

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 1539

(SENATE AUTHORS: UTKE)

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Introduction and first reading
Referred to Environment and Natural Resources Policy and Legacy Finance

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to waters; modifying method of appointing watershed district managers;
1.3 amending Minnesota Statutes 2020, sections 103D.205, subdivision 2; 103D.225,
1.4 subdivision 4; 103D.301, subdivision 1; 103D.311, subdivision 2; 103D.315,
1.5 subdivisions 3, 6, 9; 103D.325, subdivision 2; 103D.335, subdivision 4; repealing
1.6 Minnesota Statutes 2020, sections 103D.301, subdivision 2; 103D.311, subdivisions
1.7 1, 3; 103D.315, subdivision 2.

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

1.9 Section 1. Minnesota Statutes 2020, section 103D.205, subdivision 2, is amended to read:

1.10 Subd. 2. **Requirements.** (a) The establishment petition must state:

1.11 (1) the name of the proposed watershed district;

1.12 (2) in general terms, a description of the property to be included in the watershed district;

1.13 (3) the necessity for the watershed district and the contemplated improvements within
1.14 the watershed district;

1.15 (4) the reasons why the watershed district and the contemplated improvements would
1.16 be conducive to public health and public welfare, or would accomplish any of the purposes
1.17 in section 103D.201;

1.18 (5) by illustration in a map, the proposed watershed district; and

1.19 (6) the number of managers proposed for the watershed district; and, to be evenly
1.20 distributed among the counties in the proposed district.

1.21 ~~(7) a list of the nominees for manager positions containing at least twice the proposed~~
1.22 ~~number of managers.~~

2.1 (b) The number of managers proposed for a watershed district may not be less than three
2.2 nor more than nine. ~~A manager must not be a public officer of the county, state, or federal~~
2.3 ~~government, except that a soil and water conservation supervisor may be a manager.~~

2.4 Sec. 2. Minnesota Statutes 2020, section 103D.225, subdivision 4, is amended to read:

2.5 Subd. 4. ~~Selecting first board of~~ Appointing managers. (a) ~~The board shall select the~~
2.6 ~~first board of managers of a proposed watershed district from the list of nominees in the~~
2.7 ~~establishment petition except as provided in paragraph (b).~~ The number of managers may
2.8 not be less than three nor more than nine, except that a proposed watershed district entirely
2.9 within the metropolitan area may not have fewer than five managers. ~~A manager may not~~
2.10 ~~be a public officer of the county, state, or federal government, except that a soil and water~~
2.11 ~~conservation supervisor may be a manager. The term of the first board of managers is for~~
2.12 ~~one year and until their successors can be appointed and qualified.~~

2.13 (b) ~~For a proposed watershed district entirely within the metropolitan area, the board~~
2.14 ~~must select managers from a list of persons nominated by one or more of the cities and~~
2.15 ~~towns affected by the proposed watershed district. The list must contain at least three~~
2.16 ~~nominees for each manager position. The board must select managers to fairly represent~~
2.17 ~~the various hydrologic areas within the proposed watershed district according to their~~
2.18 ~~residence within an area. If the cities or towns fail to nominate managers under this paragraph,~~
2.19 ~~the board shall select managers under paragraph (a).~~

2.20 (b) The county board of each county in the proposed watershed district must appoint
2.21 the number of managers specified for the county under section 103D.205, subdivision 2,
2.22 paragraph (a), clause (6), before the board files the establishment petition under subdivision
2.23 5 and must thereafter appoint managers when the managers' terms expire.

2.24 (c) In the order establishing a watershed district, the board must prescribe the terms of
2.25 office for the first board of managers appointed by the county boards as provided in
2.26 paragraphs (d) to (f).

2.27 (d) If the first board of managers has three members, the term of office for the managers
2.28 is one for a term of one year, one for a term of two years, and one for a term of three years.

2.29 (e) If the first board of managers has five members, the term of office for the managers
2.30 is one for a term of one year, two for a term of two years, and two for a term of three years.

2.31 (f) If the first board of managers does not have three or five members, the managers
2.32 must be appointed so that as nearly as possible one-third serve terms of one year, one-third
2.33 serve terms of two years, and one-third serve terms of three years.

3.1 Sec. 3. Minnesota Statutes 2020, section 103D.301, subdivision 1, is amended to read:

3.2 Subdivision 1. **More than one affected county.** If more than one county is affected by
 3.3 a watershed district, the board must provide that managers are evenly distributed ~~by residence~~
 3.4 among the counties affected by the watershed district.

3.5 Sec. 4. Minnesota Statutes 2020, section 103D.311, subdivision 2, is amended to read:

3.6 Subd. 2. **Appointment.** ~~(a) At least 30 days before the terms of office of the first~~
 3.7 ~~managers named by the board expire, the county commissioners of each county responsible~~
 3.8 ~~for appointing a manager to the watershed district must meet and appoint successors.~~

3.9 ~~(b)~~ (a) A county board of commissioners must appoint only county commissioners to
 3.10 serve as managers. The county commissioners must meet at least 30 days before the term
 3.11 of office of any manager expires and appoint a successor.

3.12 ~~(e)~~ (b) A vacancy occurring in an office of a manager must be filled by the appointing
 3.13 county board. If a commissioner's term on the county board expires before the commissioner
 3.14 completes a term as a manager, the county board must appoint another commissioner to
 3.15 complete the manager's term.

3.16 ~~(d)~~ (c) Appointing county boards shall provide public notice before making appointments.
 3.17 Published notice must be given at least once by publication in a newspaper of general
 3.18 circulation in the watershed district at least 15 days before an appointment or reappointment
 3.19 is made. The notice must state that persons interested in being appointed to serve as a
 3.20 watershed district manager may submit their names to the county board for consideration.

3.21 Sec. 5. Minnesota Statutes 2020, section 103D.315, subdivision 3, is amended to read:

3.22 Subd. 3. **Officers.** ~~After filing the bond,~~ The managers must elect different managers
 3.23 as president, secretary, and treasurer. The managers must fill vacancies occurring in the
 3.24 officers' positions. The managers must provide the necessary books, records, furniture, and
 3.25 equipment for the officers to perform their official duties.

3.26 Sec. 6. Minnesota Statutes 2020, section 103D.315, subdivision 6, is amended to read:

3.27 Subd. 6. **Terms of office.** The term of office for a manager is three years except for the
 3.28 first board of managers appointed ~~by the state board and the first board appointed by the~~
 3.29 county board in a watershed district. A manager's term continues until a successor is
 3.30 appointed ~~and qualified.~~

4.1 Sec. 7. Minnesota Statutes 2020, section 103D.315, subdivision 9, is amended to read:

4.2 Subd. 9. **First meeting of managers.** (a) Within ten days after the first board of managers
4.3 has received notice by personal service of their selection, the managers must meet at the
4.4 watershed district's principal place of business.

4.5 (b) At the first meeting, the managers must take the oath under subdivision 1, ~~provide~~
4.6 ~~a bond under subdivision 2,~~ elect officers under subdivision 3, and appoint an advisory
4.7 committee under section 103D.331.

4.8 Sec. 8. Minnesota Statutes 2020, section 103D.325, subdivision 2, is amended to read:

4.9 Subd. 2. **Bond.** The managers may require an ~~officer or~~ employee of the watershed
4.10 district to give a bond for the faithful performance of duties in an amount prescribed by the
4.11 ~~manager~~ managers. The cost of the bond must be paid from the funds of the watershed
4.12 district.

4.13 Sec. 9. Minnesota Statutes 2020, section 103D.335, subdivision 4, is amended to read:

4.14 Subd. 4. **General managers' powers.** (a) The managers may use the powers in
4.15 subdivisions 5 to ~~23~~ 25 to implement this chapter.

4.16 (b) The exercise of the managers' powers is subject to review by the board as provided
4.17 in this chapter.

4.18 Sec. 10. **REPEALER.**

4.19 Minnesota Statutes 2020, sections 103D.301, subdivision 2; 103D.311, subdivisions 1
4.20 and 3; and 103D.315, subdivision 2, are repealed.

4.21 Sec. 11. **EFFECTIVE DATE.**

4.22 Sections 1 to 10 are effective July 1, 2021, and apply to manager appointments made
4.23 on or after that date.

103D.301 DISTRIBUTION OF MANAGER POSITIONS.

Subd. 2. **More than five affected counties.** If more than five counties are affected by a watershed district, the board may provide for the orderly distribution of the managers by identifying the manager areas within the watershed district and selecting the county board of commissioners for each manager's area to appoint a manager.

103D.311 APPOINTING MANAGERS.

Subdivision 1. **Manager qualifications.** A person may not be appointed as a manager who:

(1) is not a voting resident of the watershed district; and

(2) is a public officer of the county, state, or federal government, except that a soil and water conservation supervisor may be a manager.

Subd. 3. **Nominees for city-initiated and metropolitan watershed districts.** (a) If the establishment petition that initiated the watershed district originated from a majority of the cities within the watershed district, the county commissioners must appoint the managers from a list of persons nominated by one or more of the townships and municipalities located within the watershed district. If the district is wholly within the metropolitan area, the county commissioners shall appoint the managers from a list of persons nominated jointly or severally by the towns and municipalities within the district. The list must contain at least three nominees for each manager's position to be filled. The list must be submitted to the county boards affected by the watershed district at least 60 days before the manager's term of office expires. The county commissioners may appoint any managers from towns and municipalities that fail to submit a list of nominees.

(b) If the list is not submitted 60 days before the managers' terms of office expire, the county commissioners must appoint the managers from eligible persons residing in the watershed district.

(c) Managers of a watershed district entirely within the metropolitan area must be appointed to fairly represent the various hydrologic areas within the watershed district by residence of the manager appointed.

103D.315 MANAGERS.

Subd. 2. **Bond.** (a) Each manager must file a bond with the board before assuming the manager's duties. The bond may be:

(1) a personal bond for each manager;

(2) a schedule or position bond or undertaking by the managers of the watershed district; or

(3) a single corporate surety fidelity, schedule or position bond or undertaking covering all managers and employees of the watershed district, including officers and employees required by law to furnish an individual bond or undertaking.

(b) The amount of the bond for managers is \$1,000, unless increased by the board. The amount of the bond for officers and employees of the watershed district is the amount set by law or by the person or board authorized to set the amounts.

(c) The bond must be conditioned substantially as provided in section 574.13.

(d) The premium for the bond must be paid by the watershed district.