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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **3734**

03/31/2016 Authored by Torkelson

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Policy and Finance

1.1 A bill for an act
1.2 relating to environment; authorizing drainage authorities to acquire property;
1.3 creating a revolving loan fund to acquire property for riparian improvements;
1.4 appropriating money; authorizing the sale and issuance of state bonds; amending
1.5 Minnesota Statutes 2014, section 103E.011, by adding a subdivision; proposing
1.6 coding for new law in Minnesota Statutes, chapter 103E.

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

1.8 Section 1. Minnesota Statutes 2014, section 103E.011, is amended by adding a
1.9 subdivision to read:

1.10 Subd. 6. **Acquiring property.** A drainage authority may acquire property and
1.11 easements to property under section 103E.150.

1.12 Sec. 2. **[103E.150] RIPARIAN IMPROVEMENT REVOLVING LOAN**
1.13 **PROGRAM.**

1.14 Subdivision 1. **Establishment of fund; loan program; property or easement**
1.15 **acquisition by drainage authority.** The Board of Water and Soil Resources shall
1.16 establish a riparian improvement revolving fund and may make interest-free loans from
1.17 the fund to drainage authorities for eligible projects. Drainage authorities may use the
1.18 loaned money to contract with and make payments to landowners to acquire property
1.19 in fee simple for market value as determined by appraisal of a licensed appraiser or to
1.20 acquire easements of at least 16.5 feet in width for a term of at least 20 years for an
1.21 amount equal to the rate for 20-year easements established by the Board of Water and
1.22 Soil Resources under section 103F.515.

2.1 Subd. 2. **Eligible projects.** An "eligible project" as used in this section means
2.2 a project designated by a drainage authority to implement permanent buffer strips of
2.3 perennial vegetation as provided in section 103E.021.

2.4 Subd. 3. **Loan repayment.** A drainage authority must repay a loan from the Board
2.5 of Water and Soil Resources under this section within ten years. A drainage authority
2.6 must apply amounts collected from assessments of benefits, as redetermined under section
2.7 103E.351, on the property improved by a loan under this section toward repayment of
2.8 the loan. The Board of Water and Soil Resources must deposit loan payments made by a
2.9 drainage authority into the revolving fund established in subdivision 1.

2.10 Sec. 3. **APPROPRIATION; BOND SALE AUTHORIZATION.**

2.11 Subdivision 1. **Appropriation.** \$..... is appropriated from the bond proceeds
2.12 fund to the Board of Water and Soil Resources for deposit into the riparian improvement
2.13 revolving fund for eligible projects under Minnesota Statutes, section 103E.150, that
2.14 are capital in nature.

2.15 Subd. 2. **Bond sale.** To provide the money appropriated in this act from the bond
2.16 proceeds fund, the commissioner of management and budget shall sell and issue bonds
2.17 of the state in an amount up to \$..... in the manner, upon the terms, and with the effect
2.18 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
2.19 Constitution, article XI, sections 4 to 7.

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