permit, and for a notification to request authorization to conduct a project under a general permit. Fees established under this subdivision, unless specified in paragraph (c), must comply with section 16A.1285.

(b) Proposed projects that require water in excess of 100 million gallons per year must be assessed fees to recover the costs incurred to evaluate the project and the costs incurred for environmental review. Fees collected under this paragraph must be credited to an account in the natural resources fund and are appropriated to the commissioner.

(c) The fee to apply for a permit to appropriate water, in addition to any fee under paragraph (b), is \$150. The application fee for a permit to construct or repair a dam that is subject to a dam safety inspection, to work in public waters, or to divert waters for mining must be at least \$1,200, but not more than \$12,000. The fee for a notification to request authorization to conduct a project under a general permit is \$400, except that the fee for a notification to request authorization to appropriate water under a general permit is \$100.

Sec. 50. Minnesota Statutes 2022, section 103G.315, subdivision 15, is amended to read:

Subd. 15. **Rules.** The commissioner shall adopt rules prescribing standards and criteria for issuing and denying water-use permits and public-waters-work permits. The authority to adopt the rules is exempt from the 18-month time limit under section 14.125 and does not expire.

Sec. 51. Laws 2023, chapter 60, article 4, section 109, is amended to read:

Sec. 109. **ENSURING ADEQUATE BAIT SUPPLY.**

(a) Notwithstanding Minnesota Statutes, sections 97C.211, 97C.341, and 97C.515, or any other provision of law, the commissioner of natural resources may adopt emergency rules in accordance with Minnesota Statutes, section 84.027, subdivision 13, including by the expedited emergency process described in Minnesota Statutes, section 84.027, subdivision 13, paragraph (b), to alleviate a shortage of bait in this state, including by allowing importation of live minnows into the state. Only minnows harvested from waters in states that are adjacent to Minnesota may be imported under this section.

(b) By January 15, 2024, the commissioner, in consultation with bait producers, bait harvesters, retailers, and other fishing interest groups, must submit recommendations to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources to ensure a viable Minnesota-grown bait supply and sustainable bait industry for anglers of Minnesota that minimizes the risk of spreading aquatic invasive species or fish disease in Minnesota.

(c) This section expires June 30, ~~2025~~ 2027.

Sec. 52. **REPORT ON RECREATIONAL USE OF SCHOOL TRUST LANDS.**

**Subdivision 1. Office of School Trust Lands.** The school trust lands director must conduct a study of the recreational use of school trust lands in the state. The study must be used to determine the amount of money to be allocated to the permanent school fund for fees paid to the state for outdoor recreation purposes. The commissioner of natural resources must assist the director by providing existing outdoor recreation use data. The director may contract for additional survey data to complete the study. The director may seek expertise from outdoor recreation industry leaders when preparing the study. The study must include the following:

(1) the estimated annual number of daily visits by individuals with a Minnesota hunting license accessing school trust lands and as a percentage of annual days hunted by all individuals with a Minnesota hunting license;

(2) the estimated annual number of daily visits by individuals with a Minnesota fishing license using a public water access site that contains school trust lands and as a percentage of annual days fishing by all individuals with a Minnesota fishing license;

(3) the estimated annual visits by Minnesota-licensed watercrafts to state-owned public water access sites that contain school trust lands and as a percentage of all visits by Minnesota-licensed watercrafts using public water access sites;

(4) the total number of miles of state-maintained snowmobile trails and all-terrain vehicle trails that are on school trust lands and as a percentage of total miles of state-operated trails for each purpose;

(5) the total amount of acres of school trust lands located within state parks and recreation areas and as a percentage of all acres of land in state parks and recreation areas;

(6) any other uses of school trust lands for outdoor recreation that include individuals purchasing a permit or paying a fee for access to the school trust lands and the percentage of the total permits or fees for that purpose;

(7) the estimated cost of posting signage near entrances to school trust lands declaring that certain portions of the public land that are being used for outdoor recreation is school trust land; and

(8) the estimated cost of updating recreational use maps and other electronic and printed documents to distinctly label school trust lands that are contained within or are part of state recreational areas, parks, and trails.

**Subd. 2. Report to the legislature.** By January 15, 2026, the school trust lands director must report the findings in subdivision 1 to the chairs and ranking minority members of the legislative committees with jurisdiction over environment and natural resources.

Sec. 53. STATE PARK LICENSE PLATE DESIGN CONTEST.

The commissioner of natural resources must hold a license plate design contest to design a new state park license plate available under Minnesota Statutes, section 168.1295, subdivision 1.

Sec. 54. RUSTY PATCHED BUMBLE BEE ENDANGERED SPECIES DESIGNATION; RULEMAKING.

(a) The commissioner of natural resources must amend Minnesota Rules, part 6134.0200, to designate the rusty patched bumble bee, *Bombus affinis*, as an endangered species.

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except as provided under Minnesota Statutes, section 14.388.

Sec. 55. MINNESOTA GAS AND OIL RESOURCES TECHNICAL ADVISORY COMMITTEE.

(a) The commissioner of natural resources must appoint a Minnesota Gas and Oil Resources Technical Advisory Committee to develop recommendations according to paragraph (d). The commissioner may appoint representatives from the following entities to the technical advisory committee:

- (1) the Pollution Control Agency;
- (2) the Environmental Quality Board;
- (3) the Department of Health;
- (4) the Department of Revenue;
- (5) the Office of the Attorney General;
- (6) the University of Minnesota; and
- (7) federal agencies.

(b) A majority of the committee members must be from state agencies, and all members must have expertise in at least one of the following areas: environmental review; air quality; water quality; taxation; mine permitting; mineral, gas, or oil exploration and development; well construction; law; or other areas related to gas or oil production.

(c) Members of the technical advisory committee may not be registered lobbyists.

(d) The technical advisory committee must make recommendations to the commissioner relating to the production of gas and oil in the state to guide the creation of a temporary regulatory framework that will govern permitting before the rules authorized in Minnesota Statutes, section 93.514, are adopted. The temporary framework must include recommendations on statutory and policy changes that govern permitting requirements and processes, financial assurance, taxation, boring monitoring and inspection protocols, environmental review, and other topics that provide for gas and oil production to be conducted in a manner that will reduce environmental impacts to the extent practicable, mitigate unavoidable impacts, and ensure that the production area is restored to a condition that protects natural resources and minimizes harm and that any ongoing maintenance required to protect natural resources is provided. The temporary framework must consider public testimony from stakeholders and Tribes, and the committee must hold at least one public meeting on this topic. Recommendations must include draft legislative language.

(e) By January 15, 2025, the commissioner must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment recommendations for statutory and policy changes to facilitate gas and oil exploration and production in this state and to support the issuance of temporary permits issued under the temporary framework in a manner that benefits the people of Minnesota while adequately protecting the state's natural resources.

(f) For purposes of this section, "gas" includes both hydrocarbon and nonhydrocarbon gases. For purposes of this section, "production" includes extraction and beneficiation from consolidated or unconsolidated formations in the state.

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

**Sec. 56. MANAGEMENT OF KITTSON CENTRAL ELK HERD.**

(a) Notwithstanding Minnesota Statutes, section 97B.516, the Department of Natural Resources may manage the Kittson Central elk herd population to allow for genetic diversification and herd health. The herd may not be allowed to exceed 130 percent of the estimated 2023 population under this section.

(b) The commissioner of natural resources must work with the Grygla and Kittson elk working groups, private land owners, local units of government, and Minnesota Tribal Nations to develop a plan to enhance the size and range of Minnesota's elk population and provide increased recreational opportunities while maintaining a positive existence for the long-term management of the population.

**Sec. 57. REPORT ON OUTDOOR OPPORTUNITIES FOR MINNESOTA YOUTH.**

(a) By March 1, 2025, the commissioner of natural resources must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment policy and finance on state programs that facilitate opportunities for Minnesota youth to experience the outdoors, including:

(1) the No Child Left Inside program operated under Minnesota Statutes, section 84.976; and

(2) any other program operated by or funded through the Department of Natural Resources to facilitate opportunities for Minnesota youth to experience the outdoors.

(b) The report required by this section must identify gaps in existing programs and must include recommendations for program and policy changes to increase opportunities to serve additional Minnesota youth through Outdoor Schools for All legislation or other proposals designed to increase access to the outdoors for underserved youth.

**Sec. 58. REPEALER.**

Minnesota Statutes 2022, section 97B.802, is repealed.

## ARTICLE 4

## BOARD OF WATER AND SOIL RESOURCES

Section 1. Minnesota Statutes 2022, section 103B.101, subdivision 12, is amended to read:

Subd. 12. **Authority to issue penalty orders.** (a) ~~Except as provided under subdivision 12a,~~ The board may issue an order requiring violations to be corrected and administratively assessing monetary penalties of up to \$10,000 per violation for violations of this chapter and chapters 103C, 103D, 103E, 103F, and 103G, any rules adopted under those chapters, and any standards, limitations, or conditions established by the board.

(b) Administrative penalties issued by the board under paragraph (a) ~~or subdivision 12a,~~ may be appealed according to section 116.072, if the recipient of the penalty requests a hearing by notifying the commissioner in writing within 30 days after receipt of the order. For the purposes of this section, the terms "commissioner" and "agency" as used in section 116.072 mean the board. If a hearing is not requested within the 30-day period, the order becomes a final order not subject to further review.

(c) Administrative penalty orders issued under paragraph (a) ~~or subdivision 12a,~~ may be enforced under section 116.072, subdivision 9. Penalty amounts must be remitted within 30 days of issuance of the order.

(d) If the board determines that sufficient steps have been taken to fully resolve noncompliance, all or part of a penalty issued under this subdivision may be forgiven.

Sec. 2. Minnesota Statutes 2022, section 103B.101, subdivision 12a, is amended to read:

Subd. 12a. **Authority to issue penalty orders; counties and watershed districts.** (a) A county or watershed district with jurisdiction ~~or the Board of Water and Soil Resources~~ may issue an order requiring violations of the water resources riparian protection requirements under sections 103F.415, 103F.421, and 103F.48 to be corrected and administratively assessing monetary penalties up to ~~\$500~~ \$10,000 for noncompliance commencing on day one of the 11th month after the noncompliance notice was issued. The proceeds collected from an administrative penalty order issued under this section must be remitted to the county or watershed district with jurisdiction over the noncompliant site, or otherwise remitted to the Board of Water and Soil Resources.

(b) Before exercising this authority, the Board of Water and Soil Resources must adopt a plan containing procedures for the issuance of administrative penalty orders by local governments and the board as authorized in this subdivision and subdivision 12. This plan, and any subsequent amendments, ~~will become~~ is effective 30 days after being published in the State Register. ~~The initial plan must be published in the State Register no later than July 1, 2017.~~

(c) Administrative penalties may be reissued and appealed under paragraph (a) according to section 103F.48, subdivision 9.

Sec. 3. Minnesota Statutes 2022, section 103B.101, is amended by adding a subdivision to read:

Subd. 19. **Pollinator account created.** An account is created in the special revenue fund to support pollinators. Money may be deposited in the account only as required by law. Money in the account is annually appropriated to the Board of Water and Soil Resources for activities that support pollinator habitat.

Sec. 4. Minnesota Statutes 2023 Supplement, section 103B.104, is amended to read:

**103B.104 LAWNS TO LEGUMES PROGRAM.**

(a) The Board of Water and Soil Resources may provide financial and technical assistance to plant residential landscapes and community spaces with native vegetation and pollinator-friendly forbs and legumes to:

(1) protect a diversity of pollinators with declining populations; and

(2) provide additional benefits for water management, carbon sequestration, and landscape and climate resiliency.

(b) The board must establish criteria for grants or payments awarded under this section. Grants or payments awarded under this section may give priority consideration for proposals in areas identified by the United States Fish and Wildlife Service as areas where there is a high potential for rusty patched bumble bees and other priority species to be present.

(c) The board may collaborate with and enter into agreements with federal, state, and local agencies; Tribal Nations; nonprofit organizations; and contractors to implement and promote the program.

(d) Data on individuals who apply for or receive financial or technical assistance to plant residential landscapes or community spaces under the program are classified as private data on individuals, as defined by section 13.02, subdivision 12. Section 13.05, subdivision 11, applies to an agreement between the board and a private person to implement the program.

Sec. 5. Minnesota Statutes 2022, section 103F.48, subdivision 7, is amended to read:

Subd. 7. **Corrective actions.** (a) If the soil and water conservation district determines a landowner is not in compliance with this section, the district must notify the county or watershed district with jurisdiction over the noncompliant site and the board. The county or watershed district with jurisdiction or the board must provide the landowner with a list of corrective actions needed to come into compliance and a practical timeline to meet the requirements in this section. The county or watershed district with jurisdiction must provide a copy of the corrective action notice to the board.

(b) A county or watershed district exercising jurisdiction under this subdivision and the enforcement authority granted in section 103B.101, subdivision 12a, shall affirm their jurisdiction and identify the ordinance, rule, or other official controls to carry out the compliance provisions of this section and section 103B.101, subdivision 12a, by notice to the board prior to March 31, 2017. A county or watershed district must provide notice to the board at least 60 days prior to the effective date of a subsequent decision on their jurisdiction.

(c) If the landowner does not comply with the list of actions and timeline provided, the county or watershed district may enforce this section under the authority granted in section 103B.101, subdivision 12a, or by rule of the watershed district or ordinance or other official control of the county. Before exercising administrative penalty authority, a county or watershed district must adopt a plan consistent with the plan adopted by the board containing procedures for the issuance of administrative penalty orders and may issue orders beginning November 1, 2017. If a county or watershed district with jurisdiction over the noncompliant site has not adopted a plan, rule, ordinance, or official control under this paragraph, the board must enforce this section under the authority granted in section 103B.101, subdivision ~~12a~~ 12.

(d) If the county, watershed district, or board determines that sufficient steps have been taken to fully resolve noncompliance, all or part of the penalty may be forgiven.

(e) An order issued under paragraph (c) may be appealed to the board as provided under subdivision 9.

(f) A corrective action is not required for conditions resulting from a flood or other act of nature.

(g) A landowner agent or operator of a landowner may not remove or willfully degrade a riparian buffer or water quality practice, wholly or partially, unless the agent or operator has obtained a signed statement from the property owner stating that the permission for the work has been granted by the unit of government authorized to approve the work in this section or that a buffer or water quality practice is not required as validated by the soil and water conservation district. Removal or willful degradation of a riparian buffer or water quality practice, wholly or partially, by an agent or operator is a separate and independent offense and may be subject to the corrective actions and penalties in this subdivision.

Sec. 6. Minnesota Statutes 2023 Supplement, section 297A.94, is amended to read:

**297A.94 DEPOSIT OF REVENUES.**

(a) Except as provided in this section, the commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed by this chapter in the state treasury and credit them to the general fund.

(b) The commissioner shall deposit taxes in the Minnesota agricultural and economic account in the special revenue fund if:

(1) the taxes are derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project; and

(2) the purchase was made on or after the date on which a conditional commitment was made for a loan guaranty for the project under section 41A.04, subdivision 3.

The commissioner of management and budget shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty account must be reduced by any refunds and by the costs incurred by the Department of Revenue to administer and enforce the assessment and collection of the taxes.

(c) The commissioner shall deposit the revenues, including interest and penalties, derived from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3, paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance to the general fund.

(d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit in the state treasury the revenues collected under section 297A.64, subdivision 1, including interest and penalties and minus refunds, and credit them to the highway user tax distribution fund.

(e) The commissioner shall deposit the revenues, including interest and penalties, collected under section 297A.64, subdivision 5, in the state treasury and credit them to the general fund. By July 15 of each year

the commissioner shall transfer to the highway user tax distribution fund an amount equal to the excess fees collected under section 297A.64, subdivision 5, for the previous calendar year.

(f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit of revenues under paragraph (d), the commissioner shall deposit into the state treasury and credit to the highway user tax distribution fund an amount equal to the estimated revenues derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The commissioner shall estimate the amount of sales tax revenue deposited under this paragraph based on the amount of revenue deposited under paragraph (d).

(g) The commissioner must deposit the revenues derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and purchase of motor vehicle repair and replacement parts in the state treasury and credit:

- (1) 43.5 percent in each fiscal year to the highway user tax distribution fund;
- (2) a percentage to the transportation advancement account under section 174.49 as follows:
  - (i) 3.5 percent in fiscal year 2024;
  - (ii) 4.5 percent in fiscal year 2025;
  - (iii) 5.5 percent in fiscal year 2026;
  - (iv) 7.5 percent in fiscal year 2027;
  - (v) 14.5 percent in fiscal year 2028;
  - (vi) 21.5 percent in fiscal year 2029;
  - (vii) 28.5 percent in fiscal year 2030;
  - (viii) 36.5 percent in fiscal year 2031;
  - (ix) 44.5 percent in fiscal year 2032; and
  - (x) 56.5 percent in fiscal year 2033 and thereafter; and
- (3) the remainder in each fiscal year to the general fund.

For purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires, accessories, and equipment incorporated into or affixed to the motor vehicle as part of the motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially made of rubber and if marked according to federal regulations for highway use.

(h) 81.56 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65, must be deposited by the commissioner in the state treasury as follows:

(1) ~~50~~ 47.5 percent of the receipts must be deposited in the heritage enhancement account in the game and fish fund, and may be spent only on activities that improve, enhance, or protect fish and wildlife resources, including conservation, restoration, and enhancement of land, water, and other natural resources of the state;

(2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only for state parks and trails;

(3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may be spent only on metropolitan park and trail grants;

(4) three percent of the receipts must be deposited in the natural resources fund, and may be spent only on local trail grants; ~~and~~

(5) two percent of the receipts must be deposited in the natural resources fund, and may be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory, and the Duluth Zoo; and

(6) 2.5 percent of the receipts must be deposited in the pollinator account established in section 103B.101, subdivision 19.

(i) 1.5 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65 must be deposited in a regional parks and trails account in the natural resources fund and may only be spent for parks and trails of regional significance outside of the seven-county metropolitan area under section 85.535, based on recommendations from the Greater Minnesota Regional Parks and Trails Commission under section 85.536.

(j) 1.5 percent of the revenues, including interest and penalties, transmitted to the commissioner under section 297A.65 must be deposited in an outdoor recreational opportunities for underserved communities account in the natural resources fund and may only be spent on projects and activities that connect diverse and underserved Minnesotans through expanding cultural environmental experiences, exploration of their environment, and outdoor recreational activities.

(k) The revenue dedicated under paragraph (h) may not be used as a substitute for traditional sources of funding for the purposes specified, but the dedicated revenue shall supplement traditional sources of funding for those purposes. Land acquired with money deposited in the game and fish fund under paragraph (h) must be open to public hunting and fishing during the open season, except that in aquatic management areas or on lands where angling easements have been acquired, fishing may be prohibited during certain times of the year and hunting may be prohibited. At least 87 percent of the money deposited in the game and fish fund for improvement, enhancement, or protection of fish and wildlife resources under paragraph (h) must be allocated for field operations.

(l) The commissioner must deposit the revenues, including interest and penalties minus any refunds, derived from the sale of items regulated under section 624.20, subdivision 1, that may be sold to persons 18 years old or older and that are not prohibited from use by the general public under section 624.21, in the state treasury and credit:

(1) 25 percent to the volunteer fire assistance grant account established under section 88.068;

(2) 25 percent to the fire safety account established under section 297I.06, subdivision 3; and

(3) the remainder to the general fund.

For purposes of this paragraph, the percentage of total sales and use tax revenue derived from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be sold to persons 18 years old or older and are not prohibited from use by the general public under section 624.21, is a set percentage of the total sales and use tax revenues collected in the state, with the percentage determined under Laws 2017, First Special Session chapter 1, article 3, section 39.

(m) The revenues deposited under paragraphs (a) to (l) do not include the revenues, including interest and penalties, generated by the sales tax imposed under section 297A.62, subdivision 1a, which must be deposited as provided under the Minnesota Constitution, article XI, section 15.

Sec. 7. **SOIL HEALTH APPROPRIATIONS; REPORT.**

By January 15, 2026, the Board of Water and Soil Resources must submit a report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources on the expenditure of money appropriated for soil health activities under Laws 2023, chapter 60, article 1, section 4, paragraph (k).

**ARTICLE 5**

**PACKAGING WASTE AND COST REDUCTION ACT**

Section 1. **[115A.144] SHORT TITLE.**

Sections 115A.144 to 115A.1463 may be cited as the "Packaging Waste and Cost Reduction Act."

Sec. 2. **[115A.1441] DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 115A.144 to 115A.1463, the terms in this section have the meanings given.

Subd. 2. **Advisory board.** "Advisory board" or "board" means the Producer Responsibility Advisory Board established under section 115A.1444.

Subd. 3. **Brand.** "Brand" means a name, symbol, word, or mark that identifies a product and attributes the product and its components, including packaging, to the brand owner.

Subd. 4. **Brand owner.** "Brand owner" means a person that owns or licenses a brand or that otherwise has rights to market a product under the brand, whether or not the brand's trademark is registered.

Subd. 5. **Collection rate.** "Collection rate" means the amount of a covered material by covered materials type collected by service providers and transported for recycling or composting divided by the total amount of the type of a covered material by covered materials type sold or distributed into the state by the relevant unit of measurement established in section 115A.1451.

Subd. 6. **Compostable material.** "Compostable material" means a covered material that:

(1) meets, and is labeled to reflect that it meets, the American Society for Testing and Materials Standard Specification for Labeling of Plastics Designed to be Aerobically Composted in Municipal or Industrial Facilities (D6400) or its successor;

(2) meets, and is labeled to reflect that it meets, the American Society for Testing and Materials Standard Specification for Labeling of End Items that Incorporate Plastics and Polymers as Coatings or Additives with Paper and Other Substrates Designed to be Aerobically Composted in Municipal or Industrial Facilities (D6868) or its successor;

(3) is comprised of only wood without any coatings or additives; or

(4) is comprised of only paper without any coatings or additives.

Subd. 7. **Composting.** "Composting" means the controlled microbial degradation of source-separated compostable materials to yield a humus-like product.

Subd. 8. **Composting rate.** "Composting rate" means the amount of compostable covered material that is managed through composting, divided by the total amount of compostable covered material sold or distributed into the state by the relevant unit of measurement established in section 115A.1451.

Subd. 9. **Covered entity.** "Covered entity" means a person or location that receives covered services for covered materials in accordance with the requirements of this act, including:

(1) a single-family residence;

(2) a multifamily residence;

(3) a school as defined in sections 120A.22, subdivision 4, and 136A.62, subdivision 3, clauses (1) and (2); a nonpublic school as defined in section 123B.41, subdivision 9; postsecondary educational systems as defined in section 119B.011, subdivision 18; a provider as defined in section 119B.011, subdivision 19; and any other location where education or child care is provided;

(4) a nonprofit corporation with annual revenue of less than \$35,000,000; and

(5) a state agency, political subdivision, public area, public entity as defined in section 115A.151, or other governmental unit.

Subd. 10. **Covered material.** "Covered material" means packaging and paper products introduced. Covered material does not include exempt materials.

Subd. 11. **Covered materials type.** "Covered materials type" means a singular and specific type of covered material, such as paper, plastic, metal, or glass, that:

(1) can be categorized based on distinguishing chemical or physical properties, including properties that allow a covered materials type to be aggregated into a discrete commodity category for purposes of reuse, recycling, or composting; and

(2) is based on similar uses in the form of a product or package.

Subd. 12. **Covered services.** "Covered services" means collecting, transferring, transporting, sorting, processing, recovering, preparing, or otherwise managing for purposes of waste reduction, reuse, recycling, or composting. Covered services does not mean any management method according to section 115A.02, paragraph (b), clauses (4) to (6).

Subd. 13. **De minimis producer.** "De minimis producer" means a person that in their most recent fiscal year:

(1) introduced less than one ton of covered material into this state; or

(2) earned global gross revenues of less than \$2,000,000.

Subd. 14. **Drop-off collection site.** "Drop-off collection site" means a physical location where covered materials are accepted from the public and that is open a minimum of 12 hours weekly throughout the year.

Subd. 15. **Environmental impact.** "Environmental impact" means the impact of a covered material on human health and the environment from extraction and processing of the raw materials composing the

material through manufacturing; distribution; use; recovery for reuse, recycling, or composting; and final disposal.

Subd. 16. **Exempt materials.** "Exempt materials" means materials, or any portion of materials, that:

(1) are packaging for infant formula, as defined in United States Code, title 21, section 321(z);

(2) are packaging for medical food, as defined in United States Code, title 21, section 360ee(b)(3);

(3) are packaging for a fortified oral nutritional supplement used by persons who require supplemental or sole source nutrition to meet nutritional needs due to special dietary needs directly related to cancer, chronic kidney disease, diabetes, malnutrition, or failure to thrive, as those terms are defined by the International Classification of Diseases, Tenth Revision;

(4) are packaging for a product regulated as a drug or medical device by the United States Food and Drug Administration, including associated components and consumable medical equipment;

(5) are packaging for a medical equipment or product used in medical settings that is regulated by the United States Food and Drug Administration, including associated components and consumable medical equipment;

(6) are drugs, biological products, parasiticides, medical devices, or in vitro diagnostics that are used to treat, or that are administered to, animals and are regulated by the United States Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 301 et seq., by the United States Department of Agriculture under the federal Virus-Serum-Toxin Act, United States Code, title 21, section 151 et seq.;

(7) are packaging for products regulated by the United States Environmental Protection Agency under the Federal Insecticide, Fungicide, and Rodenticide Act, United States Code, title 7, section 136 et seq.;

(8) are packaging used to contain liquefied petroleum gas and are designed to be refilled;

(9) are paper products used for a newspaper's print publications, including supplements or enclosures, that include content derived from primary sources related to news and current events;

(10) are paper products used for a magazine's print publication that has a circulation of less than 95,000 and that primarily includes content derived from primary sources related to news and current events;

(11) are packaging used to contain hazardous or flammable products regulated by the 2012 federal Occupational Safety and Health Administration Hazard Communication Standard, Code of Federal Regulations, title 29, section 1910.1200, that prevent the packaging from being waste reduced or made reusable, recyclable, or compostable, as determined by the commissioner;

(12) are packaging that is being collected and properly managed through a paint stewardship plan approved under section 115A.1415;

(13) are exempt materials, as determined by the commissioner under section 115A.1453, subdivision 6; or

(14) are covered materials that:

(i) a producer distributes to another producer;

(ii) are subsequently used to contain a product, and the product is distributed to a commercial or business entity for the production of another product; and

(iii) are not introduced to a person other than the commercial or business entity that first received the product used for the production of another product.

Subd. 17. **Food packaging.** "Food packaging" has the meaning given in section 325F.075.

Subd. 18. **Independent auditor.** "Independent auditor" means an independent and actively licensed certified public accountant that is:

(1) retained by a producer responsibility organization;

(2) not otherwise employed by or affiliated with a producer responsibility organization; and

(3) qualified to conduct an audit under state law.

Subd. 19. **Infrastructure investment.** "Infrastructure investment" means an investment by a producer responsibility organization that funds or reimburses a person for:

(1) equipment or facilities in which covered materials are prepared for reuse, recycling, or composting;

(2) equipment or facilities used for waste reduction, reuse, recycling, or composting of covered materials;

or

(3) the expansion or strengthening of demand for and use of covered materials by responsible markets in the state or region.

Subd. 20. **Introduce.** "Introduce" means to sell, offer for sale, distribute, or use to ship a product within or into this state.

Subd. 21. **Living wage.** "Living wage" means the minimum hourly wage necessary to allow a person working 40 hours per week to afford basic needs.

Subd. 22. **Needs assessment.** "Needs assessment" means an assessment conducted according to section 115A.1450, subdivision 4. Except where the context requires otherwise, needs assessment means the most recently completed needs assessment.

Subd. 23. **Packaging.** "Packaging" has the meaning given in section 115A.03 and includes food packaging. Packaging does not include exempt materials.

Subd. 24. **Paper product.** "Paper product" means a product made primarily from wood pulp or other cellulosic fibers but does not include bound books or products that recycling or composting facilities will not accept because of the unsafe or unsanitary nature of the paper product. Paper product does not include exempt materials.

Subd. 25. **Postconsumer recycled content.** "Postconsumer recycled content" means the amount of postconsumer material used by a producer in the production of a covered materials type, divided by the total amount of that covered materials type used for products sold or distributed by the producer in that same calendar year.

Subd. 26. **Producer.** (a) "Producer" means the following person responsible for compliance with requirements under this act for a covered material introduced:

(1) for items sold in or with packaging at a physical retail location in this state:

(i) if the item is sold in or with packaging under the brand of the item manufacturer or is sold in packaging that lacks identification of a brand, the producer is the person that manufactures the item;

(ii) if there is no person to which item (i) applies, the producer is the person that is licensed to manufacture and sell or offer for sale to consumers in this state an item with packaging under the brand or trademark of another manufacturer or person;

(iii) if there is no person to which item (i) or (ii) applies, the producer is the brand owner of the item;

(iv) if there is no person described in item (i), (ii), or (iii) within the United States, the producer is the person who is the importer of record for the item into the United States for use in a commercial enterprise that sells, offers for sale, or distributes the item in this state; or

(v) if there is no person described in items (i) to (iv), the producer is the person that first distributes the item in or into this state;

(2) for items sold or distributed in packaging in or into this state via e-commerce, remote sale, or distribution:

(i) for packaging used to directly protect or contain the item, the producer of the packaging is the same as the producer identified under clause (1); and

(ii) for packaging used to ship the item to a consumer, the producer of the packaging is the person that packages the item to be shipped to the consumer;

(3) for packaging that is a covered material and is not included in clauses (1) and (2), the producer of the packaging is the person that first distributes the item in or into this state;

(4) for paper products that are magazines, catalogs, telephone directories, or similar publications, the producer is the publisher;

(5) for paper products not described in clause (4):

(i) if the paper product is sold under the manufacturer's own brand, the producer is the person that manufactures the paper product;

(ii) if there is no person to which item (i) applies, the producer is the person that is the owner or licensee of a brand or trademark under which the paper product is used in a commercial enterprise, sold, offered for sale, or distributed in or into this state, whether or not the trademark is registered in this state;

(iii) if there is no person to which item (i) or (ii) applies, the producer is the brand owner of the paper product;

(iv) if there is no person described in item (i), (ii), or (iii) within the United States, the producer is the person that imports the paper product into the United States for use in a commercial enterprise that sells, offers for sale, or distributes the paper product in this state; or

(v) if there is no person described in items (i) to (iv), the producer is the person that first distributes the paper product in or into this state; and

(6) a person is the producer of a covered material sold, offered for sale, or distributed in or into this state, as defined in clauses (1) to (5), except:

(i) where another person has mutually signed an agreement with a producer as defined in clauses (1) to (5) that contractually assigns responsibility to the person as the producer, and the person has joined a registered producer responsibility organization as the responsible producer for that covered material under this act. In the event that another person is assigned responsibility as the producer under this subdivision, the producer under clauses (1) to (5) must provide written certification of that contractual agreement to the producer responsibility organization; and

(ii) if the producer described in clauses (1) to (5) is a business operated wholly or in part as a franchise, the producer is the franchisor if that franchisor has franchisees that have a commercial presence within the state.

(b) "Producer" does not include:

(1) a state, a federal or state agency, a political subdivision, or other governmental unit;

(2) a registered 501(c)(3) charitable organization or 501(c)(4) social welfare organization;

(3) a de minimis producer;

(4) a mill that uses any virgin wood fiber in the products it produces; or

(5) a paper mill that produces container board derived from 100 percent postconsumer recycled content and nonpostconsumer recycled content.

Subd. 27. **Producer responsibility organization.** "Producer responsibility organization" means a nonprofit corporation that is tax exempt under chapter 501(c)(3) of the federal Internal Revenue Code and that is created by a group of producers to implement activities under this act.

Subd. 28. **Recycling.** "Recycling" has the meaning given in section 115A.03 except that recycling does not include reuse or composting, as defined in this act.

Subd. 29. **Recycling rate.** "Recycling rate" means the amount of recyclable covered material, in aggregate or by individual covered materials type, recycled in a calendar year divided by the total amount of recyclable covered materials sold or distributed into the state by the relevant unit of measurement established in section 115A.1451.

Subd. 30. **Refill.** "Refill" means the continued use of a covered material by a consumer through a system that is:

(1) intentionally designed and marketed for repeated filling of a covered material to reduce demand for new production of the covered material;

(2) supported by adequate logistics and infrastructure to provide convenient access for consumers; and

(3) compliant with all applicable federal, state, and local statutes, rules, ordinances, and other laws governing health and safety.

Subd. 31. **Responsible market.** "Responsible market" means a materials market that:

(1) reuses, recycles, composts, or otherwise recovers materials and disposes of contaminants in a manner that protects the environment and minimizes risks to public health and worker health and safety;

(2) complies with all applicable federal, state, and local statutes, rules, ordinances, and other laws governing environmental, health, safety, and financial responsibility;

(3) possesses all requisite licenses and permits required by a federal or state agency or political subdivision;

(4) if the market operates in the state, manages waste according to the waste management goal and priority order of waste management practices stated in section 115A.02; and

(5) minimizes adverse impacts to environmental justice areas, as defined in section 115A.03.

Subd. 32. **Return rate.** "Return rate" means the amount of reusable covered material in aggregate or by individual covered materials type, collected for reuse by a producer or service provider in a calendar year, divided by the total amount of reusable covered materials sold or distributed into the state by the relevant unit of measurement established in section 115A.1451.

Subd. 33. **Reusable.** "Reusable" means capable of reuse.

Subd. 34. **Reuse.** "Reuse" means the return of a covered material to the marketplace and the continued use of the covered material by a producer or service provider when the covered material is:

(1) intentionally designed and marketed to be used multiple times for its original intended purpose without a change in form;

(2) designed for durability and maintenance to extend its useful life and reduce demand for new production of the covered material;

(3) supported by adequate logistics and infrastructure at a retail location, by a service provider, or on behalf of or by a producer, that provides convenient access for consumers; and

(4) compliant with all applicable federal, state, and local statutes, rules, ordinances, and other laws governing health and safety.

Subd. 35. **Reuse rate.** "Reuse rate" means the share of units of a reusable covered material sold or distributed into the state in a calendar year that are demonstrated and deemed reusable in accordance with an approved stewardship plan under section 115A.1451.

Subd. 36. **Service provider.** "Service provider" means an entity that provides covered services for covered materials. A political subdivision that provides or that contracts or otherwise arranges with another party to provide covered services for covered materials within its jurisdiction may be a service provider regardless of whether it provided, contracted for, or otherwise arranged for similar services before the approval of the applicable stewardship plan.

Subd. 37. **Third-party certification.** "Third-party certification" means certification by an accredited independent organization that a standard or process required by this act, or by a stewardship plan approved under this act, has been achieved.

Subd. 38. **This act.** "This act" means sections 115A.144 to 115A.1463.

Subd. 39. **Toxic substance.** "Toxic substance" means hazardous waste, a problem material, a chemical or chemical class regulated under section 115A.965, 116.943, 325F.075, or 325F.172 to 325F.179, or a chemical of high concern identified under section 116.9402.

Subd. 40. **Waste reduction or source reduction.** "Waste reduction" or "source reduction" has the meaning given in section 115A.03, except that waste reduction or source reduction does not include reuse, but does include refill, as defined in this act.

Sec. 3. **[115A.1442] ESTABLISHMENT OF PROGRAM.**

Producers must implement and finance a statewide program for packaging and paper products in accordance with this act that encourages redesign to reduce the environmental impacts and human health impacts and that reduces generation of covered materials waste through waste reduction, reuse, recycling, and composting and by providing for the collection, transportation, and processing of used covered materials for reuse, recycling, and composting.

Sec. 4. **[115A.1443] REGISTRATION OF PRODUCER RESPONSIBILITY ORGANIZATIONS AND SERVICE PROVIDERS.**

Subdivision 1. **Annual registration.** (a) By January 1, 2025, producers must appoint a producer responsibility organization. The producer responsibility organization must register with the commissioner by July 1, 2026, and each January 1 thereafter by submitting the following:

(1) contact information for a person responsible for implementing an approved stewardship plan;

(2) a list of all member producers that have entered into written agreements to operate under an approved stewardship plan administered by the producer responsibility organization and, for each producer, a list of all brands of the producer's covered materials introduced;

(3) copies of written agreements with each producer stating that the producer agrees to operate under an approved stewardship plan administered by the producer responsibility organization;

(4) a list of current board members and the executive director if different from the person responsible for implementing an approved stewardship plan; and

(5) documentation demonstrating adequate financial responsibility and financial controls to ensure proper management of funds and payment of the registration fee required under subdivision 2.

(b) Following the approval of the initial producer responsibility organization and the initial stewardship plan, if more than a single producer responsibility organization is established, the producers and producer responsibility organizations must establish a coordinating body and process to prevent redundancy. The coordinating body must integrate:

(1) stewardship plans of all producer responsibility organizations into a single stewardship plan that implements all requirements of this act and encompasses all producers when submitted to the commissioner for approval; and

(2) annual reports of all producer responsibility organizations into a single annual report that covers all requirements of this act and encompasses all producers when submitted to the commissioner.

Subd. 2. **Registration fee.** (a) Beginning January 1, 2029, as part of its annual registration with the commissioner, a producer responsibility organization must submit to the commissioner a registration fee, as determined by the commissioner. By October 1, 2028, and annually thereafter, the commissioner must provide written notice to registered producer responsibility organizations in writing of the amount of the registration fee. If there is more than one registered producer responsibility organization, the coordinating body described in subdivision 1, paragraph (b), must equitably apportion payment of the registration fee between all registered producer responsibility organizations. The registration fee must be set at an amount anticipated to in the aggregate meet but not exceed the commissioner's estimate of the costs required to perform the commissioner's duties as described in section 115A.1445 and to otherwise administer, implement, and enforce this act.

(b) The commissioner must annually reconcile the fees paid by a producer responsibility organization under this subdivision with the actual costs incurred by the agency by means of credits or refunds to or additional payments required of a producer responsibility organization, as applicable.

**Subd. 3. Initial producer responsibility organization registration; implementation fee.** (a) By January 1, 2025, producers must appoint a producer responsibility organization. The producer responsibility organization must register by January 1, 2025, with the commissioner by submitting the following:

(1) contact information for a person responsible for implementing an approved stewardship plan;

(2) a list of current member producers that have entered into written agreements to operate under an approved stewardship plan administered by the producer responsibility organization;

(3) a plan for recruiting additional member producers and executing written agreements confirming producers will operate under an approved stewardship plan administered by the producer responsibility organization;

(4) a list of current board members and the executive director if different than the person responsible for implementing approved stewardship plans; and

(5) documentation demonstrating adequate financial responsibility and financial controls to ensure proper management of funds and payment of the implementation fee required under paragraph (c).

(b) Notwithstanding the other provisions of this section, the commissioner may not allow registration of more than one producer responsibility organization under this section before the first stewardship plan approved by the commissioner expires. If more than one producer responsibility organization applies to register under this section before the first stewardship plan is approved by the commissioner, the commissioner must select the producer responsibility organization that will represent producers until the first stewardship plan expires and, if applicable, must return the fee paid by applicants who are not selected. When selecting a producer responsibility organization, the commissioner must consider whether the producer responsibility organization:

(1) has a governing board consisting of producers that represent a diversity of covered materials introduced; and

(2) demonstrates adequate financial responsibility and financial controls to ensure proper management of funds.

(c) By February 15, 2025, and annually until February 15, 2028, the commissioner must provide written notice to the producer responsibility organization of the commissioner's estimates of the cost required to perform the commissioner's duties as described in section 115A.1445. The producer responsibility organization must remit payment in full for these costs to the commissioner within 45 days of receipt of this notice. The producer responsibility organization may charge each member producer a fee according to each producer's unit-, weight-, volume-, or sales-based market share or by another method it determines to be an equitable determination of each producer's payment obligation, so that the aggregate fees charged to member producers is sufficient to pay the commissioner's estimated costs in full.

**Subd. 4. Requirement for additional producer responsibility organizations.** After the first stewardship plan approved by the commissioner expires, the commissioner may allow registration of more than one producer responsibility organization if:

(1) producers of a covered materials type or a specific covered material appoint a producer responsibility organization; or

(2) producers organize under additional producer responsibility organizations.

Subd. 5. **Registration of service providers.** By January 1, 2025, and annually thereafter, a service provider seeking reimbursement for services provided under an approved stewardship plan according to section 115A.1451 must register with the commissioner by submitting the following information:

(1) the contact information for a person representing the service provider;

(2) the address of the service provider; and

(3) if applicable to services provided, a report of the total amount billed for collection for covered entities, processing services, and transfer station operations provided during the preceding calendar year and, when possible, values must be separated for collection, transfer, and processing.

Subd. 6. **Disposition of fees.** All fees received under this section must be deposited in the state treasury and credited to the product stewardship account under section 115A.1463.

#### Sec. 5. **[115A.1444] ESTABLISHMENT OF PRODUCER RESPONSIBILITY ADVISORY BOARD.**

Subdivision 1. **Establishment.** The Producer Responsibility Advisory Board is established to review all activities conducted by producer responsibility organizations under this act and to advise the commissioner and producer responsibility organizations regarding the implementation of this act.

Subd. 2. **Membership.** (a) By January 1, 2025, the commissioner must establish and appoint the initial membership of the advisory board. The membership of the board must consist of the following:

(1) two members representing manufacturers of covered materials or a statewide or national trade association representing those manufacturers;

(2) two members representing recycling facilities that manage covered materials;

(3) one member representing a waste hauler or a statewide association representing waste haulers;

(4) one member representing retailers of covered materials or a statewide trade association representing those retailers;

(5) one member representing a statewide nonprofit environmental organization;

(6) one member representing a community-based nonprofit environmental justice organization;

(7) one member representing a waste facility that receives and sorts covered materials and transfers them to another facility for reuse, recycling, or composting;

(8) one member representing a waste facility that receives compostable materials for composting or a statewide trade association that represents such facilities;

(9) two members representing an entity that develops or offers for sale covered materials that are designed for reuse or refill and maintained through a reuse or refill system or infrastructure or a statewide or national trade association that represents such entities;

(10) three members representing organizations of political subdivisions, with at least one member representing a political subdivision outside the metropolitan area;

(11) two members representing other interested parties or additional members of interests represented under clauses (1) to (10) as determined by the commissioner; and

(12) one member representing the commissioner.

(b) In making appointments under paragraph (a), the commissioner:

(1) may not appoint members who are state legislators or registered lobbyists;

(2) may not appoint members who are employees of a producer required to be members of a producer responsibility organization in this state under this act; and

(3) must endeavor to appoint members from all regions of the state.

Subd. 3. **Terms; removal.** A member of the advisory board appointed under subdivision 2, paragraph (a), clause (12), serves at the pleasure of the commissioner. All other members serve for a term of four years, except that the initial term for nine of the initial appointees must be two years so that membership terms are staggered. Members may be reappointed but may not serve more than eight consecutive years. The removal of members and filling of vacancies is governed by section 15.059, subdivision 4. Except as otherwise provided, chapter 15 does not apply to the board.

Subd. 4. **Compensation.** Members of the board must be compensated according to section 15.059, subdivision 3.

Subd. 5. **Quorum.** A majority of the voting board members constitutes a quorum. If there is a vacancy in the membership of the board, a majority of the remaining voting members of the board constitutes a quorum.

Subd. 6. **Voting.** Action by the advisory board requires a quorum and a majority of those present and voting. All members of the advisory board, except the member appointed under subdivision 2, paragraph (a), clause (12), are voting members of the board.

Subd. 7. **Meetings.** The advisory board must meet at least two times per year and may meet more frequently upon ten days' written notice at the request of the chair or a majority of its members.

Subd. 8. **Open meetings.** Meetings of the board must comply with chapter 13D.

Subd. 9. **Chair.** At its initial meeting, and every two years thereafter, the advisory board must elect a chair and vice-chair from among its members.

Subd. 10. **Administrative and operating support.** The commissioner must provide administrative and operating support to the advisory board, including compensation in accordance with subdivision 4, and may contract with a third-party facilitator to assist in administering the activities of the advisory board, including establishing a website or landing page on the agency website.

Subd. 11. **Conflict of interest policies.** The commissioner must assist the advisory board in developing policies and procedures governing the disclosure of actual or perceived conflicts of interest that advisory board members may have as a result of their employment or financial holdings with respect to themselves or family members. Each advisory board member is responsible for reviewing the conflict of interest policies and procedures. An advisory board member must disclose any instance of actual or perceived conflicts of

interest at each meeting of the advisory board at which recommendations regarding stewardship plans, programs, operations, or activities are made by the advisory board.

**Sec. 6. [115A.1445] COMMISSIONER RESPONSIBILITIES.**

The commissioner must:

(1) appoint the initial membership of the advisory board by January 1, 2025, as required under section 115A.1444;

(2) provide administrative and operating support to the advisory board, as required under section 115A.1444, subdivision 10;

(3) complete a preliminary assessment by December 31, 2025, and complete an initial needs assessment by December 31, 2026, and update the needs assessment every five years thereafter, as required under section 115A.1450;

(4) approve stewardship plans and amendments to stewardship plans according to section 115A.1451;

(5) provide lists established according to the requirements of section 115A.1453 to all producer responsibility organizations by July 1, 2028;

(6) establish statewide requirements as required under section 115A.1451, subdivision 7;

(7) post on the agency's website:

(i) the most recent registration materials submitted by producer responsibility organizations, including all information submitted under section 115A.1443, subdivision 1, paragraph (a), clauses (1), (2), and (4);

(ii) a list of registered service providers;

(iii) the most recent needs assessments;

(iv) any stewardship plan or amendment submitted by a producer responsibility organization under section 115A.1451 that is in draft form during the public comment period;

(v) the most recent lists established as required under section 115A.1453;

(vi) the list of exempt materials and covered materials exempt from performance targets and statewide requirements as approved in the stewardship plan;

(vii) links to producer responsibility organization websites;

(viii) comments of the public, advisory board, and producer responsibility organizations on the documents listed in items (iii) to (vi), and, if any, the responses of the commissioner to those comments; and

(ix) links to adopted rules implementing this act;

(8) provide producer responsibility organizations with information regarding Minnesota and federal laws that prohibit toxic substances in covered materials, toxic substances' potential environmental impacts and human health impacts, and best practices to reduce intentionally added toxic substances as identified in the needs assessment;

(9) approve the selection of independent auditors to perform an annual financial audit of each producer responsibility organization; and

(10) consider and respond in writing to all written comments received from the advisory board.

**Sec. 7. [115A.1446] PRODUCER RESPONSIBILITY ADVISORY BOARD RESPONSIBILITIES.**

The Producer Responsibility Advisory Board must:

(1) convene its initial meeting by March 1, 2025;

(2) consult with the commissioner regarding the scope of the needs assessments and provide written comments on needs assessments, as required under section 115A.1450, subdivision 2;

(3) advise on the development of stewardship plans and amendments to stewardship plans under section 115A.1451;

(4) submit comments to producer responsibility organizations and to the commissioner on any matter relevant to the administration of this act;

(5) provide written comments to the commissioner during any rulemaking process undertaken by the commissioner under section 115A.1459; and

(6) comply with all other applicable requirements of this act.

**Sec. 8. [115A.1447] PRODUCER RESPONSIBILITY ORGANIZATION RESPONSIBILITIES.**

A producer responsibility organization must:

(1) register with the commissioner, as required under section 115A.1443;

(2) submit a stewardship plan to the commissioner by October 1, 2028, and every five years thereafter, as required under section 115A.1451;

(3) implement stewardship plans approved by the commissioner under section 115A.1451;

(4) forward upon receipt from the commissioner the lists established under section 115A.1453 to all service providers that participate in a stewardship plan administered by the producer responsibility organization;

(5) collect producer fees as required under section 115A.1454;

(6) submit the reports required under section 115A.1456;

(7) ensure that producers operating under a stewardship plan administered by the producer responsibility organization comply with the requirements of the stewardship plan and with this act;

(8) expel a producer from the producer responsibility organization if efforts to return the producer to compliance with the plan or with the requirements of this act are unsuccessful;

(9) notify the commissioner when a producer has been expelled;

(10) consider and respond in writing to comments received from the advisory board, including justifications for not incorporating board recommendations;

(11) provide producers with information regarding state and federal laws that prohibit substances in covered materials, including sections 115A.965, 116.943, 325F.075, 325F.172 to 325F.179, and all laws prohibiting toxic substances in covered materials;

(12) maintain a website under section 115A.1457;

(13) notify the commissioner within 30 days of a change made to the contact information for a person responsible for implementing the stewardship plan, to board membership, or to the executive director;

(14) assist service providers to identify and use responsible markets;

(15) reimburse service providers in a timely manner using applicable reimbursement rates; and

(16) comply with all other applicable requirements of this act.

#### Sec. 9. **[115A.1448] PRODUCER RESPONSIBILITIES.**

Subdivision 1. **Registration required; prohibition of sale.** (a) After July 1, 2025, a producer must be a member of a producer responsibility organization registered in this state.

(b) After January 1, 2029, no producer may introduce covered materials, either separately or when used to package another product, unless the producer enters into a written agreement with a producer responsibility organization to operate under an approved stewardship plan.

(c) After January 1, 2032, no producer may introduce covered materials unless covered services are provided for the covered materials through a program in a stewardship plan approved by the commissioner and the covered materials are:

(1) reusable and capable of being managed through a reuse system that meets the reuse rate and return rate required under section 115A.1451, subdivision 7;

(2) capable of refill and supported by a refill system;

(3) included on the list established under section 115A.1453, subdivision 1; or

(4) included on the list established under section 115A.1453, subdivision 2.

(d) A producer responsibility organization may petition the commissioner for a two-year extension to comply with the requirements of paragraph (c). The commissioner may approve the extension if the petition demonstrates that market or technical issues prevent a specific covered material from being considered reusable or included on the lists established under section 115A.1453. The producer responsibility organization may petition the commissioner for additional annual extensions until January 1, 2040, if the producer responsibility organization demonstrates that market or technical issues preventing compliance persist.

Subd. 2. **Duties.** A producer must:

(1) implement the requirements of the stewardship plan under which the producer operates;

(2) pay producer fees under section 115A.1454; and

(3) comply with all other applicable requirements of this act.

#### Sec. 10. **[115A.1449] SERVICE PROVIDER RESPONSIBILITIES.**

A service provider receiving reimbursement or funding under an approved stewardship plan must:

(1) provide covered services for covered materials included on the lists established under section 115A.1453, covered services for a refill system, or covered services for reusable covered materials, as applicable to the services offered by and service area of the service provider;

(2) register with the commissioner under section 115A.1443;

(3) submit invoices to the producer responsibility organization for reimbursement for services rendered as provided in sections 115A.1451 and 115A.1455;

(4) meet performance standards established in an approved stewardship plan under section 115A.1451;

(5) ensure that covered materials are sent to responsible markets;

(6) provide documentation to the producer responsibility organization on the amounts, covered materials types, and volumes of covered materials by covered service method;

(7) display the service provider's price, minus the reimbursement from the producer responsibility organization as determined in section 115A.1455, subdivision 4, when invoicing customers. The balance is what the service provider may charge the customer; and

(8) comply with all other applicable requirements of this act.

#### Sec. 11. **[115A.1450] NEEDS ASSESSMENTS.**

Subdivision 1. **Needs assessments required.** (a) By December 31, 2025, the commissioner must complete a preliminary assessment according to this section.

(b) By December 31, 2026, and every five years thereafter, the commissioner must complete a needs assessment according to this section. The commissioner may adjust the required content in a specific needs assessment to inform the next stewardship plan.

Subd. 2. **Input from interested parties.** In conducting a needs assessment, the commissioner must:

(1) initiate a consultation process to obtain recommendations from the advisory board, political subdivisions, service providers, producer responsibility organizations, and other interested parties regarding the type and scope of information that should be collected and analyzed in the needs assessment required by this section;

(2) contract with a third party who is not a producer, a producer responsibility organization, or a member of the advisory board to conduct the needs assessment; and

(3) prior to finalizing the needs assessment, make the draft needs assessment available for comment by the advisory board, producer responsibility organizations, and the public. The commissioner must respond in writing to the comments and recommendations of the advisory board and producer responsibility organizations.

Subd. 3. **Content of preliminary assessment.** A preliminary assessment must be completed for a preceding period of no less than 12 months and no more than 36 months, that includes:

(1) identification of currently or recently introduced covered materials and covered materials types;

(2) tons of collected covered materials;

(3) the characteristics of recycling and composting programs, including a description of single-stream and dual-stream recycling systems offered in the state and prevalence of their use, average frequency of collection of covered materials for recycling and composting, types of collection containers used, commonly accepted materials for recycling and composting, and total costs by type of covered entity;

(4) processing capacity at recycling facilities, including total tons processed and sold, composition of tons processed and sold, current technologies utilized, and facility processing fees charged to collectors delivering covered materials for recycling;

(5) capacity of, technology used by, and characteristics of compost facilities to process and recover compostable covered materials;

(6) capacity and number of drop-off collection sites;

(7) capacity and number of transfer stations and transfer locations;

(8) average term length of residential recycling and composting collection contracts issued by political subdivisions and an assessment of contract cost structures;

(9) an estimate of total annual collection and processing service costs based on registered service provider costs;

(10) available markets in the state for covered materials and the capacity of those markets; and

(11) covered materials sales by volume, weight, and covered materials types introduced by producers.

**Subd. 4. Content of needs assessment. A needs assessment must include at least the following:**

(1) an evaluation of:

(i) existing waste reduction, reuse, recycling, and composting, as applicable, for each covered materials type, including collection rates, recycling rates, composting rates, reuse rates, and return rates, as applicable, for each covered materials type;

(ii) overall recycling rate, composting rate, reuse rate, and return rate for all covered materials; and

(iii) the extent to which postconsumer recycled content, by the best estimate, is or could be incorporated into each covered materials type, as applicable, including a review of market and technical barriers to incorporating postconsumer materials into covered materials;

(2) an evaluation of covered materials in the disposal, recycling, and composting streams to determine the covered materials types and amounts within each stream, using new studies conducted by the commissioner or publicly available and applicable studies;

(3) proposals for a range of outcomes for each covered materials type to be accomplished within a five-year time frame in multiple units of measurement, including but not limited to unit-based, weight-based, and volume-based, for each of the following:

(i) waste reduction;

(ii) reuse rate and return rates;

(iii) recycling rates;

(iv) composting rates; and

(v) postconsumer recycled content, if applicable;

(4) proposals for a range of outcomes for the categories established in section 115A.1451, subdivision 7, that consider:

(i) information contained in or used to prepare a needs assessment according to this subdivision;

(ii) goals and requirements of the Waste Management Act;

(iii) statewide goals for greenhouse gas emission reductions under section 216H.02;

(iv) the need for continuous progress toward overall reduction in the generation of covered materials waste and the complete reuse, recycling, or composting of covered materials to reduce environmental impacts and human health impacts;

(v) a preference for statewide requirements that accomplish and further the goals and requirements in items (ii) to (iv) as soon as practicable and to the maximum extent achievable; and

(vi) information from packaging and paper product producer responsibility programs operating in other jurisdictions;

(5) an evaluation of the factors for each covered material collected for recycling or composting as established in section 115A.1453, subdivision 4;

(6) recommended collection methods by covered materials type to maximize collection efficiency, maximize feedstock quality, and optimize service and convenience for collection of covered materials to be considered or that are included on lists established in section 115A.1453;

(7) proposed plans and metrics for how to measure progress in achieving performance targets and statewide requirements;

(8) an evaluation of options for third-party certification of activities to meet obligations of this act;

(9) an inventory of the current system, including:

(i) infrastructure, capacity, performance, funding level, and method and sources of financing for the existing covered services for covered materials operating in the state;

(ii) an estimate of total annual costs of covered services based on registered service provider costs; and

(iii) availability and cost of covered services for covered materials to covered entities and any other location where covered materials are introduced, including identification of disparities in the availability of these services in environmental justice areas compared with other areas and proposals for reducing or eliminating those disparities;

(10) an evaluation of investments needed to increase waste reduction, reuse, recycling, and composting rates of covered materials according to the range of proposed performance targets and statewide requirements, including investments in existing and new infrastructure that would also:

(i) maintain or improve operations of existing infrastructure and accounts for waste reduction, reuse, recycling, and composting of covered materials statewide;

(ii) expand the availability and accessibility of recycling collection services for recyclable covered materials to all covered entities to optimize service and convenience; and

(iii) establish and expand the availability and accessibility of reuse services for reusable covered materials;

(11) a recommended methodology for applying criteria and formulas to establish reimbursement rates as described in section 115A.1455;

(12) an assessment of the viability and robustness of markets for recyclable covered materials and the degree to which these markets can be considered responsible markets;

(13) an assessment of the level and causes of contamination of source-separated recyclable materials, source-separated compostable materials and collected reusables, and the impacts of contamination on service providers, including the cost to manage this contamination;

(14) an assessment of toxic substances intentionally added to covered materials, whether this limits one or more covered materials types from being used as a marketable feedstock, and best practices producers can implement to reduce intentionally added toxic substances in covered materials that could be verified through suppliers certificates of compliance, testing, or other analytical and scientifically demonstrated methodology;

(15) an assessment of current best practices to increase public awareness, educate, and complete outreach activities accounting for culturally responsive materials and methods and an evaluation of the efficacy of these efforts, including assessments and evaluations of current best practices and efforts on:

(i) using product or packaging labels as a means of informing consumers about environmentally sound use and management of covered materials;

(ii) increasing public awareness of how to use and manage covered materials in an environmentally sound manner and how to access waste reduction, reuse, recycling, and composting services; and

(iii) encouraging behavior change to increase participation in waste reduction, reuse, recycling, and composting programs;

(16) identification of the covered materials with the most significant environmental impact, including assessing each covered material's generation of hazardous waste, generation of greenhouse gases, environmental justice impacts, public health impacts, and other impacts;

(17) recommendations for meeting the criteria for an alternative collection program as established in section 115A.1451, subdivision 8; and

(18) other items identified by the commissioner that would aid the creation of the stewardship plan, its administration, and the enforcement of this act.

Subd. 5. **Needs assessment as baseline.** When determining the extent to which any statewide requirement or performance target under this act has been achieved, information contained in a needs assessment must serve as the baseline for that determination, when applicable.

Subd. 6. **Participation required; not public data.** (a) A service provider or other person with data or information necessary to complete a needs assessment must provide the data or information to the commissioner upon request.

(b) A service provider or other person providing the data or information may submit a written request to the commissioner that the data or information be classified as not public data. The request must set forth the statutory grounds and the reasons that justify the classification of the data or information as not public data. The commissioner must approve the request if the commissioner determines:

(1) the data or information constitutes trade secret information as defined in section 13.37, subdivision 1, paragraph (b), or sales information;

(2) disclosure of the data or information would tend to adversely affect the competitive position of the service provider or other person, including but not limited to data related to profits, service rates, fees, or business expenses; or

(3) the data or information is otherwise nonpublic data with regard to data not on individuals, pursuant to section 13.02, subdivision 9, or private data on individuals, pursuant to section 13.02, subdivision 12.

(c) The contractor conducting the needs assessment must aggregate and anonymize the not public data or information, excluding location data necessary to assess needs, received from all parties under this subdivision and must then include the aggregated anonymized data in the needs assessment.

(d) The commissioner, any employee of the agency, or any agent thereof, when authorized by the commissioner, may enter upon any property, public or private, for the purpose of obtaining information necessary for completing the evaluation in subdivision 4, clause (2), provided that the entrance and activity is undertaken after reasonable notice and during normal business hours and provided that compensation is made for any damage to the property caused by the entrance and activity.

#### Sec. 12. [115A.1451] STEWARDSHIP PLAN.

Subdivision 1. **Stewardship plan required.** By October 1, 2028, and every five years thereafter, a producer responsibility organization must submit a stewardship plan to the commissioner that describes the proposed operation by the organization of programs to fulfill the requirements of this act and that incorporates the findings and results of needs assessments. Once approved, a stewardship plan remains in effect for five years, as amended, or until a subsequent stewardship plan is approved.

Subd. 2. **Advisory board review of draft plan and amendments.** A producer responsibility organization must submit a draft stewardship plan or draft amendment to the advisory board at least 60 days prior to submitting the draft plan or draft amendment to the commissioner to allow the advisory board to submit comments and must address advisory board comments and recommendations prior to submission of the draft plan or draft amendment to the commissioner.

Subd. 3. **Content of stewardship plans.** A draft stewardship plan must include at a minimum:

(1) performance targets established under subdivision 5 as applicable to each covered materials type to be accomplished within a five-year period;

(2) a description of the methods of collection, how collection service convenience metrics will be met, and processing infrastructure and covered services to be used for each covered materials type at covered entities, at a minimum, and how these will meet the statewide requirements established in subdivision 7 for covered materials:

(i) included on the list established in section 115A.1453, subdivision 1;

(ii) included on the list established in section 115A.1453, subdivision 2;

(iii) that are reusable covered materials managed through a reuse system; and

(iv) that are capable of refill and managed through a refill system;

(3) proposals for exemptions from performance targets and statewide requirements for covered materials that cannot be waste reduced or made reusable, recyclable, or compostable due to federal or state health and safety requirements, identifying the specific federal or state requirements and their impact on the covered materials;

(4) a description of how, for each covered materials type, the producer responsibility organization will measure recycling, waste reduction, reuse, composting, and the inclusion of postconsumer recycled content, in accordance with subdivision 6;

(5) third-party certifications as required by the commissioner or voluntarily undertaken;

(6) a budget identifying funding needs for each of the plan's five calendar years, producer fees, a description of the process used to calculate the fees, and an explanation of how the fees meet the requirements of section 115A.1454;

(7) a description of infrastructure investments, including goals and outcomes and a description of how the process to offer and select opportunities will be conducted in an open, competitive, and fair manner; how it will address gaps in the system not met by service providers; and potential financial and legal instruments to be used;

(8) an explanation of how the program will be paid for by the producer responsibility organization through fees from producers, without any new or additional consumer-facing fee to members of the public, businesses, service providers, the state or any political subdivisions, or any other person who is not a producer, unless the fee is:

(i) a deposit made in connection with a product's refill, reuse, or recycling that can be redeemed by a consumer; or

(ii) a charge for service by a service provider, regardless of whether registered;

(9) a description of activities to be undertaken by the producer responsibility organization during each year to:

(i) minimize the environmental impacts and human health impacts of covered materials, including assessing each covered material's generation of hazardous waste, generation of greenhouse gases, environmental justice impacts, public health impacts, and other impacts;

(ii) foster the improved design of covered materials, as under section 115A.1454, subdivision 1, clause (3);

(iii) provide funding to expand and increase the convenience of waste reduction, reuse, collection, recycling, and composting services to covered entities, at a minimum according to the order of the waste management hierarchy under section 115A.02;

(iv) provide for reimbursement rates under section 115A.1455 to service providers for statewide coverage of covered services at an optimal level of convenience and service for covered materials on the list established in section 115A.1453, subdivision 1, to covered entities, at a minimum; and

(v) monitor to ensure that postconsumer materials are delivered to responsible markets;

(10) a description of how the producer responsibility organization will promote the opportunity for all service providers to register with the commissioner and to submit invoices for reimbursement with the producer responsibility organization;

(11) a description of how the program will reimburse service providers under an approved stewardship plan, including but not limited to a description of how the program will establish:

(i) a methodology to calculate differentiated reimbursement rates as provided in section 115A.1455, subdivision 4;

(ii) a process for service providers to submit invoices and be reimbursed for covered services provided to covered entities;

(iii) clear and reasonable timelines for reimbursement, at intervals no longer than monthly unless agreed to by a service provider and a producer responsibility organization; and

(iv) a process that utilizes a third-party mediator to resolve disputes that arise between the producer responsibility organization and a service provider regarding the determination of reimbursement rates and payment of reimbursements;

(12) performance standards for service providers as applicable to the service provided, including but not limited to:

(i) requirements that service providers must accept all covered materials on the list established by the commissioner under section 115A.1453, subdivision 1; and

(ii) labor standards and safety practices, including but not limited to safety programs, health benefits, and living wages;

(13) a description of how the producer responsibility organization will treat and protect nonpublic data submitted by service providers;

(14) a description of how the producer responsibility organization will provide technical assistance to:

(i) service providers in order to assist them in delivering covered materials to responsible markets;

(ii) producers regarding toxic substances in covered materials; best practices identified in the needs assessment that producers can take to reduce intentionally added toxic substances in covered materials; and best practices for verifying reduction through suppliers certificates of compliance, testing, or other analytical and scientifically demonstrated methodology; and

(iii) producers to make changes in product design that reduce the environmental impact of covered materials or that increase the recoverability or marketability of covered materials for reuse, recycling, or composting;

(15) a description of how the producer responsibility organization will increase public awareness, educate, and complete outreach activities that include culturally responsive materials and methods and evaluate the efficacy of these efforts, including how the producer responsibility organization will:

(i) assist producers in improving product labels as a means of informing consumers about refilling, reusing, recycling, composting, and other environmentally sound methods of managing covered materials;

(ii) increase public awareness of how to use and manage covered materials in an environmentally sound manner and how to access waste reduction, reuse, recycling, and composting services; and

(iii) encourage behavior change to increase participation in waste reduction, reuse, recycling, and composting programs;

(16) proposed alternative collection programs as required under subdivision 8;

(17) a description of how producers can purchase postconsumer materials from service providers at market prices if the producer is interested in obtaining recycled feedstock to achieve minimum postconsumer recycled content performance targets and statewide requirements;

(18) a summary of consultations held with the advisory board and other interested parties to provide input to the stewardship plan, a list of recommendations that were incorporated into the stewardship plan as a result, and a list of rejected recommendations and the reasons for rejection; and

(19) strategies to incorporate findings from any relevant studies required by the legislature.

**Subd. 4. Plan and amendment review and approval procedure.** (a) The commissioner must review and approve, deny, or request additional information for a draft stewardship plan or a draft plan amendment no later than 120 days after the date the commissioner receives it from a producer responsibility organization. The commissioner must post the draft plan or draft amendment on the agency's website and allow public comment for no less than 45 days before approving, denying, or requesting additional information on the draft plan or draft amendment.

(b) If the commissioner denies or requests additional information for a draft plan or draft amendment, the commissioner must provide the producer responsibility organization with the reasons, in writing, that the plan or plan amendment does not meet the plan requirements of subdivision 3. The producer responsibility organization has 60 days from the date that the rejection or request for additional information is received to submit to the commissioner any additional information necessary for the approval of the draft plan or draft amendment. The commissioner must review and approve or disapprove the revised draft plan or draft amendment no later than 60 days after the date the commissioner receives it.

(c) A producer responsibility organization may resubmit a draft plan or draft amendment to the commissioner on not more than two occasions. If after the second resubmission, the commissioner determines that the draft plan or draft amendment does not meet the plan requirements of this act, the commissioner must modify the draft plan or draft amendment as necessary for it to meet the requirements of this act and approve it.

(d) Upon recommendation by the advisory board, or upon the commissioner's own initiative, the commissioner may require an amendment to a stewardship plan if the commissioner determines that an amendment is necessary to ensure that the producer responsibility organization maintains compliance with the requirements of this act.

**Subd. 5. Performance targets.** (a) The producer responsibility organization must propose performance targets based on the needs assessment that meet the statewide requirements in subdivision 7 that must be included in a stewardship plan approved under this section. Performance targets must include reuse rates, return rates, recycling rates, and composting rates and targets for waste reduction and postconsumer recycled content by covered materials type, as applicable, that are to be achieved by the end of the stewardship plan's term. The producer responsibility organization must select the unit that is most appropriate to measure each performance target as informed by the needs assessment.

(b) The commissioner, in consultation with the advisory board, may require that a producer responsibility organization obtain third-party certification of any activity or achievement of any standard required by this act if a third-party certification is readily available, deemed applicable, and of reasonable cost. The commissioner must provide a producer responsibility organization with notice of at least one year prior to requiring use of third-party certification under this paragraph.

(c) Proposed performance targets must demonstrate continuous improvement in reducing environmental impacts and human health impacts of covered materials over time.

Subd. 6. **Measurement criteria for performance targets.** (a) For purposes of determining whether recycling performance targets are being met, except as modified by the commissioner, a stewardship plan must provide a methodology for measuring the amount of recycled material at the point at which material leaves a recycling facility and must account for:

(1) levels of estimated contamination documented by the facility;

(2) any exclusions for fuel or energy capture; and

(3) compliance with sections 115A.965, 116.943, 325F.075, and 325F.172 to 325F.179, and all other laws pertaining to toxic substances in covered materials.

(b) For purposes of determining whether waste reduction performance targets are being met, a stewardship plan must provide a methodology for measuring the amount of waste reduction of covered materials in a manner that can be used to determine the extent to which the amount of material used for a covered material can be reduced to what is necessary to efficiently deliver a product without damage or spoilage, or other means of covered material redesign to reduce overall use and environmental impacts and maintain recyclability, compostability, or reusability.

(c) For purposes of determining whether reuse performance targets are being met, a stewardship plan must provide a methodology for measuring the amount of reusable covered materials at the point at which reusable covered materials meet the following criteria as demonstrated by the producer and approved by the commissioner:

(1) whether the average minimum number of cycles of reuses within a recognized reuse system has been met based on the number of times an item must be reused for it to have lower environmental impacts than the single-use versions of those items; and

(2) whether the demonstrated or research-based anticipated return rate of the covered material to the reuse system has been met.

(d) For purposes of determining whether postconsumer recycled content performance targets are being met, a stewardship plan must provide a methodology for measuring postconsumer recycled content across all producers for a covered materials type where producers may determine their postconsumer recycled content based on their United States market territory if state-specific postconsumer recycled content is impractical to determine. Producers must demonstrate that the postconsumer recycled content reported to meet the performance targets is additional to amounts utilized to meet mandates in other states.

(e) For other performance targets, the producer responsibility organization must propose methodologies for review and approval as part of the stewardship plan based on findings from the needs assessment.

Subd. 7. **Statewide requirements.** (a) The commissioner must establish statewide requirements and the date by which they must be met for the following categories:

(1) recycling rate;

(2) composting rate;

(3) reuse rate;

(4) return rate;

(5) the percentage of covered materials introduced that must be waste reduced; and

(6) the percentage of postconsumer recycled content that covered materials must contain, including an overall percentage for all covered materials, as applicable, excluding compostable materials that cannot include postconsumer recycled content due to unique chemical or physical properties or health and safety requirements that prohibit introduction of postconsumer recycled content.

(b) The commissioner may use the following information and criteria when establishing statewide requirements under paragraph (a):

(1) needs assessments under section 115A.1450;

(2) goals and requirements of the Waste Management Act;

(3) statewide goals for greenhouse gas emission reductions under section 216H.02;

(4) the need for continuous progress toward overall reduction in the generation of covered materials waste and the complete reuse, recycling, or composting of covered materials to reduce environmental impacts and human health impacts;

(5) a preference for statewide requirements that accomplish and further the goals and requirements in clauses (2) to (4) as soon as practicable and to the maximum extent achievable; and

(6) information from packaging and paper product producer responsibility programs operating in other jurisdictions.

(c) The commissioner must consult with the producer responsibility organization on establishing statewide requirements, submit proposed statewide requirements for review by the board, and consider the board's recommendations before finalizing the statewide requirements.

(d) Every five years, the commissioner must review the statewide requirements established under paragraph (a). If the commissioner decides an update is not warranted at that time, the commissioner must submit the reasoning to the advisory board and consider the board's recommendations before making a final decision. If the commissioner decides an update is warranted, the process in paragraphs (b) and (c) must be utilized.

(e) The producer responsibility organization must ensure the statewide requirements are met.

**Subd. 8. Alternative collection programs.** (a) A producer responsibility organization must implement an alternative collection program for covered materials included on an alternative collection list established under section 115A.1453, subdivision 2, that:

(1) provides year-round, convenient, statewide collection opportunities, including at least one drop-off collection site located in each county;

(2) provides tiers of service for collection, convenience, number of drop-off collection sites, and additional collection systems based on:

(i) county population size;

(ii) county population density; and

(iii) each class of city according to section 410.01;

(3) ensures materials are sent to responsible markets;

(4) uses education and outreach strategies that can be expected to significantly increase consumer awareness of the program throughout the state; and

(5) accurately measures the amount of each covered material collected and the applicable performance target and statewide requirement.

(b) A proposal for an alternative collection program must include:

(1) the type, number, and location of each collection opportunity;

(2) a description of how each of the program requirements established in paragraph (a) will be met; and

(3) performance targets for each covered material, as applicable, to be managed through an alternative collection program.

(c) Every subsequent needs assessment after the initial needs assessment must include a review of existing alternative collection programs for each covered material listed under section 115A.1453, subdivision 2, to determine if the program is meeting the criteria established in paragraph (a).

**Sec. 13. [115A.1453] RECYCLABLE OR COMPOSTABLE COVERED MATERIALS LISTS; EXEMPT MATERIALS LIST.**

Subdivision 1. **List required.** By July 1, 2028, the commissioner must develop a list of covered materials determined to be recyclable or compostable statewide through systems where covered materials are commingled into a recyclables stream and a separate compostables stream. These covered materials must be collected at an optimal level of service and convenience for covered entities, at a minimum, wherever collection services for mixed municipal solid waste are available.

Subd. 2. **Alternative collection list required.** By July 1, 2028, the commissioner must complete a list of covered materials determined to be recyclable or compostable and collected statewide through systems other than the system required for covered materials on the list established in subdivision 1.

Subd. 3. **Input from interested parties.** The commissioner must consult with the advisory board, producer responsibility organizations, service providers, political subdivisions, and other interested parties to develop or amend the recyclable or compostable covered materials lists and must review any requests by interested parties for addition or removal of covered materials from the lists created under this section.

Subd. 4. **Criteria.** In developing the lists under subdivisions 1 and 2, the commissioner may consider the following criteria:

(1) current availability of recycling and composting collection services;

(2) recycling and composting processing infrastructure;

(3) capacity and technology for sorting covered materials;

(4) whether a covered material is of a type and form that is regularly sorted and aggregated into defined streams for recycling processes or is included in a relevant Institute of Scrap Recycling Industries specification or its successors;

(5) availability of responsible markets;

(6) presence and amount of processing residuals, contamination, and toxic substances;

(7) quantity of covered material estimated to be available and recoverable;

(8) projected future conditions for the criteria in clauses (1) to (7); and

(9) other criteria or factors, as determined by the commissioner.

Subd. 5. **Amendment.** The commissioner may amend a list completed under this section at any time and must provide amended lists to producer responsibility organizations within a reasonable amount of time after adopting an amendment. Producer responsibility organizations must provide amended lists to service providers as soon as possible after receiving the amendment and work to incorporate changes in relevant service provider reimbursement rates within a year.

Subd. 6. **Exempt materials list.** (a) A producer may request the commissioner, on a form prescribed by the commissioner, to classify as an exempt material one or more types of packaging. The commissioner must submit the request to the advisory board for review and comment before approving or denying the request.

(b) The commissioner may approve the request only if the commissioner determines that a specific federal or state health and safety requirement prevents the packaging from being waste reduced or made reusable, recyclable, or compostable.

(c) The commissioner must review and approve, deny, or request additional information for a request to classify packaging as an exempt material no later than 120 days after the date the commissioner receives the request.

(d) The commissioner must post on the agency website a list of materials exempted under this subdivision.

(e) An exemption granted under this subdivision expires two years after the date a request was approved by the commissioner. A material classified as exempt under this subdivision becomes a covered material immediately upon expiration of the exemption. A producer may reapply according to this subdivision.

#### Sec. 14. **[115A.1454] PRODUCER FEES.**

Subdivision 1. **Annual fee.** A producer responsibility organization must annually collect a fee from each member producer that must:

(1) vary based on the total amount of covered materials each producer introduces in the prior year calculated on a per-unit basis, such as per ton, per item, or another unit of measurement;

(2) reflect the program costs for each covered materials type, net of commodity value for that covered materials type, as well as allocated fixed costs that do not vary based on covered materials type;

(3) incentivize using materials and design attributes that reduce the environmental impacts and human health impacts of covered materials by:

(i) eliminating intentionally added toxic substances in covered materials;

(ii) reducing the amount of:

(A) packaging per individual covered material that is necessary to efficiently deliver a product without damage or spoilage and without reducing its ability to be recycled; and

(B) paper used to manufacture individual paper products;

(iii) increasing the amount of covered materials managed in a reuse system;

(iv) increasing the proportion of postconsumer material in covered materials;

(v) enhancing the recyclability or compostability of a covered material; and

(vi) increasing the amount of inputs derived from renewable and sustainable sources;

(4) discourage using materials and design attributes in covered materials whose environmental impacts and human health impacts can be reduced by the methods listed under clause (3);

(5) prioritize reuse by charging covered materials that are managed through a reuse system only once, upon initial entry into the marketplace; and

(6) generate revenue sufficient to pay in full:

(i) the fee required under section 115A.1443;

(ii) financial obligations to complete activities described in an approved stewardship plan and to reimburse service providers under section 115A.1455;

(iii) the operating costs of the producer responsibility organization; and

(iv) for establishment and maintenance of a financial reserve that is sufficient to operate the program in a fiscally prudent and responsible manner.

Subd. 2. **Overcollections.** Revenue collected under this section that exceeds the amount needed to pay the costs described in subdivision 1, clause (6), must be used to improve or enhance program outcomes or to reduce producer fees according to provisions of an approved stewardship plan.

Subd. 3. **Prohibited conduct.** Fees collected under this section may not be used for lobbying, as defined in section 3.084, subdivision 1.

## Sec. 15. **[115A.1455] SERVICE PROVIDER; REIMBURSEMENT.**

Subdivision 1. **Service provider reimbursement required.** The reimbursements provided for covered services to covered entities, at a minimum, under an approved stewardship plan must only be provided to service providers that meet the performance standards established under an approved stewardship plan.

Subd. 2. **Collection of recyclables.** If a covered entity does not have access to collection services for covered materials on the list established under section 115A.1453, subdivision 1, where collection services for mixed municipal solid waste are being provided, the producer responsibility organization must ensure that collection services are available to the covered entity through a service provider at an optimal level of service and convenience.

Subd. 3. **Bidding processes.** (a) For infrastructure investments included in an approved stewardship plan, a producer responsibility organization must use the competitive bidding processes established in section 16C.28, subdivision 1, and publicly post bid opportunities, except that preference must be given to existing facilities, providers of services, and holders of service accounts in the state for waste reduction, reuse, collection, recycling, and composting of covered materials.

(b) No producer or producer responsibility organization may own or partially own infrastructure that is used to fulfill obligations under this act, except in the following circumstances:

(1) a producer may hold an ownership stake in infrastructure used to fulfill obligations under this act so long as the stake was held before enactment of this act and the ownership stake is fully disclosed by the producer to the producer responsibility organization; or

(2) after a bidding process described in paragraph (a) under which no service provider bids on the contract, the producer responsibility organization may make infrastructure investments identified under an approved stewardship plan to implement the requirements in this act.

Subd. 4. **Reimbursement rates.** (a) An approved stewardship plan must provide a methodology for reimbursement rates for covered services for covered materials, exclusive of exempt materials. The methodology for reimbursement rates must consider estimated revenue received by service providers from the sale of covered materials based upon relevant material indices and incorporate relevant cost information identified by the needs assessment. Reimbursement rates must be annually updated and reflect the net costs for covered services for covered materials from covered entities, at a minimum. Reimbursement rates must be established equivalent to net costs as established by a methodology in an approved plan as follows:

(1) no less than 50 percent of the net cost by February 1, 2029;

(2) no less than 75 percent of the net cost by February 1, 2030; and

(3) no less than 90 percent of the net cost by February 1, 2031, and each year thereafter.

(b) Reimbursement rates must be based on the following, as applicable by the service provided:

(1) the cost to collect covered material for recycling, a proportional share of composting, or reuse adjusted to reflect conditions that affect those costs, varied by region or jurisdiction in which the covered services are provided, including but not limited to:

(i) the number and type of covered entities;

(ii) population density;

(iii) collections methods employed;

(iv) distance traveled by collection vehicles to consolidation or transfer facilities; to reuse, recycling, or composting facilities; and to responsible markets;

(v) other factors that may contribute to regional or jurisdictional cost differences;

(vi) the proportion of covered compostable materials within all source-separated compostable materials collected or managed through composting; and

(vii) the general quality of covered materials collected by service providers;

(2) the cost to transfer collected covered materials from consolidation or transfer facilities to reuse, processing, recycling, or composting facilities or to responsible markets;

(3) the cost to:

(i) sort and process covered materials for sale or use and remove contamination from covered materials by a recycling or composting facility, less the average fair market value for that covered material based on market indices for the region; and

(ii) manage contamination removed from collected covered material;

(4) administrative costs of service providers, including education, public awareness campaigns, and outreach program costs as applicable; and

(5) the costs of covered services for a refill system or covered services provided for reusable covered materials and management of contamination.

(c) A service provider retains all revenue from the sale of covered materials. Nothing in this act may restrict a service provider from charging a fee for covered services of covered materials to the extent that reimbursement from a producer responsibility organization does not cover all costs of services, including continued investment and innovation in operations, operating profits, and returns on investments required by a service provider to provide sustainability of the services.

(d) Reimbursement rates may be calculated per ton, by household, or by another unit of measurement under an approved stewardship plan.

Subd. 5. **Local government authority.** (a) Nothing in this section shall be construed to require a political subdivision to agree to operate under a stewardship plan, nor does it restrict the authority of a political subdivision to provide waste management services to residents or to contract with any entity to provide waste management services. Any political subdivision that is also a service provider is eligible to be registered with the commissioner and reimbursed per the rates and schedule established in accordance with subdivision 4.

(b) Nothing in this act restricts the authority of a political subdivision to provide waste management services to residents, to contract with any entity to provide waste management services, or to exercise its authority granted under section 115A.94. A producer responsibility organization may not restrict or otherwise interfere with a political subdivision exercising its authority under section 115A.94 to organize collection of solid waste, including materials collected for recycling or composting, or to extend, renew, or otherwise manage any contracts entered into as a result of exercising such authority or otherwise resulting from a competitive procurement process.

Subd. 6. **Dispute resolution.** A producer responsibility organization must establish a dispute resolution process utilizing third-party mediators for disputes related to reimbursements.

## Sec. 16. [115A.1456] REPORTING.

Subdivision 1. **Producer responsibility organization annual report.** (a) By April 1, 2029, and annually thereafter, a producer responsibility organization must submit a written report to the commissioner that contains, at a minimum, the following information for the previous calendar year:

(1) the amount of covered materials introduced, by each covered materials type, reported in the same units used to establish fees under section 115A.1454, subdivision 1, clause (1);

(2) progress made toward the performance targets reported in the same units used to establish producer fees under section 115A.1454, subdivision 1, clause (1), and reported statewide and for each county, including:

(i) the amount of covered materials successfully waste reduced, reused, recycled, and composted by covered materials type and the strategies or collection method used; and

(ii) information about third-party certifications obtained;

(3) the total cost to implement the program and a detailed description of program expenditures by category, including:

(i) the total amount of producer fees collected;

(ii) a description of infrastructure investments made; and

(iii) a breakdown of reimbursements by covered services, covered entities, and regions of the state;

(4) a copy of a financial audit of program operations conducted by an independent auditor approved by the commissioner that meets the requirements of the Financial Accounting Standards Board's Accounting Standards Update 2016-14, Not-for-Profit Entities (Topic 958), as amended;

(5) a description of program performance problems that emerged in specific locations and efforts taken or proposed by the producer responsibility organization to address them;

(6) a discussion of technical assistance provided to producers regarding toxic substances in covered materials and actions taken by producers to reduce intentionally added toxic substances in covered materials beyond compliance with prohibitions already established in law;

(7) a description of public awareness, education, and outreach activities undertaken, including any evaluations conducted of their efficacy, plans for next calendar year's activities, and an evaluation of the process established by the producer responsibility organization to answer questions from consumers regarding collection, recycling, composting, waste reduction, and reuse activities;

(8) a summary of consultations held with the advisory board and how any feedback was incorporated into the report as a result, together with a list of rejected recommendations and the reasons for rejection;

(9) a list of producers found to be out of compliance with this act and actions taken by the producer responsibility organization to return producers to compliance, and notification of any producers that are no longer participating in the producer responsibility organization or have been expelled due to their lack of compliance;

(10) proposed amendments to the stewardship plan to improve program performance or reduce costs, including changes to producer fees, infrastructure investments, or reimbursement rates;

(11) recommendations for additions or removal of covered materials to or from the recyclable or compostable covered materials lists developed under section 115A.1453; and

(12) information requested by the commissioner to evaluate the effectiveness of the program as it is described in the stewardship plan and to assist with determining compliance with this act.

(b) Every fourth year after a stewardship plan is approved by the commissioner, a performance audit of the program must be completed by the producer responsibility organization. The performance audit must conform to audit standards established by the United States Government Accountability Office; the National Association of State Auditors, Comptrollers, and Treasurers; or another nationally recognized organization approved by the commissioner.

Subd. 2. **Report following unmet target.** A producer responsibility organization that fails to meet a performance target approved in a stewardship plan must, within 90 days of filing an annual report under this section, file with the commissioner an explanation of the factors contributing to the failure and propose an amendment to the stewardship plan specifying changes in operations that the producer responsibility organization will make that are designed to achieve the performance targets. If a performance target is unmet

due to lack of political subdivision participation in the program, the commissioner may revise the statewide requirements developed under section 115A.1451, subdivision 7. If a revision to the statewide requirements is completed by the commissioner, the producer responsibility organization may revise the performance targets at the same time. An amendment filed under this subdivision must be reviewed by the advisory board and reviewed and approved by the commissioner in the manner specified in section 115A.1451, subdivisions 2 and 4.

Subd. 3. **Commissioner's report.** By October 15, 2031, and every two years thereafter, the commissioner must submit a report to the governor and to the chairs and ranking minority members of the legislative committees with jurisdiction over solid waste. The report must contain:

- (1) a summary of the operations of this act during the previous years;
- (2) a summary of the needs assessment;
- (3) a link to reports filed under subdivisions 1 and 2;
- (4) recommendations for policy, statutory, or regulatory changes to the program;
- (5) an analysis of the impacts of exempting certain materials from the definition of covered materials and of exempting certain persons from the definition of producer;
- (6) a list of efforts undertaken by the commissioner to enforce and secure compliance with this act; and
- (7) any other information the commissioner deems to be relevant.

Subd. 4. **Duty to cooperate.** Service providers must provide producer responsibility organizations with data necessary to complete the reports required by this section upon request.

#### Sec. 17. **[115A.1457] PRODUCER RESPONSIBILITY ORGANIZATION WEBSITES.**

A producer responsibility organization must maintain a website that uses best practices for accessibility and contains, at a minimum:

- (1) information regarding a process that members of the public can use to contact the producer responsibility organization with questions;
- (2) a directory of all service providers operating under the stewardship plan administered by the producer responsibility organization, grouped by location or political subdivision, and information about how to request service;
- (3) registration materials submitted to the commissioner under section 115A.1443;
- (4) the draft and approved stewardship plan and any draft and approved amendments;
- (5) information on how to manage materials included in lists established under section 115A.1453;
- (6) the list of exempt materials as defined in this act and covered materials exempt from performance targets and statewide requirements as approved in the stewardship plan;
- (7) current and all past needs assessments;
- (8) annual reports submitted to the commissioner by the producer responsibility organization;
- (9) a link to administrative rules implementing this act;

(10) comments of the advisory board on the documents listed in clauses (4) and (7) and the responses of the producer responsibility organization to those comments;

(11) the names of producers and brands that are not in compliance with section 115A.1448;

(12) a list, updated at least monthly, of all member producers that will operate under the stewardship plan administered by the producer responsibility organization and, for each producer, a list of all brands of the producer's covered materials; and

(13) education materials on waste reduction, reuse, recycling, and composting for producers and the general public.

**Sec. 18. [115A.1458] ANTICOMPETITIVE CONDUCT.**

A producer responsibility organization that arranges collection, recycling, composting, waste reduction, or reuse services under this act may engage in anticompetitive conduct to the extent necessary to plan and implement collection, recycling, composting, waste reduction, or reuse systems to meet the obligations under this act, and is immune from liability under state laws relating to antitrust, restraint of trade, and unfair trade practices.

**Sec. 19. [115A.1459] RULEMAKING.**

The commissioner may adopt rules to implement this act. The 18-month time limit under section 14.125 does not apply to the commissioner's rulemaking authority under this section.

**Sec. 20. [115A.1460] PROVIDING INFORMATION.**

Upon request of the commissioner for purposes of determining compliance with this act, or for purposes of implementing this act, a person must furnish to the commissioner any information that the person has or may reasonably obtain.

**Sec. 21. [115A.1461] DEPOSIT RETURN SYSTEM.**

(a) It is the intent of the legislature that if a bottle deposit return system is enacted in the future, it will be harmonized with this act in a manner that ensures that:

(1) materials covered in that system are exempt from this act or related financial obligations are reduced;

(2) colocation of drop-off collection sites is maximized;

(3) education and outreach is integrated between the two programs; and

(4) waste reduction and reuse strategies are prioritized between the two programs.

(b) Any implementation of a deposit return system must include a two-year transition period before the expiration of the currently approved stewardship plan and be conducted in a manner that does not create sudden and significant operational or financial disruption to the implementation of a stewardship plan under section 115A.1451, including provisions of recycling or reuse services contained in the plan.

**Sec. 22. [115A.1462] ENFORCEMENT.**

(a) The commissioner must enforce this act as provided under this section and sections 115.071 and 116.072. The commissioner may revoke a registration of a producer responsibility organization or service provider found to have violated this act.

(b) Notwithstanding the penalty limits contained in section 115.071, subdivision 3, and except as otherwise provided in paragraph (c), a person that violates or fails to perform a duty imposed by this act or any rule adopted thereunder is liable for a civil penalty not to exceed \$25,000 per day of violation.

(c) Notwithstanding the penalty limits contained in section 115.071, subdivision 3, a producer responsibility organization or producer that violates a provision of or fails to perform a duty imposed by this act, a rule adopted thereunder, or requirements of a stewardship plan approved by the commissioner, is liable for a civil penalty not to exceed \$25,000 per day of violation. For a second violation occurring within five years after the approval of a stewardship plan, a producer responsibility organization or producer is liable for a civil penalty not to exceed \$50,000 per day of violation. For a third or subsequent violation occurring within five years after the approval of a stewardship plan, a producer responsibility organization or producer is liable for a civil penalty not to exceed \$100,000 per day of violation.

**Sec. 23. [115A.1463] PACKAGING PRODUCT STEWARDSHIP ACCOUNT.**

(a) The packaging product stewardship account is established as a separate account in the special revenue fund in the state treasury. Appropriations and transfers to the account and fees collected under section 115A.1443 must be credited to the account. Earnings, such as interest, dividends, and any other earnings arising from assets of the account, must be credited to the account. Money remaining in the account at the end of a fiscal year does not cancel to the general fund but remains in the account until expended.

(b) Money from the account is appropriated to the commissioner to pay the reasonable costs of the agency to administer sections 115A.144 to 115A.1462.

**Sec. 24. WORKPLACE CONDITIONS AND EQUITY STUDY.**

(a) By January 1, 2032, the commissioner of the Pollution Control Agency must contract with a third party that is not a producer or a producer responsibility organization to conduct a study of the recycling, composting, and reuse facilities operating in the state. The study must analyze, at a minimum, information about:

(1) working conditions, wage and benefit levels, and employment levels of minorities and women at those facilities;

(2) barriers to ownership of recycling, composting, and reuse operations faced by women and minorities;

(3) the degree to which residents of multifamily buildings have less convenient access to recycling, composting, and reuse opportunities than those living in single-family homes;

(4) the degree to which individuals living in environmental justice areas have access to fewer recycling, composting, and reuse opportunities compared to other parts of the state;

(5) the degree to which programs to increase access, convenience, and education are successful in raising reuse, recycling, and composting rates in areas where participation in these activities is low;

(6) strategies to increase participation in reuse, recycling, and composting; and

(7) the degree to which residents and workers in environmental justice areas are impacted by emissions, toxic substances, and other pollutants from solid waste facilities in comparison to other areas of the state and recommendations to mitigate those impacts.

(b) The producer responsibility organization registered by the commissioner under Minnesota Statutes, sections 115A.144 to 115A.1463, must cover the cost of conducting the study through a fee according to Minnesota Statutes, section 115A.1443, and recommended actions identified in the study must be considered for inclusion as part of future stewardship plans as required under Minnesota Statutes, section 115A.1451, including adjustments to service provider reimbursements as established under Minnesota Statutes, section 115A.1455.

#### Sec. 25. COVERED MATERIALS POLLUTION AND CLEANUP STUDY.

(a) By January 1, 2032, the commissioner of the Pollution Control Agency, in consultation with the commissioners of health and natural resources, must contract with a third party that is not a producer or a producer responsibility organization to conduct a study to identify the contribution of covered products to litter and water pollution in Minnesota. The report must at a minimum:

(1) analyze historical and current environmental impacts and human health impacts of littered covered materials and their associated toxic substances in the environment;

(2) estimate the cost of cleanup and prevention; and

(3) provide recommendations for how to reduce and mitigate the impacts of litter in the state.

(b) The contracted third party must consult with local governmental units, the commissioners of health and natural resources, and environmental justice organizations.

(c) The producer responsibility organization registered by the commissioner under Minnesota Statutes, sections 115A.144 to 115A.1463, must cover the cost of conducting the study through a fee according to Minnesota Statutes, section 115A.1443, and recommended actions identified in the study must be considered for inclusion as part of future stewardship plans, as required under Minnesota Statutes, section 115A.1451.

## ARTICLE 6

### FERAL SWINE AND FUR FARMS

Section 1. Minnesota Statutes 2023 Supplement, section 17.457, as amended by Laws 2024, chapter 85, section 8, is amended to read:

#### **17.457 RESTRICTED SPECIES.**

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

(b) "Commissioner" means the commissioner of agriculture or the commissioner's designee.

(c) "Domestic hogs" means members of the subspecies *Sus scrofa domesticus*.

(e) (d) "Restricted species" means ~~Eurasian wild pigs and their hybrids (*Sus scrofa* subspecies and *Sus scrofa* hybrids)~~ pigs, boars, peccaries, and all other members of the Suidae family and the Tayassuidae family, excluding domestic hogs (*S. scrofa domesticus*).

~~(d)~~ (e) "Release" means an intentional introduction or persistent accidental escape of a restricted species or domestic hog from the control of the owner or responsible party. Release does not mean an accidental escape of restricted species or domestic hogs due to a transportation accident or an act of God.

Subd. 2. ~~Importation; possession; release of~~ **Restricted species permit required.** It is unlawful for a person to import, possess, propagate, or transport, or release a restricted species, unless the person has a permit as described in subdivision 3.

Subd. 2a. **Release of restricted species or domestic hogs prohibited.** (a) It is unlawful for a person to release restricted species or domestic hogs.

(b) In addition to the penalties in subdivision 6, a person who violates paragraph (a) must do the following at the person's expense and by the date and time specified by the commissioner:

(1) register their premises with the Board of Animal Health;

(2) implement the confinement standards and record-keeping requirements developed by the Board of Animal Health; and

(3) reimburse the commissioner for costs incurred to annually inspect the registered premises and verify compliance with clause (2).

Subd. 3. **Permits.** The commissioner may issue permits for the transportation, possession, purchase, or importation of restricted species only for scientific, research, or educational, or commercial purposes. A permit issued under this subdivision may be revoked by the commissioner if the conditions of the permit are not met by the permittee or for any unlawful act or omission, including accidental escapes.

Subd. 4. **Notice of release of restricted species or domestic hogs.** In the event of a release of a restricted species or domestic hog, the owner must notify within 24 hours a conservation officer and the Board of Animal Health and is responsible for the recovery of the species. ~~The commissioner may capture or destroy the released animal at the owner's expense. If the owner does not provide notification or fails to recover the animal within 72 hours of providing notification, the released animal is considered feral swine under section 97A.56, is no longer the personal property of the owner, and may be captured or destroyed at the former owner's expense by a peace officer or by the commissioner of natural resources under section 97A.045, subdivision 1, paragraph (b), or other authority.~~

Subd. 5. **Enforcement.** (a) This section may be enforced by a peace officer, an enforcement officer under sections 97A.205 and 97A.211, and, except as provided in paragraph (b), by the commissioner under sections 17.982 to 17.983.

(b) For the first violation of this section, the commissioner may impose an administrative penalty of no more than \$1,000. For a second violation, the commissioner may impose an administrative penalty of no more than \$1,500. For a third or succeeding violation, the commissioner may impose an administrative penalty of no more than \$3,000 for each violation.

Subd. 6. **Penalty Penalties.** (a) A person who violates subdivision 2, 2a, 4, or 7 is guilty of a misdemeanor.

(b) A person who violates subdivision 2a, paragraph (a), is liable to the state for costs associated with a release. The attorney general may enforce this paragraph on behalf of any state agency affected.

Subd. 7. **Identification requirements.** A restricted species in the possession of a person must be marked in a permanent fashion to identify ownership. The restricted species must be marked as soon as practicable after birth or purchase.

Subd. 8. **Containment.** The commissioner, in consultation with the commissioner of natural resources, shall develop criteria for approved containment measures for restricted species.

Subd. 9. **Bond; security.** A person who possesses restricted species must provide proof of insurance or file a security bond with the commissioner in an amount determined by the commissioner to pay for the potential costs and damages that would be caused by the release of a restricted species.

Subd. 10. **Fee.** The commissioner may impose a fee for permits in an amount sufficient to cover the costs of issuing the permits and for facility inspections. The fee may not exceed \$50. Fee receipts must be deposited in the general fund.

Sec. 2. Minnesota Statutes 2022, section 97A.105, is amended to read:

**97A.105 GAME AND FUR FARMS.**

Subdivision 1. **License requirements.** (a) A person may breed and propagate ~~fur-bearing animals,~~ game birds, bear, or mute swans only on privately owned or leased land and after obtaining a license. Any of the permitted animals on a game farm may be sold to other licensed game farms. "Privately owned or leased land" includes waters that are shallow or marshy, are not actually navigable, and are not of substantial beneficial public use. Before an application for a license is considered, the applicant must enclose the area to sufficiently confine the animals to be raised in a manner approved by the commissioner. A license may be granted only if the commissioner finds the application is made in good faith with intention to actually carry on the business described in the application and the commissioner determines that the facilities are adequate for the business.

(b) A person may purchase live game birds or their eggs without a license if the birds or eggs, or birds hatched from the eggs, are released into the wild, consumed, or processed for consumption within one year after they were purchased or hatched. This paragraph does not apply to the purchase of migratory waterfowl or their eggs.

(c) A person may not introduce mute swans into the wild without a permit issued by the commissioner.

Subd. 2. **Transfer of license.** (a) A game ~~or fur~~ farm license is transferable with the transfer of all or a portion of the title or leasehold of the land if:

(1) the land transferred complies with the license requirements;

(2) the land is used for the purposes of the license; and

(3) a verified written report of the existing and intended land use is made to the commissioner, accompanied by a copy of deed, assignment, lease, or other instrument transferring the corresponding title or leasehold in the enclosed land.

(b) A transfer of less than the whole interest in the license is not valid. Each bona fide partner or associate in the ownership or operation of a game ~~or fur~~ farm must obtain a separate license.

Subd. 3. **Ownership of wild animals.** All wild animals and their offspring, of the species identified in the license, that are within the enclosure are the property of the game ~~and fur~~ farm licensee.

Subd. 4. **Sale of live animals.** (a) A sale of live animals from a licensed ~~fur or~~ game farm is not valid unless the animals are delivered to the purchaser or they are identified and kept separately.

(b) Live animals sold through auction or through a broker are considered to be sold by the game farm licensee.

(c) The sale agreement or contract must be in writing. The licensee must notify a purchaser of the death of an animal within 30 days and of the number of increase before July 20 of each year.

Subd. 5. **Sale of pelts products.** The commissioner shall prescribe:

(1) the manner that ~~pelts and~~ products of wild animals raised on ~~fur or~~ game farms may be sold or transported; and

(2) the tags or seals to be affixed to the ~~pelts and~~ products.

~~Subd. 6. **Fox and mink.** Fox and mink may not be bought or sold for breeding or propagating unless they have been pen-bred for at least two generations.~~

~~Subd. 7. **Transporting live beaver.** Live beaver may not be transported without a permit from the commissioner.~~

Subd. 8. **Penalty.** A licensee that does not comply with a provision of this section subjects all wild animals on the game ~~or fur~~ farm to confiscation.

Subd. 9. **Rules.** The commissioner may adopt rules for:

(1) ~~the issuance of~~ issuing game farm licenses;

(2) ~~the inspection of~~ inspecting game farm facilities;

(3) ~~the acquisition and disposal~~ acquiring and disposing of game farm animals; and

(4) record keeping and reporting by game farm licensees, including transactions handled by auction or broker.

### Sec. 3. [97A.106] FUR FARMS.

Subdivision 1. **License requirements.** A person may breed and propagate fur-bearing animals only on privately owned or leased land and after obtaining a license. Any of the permitted animals on a fur farm may be sold to other licensed fur farms. "Privately owned or leased land" includes waters that are shallow or marshy, are not actually navigable, and are not of substantial beneficial public use. Before an application for a license is considered, the applicant must enclose the area to sufficiently confine the animals to be raised in a manner approved by the commissioner. A license may be granted only if the commissioner finds the application is made in good faith with intention to actually carry on the business described in the application and the commissioner determines that the facilities are adequate for the business.

Subd. 2. **Transfer of license.** (a) A fur farm license is transferable with the transfer of all or a portion of the title or leasehold of the land if:

(1) the land transferred complies with the license requirements;

(2) the land is used for the purposes of the license; and

(3) a verified written report of the existing and intended land use is made to the commissioner, accompanied by a copy of deed, assignment, lease, or other instrument transferring the corresponding title or leasehold in the enclosed land.

(b) A transfer of less than the whole interest in the license is not valid. Each bona fide partner or associate in the ownership or operation of a fur farm must obtain a separate license.

Subd. 3. **License fee.** For each fur farm, the owner must, on or before January 1, pay to the commissioner an annual fee of \$250.

Subd. 4. **Fur farm account.** The fur farm account is established in the game and fish fund. Fees collected under this section and interest attributable to money in the account must be deposited in the account. Money in the account, including interest earned, is appropriated to the commissioner for administration and enforcement of this section.

Subd. 5. **Ownership of wild animals.** All wild animals and their offspring, of the species identified in the license, that are within the enclosure are the property of the fur farm licensee.

Subd. 6. **Containment and disease control.** The commissioner, in consultation with the Board of Animal Health and the commissioners of agriculture and health, must develop:

- (1) containment and disposal requirements for farmed fur-bearers; and
- (2) farmed fur-bearer disease testing and reporting requirements.

Subd. 7. **Sale of live animals.** (a) A sale of live animals from a licensed fur farm is not valid unless the animals are delivered to the purchaser or they are identified and kept separately.

(b) Live animals sold through auction or through a broker are considered to be sold by the fur farm licensee.

(c) The sale agreement or contract must be in writing. The licensee must notify a purchaser of the death of an animal within 30 days and of the number of increase before July 20 of each year.

Subd. 8. **Sale of pelts and products.** The commissioner must prescribe:

- (1) the manner that pelts and products of wild animals raised on fur farms may be sold or transported; and
- (2) the tags or seals to be affixed to the pelts and products.

Subd. 9. **Fox and mink.** Fox and mink may not be bought or sold for breeding or propagating unless they have been pen-bred for at least two generations.

Subd. 10. **Transporting live beaver.** Live beaver may not be transported without a permit from the commissioner.

Subd. 11. **Penalty.** A licensee that does not comply with a provision of this section subjects all wild animals on the fur farm to confiscation.

Subd. 12. **Rules.** The commissioner may adopt rules for:

- (1) issuing fur farm licenses;
- (2) inspecting fur farm facilities;

(3) acquiring fur farm animals; and

(4) record keeping and reporting by fur farm licensees, including transactions handled by auction or broker.

Sec. 4. Minnesota Statutes 2022, section 97A.56, subdivision 2, is amended to read:

Subd. 2. **Prohibited actions; penalty.** (a) Unless authorized by permit under section 17.457, subdivision 3, a person may not possess or release feral swine or swine that were feral during any part of the swine's lifetime or otherwise allow feral swine to run at large.

(b) A person may not hunt or trap feral swine, except as authorized by the commissioner for feral swine control or eradication. It is not a violation of this section if a person shoots a feral swine and reports the taking to the commissioner within 24 hours. All feral swine taken in this manner must be surrendered to the commissioner.

(c) A person who violates this subdivision is guilty of a misdemeanor.

(d) A person who violates this subdivision is liable for the actual costs incurred by the state for the possession or release of the feral swine.

(e) A person who violates this subdivision is liable for the damages caused by the possession or release of the feral swine.

Sec. 5. Minnesota Statutes 2022, section 97A.56, is amended by adding a subdivision to read:

Subd. 4. **Domestic hogs and feral swine response protocols.** The commissioner, in cooperation with the commissioner of agriculture and the Board of Animal Health, must develop protocols for responding to the release of domestic hogs and feral swine, including reporting requirements, interagency communications, and other actions necessary to resolve the release.

Sec. 6. **OUTREACH REQUIRED.**

The commissioners of agriculture and natural resources and the Board of Animal Health must jointly develop, and jointly or separately promote and provide to the public, current and consistent outreach materials concerning:

(1) swine containment methods;

(2) sources of technical and financial assistance for small or hobby farms;

(3) the importance of preventing the establishment of feral hog populations;

(4) penalties for the accidental or intentional release of swine;

(5) effective and lawful methods of feral hog control; and

(6) other topics as identified by the commissioners and the board.

Sec. 7. **REPEALER.**

Minnesota Statutes 2022, section 17.353, is repealed.

## ARTICLE 7

## ENVIRONMENTAL REVIEW AND PERMITTING

Section 1. [84.0265] ENVIRONMENTAL REVIEW AND PERMITTING; COORDINATED PROJECT PLANS.

Subdivision 1. **Definitions.** In this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of natural resources;

(2) "coordinated project plan" or "plan" means a plan to ensure that any required environmental review and associated required state agency actions are completed efficiently by coordinating and establishing deadlines for all necessary state agency actions;

(3) "eligible project" means a project that requires the commissioner to prepare an environmental assessment worksheet or an environmental impact statement under chapter 116D and associated permits, unless the project is sponsored by the Department of Natural Resources; and

(4) "state agency" means the department or any other office, board, commission, authority, department, or other agency of the executive branch of state government.

Subd. 2. **State policy.** It is the goal of the state to maximize the coordination, effectiveness, transparency, and accountability of environmental review, associated environmental permitting, and other regulatory actions for facilities in Minnesota.

Subd. 3. **Early communication; identifying issues.** To the extent practicable, the commissioner must establish and provide an expeditious process for a person that requests to confer with the department and other state agencies about an eligible project. The department must provide information about any identified challenging issues regarding the potential environmental impacts related to an eligible project, including any issues that could substantially delay a state agency from completing agency decisions; and issues that must be addressed before an environmental assessment worksheet, environmental impact statement, final scoping decision, permit action, or other required action by a state agency can be started.

Subd. 4. **Plan preparation; participating agencies.** (a) A person who submits an application for an eligible project to the commissioner may request that the commissioner prepare a coordinated project plan to complete any required environmental review and associated agency actions for the eligible project.

(b) Within 60 days of receiving a request under paragraph (a), the commissioner must prepare a coordinated project plan in consultation with the requestor and other state agencies identified under paragraph (c). If an eligible project requires or otherwise includes the preparation of an environmental impact statement, the commissioner is required to prepare a coordinated project plan that first covers the period through a final scoping decision. Within 60 days of completion of the final scoping decision, the commissioner must update the coordinated project plan to include the remainder of the environmental review process as well as applicable state permits and other state regulatory decisions. The coordinated project plan is subject to modification in accordance with subdivision 7.

(c) Any state agency that must make permitting or other regulatory decisions over the eligible project must participate in developing a coordinated project plan.

(d) If an eligible project requires environmental review and the Department of Natural Resources is the responsible governmental unit, then the Department of Natural Resources is the lead agency responsible for

preparation of a coordinated project plan under this section. If an eligible project requires environmental review and the Pollution Control Agency is the responsible governmental unit, then the Pollution Control Agency is the lead agency responsible for preparation of a coordinated project under section 116.035.

**Subd. 5. Plan contents; synchronization; updates.** (a) A coordinated project plan must include:

(1) a list of all state agencies known to have environmental review, permitting, or other regulatory authority over the eligible project and an explanation of each agency's specific role and responsibilities for actions under the coordinated project plan;

(2) a schedule for any formal public meetings; and

(3) a comprehensive schedule of deadlines by which all environmental reviews, permits, and other state agency actions must be completed. The deadlines established under this clause must include intermediate and final completion deadlines for actions by each state agency and must be consistent with subdivision 6, subject to modification in accordance with subdivision 7.

(b) The commissioner must update a coordinated project plan quarterly.

**Subd. 6. Required deadlines.** (a) Deadlines established in a coordinated project plan must comply with this subdivision, unless an alternative time period is agreed upon by the commissioner and proposer.

(b) When an environmental assessment worksheet is prepared for an eligible project for which an environmental impact statement is not mandatory under Minnesota Rules, chapter 4410, the decision on the need for an environmental impact statement must be made as expeditiously as possible but no later than 18 months after the environmental assessment worksheet is deemed complete by the commissioner.

(c) When an environmental impact statement is prepared for an eligible project, the decision on the adequacy of the final environmental impact statement must be made as expeditiously as possible but no later than four years after the data submitted for the environmental assessment worksheet is deemed complete.

(d) If the commissioner includes plan deadlines that are inconsistent with paragraphs (b) and (c), then within 30 days of finalizing the plan, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy to explain how deadlines were established and why the deadlines under paragraphs (b) and (c) are not attainable.

**Subd. 7. Deadline compliance; modification.** (a) A state agency that participates in the commissioner's development coordinated project plan must comply with deadlines established in the plan. If a participating state agency fails to meet a deadline established in the coordinated project plan or anticipates failing to meet a deadline, the state agency must immediately notify the commissioner to explain the reason for the failure or anticipated failure and to propose a date for a modified deadline.

(b) The commissioner may modify a deadline established in the coordinated project plan if the project proposer fails to meet a deadline established in the coordinated project plan or provides inadequate information to meet that deadline, or if:

(1) the commissioner provides the person that requested the plan with a written justification for the modification; and

(2) the commissioner and the state agency, after consultation with the person that requested the plan, mutually agree on a different deadline.

(c) If the combined modifications to one or more deadlines established in a coordinated project plan extend the initially anticipated final decision date for an eligible project application by more than 20 percent, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy within 30 days to explain the reason the modifications are necessary. The commissioner must also notify the chairs and ranking minority members within 30 days of any subsequent extensions to the final decision date. The notification must include the reason for the extension and the history of any prior extensions. For purposes of calculating the percentage of time that modifications have extended the anticipated final decision date, modifications made necessary by reasons wholly outside the control of state agencies must not be considered.

Subd. 8. **Annual report.** As part of the annual permitting efficiency report required under section 84.027, the commissioner must report on progress toward required actions described in this section.

Subd. 9. **Relation to other law.** Nothing in this section is to be construed to require an act that conflicts with applicable state or federal law. Nothing in this section affects the specific statutory obligations of a state agency to comply with criteria or standards of environmental quality, water resource management, pollutant management, environmental justice, and public health.

## Sec. 2. **[116.035] ENVIRONMENTAL REVIEW AND PERMITTING; COORDINATED PROJECT PLANS.**

Subdivision 1. **Definitions.** In this section, the following terms have the meanings given:

(1) "commissioner" means the commissioner of the Pollution Control Agency;

(2) "coordinated project plan" or "plan" means a plan to ensure that any required environmental review and associated required state agency actions are completed efficiently by coordinating and establishing deadlines for all necessary state agency actions;

(3) "eligible project" means a project that requires the commissioner to prepare an environmental assessment worksheet or an environmental impact statement under chapter 116D and associated permits; and

(4) "state agency" means the agency or any other office, board, commission, authority, department, or other agency of the executive branch of state government.

Subd. 2. **State policy.** It is the goal of the state to maximize the coordination, effectiveness, transparency, and accountability of environmental review, associated environmental permitting, and other regulatory actions for facilities in Minnesota.

Subd. 3. **Early communication; identifying issues.** To the extent practicable, the commissioner must establish and provide an expeditious process for a person that requests to confer with the agency and other state agencies about an eligible project. The agency must provide information about any identified challenging issues regarding the potential environmental impacts related to an eligible project, including any issues that could substantially delay a state agency from completing agency decisions and issues that must be addressed before an environmental assessment worksheet, environmental impact statement, final scoping decision, permit action, or other required action by a state agency can be started.

Subd. 4. **Plan preparation; participating agencies.** (a) A person who submits an application for an eligible project to the commissioner may request that the commissioner prepare a coordinated project plan to complete any required environmental review and associated agency actions for the eligible project.

(b) Within 60 days of receiving a request under paragraph (a), the commissioner must prepare a coordinated project plan in consultation with the requestor and other state agencies identified under paragraph (c). If an eligible project requires or otherwise includes the preparation of an environmental impact statement, the commissioner is required to prepare a coordinated project plan that first covers the period through a final scoping decision. Within 60 days of completion of the final scoping decision, the commissioner must update the coordinated project plan to include the remainder of the environmental review process as well as applicable state permits and other state regulatory decisions. The coordinated project plan is subject to modification in accordance with subdivision 7.

(c) Any state agency that must make permitting or other regulatory decisions over the eligible project must participate in developing a coordinated project plan.

(d) If an eligible project requires environmental review and the Department of Natural Resources is the responsible governmental unit, then the Department of Natural Resources is the lead agency responsible for preparation of a coordinated project plan under section 84.0265. If an eligible project requires environmental review and the Pollution Control Agency is the responsible governmental unit, then the Pollution Control Agency is the lead agency responsible for preparation of a coordinated project under this section.

Subd. 5. **Plan contents; synchronization; updates.** (a) A coordinated project plan must include:

(1) a list of all state agencies known to have environmental review, permitting, or other regulatory authority over the eligible project and an explanation of each agency's specific role and responsibilities for actions under the coordinated project plan;

(2) a schedule for any formal public meetings; and

(3) a comprehensive schedule of deadlines by which all environmental reviews, permits, and other state agency actions must be completed. The deadlines established under this clause must include intermediate and final completion deadlines for actions by each state agency and must be consistent with subdivision 6, subject to modification in accordance with subdivision 7.

(b) The commissioner must update a coordinated project plan quarterly.

Subd. 6. **Required deadlines.** (a) Deadlines established in a coordinated project plan must comply with this subdivision unless an alternative time period is agreed upon by the commissioner and proposer.

(b) When an environmental assessment worksheet is prepared for an eligible project for which an environmental impact statement is not mandatory under Minnesota Rules, chapter 4410, the decision on the need for an environmental impact statement must be made as expeditiously as possible but no later than 18 months after the environmental assessment worksheet is deemed complete by the commissioner.

(c) When an environmental impact statement is prepared for an eligible project, the decision on the adequacy of the final environmental impact statement must be made as expeditiously as possible but no later than four years after the submitted data for the environmental assessment worksheet is deemed complete.

(d) If the commissioner includes plan deadlines that are inconsistent with paragraphs (b) and (c), then within 30 days of finalizing the plan, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy to explain how deadlines were established and why the deadlines under paragraphs (b) and (c) are not attainable.

Subd. 7. **Deadline compliance; modification.** (a) A state agency that participates in the commissioner's development coordinated project plan must comply with deadlines established in the plan. If a participating

state agency fails to meet a deadline established in the coordinated project plan or anticipates failing to meet a deadline, the state agency must immediately notify the commissioner to explain the reason for the failure or anticipated failure and to propose a date for a modified deadline.

(b) The commissioner may modify a deadline established in the coordinated project plan if the project proposer fails to meet a deadline established in the coordinated project plan or provides inadequate information to meet that deadline, or if:

(1) the commissioner provides the person that requested the plan with a written justification for the modification; and

(2) the commissioner and the state agency, after consultation with the person that requested the plan, mutually agree on a different deadline.

(c) If the combined modifications to one or more deadlines established in a coordinated project plan extend the initially anticipated final decision date for an eligible project application by more than 20 percent, the commissioner must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over natural resources policy within 30 days to explain the reason the modifications are necessary. The commissioner must also notify the chairs and ranking minority members within 30 days of any subsequent extensions to the final decision date. The notification must include the reason for the extension and the history of any prior extensions. For purposes of calculating the percentage of time that modifications have extended the anticipated final decision date, modifications made necessary by reasons wholly outside the control of state agencies must not be considered.

Subd. 8. **Annual report.** As part of the annual permitting efficiency report required under section 116.03, the commissioner must report on progress toward required actions described in this section.

Subd. 9. **Relation to other law.** Nothing in this section is to be construed to require an act that conflicts with applicable state or federal law. Nothing in this section affects the specific statutory obligations of a state agency to comply with criteria or standards of environmental quality, water resource management, pollutant management, environmental justice, and public health.

## ARTICLE 8

### STATE LANDS

Section 1. Minnesota Statutes 2022, section 85.015, subdivision 1b, is amended to read:

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

(b) The commissioner of natural resources shall assess the applicant an application fee of \$2,000 for reviewing the application and preparing the easement. The applicant shall pay the application fee to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid the application fee in full. The commissioner shall not return the application fee, even if the application is withdrawn or denied.

(c) Money received under paragraph (b) must be credited to the land management account in the natural resources fund and is appropriated to the commissioner of natural resources to cover the reasonable costs incurred under this section.

(d) Notwithstanding paragraphs (a) to (c), the commissioner of natural resources may elect to assume the application fee under paragraph (b) if the commissioner determines that issuing the easement will benefit the state's land management interests.

Sec. 2. Minnesota Statutes 2022, section 94.343, subdivision 8a, is amended to read:

Subd. 8a. **Fees.** (a) When a private landowner or governmental unit, except the state, presents to the commissioner an offer to exchange privately or publicly held land for class A land, the private landowner or governmental unit shall pay to the commissioner ~~a determination of value fee and survey fee of not less than one-half of the cost of the determination of value and survey fees as determined by the commissioner.~~ fees of not less than one-half of the costs incurred by the commissioner for valuation expenses; survey expenses; legal and professional fees; costs of title work, advertising, and public hearings; transactional staff costs; and closing costs.

(b) Except as provided in paragraph (c), any payment made under paragraph (a) shall be credited to the account from which the expenses are paid and is appropriated for expenditure in the same manner as other money in the account.

(c) The fees shall be refunded if the land exchange offer is withdrawn by a private landowner or governmental unit before the money is obligated to be spent.

Sec. 3. Minnesota Statutes 2022, section 94.3495, is amended by adding a subdivision to read:

Subd. 9. **Fees.** (a) When a governmental unit presents to the commissioner an offer to exchange publicly held land under this section, the governmental unit must pay to the commissioner fees of not less than one-half of the costs incurred by the commissioner for valuation expenses; survey expenses; legal and professional fees; costs of title work, advertising, and public hearings; transactional staff costs; and closing costs.

(b) Except as provided in paragraph (c), any payment made under paragraph (a) must be credited to the account from which the expenses are paid and is appropriated to the commissioner for expenditure in the same manner as other money in the account.

(c) The fees must be refunded if the land exchange offer is withdrawn by the governmental unit before the money is obligated to be spent.

**Sec. 4. [282.0197] SALE OF LAND LOCATED WITHIN BOUNDARY OF INDIAN RESERVATIONS.**

Except as provided in section 282.012, if a parcel of land subject to sale under sections 282.01 to 282.13 consists exclusively of land within the boundary of an Indian reservation, the county auditor must first offer the land to the affected band of Indians for sale at the appraised value. The cost of any survey or appraisal must be added to and made a part of the appraised value. To determine whether the band wants to buy the land, the county auditor must give written notice to the band. If the band wants to buy the land, the band must submit a written offer to the county auditor within two weeks after receiving the notice. If the offer is for at least the appraised value, the county auditor must accept the offer.

**EFFECTIVE DATE.** This section is effective July 1, 2025, and applies to lands forfeited on or after that date.

**Sec. 5. ADDITIONS TO STATE PARKS.**

Subdivision 1. **[85.012] [Subd. 2.] Banning State Park, Pine County.** The following area is added to Banning State Park: the Northwest Quarter of the Northwest Quarter of Section 22, Township 42 North, Range 20 West, Pine County, Minnesota.

Subd. 2. **[85.012] [Subd. 15.] Father Hennepin State Park, Mille Lacs County.** The following areas are added to Father Hennepin State Park, all in Mille Lacs County, Minnesota:

- (1) the Southwest Quarter of the Southwest Quarter of Section 3, Township 42, Range 25;
- (2) the Southwest Quarter of the Southeast Quarter of Section 4, Township 42, Range 25; and
- (3) the Southeast Quarter of the Southeast Quarter of Section 4, Township 42, Range 25.

Subd. 3. **[85.012] [Subd. 36.] Lake Louise State Park, Mower County.** Those parts of Section 20, Township 101 North, Range 14 West, Mower County, Minnesota, described as follows are added to Lake Louise State Park:

- (1) the West Half of the South Half of the Southwest Quarter of the Northeast Quarter;
- (2) the West 3/4ths of the North Half of the Southwest Quarter of the Northeast Quarter EXCEPT that portion that lies north and east of the county road; and
- (3) the Northwest Quarter of the Northwest Quarter of the Southeast Quarter EXCEPT the south 334.98 feet of the west 411.24 feet thereof.

**Sec. 6. STATE PARK ABOLISHMENT.**

Subdivision 1. **[85.012] [Subd. 27b.] Hill-Annex Mine State Park, Itasca County.** Hill-Annex Mine State Park is abolished as a state park. The Hill-Annex site must be closed to public use while mining and mineral extraction leases are in place. When mining activity is complete and leases are not in place, the commissioner of natural resources must develop an advisory task force that includes representatives of the Western Mesabi Mine Planning Board, the Iron Range Resources and Rehabilitation Board, and the Office of School Trust Lands to develop options for the future of the Hill-Annex property for submission to the commissioner. This group must explore the types of use, management, and development that will be suitable for the site's conditions after mining and that would provide a benefit to the local and regional community.

Subd. 2. **[85.012] [Subd. 58.] Upper Sioux Agency State Park, Yellow Medicine County.** Upper Sioux Agency State Park is abolished and its lands transferred according to Laws 2023, chapter 60, article 4, section 97.

**Sec. 7. PRIVATE SALE OF TAX-FORFEITED LAND; AITKIN COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, Aitkin County may sell by private sale the tax-forfeited lands described in paragraph (c).

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy.

(c) The lands to be sold are located in Aitkin County and are described as:

(1) Quadna Mountain Vacation Club First Addition, Outlot A, Section 26, Township 52 North, Range 26 West, Aitkin County, Minnesota (parcel identification number 57-1-088400);

(2) Quadna Mountain Vacation Club First Addition, Outlot B, Section 26, Township 52 North, Range 26 West, Aitkin County, Minnesota (parcel identification number 57-1-088500); and

(3) Lot 3 of "Knox's Irregular Lots in the Village of Aitkin," except the portion thereof described as follows: all that part of Lot 3 which lies East of a line beginning at a point on the north line of said Lot 3 a distance of 79 feet East of the northwest corner of said lot and running southeasterly to a point on the south line of said Lot 3 a distance of 56 feet East of the southwest corner of said lot; and except the portion thereof described as follows: beginning at a point on the north line of Lot 4 of said plat a distance easterly 60.75 feet from the northwest corner of said Lot 4; thence running southeasterly to a point on the south line of said Lot 4 which is 56 feet easterly of the southwest corner of said Lot 4; thence continuing easterly along said south line a distance of 56 feet to the southeast corner of said Lot 4; thence northwesterly to a point on the north line of said Lot 3 which is 16 feet easterly of the northwest corner of said Lot 3; thence westerly along the north line of said Lots 3 and 4 to place of beginning. Section 25, Township 47 North, Range 27 West, Aitkin County, Minnesota (0.28 acres)(parcel number 56-1-118100).

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

#### **Sec. 8. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATERS; AITKIN COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Aitkin County may sell by private sale the tax-forfeited land bordering public waters described in paragraph (c) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Aitkin County and is described as: that part of Government Lot 1, Section 19, Township 46, Range 25, Aitkin County, Minnesota, described as follows: commencing at the southwest corner of said Government Lot 1; thence North 85 degrees 14 minutes 46 seconds East, assumed bearing, 1,000.00 feet along the south line of said Government Lot 1 to the point of beginning of the tract to be described; thence continuing North 85 degrees 14 minutes 46 seconds East 50.79 feet to an iron monument; thence North 19 degrees 46 minutes 21 seconds West 459.76 feet, more or less, to the shore of Rabbit Lake; thence southwesterly along said shore to its intersection with a line bearing North 20 degrees 00 minutes 16 seconds West from the point of beginning; thence South 20 degrees 00 minutes 16 seconds East 433 feet, more or less, to the point of beginning. Together with and subject to the 33.00-foot-wide easement described in the deed to Kendle recorded as Document Number 193583 on file in the office of the county recorder in and for said county. Also subject to any other easements, reservations, or restrictions of record (0.52 acres)(parcel number 09-0-031708).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership.

**Sec. 9. PUBLIC SALE OF SURPLUS LAND BORDERING PUBLIC WATER; CHISAGO COUNTY.**

(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell by public sale the surplus land bordering public water that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Chisago County and is described as:

All that part of Government Lot 1, Section 23, and all that part of Government Lot 1, Section 24, Township 33 North, Range 21 West of the 4th Principal Meridian bounded by the following described lines: commencing at the northeast corner of said Section 23; thence South 00 degrees 00 minutes West, 1,831.3 feet on and along the east line of said Section 23 to the point of beginning; thence South 38 degrees 27 minutes East, 70.0 feet; thence South 11 degrees 58 minutes West, 330.0 feet; thence South 76 degrees 59 minutes West, 286.9 feet; thence South 45 degrees 33 minutes West, 167.4 feet; thence North 73 degrees 20 minutes West, 231.8 feet; thence North 59 degrees 33 minutes West, 420.7 feet; thence North 30 degrees 17 minutes East, 327.6 feet; thence North 64 degrees 19 minutes East, 360.4 feet; thence South 87 degrees 03 minutes East, 197.8 feet; thence South 65 degrees 09 minutes East, 354.3 feet and to the point of beginning. Including all riparian rights to the contained 11.5 acres, more or less, and subject to all existing road easements. Together with that particular channel easement as described in Document #119723, on file and of record in the Office of the Recorder, Chisago County, Minnesota, with said easement being stated in said document as a perpetual easement to construct and maintain a channel over and across the area described in Document #119723 as a strip of land 75 feet wide in Government Lot 1 of Section 24, Township 33 North, Range 21 West of the 4th Principal Meridian, bounded by the water's edge of Green Lake and the following described lines: commencing at the northwest corner of said Section 24; thence South 00 degrees 00 minutes West, 1,831.3 feet on and along the west line of said section; thence South 38 degrees 27 minutes East, 70.0 feet; thence South 11 degrees 58 minutes West, 58.9 feet to a point on the centerline of said strip of land and the point of beginning; thence South 11 degrees 58 minutes West, 40.4 feet; thence North 80 degrees 00 minutes East, 290 feet, more or less, to the water's edge of said Green Lake and there terminating. And also from the point of beginning; thence North 11 degrees 58 minutes East, 40.4 feet; thence North 80 degrees 00 minutes East, 220 feet, more or less, to the water's edge of said Green Lake and there terminating.

**ALSO**

Together with that particular access easement as described in Document #119723, on file and of record in the Office of the Recorder, Chisago County, Minnesota, with said easement being stated in said document as a perpetual road easement to construct and maintain a 33-foot-wide road for ingress and egress over and across the following described lands: that part of Government Lot 1 of Section 23, Township 33 North, Range 21 West of the 4th Principal Meridian, bounded by the following described lines: commencing at the northeast corner of said Section 23; thence South 00 degrees 00 minutes West, 1,831.3 feet on and along the east line of said section; thence South 38 degrees 27 minutes East, 70.0 feet; thence South 11 degrees 58 minutes West, 330.0 feet; thence South 76 degrees 59 minutes West, 223.6 feet to a point on the southerly boundary of the above described lands being conveyed in fee and the point of beginning; thence South 76 degrees 59 minutes West, 63.3 feet on and along said southerly boundary; thence South 45 degrees 33 minutes West, 167.4 feet on and along said southerly boundary; thence North 72 degrees 57 minutes West, 666.8 feet to a point on the southeasterly right-of-way line of U.S. Highway No. 8; thence South 38 degrees 09 minutes West, 35.4 feet on and along said right-of-way line; thence South 72 degrees 57 minutes East, 679.7 feet; thence South 73 degrees 20 minutes East, 251.3 feet; thence North 45 degrees 33 minutes West, 240.9 feet to the point of beginning.

(d) The land borders Green Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

**Sec. 10. PRIVATE SALE OF TAX-FORFEITED LAND BORDERING PUBLIC WATER; CROW WING COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Crow Wing County may sell by private sale the tax-forfeited land bordering public water that is described in paragraph (c) under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general. The attorney general may make changes to the land description to correct errors and ensure accuracy.

(c) The land to be sold is located in Crow Wing County and is described as: the South 150.00 feet of the East 770.00 feet EXCEPT that part of the public waters of Gilbert Lake in the Southeast Quarter of the Southeast Quarter of Section 28, Township 134 North, Range 28 West, Crow Wing County, Minnesota (part of parcel identification number 99280619).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership.

**Sec. 11. CONVEYANCE OF SURPLUS LAND BORDERING PUBLIC WATER; HUBBARD COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may convey the surplus land bordering public water that is described in paragraph (c) to a local unit of government for no consideration, subject to the state's reservation of a trail easement.

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be conveyed is located in Hubbard County and is described as:

A strip of land 150 feet in width extending over and across the Southwest Quarter of the Southwest Quarter of Section 24, Township 140 North, Range 35 West of the Fifth Principal Meridian, Hubbard County, Minnesota, said strip of land lying being 75 feet in width on each side of the centerline of the main track (now removed) of the former St. Paul, Minneapolis and Manitoba Railway Company (now BNI), as originally located and established over and across said Southwest Quarter of the Southwest Quarter of Section 24 and lying between the north line of the Fish Hook River and the north line of said Southwest Quarter of the Southwest Quarter of Section 24, LESS and EXCEPT the following described tract: that part of the South Half of the Southwest Quarter, Section 24, Township 140 North, Range 35 West, Hubbard County, Minnesota, described as follows: commencing at a found iron monument which designates the northwesterly corner of Lot 1, Block 4, AUDITOR'S PLAT No. 2, plat of which is on file and of record in the Office of the County Recorder, Hubbard County; thence on a bearing based on the Hubbard County Coordinate System (NAD83, 1996 Adjustment) of South 32 degrees 45 minutes 05 seconds East, along the southwesterly line of said Lot 1, a distance of 177.13 feet to the southwesterly corner of said Lot 1; thence South 48 degrees 30 minutes 52 seconds West, a distance of 71.23 feet to an iron monument on the southwesterly line of Mill Road; thence North 32 degrees 32 minutes 42 seconds West, along the southwesterly line of Mill Road, a distance of 85.20 feet to an iron monument; thence North 22 degrees 10 minutes 58 seconds West along said

southwesterly line of Mill Road, a distance of 85.84 feet to an iron monument; thence North 81 degrees 01 minutes 23 seconds West, a distance of 127.05 feet to the intersection with the easterly right-of-way line of the Heartland State Trail (former Burlington Northern Railroad) and an iron monument and the point of beginning of the land to be herein described; thence continue North 81 degrees 01 minutes 23 seconds West, a distance 37.00 feet; thence South 09 degrees 06 minutes 28 seconds West, a distance of 44.69 feet; thence South 13 degrees 37 minutes 49 seconds East, a distance of 95.72 feet to an iron monument and the intersection with said easterly right-of-way line; thence North 09 degrees 06 minutes 28 seconds East, along said easterly right-of-way line, a distance of 133.06 feet, more or less, to the point of beginning. Said strip of land containing 2.52 acres, more or less.

(d) The land borders the Fish Hook River. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was conveyed to a local unit of government.

**Sec. 12. PRIVATE SALE OF SURPLUS LAND BORDERING PUBLIC WATER; HUBBARD COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may sell by private sale the surplus land bordering public water that is described in paragraph (c).

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Hubbard County and is described as:

(1) a strip of land 50 feet in width extending over and across the Southwest Quarter of the Southwest Quarter of Section 24, Township 140 North, Range 35 West of the Fifth Principal Meridian, Hubbard County, Minnesota, said strip of land lying South of the south line of the Fish Hook River, on the westerly side of the centerline of the main track (now removed) of the former Wadena and Park Rapids Railway Company (now BNI), as originally located and established over and across said Southwest Quarter of the Southwest Quarter of Section 24; said strip of land containing 0.14 acres, more or less; and

(2) a strip of land 50 feet in width extending over and across the Southwest Quarter of the Southwest Quarter of Section 24, Township 140 North, Range 35 West of the Fifth Principal Meridian, Hubbard County, Minnesota, said strip of land lying South of the south line of the Fish Hook River, on the easterly side of the centerline of the main track (now removed) of the former Wadena and Park Rapids Railway Company (now BNI), as originally located and established over and across said Southwest Quarter of the Southwest Quarter of Section 24, said strip of land containing 0.16 acres, more or less.

(d) The land borders the Fish Hook River. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to private ownership.

**Sec. 13. CONDEMNATION OF CERTAIN LAND IN MILLE LACS COUNTY.**

(a) Funds appropriated in this act to the commissioner of natural resources to condemn land in Mille Lacs County must be used to initiate condemnation proceedings of the lands described in paragraph (d). The commissioner may use this appropriation for project costs, including but not limited to valuation expenses, legal fees, closing costs, transactional staff costs, and the condemnation award. This is a onetime appropriation and is available until spent.

(b) Notwithstanding Minnesota Statutes, sections 92.45, 94.09 to 94.16, or any other provision of law to the contrary, once the lands are condemned under paragraph (a), the commissioner of natural resources may convey the surplus land bordering public waters that is described in paragraph (d) to a federally recognized Indian Tribe for no consideration.

(c) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(d) The land that may be conveyed is located in Mille Lacs County and is described as: Government Lot 2, Section 16, Township 42 North, Range 26 West, including all riparian rights.

(e) The land borders Mille Lacs Lake and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to Tribal ownership.

#### **Sec. 14. CONVEYANCE OF SURPLUS LAND BORDERING PUBLIC WATER; REDWOOD COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, and 94.10, the commissioner of natural resources may convey the surplus land bordering public water that is described in paragraph (c) to a federally recognized Indian Tribe for no consideration.

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Redwood County and is described as:

(1) Government Lot 2 of Section 4, Township 112 North, Range 34 West; and

(2) Government Lot 6 of Section 9, Township 112 North, Range 34 West, excepting therefrom: commencing at the southwest corner of United States Government Lot 6 in said Section 9, running thence North on a division line, between Lots 6 and 7, 1,482.5 feet; thence East and parallel with the south line of said Lot 6 about 872 feet to the Minnesota River; thence down the Minnesota River to a point due North of the southeast corner of said Lot 6; thence South 500 feet to the southeast corner of said Lot 6; thence West along the south line of said Lot 6 to the place of beginning, said exception containing 40 acres, more or less, and being a part of said Lot 6.

(d) The land borders the Minnesota River and is not contiguous to other state lands. The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land was returned to Tribal ownership.

#### **Sec. 15. CONVEYANCE OF SURPLUS STATE LAND; REDWOOD COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 16B.281 to 16B.298, or any other law to the contrary, upon approval by the Minnesota Historical Society's Executive Council, the director of the Minnesota Historical Society may convey to the Lower Sioux Indian Community in the state of Minnesota, for no consideration, the surplus land and real property that is described in paragraph (c).

(b) The Minnesota Historical Society may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land to be conveyed is located in Redwood County and is described as:

(1) that part of the Northwest Quarter of the Northwest Quarter of Section 8, Township 112, Range 34, Redwood County, Minnesota, lying North of the following described line: Commencing at the northwest corner of said Section 8; thence on an assumed bearing of South 00 degrees 00 minutes 00 seconds East along the west line of said Section 8, a distance of 696.45 feet to the centerline of C.S.A.H. No. 2 as shown on REDWOOD COUNTY RIGHT OF WAY PLAT NO. 3 C.S.A.H. NUMBER 2 as of public record, Redwood County, Minnesota, said point being the point of beginning of the following described line; thence on a bearing of South 62 degrees 28 minutes 55 seconds East along last said centerline, 25.95 feet; thence southeasterly 571.04 feet along last said centerline, along a tangent curve concave to the northeast, having a radius of 1,432.4 feet and a central angle of 22 degrees 50 minutes 30 seconds; thence on a bearing of South 00 degrees 0 minutes 00 seconds East, not tangent to last said curve, 123.98 feet; thence on a bearing of North 89 degrees 54 minutes 50 seconds East, 729.36 feet to the east line of said Northwest Quarter of the Northwest Quarter and said line there terminating. Subject to easements of record. Subject to the rights of the public in C.S.A.H. No. 2;

(2) that part of the Northeast Quarter of the Northwest Quarter of Section 8, Township 112, Range 34, Redwood County, Minnesota, described as follows: Commencing at the northeast corner of said Northeast Quarter of the Northwest Quarter; thence on an assumed bearing of South 00 degrees 20 minutes 07 seconds East along the east line of said Northeast Quarter of the Northwest Quarter, a distance of 569.40 feet; thence on a bearing of South 79 degrees 56 minutes 34 seconds West, 170.15 feet; thence on a bearing of South 26 degrees 08 minutes 59 seconds West, 640.67 feet to the centerline of C.S.A.H. No. 2 as shown on Redwood County Right of Way Plat No. 3 C.S.A.H. Number 2 as of public record, Redwood County, Minnesota, said point being the point of beginning of the tract herein described; thence on a bearing of North 13 degrees 35 minutes 11 seconds West, 618.69 feet; thence on a bearing of South 89 degrees 40 minutes 12 seconds West, 28.75 feet; thence on a bearing of South 00 degrees 19 minutes 48 seconds East, 28.75 feet; thence on a bearing of South 63 degrees 45 minutes 49 seconds West, 776.48 feet to a point on the centerline of said C.S.A.H. No. 2; thence southeasterly 901.55 feet along last said centerline, along a nontangent curve concave to the southwest, having a radius of 4,540.70 feet, a central angle of 11 degrees 22 minutes 34 seconds and a chord bearing and distance of South 75 degrees 14 minutes 49 seconds East, 900.07 feet to the point of beginning. Subject to easements of record. Subject to the rights of the public in C.S.A.H. No. 2; and

(3) Government Lots 2 and 3 and the North eight acres of the Southeast Quarter of the Northeast Quarter of Section 8 and the North 6.76 acres of Government Lot 7 in Section 9, all being in Township 112 North, Range 34 West, Redwood County, Minnesota. Subject to easements of record.

(d) The Minnesota Historical Society has determined that the state's land management interests and interpretive program interests would best be served if portions of the Lower Sioux Agency Historic Site were conveyed to the Lower Sioux Indian Community in the state of Minnesota.

#### **Sec. 16. PRIVATE SALE OF SURPLUS LAND; ROSEAU COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 94.09 and 94.10, the commissioner of natural resources may sell by private sale the surplus land that is described in paragraph (c) to a watershed district.

(b) The commissioner may make necessary changes to the legal description to correct errors and ensure accuracy.

(c) The land that may be sold is located in Roseau County and is described as: All that part of the Northeast Quarter of the Southeast Quarter of Section 23, Township 163 North, Range 41 West of the Fifth Principal Meridian, Roseau County, Minnesota, described as follows: Beginning at the northwest corner of the Northeast Quarter of the Southeast Quarter of said Section 23; thence on a bearing based on the Roseau

County Coordinate System (NAD83, 1996 Adjustment) of South 89 degrees 49 minutes 33 seconds East, along the north line of said Northeast Quarter of the Southeast Quarter, a distance of 1,319.93 feet to the northeast corner of said Northeast Quarter of the Southeast Quarter, said northeast corner also being a point on the northwesterly right-of-way line of the exterior ditch of the northwest embankment of the Roseau Lake rehabilitation project; thence South 52 degrees 53 minutes 46 seconds West, along said northwesterly right-of-way line, a distance of 1,651.76 feet, more or less, to the west line of said Northeast Quarter of the Southeast Quarter; thence North 00 degrees 08 minutes 50 seconds West, along said west line, a distance of 1,000.46 feet to the point of beginning. Said parcel contains 15.1 acres, more or less.

(d) The Department of Natural Resources has determined that the land is not needed for natural resource purposes and that the state's land management interests would best be served if the land were conveyed to a watershed district.

**Sec. 17. PRIVATE SALE OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.**

(a) Notwithstanding the public sale provisions of Minnesota Statutes, chapter 282, or other law to the contrary, St. Louis County may sell by private sale the tax-forfeited lands described in paragraph (c).

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy.

(c) The lands to be sold are located in St. Louis County and are described as:

(1) the East 4.97 feet of Lot 1, Block 19, Gilbert, Township 58, Range 17, Section 23 (parcel number 060-0010-04190);

(2) beginning at a point 170 feet West of the northeast corner of said forty; thence West a distance of 170 feet to a point; thence South a distance of 256.5 feet to a point; thence continuing a parallel line East a distance of 170 feet to a point; thence continuing a parallel line North a distance of 256.5 feet to the point of beginning and being in the Northwest Quarter of the Northeast Quarter, containing approximately 1 acre of land, Township 57, Range 21, Section 21 (part of parcel number 141-0050-03594);

(3) the North Half and the Northwest Quarter of the Southwest Quarter and the West Half of the Southeast Quarter, Township 52, Range 13, Section 23 (part of parcel number 485-0010-03610);

(4) all of Section 5, except the South Half of the Northeast Quarter and except the Northeast Quarter of the Southwest Quarter and except the railway right-of-way, .94 acres, Township 53, Range 15, Section 5 (part of parcel number 660-0010-00660); and

(5) that part lying within the East Half of Lot 1 lying South of St. Louis County Road 23 described as follows: commencing at the northwest corner of Section 19, Township 65, Range 21; thence East along the section line 661.2 feet; thence at right angles South 285 feet to the point of beginning; thence South 315 feet; thence at right angle East 250 feet; thence at right angle North 315 feet; thence West to the point of beginning, except that part of the Northwest Quarter of the Northwest Quarter described as follows: commencing at the northwest corner; thence North 89 degrees 38 minutes 14 seconds East along the north line 661.2 feet; thence South 0 degrees 21 minutes 46 seconds East 456.90 feet; thence North 89 degrees 38 minutes 14 seconds East 19.82 feet to the easterly right-of-way of Westley Drive and the point of beginning; thence South 3 degrees 59 minutes 44 seconds West along said easterly right-of-way 76.03 feet; thence North 89 degrees 38 minutes 14 seconds East 207.13 feet; thence North 0 degrees 21 minutes 46 seconds West 162.42 feet; thence North 57 degrees 40 minutes 44 seconds West 210.75 feet to the intersection of said easterly right-of-way; thence South 19 degrees 7 minutes 59 seconds West along said easterly right-of-way

33.23 feet; thence South 3 degrees 59 minutes 44 seconds West along said easterly right-of-way 30.28 feet; thence North 89 degrees 38 minutes 14 seconds East 33.58 feet; thence South 31 degrees 11 minutes 36 seconds East 112.47 feet; thence South 67 degrees 3 minutes 53 seconds West 110.25 feet to said easterly right-of-way and the point of beginning, Township 65, Range 21, Section 19 (parcel number 760-0040-00533).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership.

**Sec. 18. PRIVATE SALE OF TAX-FORFEITED LANDS BORDERING PUBLIC WATERS; ST. LOUIS COUNTY.**

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, St. Louis County may sell by private sale the tax-forfeited lands bordering public waters that are described in paragraph (c).

(b) The conveyances must be in a form approved by the attorney general. The attorney general may make changes to the land descriptions to correct errors and ensure accuracy.

(c) The lands to be sold are located in St. Louis County and are described as:

(1) Lot 101, Echo Point, Town of Breitung, Township 62, Range 15, Section 19 (parcel number 270-0070-01010);

(2) the Northeast Quarter, except the Southwest Quarter, and the Southeast Quarter, except the Northwest Quarter, Township 54, Range 16, Section 22 (part of parcel number 305-0010-03530); and

(3) Government Lots 6 and 7, except that part of Government Lot 6 lying North of the quarter line of Section 32, Township 69, Range 19 (part of parcel number 732-0010-04150).

(d) The county has determined that the county's land management interests would best be served if the land was returned to private ownership.

**Sec. 19. REPEALER.**

Minnesota Statutes 2022, sections 85.012, subdivisions 27b and 58; and 138.662, subdivision 33, are repealed.

**Sec. 20. EFFECTIVE DATE.**

Unless otherwise provided, this article is effective the day following final enactment.

**ARTICLE 9**

**MISCELLANEOUS**

Section 1. Minnesota Statutes 2023 Supplement, section 116P.09, subdivision 6, is amended to read:

Subd. 6. **Conflict of interest.** (a) A commission member, a technical advisory committee member, a peer reviewer, or an employee of the commission may not participate in or vote on a decision of the commission, advisory committee, or peer review relating to an organization in which the member, peer reviewer, or employee has either a direct or indirect personal financial interest. While serving on the

commission or technical advisory committee or as a peer reviewer or while an employee of the commission, a person must avoid any potential conflict of interest.

(b) A commission member may not vote on a motion regarding the purchase of land under section 116P.18 or the final recommendations of the commission required under section 116P.05, subdivision 2, paragraph (a), if the motion relates to an organization in which the member has a direct personal financial interest. If a commission member is prohibited from voting under this paragraph, the number of affirmative votes required under section 116P.05, subdivision 2, paragraph (a), or section 116P.18 is reduced by the number of members ineligible to vote under this paragraph.

Sec. 2. Minnesota Statutes 2023 Supplement, section 116P.18, is amended to read:

**116P.18 LANDS IN PUBLIC DOMAIN.**

Money appropriated from the trust fund must not be used to purchase any land in fee title or a permanent conservation easement if the land in question is fully or partially owned by the state or a political subdivision of the state or was acquired fully or partially with state money, unless:

(1) the purchase creates additional direct benefit to the protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources; and

(2) the purchase is approved, prior to the acquisition, by an affirmative vote of at least 11 members of the commission, except as provided under section 116P.09, subdivision 6, paragraph (b).

Sec. 3. **[473.355] COMMUNITY TREE-PLANTING GRANTS.**

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them.

(b) "Shade tree" means a woody perennial grown primarily for aesthetic or environmental purposes with minimal to residual timber value.

(c) "Supplemental demographic index" means an index in the Environmental Justice Screening and Mapping Tool developed by the United States Environmental Protection Agency that is based on socioeconomic indicators, including low income, unemployment, less than high school education, limited English speaking, and low life expectancy.

Subd. 2. **Grants.** (a) The Metropolitan Council must establish a grant program to provide grants to cities, counties, townships, and implementing agencies for the following purposes:

(1) removing and planting shade trees on public land to provide environmental benefits;

(2) replacing trees lost to forest pests, disease, or storms; and

(3) establishing a more diverse community forest better able to withstand disease and forest pests.

(b) Any tree planted with money granted under this section must be a climate-adapted species to Minnesota.

Subd. 3. **Priority.** Priority for grants awarded under this section must be given to:

(1) projects removing and replacing ash trees that pose significant public safety concerns; and

(2) projects located in a census block group with a supplemental demographic index score in the 70th percentile or higher within the state of Minnesota.

Presented to the governor May 19, 2024

Signed by the governor May 21, 2024, 1:52 p.m.