

Consolidated Fiscal Note – 2011-12 Session

Bill #: H1360-0 **Complete Date:** 04/21/11

Chief Author: TORKELSON, PAUL

Title: EQB MODIFIED & DUTIES ELIMINATED

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agencies: Administration Dept (04/19/11)
 Pollution Control Agency (04/21/11)
 Agriculture Dept (04/20/11)

Natural Resources Dept (04/18/11)
 Water & Soil Resources Board (04/18/11)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Net Expenditures					
General Fund		(551)	(551)	(551)	(551)
Administration Dept		(551)	(551)	(551)	(551)
Environmental Fund		102	97	105	97
Pollution Control Agency		102	97	105	97
Clean Water Fund Fund		216	222	222	222
Pollution Control Agency		216	222	222	222
Revenues					
-- No Impact --					
Net Cost <Savings>					
General Fund		(551)	(551)	(551)	(551)
Administration Dept		(551)	(551)	(551)	(551)
Environmental Fund		102	97	105	97
Pollution Control Agency		102	97	105	97
Clean Water Fund Fund		216	222	222	222
Pollution Control Agency		216	222	222	222
Total Cost <Savings> to the State		(233)	(232)	(224)	(232)

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
General Fund		(4.60)	(4.50)	(4.50)	(4.50)
Administration Dept		(4.60)	(4.50)	(4.50)	(4.50)
Environmental Fund		1.00	1.00	1.00	1.00
Pollution Control Agency		1.00	1.00	1.00	1.00
Clean Water Fund Fund		2.00	2.00	2.00	2.00
Pollution Control Agency		2.00	2.00	2.00	2.00
Total FTE		(1.60)	(1.50)	(1.50)	(1.50)

Consolidated EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARY ROBISON
 Date: 04/21/11 Phone: 651-201-8022

Fiscal Note – 2011-12 Session

Bill #: H1360-0 **Complete Date:** 04/19/11

Chief Author: TORKELSON, PAUL

Title: EQB MODIFIED & DUTIES ELIMINATED

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Administration Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Expenditures					
General Fund		(551)	(551)	(551)	(551)
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
General Fund		(551)	(551)	(551)	(551)
Revenues					
-- No Impact --					
Net Cost <Savings>					
General Fund		(551)	(551)	(551)	(551)
Total Cost <Savings> to the State		(551)	(551)	(551)	(551)

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
General Fund		(4.60)	(4.50)	(4.50)	(4.50)
Total FTE		(4.60)	(4.50)	(4.50)	(4.50)

Bill Description

H.F. 1360 relates to eliminating and reassigning duties, amending various statutes, and repealing various statutes.

- Sec. 1 removes the requirement for the commissioner of Agriculture (MDA) to report to the Environmental Quality Board (EQB) on sustainable agriculture under M.S. 17.114.
- Sec. 2 removes the requirement for MDA to report to the EQB on the pesticide management plan under M.S. 18B.045. It also eliminates coordination of the pesticide plan through the EQB.
- Sec. 3 removes the requirement for MDA to report to the EQB on activities of the Agricultural Chemical Response Compensation Board under M.S. 18E.06.
- Sec. 4 moves coordination of state groundwater protection programs under M.S. 103A.204 from the EQB to the Clean Water Council, including a report on policy issues.
- Sec. 5 removes requirements of the Board of Water and Soil Resources (BWSR) for communication and coordination with the EQB under M.S. 103B.101.
- Sec. 6 moves the responsibility for coordination of public water resource management activities among the state agencies under M.S. 103B.151 from EQB to the Clean Water Council, requires incorporation of long-range water resources planning under M.S. 103B.151 into the Clean Water Council's implementation plan under M.S. 114D.30 subd. 5, and moves representation of the governor on interstate water resources organizations from the EQB chair to the Clean Water Council chair.
- Sec. 7 removes the requirement for BWSR to consult with the EQB from state review of county water plans under M.S. 103B.315.
- Sec. 8 removes the requirement for the Minnesota Pollution Control Agency (MPCA) to work through the EQB on coordination of nonpoint source pollution control under the clean water partnership program under M.S. 103F.751.
- Sec. 9 removes the requirement for MDA and MPCA to submit information to the EQB on best management practice effectiveness under 103H.151.
- Sec. 10 removes the requirement for MPCA to report on the status of groundwater monitoring under M.S. 103H.175.
- Sec. 11 removes the requirement for MDA and MPCA to report to the EQB on activities under the Environmental Response and Liability Act under 115B.20.
- Sec. 12 redefines EQB under M.S. 116C.24 as that convened under M.S. 116D.035.
- Sec. 13 removes EQB from the nonvoting membership and information/technical assistance of the Facility Siting Policy Development Committee under M.S. 116C.842.
- Sec. 14 moves administrative assistance of the Facility Siting Policy Development Committee under M.S. 116C.842 from EQB to the MPCA.
- Sec. 15 redefines EQB under 116D.035 as that convened under M.S. 116D.035.
- Sec. 16:
 - Defines and creates the EQB with membership including the departments of Administration (Admin), Commerce, MPCA, Natural Resources, MDA, Health, Employment and Economic Development, Transportation, BWSR, and a representative of the governor's office;
 - Provides that the representative of the governor's office is the chair;
 - Defines duties including environmental review under M.S. 116D, environmental coordination procedures under M.S. 116C.22 to 116C.34, and genetically-engineered organisms under M.S. 116C.91 to 116C.97; and
 - Provides that consultant and administrative support services be provided by MPCA.
- Sec. 17 and 18 move responsibility for preparation on an energy and environmental strategy report from the EQB to the MPCA.
- Sec. 19 removes the EQB from hosting public meetings on the reliability of the electric system under M.S. 216C.052.
- Sec. 20 removes the requirement for Commerce to report to the EQB under M.S. 216C.18.
- Sec. 21 requires the revisor of statutes to change the term "Environmental Quality Board" or "board" to "commissioner of natural resources" or "commissioner" in M.S. 116G.01 to 116G.14 and 116G.151 (Critical Areas).
- Repeals: 40A.122 (Eminent Domain Actions in Agricultural Land Preservation Program); 103A.403 (Statewide Nitrate Data); 103A.43 (Water Assessments and Reports); 103F.614 (Eminent Domain Actions in Wetland Protection Areas); the following sections in 115A, Waste Management: 115A.32, 115A.33, 115A.34, 115A.35, 115A.36, 115A.37, 115A.38, and 115A.39; the following sections in 116C, Environmental Quality Board: 116C.02 (Definitions), 116C.03 (Creation, Membership, Staff), 116C.04 (Powers and Duties), 116C.06 (Hearings), 116C.08 (Federal Funds, Donations); the following sections in

116C.705 through 116C.76 Radioactive Waste Management: 116C.71, subdivisions 1c and 2a, 116C.721, 116C.722, and 116C.724, subdivisions 2 and 3; and 473H.15.(Eminent Domain Actions in Metropolitan Agricultural Preserves).

Assumptions

Sec. 16 relocates support and administration for the EQB from Admin to the MPCA. This results in Admin cost reductions equal to the FY2011 budget for the EQB program, or \$551,000. The reduced costs for Admin will be offset by costs incurred/ identified by other agencies to implement this legislation.

Note: the Governor's budget includes a recommendation to relocate support and administration for the EQB from Admin to the MPCA. The proposal would reduce the Administration's budget by \$400,000, and transfer \$151,000 to the MPCA to use to assist with support expenditures for the Board.

Expenditure and/or Revenue Formula

Cost reductions to Admin equal to \$551,000. If the governor's recommended budget is enacted, Admin's budget would be reduced by \$400,000 and \$151,000 would transfer to MPCA.

Long-Term Fiscal Considerations

The bill results in ongoing cost reductions for Admin. These reductions will be offset by the costs incurred/identified by other agencies to implement this legislation.

Local Government Costs

None identified.

References/Sources

Bob Patton
Environmental Quality Board, Executive Director
(651) 201-6226

Agency Contact Name: Bob Patton (651) 201-6226
FN Coord Signature: LENORA MADIGAN
Date: 04/18/11 Phone: 651-201-2563

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU
Date: 04/19/11 Phone: 651-201-8026

Fiscal Note – 2011-12 Session

Bill #: H1360-0 **Complete Date:** 04/21/11

Chief Author: TORKELSON, PAUL

Title: EQB MODIFIED & DUTIES ELIMINATED

Fiscal Impact	Yes	No
State	X	
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Pollution Control Agency

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Expenditures					
Environmental Fund		200	198	206	198
Clean Water Fund Fund		216	222	222	222
Less Agency Can Absorb					
Environmental Fund		98	101	101	101
Clean Water Fund Fund		0	0	0	0
Net Expenditures					
Environmental Fund		102	97	105	97
Clean Water Fund Fund		216	222	222	222
Revenues					
-- No Impact --					
Net Cost <Savings>					
Environmental Fund		102	97	105	97
Clean Water Fund Fund		216	222	222	222
Total Cost <Savings> to the State		318	319	327	319

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalent					
Environmental Fund		1.00	1.00	1.00	1.00
Clean Water Fund Fund		2.00	2.00	2.00	2.00
Total FTE		3.00	3.00	3.00	3.00

Bill Description

This bill modifies, eliminates and reassigns the duties of the Environmental Quality Board (EQB). It also amends various Minnesota statutes related to eminent domain.

Section 1-3 refers to the Department of Agriculture.

Section 5 of the bill refers to the Board of Water and Soil Resources (BWSR).

Section 19 of the bill refers to the Department of Commerce.

Section 20 of the bill refers to the Department of Commerce

Section 21 of the bill refers to the commissioner of natural resources.

The following sections of the bill involve the Minnesota Pollution Control Agency:

Section 4 of the bill amends M.S. §103A.204, paragraph (a), item (1). This Section shifts the responsibility for coordination of state groundwater protection programs from the EQB to the Clean Water Council. This Section of the bill also amends M.S. §103A.204, paragraph (b) by requiring the Clean Water Council to prepare a report on policy issues related to its responsibilities, as changed in paragraph (a), item (1), for the protection of groundwater in Minnesota and include this Report with the "Minnesota Water Plan" in M.S. §103B.151. The Report from paragraph (b), as amended, would no longer be required to be included with the assessments in M.S. §103A.43.

Section 6 of the bill amends M.S. §103B.151, subdivision 1, item (2) and subdivision 2. The amended portion of subdivision 1 shifts the responsibility of water resource planning from the EQB to the Clean Water Council. Under item (2), the Clean Water Council is required to incorporate long-range planning into the Council's implementation plan required under M.S. §114D every two years. It also removes the requirement for the Minnesota Water Plan to be updated every ten years. Subdivision 2 changes the Governor's representative on interstate water resources organizations from the EQB to the chair of the Clean Water Council.

Section 7 of the bill modifies M.S. §103B.315 for county comprehensive water plans by eliminating the EQB as one of the entities required to be consulted by counties in the development of their water plans.

Section 8 of the bill amends M.S. §103F. 751, item (2), by requiring the Pollution Control Agency to work through the Clean Water Council, instead of the EQB, to coordinate the activities and programs of federal, state and local agencies involved in nonpoint source pollution control and develop agreements with federal and state agencies to accomplish the purposes and objectives of the state nonpoint source pollution control plan.

Section 9 of the bill amends M.S. §103H.151, subdivision 4. The modification requires the commissioners of the department of agriculture and the Pollution Control Agency to submit the information collected with regard to the use and effectiveness of best management practices to the Clean Water Council, instead of the EQB.

Section 10 of the bill amends M.S. §103H.175, subdivision 3, by removing the requirement for the Pollution Control Agency to provide the draft legislative report on the status of groundwater monitoring to the EQB.

Section 11 of the bill amends M.S. §115B.20, subdivision 6, by removing the requirement for the Pollution Control Agency to provide the legislative report on the use of the remediation fund to the EQB.

Section 12 of the bill amends M.S. §116C.24, subdivision 2, by removing the word Minnesota from the Minnesota Environmental Quality Board name and referencing the Board convened under a newly created section 116D.035.

Section 13 of the bill amends M.S. §116C.842, subdivision 1a, by removing the EQB from the Facility Siting Policy Development Committee.

Section 14 of the bill amends M.S. §116C.842, subdivision 2a, by requiring the Pollution Control Agency to provide administrative assistance to the Facility Siting Policy Development Committee.

Section 15 of the bill amends M.S. §116C.91, subdivision 2, provides the definition of the Board as the Environmental Quality Board convened under a newly created section 116D.035.

Section 16 of the bill creates M.S. §116.035, subdivisions 1-5: ENVIRONMENTAL QUALITY BOARD

Subdivision 1 – defines the "board" referred to in this chapter as the Environmental Quality Board convened under subdivision 2.

Subdivision 2 – establishes the membership of the board as follows:

- (1) the commissioner of administration;
- (2) the commissioner of commerce;
- (3) the commissioner of the Pollution Control Agency;
- (4) the commissioner of natural resources;
- (5) the commissioner of agriculture;

- (6) the commissioner of health;
- (7) the commissioner of employment and economic development;
- (8) the commissioner of transportation;
- (9) the chair of the Board of Water and Soil Resources; and
- (10) a representative of the governor's office designated by the governor.

Subdivision 3 requires a representative of the governor's office to serve as chair of the board.

Subdivision 4 establishes the duties of the EQB as those specified under chapter 116D [referring to the Environmental Policy Act], sections 116C.22 to 116C.34 [referring to the Minnesota Environmental Coordination Procedures Act] and sections 116C.91 to 116C.97 [referring to Genetically Engineered Organisms].

Subdivision 5 states that the Pollution Control Agency will provide consultation and administrative support for the EQB as well as implementation and administration of the rules adopted by the EQB.

Section 17 of the bill amends M.S. §116D.11, subdivision 2. The amended subdivision establishes the commissioner of the Pollution Control Agency, instead of the EQB, as having primary responsibility for preparing the energy and environmental strategy report of the state, as required by section 116D.10. The bill also requires all other agencies required to prepare preliminary strategy reports to submit those preliminary reports to the commissioner of the MPCA instead of the board.

Section 18 of the bill amends M.S. §116D.11 subdivision 3, requires the commissioner of the Pollution Control Agency, instead of the EQB, to transmit to the Governor a draft report on the energy and environmental strategy of the state and promptly make any amendments requested by the Governor.

Section 22 of the bill repeals the following sections:

M.S. §40A.122 –AGRICULTURAL LAND PRESERVATION PROGRAM--EMINENT DOMAIN ACTIONS

M.S. §103A.403 – Integration of all available statewide Nitrate data into the Minnesota Geospatial Information Office's statewide database.

M.S. §103A.43 Water Assessment and reports: Biennial reports by MPCA, Department of Agriculture, and Department of Natural Resources providing an assessment of water resources. Requires the Environmental Quality Board to consolidate the assessment reports.

M.S. §103F.614 -- FLOODPLAIN MANAGEMENT-- EMINENT DOMAIN ACTIONS

M.S. §115A.32 through §115A.339 -- SUPPLEMENTARY REVIEW OF CERTAIN WASTE FACILITIES

M.S. §116C.02 through §116C.08 - - ENVIRONMENTAL QUALITY BOARD – Definitions; Creation of Environmental Quality Board; Membership; Chair; Staff; Powers and Duties; Hearings; Federal Funds; Donations.

M.S. §116C.721 through §116C.724 -- RADIOACTIVE WASTE MANAGEMENT – Definitions; Public Participation; Legal and Technical Assistance to Indian Tribes; Field Investigations, Tests, and Studies.

M.S. §473H.15 -- METROPOLITAN AGRICULTURAL PRESERVES -- EMINENT DOMAIN ACTIONS

Assumptions

1. The Clean Water Council currently has no staff. Under M.S. §114D.30, subdivision 1, the MPCA is required to provide administrative staff support needed by the Clean Water Council. It is assumed that this support will expand as the role of the Clean Water Council expands. Specifically, as the result of this bill, staff support will include that needed for the coordination of state groundwater programs, the reports on policy issues related to groundwater protection (every 5 years) and the long-range planning reports (every 2 years) required by these sections.
2. Support for the Clean Water Council would include, as it does now: planning meetings and field trips, developing written documents, follow-up on information requested and presented at meetings, support of various committees, design and write reports, support legislative process, including appropriation recommendations and capitol budget requests, administrative support (coordinate space and availability for monthly meetings, coordinate agenda items and all logistics, produce meeting minutes, copies).
3. Previous water planning and report development efforts have ranged from 1 to 3 FTE from the EQB support staff. For this fiscal note, 2 FTE per year on an ongoing basis were assumed. Until it is more fully understood what the functions and the duties actually entail, the average past level of effort was assumed.
4. Section 6 expands the responsibilities of the chair of the Clean Water Council by appointing the chair as the Governor's representative on interstate water resources organizations. This will involve state, national, and international travel by the chair. This will increase the expenses of the chair that are funded from the Minnesota Pollution Control Agency's budget. Some examples of existing interstate water resource organizations include:

Lake Superior: Council of Great Lakes Governors (CGLG), Great Lakes Commission, BiNational Executive Committee

(BEC), U.S. Policy Committee, International Joint Commission (IJC) Water Quality Board, IJC Science Advisory Board

Rainy River: IJC Rainy River Water Quality Board, IJC Rainy River Water Control Board

Red River: International Red River (RR) Board, RR Basin Committee, RR Water Management Board, RR Retention Authority, RR Water Resources Council

Mississippi River: Upper Mississippi River Basin Association, Mississippi River/Gulf of Mexico Watershed Nutrient Task Force

- a. These organizations meet 2-4 times per year, at least. It was assumed that some meetings would be conducted through video conference and, therefore, would not require travel. For this fiscal note, it was assumed that there would be a minimum of 30 in-state, interstate or international meetings per year requiring travel from the chair. The chair receives \$55 per diem for meetings per the Clean Water Council Per Diem and Expense Policy.
 - b. Assume 15 additional trips per year. Assume each trip will be for 2 days at the per diem of \$55 per day. This calculates to 15 trips x 2 days x \$55 per diem / day = \$1,650 in increased per diem costs each year.
 - c. Travel costs associated with the 15 additional trips include food, airfare, rental car or taxi and hotel. Travel costs are estimated at an average of \$1,250 per trip.
 - d. Assume 15 trips x \$1,250 per trip = \$18,750 per year for increased travel expenses.
5. **Section 8** requires the Clean Water Council to coordinate activities and programs by federal, state and local agencies involved in nonpoint source pollution control. The MPCA currently develops a Nonpoint Source Plan every 5 years. Providing that report to the Clean Water Council instead of the EQB would have no fiscal impact.
 6. **Section 14** requires the MPCA to provide administrative assistance to the Facility Siting Policy Development Committee. This could be a significant level of effort if the committee were to convene. There has been limited activity from this committee in recent years; thus, it was assumed that this level of activity would continue for the near term. No fiscal impact was assumed for this fiscal note.
 7. **Section 16 subdivision 5** requires the MPCA to provide consultation and administrative support for the board as well as implementation and administration of the rules adopted by the board.
 - a. Support to the Environmental Quality Board would be similar to the support provided for the CWC.
 - b. The implementation and administration of the rules adopted by the EQB would include assistance to state agencies, local units of government and other responsible units of government required to develop environmental assessment worksheets (EAWS), environmental impact statements (EISs), and Alternative Urban Area-wide Reviews (AUARs). This would include factsheet development, rule writing, public meetings, training, rule interpretation etc. Also includes administration and bi-weekly publication of the EQB Monitor.
 - c. For this fiscal note, 2 FTE per year on an ongoing basis were assumed because the Technical Panel, including staff from all agencies, was eliminated in Section 22 of the bill. Until it is more fully understood what the functions and the duties actually entail, the average past level of effort was assumed. The MPCA will absorb one of the two additional FTEs.
 8. **Sections 17 and 18** require the MPCA to prepare and transmit the energy and environmental strategy report of the state. All state agencies are required to submit, as appropriate, information with regard to the report. The report is due on January 1 of every even numbered year. The statute is existing, as such the MPCA would have only an incremental increase in FTE effort to collect the information from the other state agencies, compile and summarize the information. This incremental increase is included in the staff assumptions written in item 7 above. The cost of compiling and delivering the information in the form of a report would be \$4,000 every other year.
 9. **Section 22** repeals the requirement for the MPCA to create the biennial reports providing an assessment of water resources. Assumption: cost savings: Assume 1 less report every other year at \$4,000 per report.

Expenditure and/or Revenue Formula

The annual cost of 1.0 FTE is \$98,000 in FY2012, \$101,000 in FY2013, \$101,000 in FY2014 and \$101,000 in FY2015. Annual costs for 1.0 FTE include salary, fringe, indirect costs, travel and training.

Dollars In Thousands	FY2012	FY2013	FY2014	FY2015
Estimated cost of 1.0 FTE	\$98	\$101	\$101	\$101
Estimated annual staffing in FTE:				
Ongoing water coordination, planning efforts & associated groundwater policy report (every 5 years) & long-range planning report (every 2 yrs) (sections 4 and 6)	2.0	2.0	2.0	2.0
Support EQB & associated duties; estimated addition of 2.0 FTE,	1.0	1.0	1.0	1.0

of which 1.0 FTE is absorbed (section 16, 17, 18)				
TOTAL estimated annual staffing in FTE	3.0	3.0	3.0	3.0
Estimated annual staffing costs	\$294	\$303	\$303	\$303
Increased per diem and travel costs CWC Chair-Gov. Rep. for Interstate Water Resources (section 6)	\$20	\$20	\$20	\$20
Water Assessment Biennial Report : Repealed (section 22)		<\$4>		<\$4>
Energy & Environmental Strategy Report of the State (section 17 and 18)	\$4	\$0	\$4	\$0
TOTAL COSTS	\$318	\$319	\$327	\$319

Long-Term Fiscal Considerations

There will be ongoing long-term costs with all sections given the direction for the MPCA to support and coordinate numerous functions for the Clean Water Council and Environmental Quality Board as well as to complete the continued reporting as described.

Local Government Costs

None identified.

References/Sources

The MPCA relied on staff experience in environmental review (including existing staff supporting EQB), solid waste management, the Clean Water Council and legislative report development.

Agency Contact Name: Beth Lockwood (651-757-2534)
 FN Coord Signature: CHRIS MALEC
 Date: 04/18/11 Phone: 651-757-2548

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARY ROBISON
 Date: 04/21/11 Phone: 651-201-8022

Fiscal Note – 2011-12 Session

Bill #: H1360-0 **Complete Date:** 04/18/11

Chief Author: TORKELSON, PAUL

Title: EQB MODIFIED & DUTIES ELIMINATED

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Natural Resources Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description

This bill eliminates some responsibilities of the Environmental Quality Board (EQB) and transfers some responsibilities of EQB to other agencies or the Clean Water Council. It amends Minnesota Statutes, section 116G.01 to 116G.14 and section 116G.151, to change the term "Environmental Quality Board" to "Commissioner of Natural Resources."

This would make the Department of Natural Resources (DNR) responsible for designation of critical areas and for working with local governments to prepare plans and rules related to designated critical areas. Section 116G.151 relates to the Mississippi River Corridor Critical Area, the only existing critical area.

Assumptions

- Only one critical area has been designated in Minnesota in the last 35 years; it is unlikely that more will be designated in the near future; therefore, we foresee no fiscal impact of this proposed change.
- All of EQB's authority related to the Mississippi River Corridor Critical Area was transferred to the DNR by a 1995 executive order, so this will have no impact on DNR workload, and no fiscal impact.

Long-Term Fiscal Considerations

If additional critical areas are designated at some point in the future, there would be a cost to DNR for administering the process.

References and Sources

Dale Homuth, Division of Ecological and Water Resources, 651-259-5133.

Agency Contact Name: Bonita Eliason, Eco & Water Res. 651-259-5165

FN Coord Signature: BRUCE NASLUND

Date: 04/18/11 Phone: 651-259-5551

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARY ROBISON

Date: 04/18/11 Phone: 651-201-8022

Fiscal Note – 2011-12 Session

Bill #: H1360-0 **Complete Date:** 04/18/11

Chief Author: TORKELSON, PAUL

Title: EQB MODIFIED & DUTIES ELIMINATED

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Water & Soil Resources Board

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description

This bill modifies the Environmental Quality Board (EQB) by eliminating or reassigning duties.

Assumptions

BWSR Board Chair already sits on the EQB and remains a member in this legislation. Further, there is no increase or decrease in BWSR responsibilities on the subject areas covered by the EQB. Therefore there is no fiscal impact to BWSR.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

No known at this time.

Local Government Costs

N/A

References/Sources

Internal staff

FN Coord Signature: WILLIAM EISELE

Date: 04/18/11 Phone: 651-282-2929

EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: MARY ROBISON

Date: 04/18/11 Phone: 651-201-8022

Fiscal Note – 2011-12 Session

Bill #: H1360-0 **Complete Date:** 04/20/11

Chief Author: TORKELSON, PAUL

Title: EQB MODIFIED & DUTIES ELIMINATED

Fiscal Impact	Yes	No
State		X
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

Agency Name: Agriculture Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Expenditures					
-- No Impact --					
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
-- No Impact --					
Revenues					
-- No Impact --					
Net Cost <Savings>					
-- No Impact --					
Total Cost <Savings> to the State					

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description

This legislation relates to eliminating and reassigning duties, amending various statutes, and repealing various statutes.

- Sec. 1 removes the requirement for MDA to report to the EQB on sustainable agriculture under M.S. 17.114.
- Sec. 2 removes the requirement for MDA to report to the EQB on the pesticide management plan under M.S. 18B.045. It also eliminates coordination of the pesticide plan through the EQB.
- Sec. 3 removes the requirement for MDA to report to the EQB on activities of the Agricultural Chemical Response Compensation Board under M.S. 18E.06.
- Sec. 4 moves coordination of state groundwater protection programs under M.S. 103A.204 from the EQB to the Clean Water Council, including a report on policy issues.
- Sec. 5 removes requirements of BWSR for communication and coordination with the EQB under M.S. 103B.101.
- Sec. 6 moves the responsibility for coordination of public water resource management activities among the state agencies under M.S. 103B.151 from EQB to the Clean Water Council, requires incorporation of long-range water resources planning under M.S. 103B.151 into the Clean Water Council's implementation plan under M.S. 114D.30 subd. 5, and moves representation of the Governor on interstate water resources organizations from EQB chair to the Clean Water Council chair.
- Sec. 7 removes the requirement for BWSR to consult with the EQB from state review of county water plans under M.S. 103B.315.
- Sec. 8 removes the requirement for the MPCA to work through the EQB on coordination of nonpoint source pollution control under the clean water partnership program under M.S. 103F.751.
- Sec. 9 removes the requirement for MDA and MPCA to submit information to the EQB on best management practice effectiveness under 103H.151.
- Sec. 10 removes the requirement for MPCA to report on the status of groundwater monitoring under M.S. 103H.175.
- Sec. 11 removes the requirement for MDA and MPCA to report to the EQB on activities under the Environmental Response And Liability Act under 115B.20.
- Sec. 12 redefines the EQB under M.S. 116C.24 as that convened under M.S. 116D.035.
- Sec. 13 removes EQB from the nonvoting membership and information/technical assistance of the Facility Siting Policy Development Committee under M.S. 116C.842.
- Sec. 14 moves administrative assistance of the Facility Siting Policy Development Committee under M.S. 116C.842 from the EQB to the MPCA.
- Sec. 15 redefines the EQB under 116D.035 as that convened under M.S. 116D.035.
- Sec. 16:
 - Defines and creates the EQB with membership including the Administration, Commerce, MPCA, DNR, MDA, MDH, DEED, Mn/DOT, BWSR, and a representative of the governor's office.
 - Provides that the representative of the governor's office is the chair.
 - Defines duties including environmental review under M.S. 116D, environmental coordination procedures under M.S. 116C.22 to 116C.34, and genetically-engineered organisms under M.S. 116C.91 to 116C.97.
 - Provides that the consultant and administrative support services are provided by MPCA.
- Sec. 17 and 18 move responsibility for preparation on an energy and environmental strategy report from the EQB to the MPCA.
- Sec. 19 removes the EQB from hosting public meetings on the reliability of the electric system M.S. 216C.052.
- Sec. 20 removes the requirement for Commerce to report to the under M.S. 216C.18.
- Sec. 21 requires the revisor of statutes to change the term "environmental quality board" or "board" to "commissioner of natural resources" or "commissioner" in M.S. 116G.01 to 116G.14 and 116G.151 (Critical Areas).

Repeals: 40A.122 (Eminent Domain Actions in Agricultural Land Preservation Program); 103A.403 (Statewide Nitrate Data); 103A.43 (Water Assessments and Reports); 103F.614 (Eminent Domain Actions in Wetland Protection Areas); the following sections in 115A, Waste Management: 115A.32, 115A.33, 115A.34, 115A.35, 115A.36, 115A.37, 115A.38, and 115A.39; the following sections in 116C, Environmental Quality Board: 116C.02 (Definitions), 116C.03 (Creation, Membership, Staff), 116C.04 (Powers and Duties), 116C.06 (Hearings), 116C.08 (Federal Funds, Donations); the following sections in 116C.705 through 116C.76, Radioactive Waste Management: 116C.71, subdivisions 1c and 2a, 116C.721, 116C.722, and 116C.724, subdivisions 2 and 3; and 473H.15.(Eminent Domain Actions in Metropolitan Agricultural Preserves).

Assumptions

- The bill removes requirements for various reports to the EQB, but does not eliminate the reporting requirements entirely, so there is no fiscal impact.
- The bill moves water resource planning and coordination responsibilities from the EQB to the Clean Water Council. The MDA has a role by statute in these water resource planning and coordination activities and that role is unchanged by the bill, therefore having no fiscal impact.
- The removal of the eminent domain provisions in the Agricultural Land Preservation Program statute (M.S. Ch. 40A) has no fiscal effect.

Expenditure and/or Revenue Formula

No fiscal impact.

Local Government Costs

None identified.

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EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

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