

A bill for an act relating to state government; appropriating money from constitutionally dedicated funds and providing for expenditure accountability, administration, and governance of outdoor heritage, clean water, parks and trails, and arts and cultural heritage purposes; establishing and modifying grants, programs, fees, and accounts; requiring reports; amending Minnesota Statutes 2008, sections 3.971, by adding a subdivision; 97A.056, by adding subdivisions; Minnesota Statutes 2009 Supplement, sections 85.53, subdivision 2; 103G.271, subdivision 6; 114D.50, subdivision 4; 129D.17, subdivision 2; Laws 2009, chapter 172, article 2, section 4; proposing coding for new law in Minnesota Statutes, chapters 3; 103G; repealing Laws 2009, chapter 172, article 5, section 9.

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

ARTICLE 1

OUTDOOR HERITAGE

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. The appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

2.1 Sec. 2. **OUTDOOR HERITAGE**2.2 **Subdivision 1. Total Appropriation** \$ **-0-** \$ **58,939,000**

2.3 This appropriation is from the outdoor
2.4 heritage fund. The amounts that may be
2.5 spent for each purpose are specified in the
2.6 following subdivisions.

2.7 **Subd. 2. Prairies** **-0-** **18,093,000**2.8 **(a) Accelerated Prairie Grassland Restoration**
2.9 **and Enhancement Program on DNR Lands**

2.10 \$5,833,000 in fiscal year 2011 is to the
2.11 commissioner of natural resources to
2.12 accelerate the protection, restoration, and
2.13 enhancement of native prairie vegetation.
2.14 A list of proposed land acquisitions,
2.15 restorations, and enhancements, describing
2.16 the types and locations of acquisitions,
2.17 restorations, and enhancements, must
2.18 be provided as part of the required
2.19 accomplishment plan. All restorations must
2.20 comply with subdivision 9, paragraph (b).

2.21 **(b) The Green Corridor Legacy Program**

2.22 \$1,651,000 in fiscal year 2011 is to the
2.23 commissioner of natural resources for
2.24 an agreement with the Redwood Area
2.25 Communities Foundation to acquire and
2.26 restore land for purposes allowed under
2.27 the Minnesota Constitution, article XI,
2.28 section 15, in Redwood, Renville, Brown,
2.29 Nicollet, Murray, Lyon, Yellow Medicine,
2.30 Chippewa, and Cottonwood Counties to be
2.31 added to the state outdoor recreation system
2.32 as defined in Minnesota Statutes, chapter
2.33 86A. A list of proposed fee title acquisitions
2.34 must be provided as part of the required

3.1 accomplishment plan. The commissioner of
3.2 natural resources must agree in writing to
3.3 each proposed acquisition. All restorations
3.4 must comply with subdivision 9, paragraph
3.5 (b).

3.6 **(c) Prairie Heritage Fund - Acquisition and**
3.7 **Restoration**

3.8 \$3,015,000 in fiscal year 2011 is to the
3.9 commissioner of natural resources for an
3.10 agreement with Pheasants Forever to acquire
3.11 and restore land to be added to the state
3.12 wildlife management area system. A list
3.13 of proposed fee title acquisitions and a list
3.14 of proposed restoration projects, describing
3.15 the types and locations of restorations,
3.16 must be provided as part of the required
3.17 accomplishment plan. The commissioner of
3.18 natural resources must agree in writing to
3.19 each proposed acquisition. All restorations
3.20 must comply with subdivision 9, paragraph
3.21 (b).

3.22 **(d) Northern Tallgrass Prairie National**
3.23 **Wildlife Refuge Protection**

3.24 \$2,041,000 in fiscal year 2011 is to the
3.25 commissioner of natural resources for an
3.26 agreement with The Nature Conservancy
3.27 to acquire land or permanent easements
3.28 within the Northern Tallgrass Prairie Habitat
3.29 Preservation Area in western Minnesota for
3.30 addition to the Northern Tallgrass Prairie
3.31 National Wildlife Refuge. A list of proposed
3.32 fee title and permanent easement acquisitions
3.33 must be provided as part of the required
3.34 accomplishment plan. Land removed from
3.35 this program shall transfer to the state.

4.1 The accomplishment plan must include an
4.2 easement stewardship plan.

4.3 **(e) Rum River - Cedar Creek Initiative**

4.4 \$1,900,000 in fiscal year 2011 is to the
4.5 commissioner of natural resources for an
4.6 agreement with Anoka County to acquire fee
4.7 title to land at the confluence of the Rum
4.8 River and Cedar Creek in Anoka County.
4.9 Land acquired in fee must remain open to
4.10 hunting and fishing, consistent with the
4.11 capacity of the land, during the open season,
4.12 as determined in writing by the commissioner
4.13 of natural resources. All restorations must
4.14 comply with subdivision 9, paragraph (b).

4.15 **(f) Minnesota Prairie Recovery Project**

4.16 \$3,653,000 in fiscal year 2011 is to the
4.17 commissioner of natural resources for an
4.18 agreement with The Nature Conservancy
4.19 for a pilot project to acquire interests in
4.20 land and restore and enhance prairie and
4.21 prairie/wetland habitat in the prairie regions
4.22 of western and southwestern Minnesota.
4.23 The Nature Conservancy may acquire land
4.24 in fee or through permanent conservation
4.25 easements. A list of proposed fee title and
4.26 permanent conservation easements, and a list
4.27 of proposed restorations and enhancements,
4.28 must be provided as part of the required
4.29 accomplishment plan. All restorations must
4.30 comply with subdivision 9, paragraph (b).
4.31 The commissioner of natural resources must
4.32 agree in writing to each acquisition of interest
4.33 in land, restoration project, and enhancement
4.34 project. The accomplishment plan must
4.35 include an easement stewardship plan.

5.1	<u>Subd. 3. Forests</u>	<u>-0-</u>	<u>5,603,000</u>
5.2	<u>(a) Critical Shoreline Habitat Protection</u>		
5.3	<u>Program</u>		
5.4	<u>\$816,000 in fiscal year 2011 is to the</u>		
5.5	<u>commissioner of natural resources for an</u>		
5.6	<u>agreement with the Minnesota Land Trust to</u>		
5.7	<u>acquire permanent conservation easements</u>		
5.8	<u>protecting critical shoreline habitats in</u>		
5.9	<u>Koochiching, Cook, Lake, and St. Louis</u>		
5.10	<u>County portions of the northern forest</u>		
5.11	<u>area in northern Minnesota and provide</u>		
5.12	<u>stewardship for those easements. A list of</u>		
5.13	<u>proposed conservation easement acquisitions</u>		
5.14	<u>must be provided as part of the required</u>		
5.15	<u>accomplishment plan. The accomplishment</u>		
5.16	<u>plan must include an easement stewardship</u>		
5.17	<u>plan.</u>		
5.18	<u>(b) Protect Key Industrial Forest Land Tracts</u>		
5.19	<u>in Central Minnesota</u>		
5.20	<u>\$594,000 in fiscal year 2011 is to the</u>		
5.21	<u>commissioner of natural resources for an</u>		
5.22	<u>agreement with Cass County to acquire lands</u>		
5.23	<u>that assist with gaining access for restoration</u>		
5.24	<u>and enhancement purposes to existing public</u>		
5.25	<u>land tracts. A list of proposed acquisitions</u>		
5.26	<u>must be provided as part of the required</u>		
5.27	<u>accomplishment plan.</u>		
5.28	<u>(c) Little Nokasippi River Wildlife</u>		
5.29	<u>Management Area</u>		
5.30	<u>\$843,000 in fiscal year 2011 is to the</u>		
5.31	<u>commissioner of natural resources</u>		
5.32	<u>for acceleration of agency programs and</u>		
5.33	<u>cooperative agreements to acquire interests in</u>		
5.34	<u>land within the boundaries of the Minnesota</u>		
5.35	<u>National Guard Army compatible use buffer</u>		

6.1 (ACUB) program. Of this appropriation,
6.2 \$225,000 is for the Department of Natural
6.3 Resources to acquire land for wildlife
6.4 management areas and \$618,000 is for an
6.5 agreement with the Board of Water and Soil
6.6 Resources to acquire permanent conservation
6.7 easements. A list of proposed acquisitions
6.8 must be provided as part of the required
6.9 accomplishment plan.

6.10 **(d) Accelerated Forest Wildlife Habitat**
6.11 **Program**

6.12 \$1,791,000 in fiscal year 2011 is to the
6.13 commissioner of natural resources for
6.14 acceleration of agency programs to acquire,
6.15 in fee, land for state forests and restore and
6.16 enhance state forest habitat. A list of projects
6.17 including proposed fee title acquisitions
6.18 and restorations and enhancements must
6.19 be provided as part of the required
6.20 accomplishment plan. All restorations must
6.21 comply with subdivision 9, paragraph (b).

6.22 **(e) Northeastern Minnesota Sharp-Tailed**
6.23 **Grouse Habitat**

6.24 \$1,559,000 in fiscal year 2011 is to the
6.25 commissioner of natural resources for an
6.26 agreement with Pheasants Forever to acquire
6.27 interests in land, and to restore and enhance
6.28 habitat for sharp-tailed grouse in Kanabec,
6.29 Aitkin, and St. Louis Counties in cooperation
6.30 with the Minnesota Sharp-Tailed Grouse
6.31 Society. A list of proposed acquisitions
6.32 and a list of proposed restorations and
6.33 enhancements must be provided as part of
6.34 the required accomplishment plan. The
6.35 commissioner of natural resources must
6.36 agree in writing to each acquisition of interest

7.1 in land, restoration project, and enhancement
 7.2 project. All restorations must comply with
 7.3 subdivision 9, paragraph (b).

7.4 Subd. 4. **Wetlands** -0- 16,905,000

7.5 **(a) Accelerated Shallow Lake and Wetland**
 7.6 **Enhancement and Restoration Program**

7.7 \$6,505,000 in fiscal year 2011 is to the
 7.8 commissioner of natural resources to assess,
 7.9 enhance, and restore shallow lake and
 7.10 wetland habitats, to acquire land in fee or
 7.11 through permanent conservation easements
 7.12 for shallow lake program restoration, and to
 7.13 provide stewardship for acquired easements
 7.14 in cooperation with Ducks Unlimited, Inc.
 7.15 Of this appropriation, \$1,463,000 is for the
 7.16 Department of Natural Resources agency
 7.17 program acceleration and \$5,042,000 is for
 7.18 an agreement with Ducks Unlimited, Inc. A
 7.19 list of proposed projects, describing the types
 7.20 and locations of land acquisitions, restoration
 7.21 projects, and enhancement projects,
 7.22 must be provided as part of the required
 7.23 accomplishment plan. The commissioner
 7.24 of natural resources must agree in writing
 7.25 to each acquisition, restoration project, and
 7.26 enhancement project. The accomplishment
 7.27 plan must include an easement stewardship
 7.28 plan. All restorations must comply with
 7.29 subdivision 9, paragraph (b).

7.30 **(b) Accelerate the Waterfowl Production Area**
 7.31 **Program in Minnesota**

7.32 \$3,505,000 in fiscal year 2011 is to the
 7.33 commissioner of natural resources for
 7.34 an agreement with Pheasants Forever to
 7.35 acquire and restore wetland and related
 7.36 upland habitats, in cooperation with the

8.1 United States Fish and Wildlife Service
 8.2 and Ducks Unlimited, Inc., to be managed
 8.3 as waterfowl production areas. A list of
 8.4 proposed acquisitions and a list of proposed
 8.5 projects, describing the types and locations
 8.6 of restorations, must be provided as part
 8.7 of the required accomplishment plan. All
 8.8 restorations must comply with subdivision
 8.9 9, paragraph (b).

8.10 **(c) Reinvest in Minnesota Wetlands Reserve**
 8.11 **Program Acquisition and Restoration**

8.12 \$6,895,000 in fiscal year 2011 is to the Board
 8.13 of Water and Soil Resources to acquire
 8.14 permanent conservation easements and
 8.15 restore wetlands and associated uplands
 8.16 in cooperation with the United States
 8.17 Department of Agriculture Wetlands Reserve
 8.18 Program. A list of proposed acquisitions
 8.19 and a list of proposed projects, describing
 8.20 the types and locations of restorations,
 8.21 must be provided as part of the required
 8.22 accomplishment plan. All restorations must
 8.23 comply with subdivision 9, paragraph (b).

8.24 **Subd. 5. Habitat**

-0-

17,563,000

8.25 **(a) Metro Big Rivers Habitat Program**

8.26 \$2,397,000 in fiscal year 2011 is to
 8.27 the commissioner of natural resources
 8.28 for agreements for projects to protect,
 8.29 restore, and enhance natural systems of
 8.30 the Minnesota River, St. Croix River,
 8.31 Mississippi River, and their major tributaries
 8.32 as follows: \$500,000 with Minnesota Valley
 8.33 National Wildlife Refuge Trust, Inc. for
 8.34 fee title land acquisition; \$1,500,000 with
 8.35 the Trust for Public Land for fee title land

9.1 acquisition; \$227,300 with the Friends
9.2 of the Mississippi River for restoration,
9.3 enhancement, and conservation easement
9.4 acquisition; and \$169,700 with Great River
9.5 Greening for restoration and enhancement.
9.6 The accomplishment plan must include an
9.7 easement stewardship plan. All restorations
9.8 must comply with subdivision 9, paragraph
9.9 (b).

9.10 **(b) Accelerated Aquatic Management Area**
9.11 **Acquisition**

9.12 \$3,416,000 in fiscal year 2011 is to the
9.13 commissioner of natural resources to
9.14 accelerate land acquisition by fee title and
9.15 easements to be added to the state aquatic
9.16 management area system as defined in
9.17 Minnesota Statutes, chapter 86A, and to
9.18 restore and enhance stream habitat and lake
9.19 habitat. Land acquired in fee must remain
9.20 open to hunting and fishing, consistent
9.21 with the capacity of the land, during the
9.22 open season, as determined in writing by
9.23 the commissioner of natural resources.
9.24 A list of proposed fee title and easement
9.25 acquisitions, stream habitat restorations and
9.26 enhancements, and lake habitat restorations
9.27 and enhancements must be provided as part
9.28 of the required accomplishment plan.

9.29 **(c) Cold Water River and Stream Restoration,**
9.30 **Protection, and Enhancement**

9.31 \$1,269,000 in fiscal year 2011 is to the
9.32 commissioner of natural resources for
9.33 an agreement with Trout Unlimited to
9.34 restore, enhance, and protect cold water
9.35 river and stream habitats in Minnesota. A
9.36 list of proposed acquisitions and a list of

10.1 proposed projects, describing the types and
10.2 locations of restorations and enhancements,
10.3 must be provided as part of the required
10.4 accomplishment plan. The commissioner of
10.5 natural resources must agree in writing to
10.6 each proposed acquisition, restoration, and
10.7 enhancement. All restorations must comply
10.8 with subdivision 9, paragraph (b).

10.9 **(d) Dakota County Riparian and Lakeshore**
10.10 **Protection and Restoration**

10.11 \$2,097,000 in fiscal year 2011 is to the
10.12 commissioner of natural resources for
10.13 an agreement with Dakota County for
10.14 acquisition of permanent easements and
10.15 enhancement and restoration of aquatic
10.16 and associated upland habitat. A list of
10.17 proposed acquisitions and restorations
10.18 must be provided as part of the required
10.19 accomplishment plan. The accomplishment
10.20 plan must include an easement stewardship
10.21 plan. All restorations must comply with
10.22 subdivision 9, paragraph (b).

10.23 **(e) Valley Creek Protection Partnership**

10.24 \$1,218,000 in fiscal year 2011 is to the
10.25 commissioner of natural resources for
10.26 agreements on projects to protect, restore,
10.27 and enhance natural systems of Valley Creek
10.28 in Washington County as follows: \$838,000
10.29 with Minnesota Land Trust; \$218,000 with
10.30 Washington County; \$100,000 with the
10.31 Belwin Conservancy; \$50,000 with Trout
10.32 Unlimited; and \$12,000 with the Valley
10.33 Branch Watershed District. All restorations
10.34 must comply with subdivision 9, paragraph
10.35 (b).

11.1 **(f) Anoka Sand Plain Restoration and**
11.2 **Enhancement**

11.3 \$747,000 in fiscal year 2011 is to the
11.4 commissioner of natural resources for
11.5 an agreement with Great River Greening
11.6 to restore and enhance habitat on public
11.7 property in the Anoka Sand Plain in Anoka,
11.8 Chisago, Isanti, Benton, Washington,
11.9 Morrison, and Sherburne Counties. All
11.10 restorations must comply with subdivision
11.11 9, paragraph (b).

11.12 **(g) Lower Mississippi River Habitat**
11.13 **Restoration Acceleration**

11.14 \$1,000,000 in fiscal year 2011 is to
11.15 the commissioner of natural resources
11.16 to accelerate agency programs and for
11.17 cooperative agreements to acquire land in
11.18 the Root River watershed. A list of proposed
11.19 acquisitions must be provided as part of
11.20 the required accomplishment plan. The
11.21 commissioner of natural resources must
11.22 agree in writing to each proposed acquisition,
11.23 restoration, and enhancement. All
11.24 restorations must comply with subdivision
11.25 9, paragraph (b).

11.26 **(h) Washington County St. Croix River Land**
11.27 **Protection**

11.28 \$1,033,000 in fiscal year 2011 is to the
11.29 commissioner of natural resources for an
11.30 agreement with Washington County to
11.31 acquire permanent easements to protect
11.32 habitat associated with the St. Croix River
11.33 Valley. A list of proposed acquisitions
11.34 must be provided as part of the required
11.35 accomplishment plan. The accomplishment

- 12.1 plan must include an easement stewardship
12.2 plan.
- 12.3 **(i) Outdoor Heritage Conservation Partners**
12.4 **Grant Program**
- 12.5 \$4,386,000 in fiscal year 2011 is to the
12.6 commissioner of natural resources for a
12.7 program to provide competitive, matching
12.8 grants of up to \$400,000 to local, regional,
12.9 state, and national organizations, including
12.10 government, for enhancement, restoration,
12.11 or protection of forests, wetlands, prairies,
12.12 and habitat for fish, game, or wildlife
12.13 in Minnesota. Up to four percent of
12.14 this appropriation may be used by the
12.15 commissioner of natural resources for
12.16 administering the grant program. Grantees
12.17 may acquire land or interests in land.
- 12.18 Easements must be permanent. Land
12.19 acquired in fee must be open to hunting
12.20 and fishing during the open season unless
12.21 otherwise provided by state law. The
12.22 commissioner of natural resources must
12.23 agree in writing to each proposed acquisition
12.24 of land or interest in land. The program
12.25 shall require a cash match of at least ten
12.26 percent nonstate funds, and for projects
12.27 funded by the legislature after July 1, 2010,
12.28 the match shall be 20 percent. The criteria
12.29 for evaluating grant applications must
12.30 include, in a balanced and equally weighted
12.31 order of precedence, the amount of habitat
12.32 restored, enhanced, or protected; local
12.33 support; degree of collaboration; urgency;
12.34 capacity to achieve multiple benefits;
12.35 habitat benefits provided; consistency with
12.36 current conservation science; adjacency

13.1 to protected lands; full funding of the
13.2 project; supplementing existing funding;
13.3 public access for hunting and fishing during
13.4 the open season; sustainability; and use
13.5 of native plant materials. All projects
13.6 must conform to the Minnesota statewide
13.7 conservation and preservation plan. Wildlife
13.8 habitat projects must also conform to the
13.9 Minnesota wildlife action plan. Subject to
13.10 the evaluation criteria and requirements of
13.11 this paragraph and Minnesota Statutes, the
13.12 commissioner of natural resources shall give
13.13 priority to organizations that have a history
13.14 or charter to receive private contributions
13.15 for local conservation or habitat projects
13.16 when evaluating projects of equal value.
13.17 Priority may be given to projects acquiring
13.18 land or easements associated with existing
13.19 wildlife management areas. All restoration
13.20 or enhancement projects must be on land
13.21 permanently protected by conservation
13.22 easement or public ownership. Subdivision
13.23 9 applies to grants awarded under this
13.24 paragraph. All restorations must comply
13.25 with subdivision 9, paragraph (b). This
13.26 appropriation is available until June 30, 2014,
13.27 at which time all grant project work must
13.28 be completed and final products delivered,
13.29 unless an earlier date is specified in the grant
13.30 agreement. No less than five percent of the
13.31 amount of each grant must be held back from
13.32 reimbursement until the grant recipient has
13.33 completed a grant accomplishment report
13.34 by the deadline and in the form prescribed
13.35 by and satisfactory to the Lessard-Sams
13.36 Outdoor Heritage Council.

- 14.1 Subd. 6. **Administration and Other Provisions** -0- 775,000
- 14.2 (a) **Contract Management**
- 14.3 \$175,000 in fiscal year 2011 is to the
- 14.4 commissioner of natural resources for
- 14.5 contract management duties assigned in
- 14.6 this section. All determinations, findings,
- 14.7 or decisions of the commissioner pursuant
- 14.8 to this act must be made in writing and
- 14.9 available to the public.
- 14.10 (b) **Legislative Coordinating Commission**
- 14.11 \$600,000 in fiscal year 2011 is to the
- 14.12 Legislative Coordinating Commission for
- 14.13 administrative expenses of the Lessard-Sams
- 14.14 Outdoor Heritage Council and for
- 14.15 compensation and expense reimbursement
- 14.16 of council members.
- 14.17 (c) **Lessard-Sams Outdoor Heritage Council**
- 14.18 **Site Visit Exception**
- 14.19 Travel to and from site visits by council
- 14.20 members that are paid for under paragraph
- 14.21 (b) are not meetings of the council for the
- 14.22 purpose of receiving information under
- 14.23 Minnesota Statutes, section 97A.056,
- 14.24 subdivision 5.
- 14.25 Subd. 7. **Availability of Appropriation**
- 14.26 Money appropriated in this section may
- 14.27 not be spent on activities unless they are
- 14.28 directly related to and necessary for a
- 14.29 specific appropriation and are specified in the
- 14.30 accomplishment plan. Money appropriated
- 14.31 in this section must not be spent on indirect
- 14.32 costs or other institutional overhead charges.
- 14.33 Unless otherwise provided, the amounts
- 14.34 in this section are available until June 30,

15.1 2013, when projects must be completed and
15.2 final accomplishments reported. Funds for
15.3 restoration or enhancement are available
15.4 until June 30, 2015, or four years after
15.5 acquisition, whichever is later, in order to
15.6 complete restoration or enhancement work.
15.7 If a project receives federal funds, the time
15.8 period of the appropriation is extended to
15.9 equal the availability of federal funding.
15.10 Funds appropriated for fee title acquisition of
15.11 land may be used to restore and enhance land
15.12 acquired with the appropriation.

15.13 Subd. 8. **Accomplishment Plans**

15.14 It is a condition of acceptance of the
15.15 appropriations made by this section that the
15.16 agency or entity using the appropriation shall
15.17 submit to the council an accomplishment
15.18 plan and periodic accomplishment
15.19 reports in the form determined by the
15.20 Lessard-Sams Outdoor Heritage Council.
15.21 The accomplishment plan must account for
15.22 the use of the appropriation and outcomes
15.23 of the expenditure in measures of wetlands,
15.24 prairies, forests, and fish, game, and wildlife
15.25 habitat restored, protected, and enhanced.
15.26 The plan must include an evaluation of
15.27 results. None of the money provided in this
15.28 section may be expended unless the council
15.29 has approved the pertinent accomplishment
15.30 plan.

15.31 Subd. 9. **Project Requirements**

15.32 (a) As a condition of accepting an
15.33 appropriation in this section, any agency
15.34 or entity receiving an appropriation must
15.35 comply with this subdivision for any project

16.1 funded in whole or in part with funds from
16.2 the appropriation.

16.3 (b) To the extent possible, a person
16.4 conducting restoration with money
16.5 appropriated in this section must plant
16.6 vegetation or sow seed only of ecotypes
16.7 native to Minnesota, and preferably of the
16.8 local ecotype, using a high diversity of
16.9 species originating from as close to the
16.10 restoration site as possible, and protect
16.11 existing native prairies, grasslands, forests,
16.12 wetlands, and other aquatic systems from
16.13 genetic contamination.

16.14 (c) All conservation easements acquired with
16.15 money appropriated in this section must: (1)
16.16 be permanent; (2) specify the parties to an
16.17 easement; (3) specify all of the provisions of
16.18 an agreement that are permanent; (4) specify
16.19 the habitat types and location being protected;
16.20 (5) require the grantor to employ practices
16.21 retaining water on the eased land as long as
16.22 practicable; (6) specify the responsibilities
16.23 of the parties for habitat enhancement and
16.24 restoration and the associated costs of these
16.25 activities; (7) be sent to the office of the
16.26 Lessard-Sams Outdoor Heritage Council; (8)
16.27 include a long-term stewardship plan and
16.28 identify the sources and amount of funding
16.29 for monitoring and enforcing the easement
16.30 agreement; and (9) identify the parties
16.31 responsible for monitoring and enforcing the
16.32 easement agreement.

16.33 (d) For all restorations, a recipient must
16.34 prepare and retain an ecological restoration
16.35 and management plan that, to the degree

17.1 practicable, is consistent with current
17.2 conservation science and ecological goals
17.3 for the restoration site. Consideration should
17.4 be given to soil, geology, topography, and
17.5 other relevant factors that would provide
17.6 the best chance for long-term success of the
17.7 restoration projects. The plan shall include
17.8 the proposed timetable for implementing
17.9 the restoration, including, but not limited
17.10 to, site preparation, establishment of
17.11 diverse plant species, maintenance, and
17.12 additional enhancement to establish the
17.13 restoration; identify long-term maintenance
17.14 and management needs of the restoration
17.15 and how the maintenance, management, and
17.16 enhancement will be financed; and use the
17.17 current conservation science to achieve the
17.18 best restoration.

17.19 (e) For new lands acquired, a recipient
17.20 must prepare a restoration and management
17.21 plan in compliance with paragraph (d),
17.22 including identification of sufficient funding
17.23 for implementation.

17.24 (f) To ensure public accountability for the
17.25 use of public funds, a recipient must provide
17.26 to the Lessard-Sams Outdoor Heritage
17.27 Council documentation of the selection
17.28 process used to identify parcels acquired
17.29 in fee or permanent conservation easement
17.30 and provide the council with documentation
17.31 of all related transaction costs, including,
17.32 but not limited to, appraisals, legal fees,
17.33 recording fees, commissions, other similar
17.34 costs, and donations. This information
17.35 must be provided for all parties involved
17.36 in the transaction. The recipient shall

18.1 also report to the Lessard-Sams Outdoor
18.2 Heritage Council any difference between the
18.3 acquisition amount paid to the seller and the
18.4 state-certified or state-reviewed appraisal, if
18.5 a state-certified or state-reviewed appraisal
18.6 was conducted. Acquisition data such
18.7 as appraisals may remain private during
18.8 negotiations but must ultimately be made
18.9 public according to Minnesota Statutes,
18.10 chapter 13.

18.11 (g) All restoration and enhancement projects
18.12 funded with money appropriated in this
18.13 section must be on land permanently
18.14 protected by a conservation easement or
18.15 public ownership.

18.16 (h) To the extent an appropriation is used to
18.17 acquire an interest in real property, a recipient
18.18 of an appropriation under this section must
18.19 provide to the Lessard-Sams Outdoor
18.20 Heritage Council and the commissioner
18.21 of management and budget an analysis of
18.22 increased operations and maintenance costs
18.23 likely to be incurred by public entities as
18.24 a result of the acquisition and of how these
18.25 costs are to be paid.

18.26 (i) A recipient of money from an
18.27 appropriation in this section must give
18.28 consideration to and make timely written
18.29 contact with the Minnesota Conservation
18.30 Corps or its successor for consideration of
18.31 possible use of their services to contract for
18.32 restoration and enhancement services. A
18.33 copy of the written contact must be filed with
18.34 the Lessard-Sams Outdoor Heritage Council
18.35 within 15 days of execution.

19.1 (j) A recipient of money from this section
19.2 must erect signage according to Laws 2009,
19.3 chapter 172, article 5, section 10.

19.4 **Subd. 10. Payment Conditions and Capital**
19.5 **Equipment Expenditures**

19.6 All agreements, grants, or contracts referred
19.7 to in this section must be administered on
19.8 a reimbursement basis unless otherwise
19.9 provided in this section. Notwithstanding
19.10 Minnesota Statutes, section 16A.41,
19.11 expenditures directly related to each
19.12 appropriation's purpose made on or after July
19.13 1, 2010, are eligible for reimbursement unless
19.14 otherwise provided in this section. Periodic
19.15 reimbursement must be made upon receiving
19.16 documentation that the deliverable items
19.17 articulated in the approved accomplishment
19.18 plan have been achieved, including partial
19.19 achievements as evidenced by approved
19.20 progress reports. Reasonable amounts may
19.21 be advanced to projects to accommodate
19.22 cash flow needs or to match federal share.
19.23 The advances must be approved as part of
19.24 the accomplishment plan. Capital equipment
19.25 expenditures for specific items in excess of
19.26 \$10,000 must be approved as part of the
19.27 accomplishment plan.

19.28 **Subd. 11. Purchase of Recycled and Recyclable**
19.29 **Materials**

19.30 A political subdivision, public or private
19.31 corporation, or other entity that receives an
19.32 appropriation in this section must use the
19.33 appropriation in compliance with Minnesota
19.34 Statutes, section 16B.121, regarding
19.35 purchase of recycled, repairable, and durable

20.1 materials, and section 16B.122, regarding
20.2 purchase and use of paper stock and printing.

20.3 Subd. 12. **Accessibility**

20.4 Structural and nonstructural facilities must
20.5 meet the design standards in the Americans
20.6 with Disabilities Act (ADA) accessibility
20.7 guidelines.

20.8 Subd. 13. **Land Acquisition Restrictions**

20.9 (a) An interest in real property, including, but
20.10 not limited to, an easement or fee title, that is
20.11 acquired with money appropriated under this
20.12 section must be used in perpetuity.

20.13 (b) A recipient of funding who acquires
20.14 an interest in real property subject to this
20.15 subdivision may not alter the intended use of
20.16 the interest in real property or convey any
20.17 interest in the real property acquired with the
20.18 appropriation without the prior review and
20.19 preliminary approval of the Lessard-Sams
20.20 Outdoor Heritage Council or its successor.
20.21 The council shall establish procedures to
20.22 review requests from recipients to alter the
20.23 use of or convey an interest in real property.

20.24 These procedures shall allow for the
20.25 replacement of the interest in real property
20.26 with another interest in real property meeting
20.27 the following criteria: (1) the interest is at
20.28 least equal in fair market value, as certified
20.29 in writing by the commissioner of natural
20.30 resources, to the interest being replaced; and
20.31 (2) the interest is in a reasonably equivalent
20.32 location and has a reasonably equivalent
20.33 useful conservation purpose compared to the
20.34 interest being replaced. The Lessard-Sams
20.35 Outdoor Heritage Council or its successor

21.1 must submit legislation seeking legislative
21.2 approval for changes given preliminary
21.3 approval under this paragraph.

21.4 (c) A recipient of funding who acquires an
21.5 interest in real property under paragraph
21.6 (a) must separately record a notice of
21.7 funding restrictions in the appropriate local
21.8 government office where the conveyance
21.9 of the interest in real property is filed. The
21.10 notice of funding agreement must contain:
21.11 (1) a legal description of the interest in real
21.12 property covered by the funding agreement;
21.13 (2) a reference to the underlying funding
21.14 agreement; (3) a reference to this section; and
21.15 (4) the following statement: "This interest
21.16 in real property shall be administered in
21.17 accordance with the terms, conditions, and
21.18 purposes of the grant agreement controlling
21.19 the acquisition of the property. The interest
21.20 in real property, or any portion of the
21.21 interest in real property, shall not be sold,
21.22 transferred, pledged, or otherwise disposed
21.23 of or further encumbered without obtaining
21.24 the prior written preliminary approval of the
21.25 Lessard-Sams Outdoor Heritage Council or
21.26 its successor, and final legislative approval.
21.27 The ownership of the interest in real property
21.28 shall transfer to the state if: (1) the holder of
21.29 the interest in real property fails to comply
21.30 with the terms and conditions of the grant
21.31 agreement or accomplishment plan; or
21.32 (2) restrictions are placed on the land that
21.33 preclude its use for the intended purpose as
21.34 specified in the appropriation."

21.35 **Subd. 14. Real Property Interest Report**

22.1 By December 1 each year, a recipient of
22.2 money appropriated under this section that
22.3 is used for the acquisition of an interest in
22.4 real property, including, but not limited to,
22.5 an easement or fee title, must submit annual
22.6 reports on the status of the real property to
22.7 the Lessard-Sams Outdoor Heritage Council
22.8 or its successor in a form determined by the
22.9 council. The responsibility for reporting
22.10 under this section may be transferred by
22.11 the recipient of the appropriation to another
22.12 person or entity that holds the interest in the
22.13 real property. To complete the transfer of
22.14 reporting responsibility, the recipient of the
22.15 appropriation must: (1) inform the person to
22.16 whom the responsibility is transferred of that
22.17 person's reporting responsibility; (2) inform
22.18 the person to whom the responsibility is
22.19 transferred of the property restrictions under
22.20 subdivision 13; (3) provide written notice
22.21 to the council of the transfer of reporting
22.22 responsibility, including contact information
22.23 for the person to whom the responsibility is
22.24 transferred; and (4) provide the Lessard-Sams
22.25 Outdoor Heritage Council or its successor
22.26 written documentation from the person or
22.27 entity holding the interest in real property
22.28 certifying its acceptance of all reporting
22.29 obligations and responsibilities previously
22.30 held by the recipient of the appropriation.
22.31 After the transfer, the person or entity that
22.32 holds the interest in the real property is
22.33 responsible for reporting requirements under
22.34 this section.

22.35 Subd. 15. **Successor Organizations**

23.1 The Lessard-Sams Outdoor Heritage council
23.2 may approve the continuation of a project
23.3 with an organization that has adopted a new
23.4 name. Continuation of a project with an
23.5 organization that has undergone a significant
23.6 change in mission, structure, or purpose
23.7 will require: (1) notice to the chairs of
23.8 committees with relevant jurisdiction; and (2)
23.9 presentation by the Lessard-Sams Outdoor
23.10 Heritage Council of proposed legislation
23.11 either ratifying or rejecting continued
23.12 involvement with the new organization.

23.13 Sec. 3. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision
23.14 to read:

23.15 Subd. 8. **Land management option.** The council shall develop options for a
23.16 method to assess each recommended project a land management fee. A land management
23.17 fee is a payment on a onetime basis of all projected costs for the reasonable management,
23.18 care, restoration, and protection of land acquired through fee title or easement. The
23.19 council shall also recommend options for methods to escrow these fees, and to provide
23.20 oversight for payment of future costs from these escrow funds. Legislative proposals
23.21 pursuant to this section shall be adopted by the council by September 1, 2010, and a fee
23.22 complying with this mechanism shall be included as a part of all recommended projects
23.23 from July 2011 onward.

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

23.25 Sec. 4. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision
23.26 to read:

23.27 Subd. 9. **Lands in public domain.** No funds appropriated from the outdoor heritage
23.28 fund shall be used to purchase any land in fee title, or easement, if the land in question is
23.29 fully or partially owned by the state of Minnesota or a political subdivision of the state.

23.30 **EFFECTIVE DATE.** This section is effective on July 1, 2010, and applies only to
23.31 projects proposed after that date.

ARTICLE 2

CLEAN WATER

Section 1. CLEAN WATER FUND 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 clean water fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations for the fiscal year ending June 30, 2010, are effective the day following final enactment. All appropriations in this article are onetime only.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2010</u>	<u>2011</u>

Sec. 2. <u>POLLUTION CONTROL AGENCY</u>	\$	<u>-0-</u>	\$	<u>310,000</u>
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\$310,000 the second year is for continued rulemaking to establish water quality standards for total nitrogen and nitrate nitrogen.

Sec. 3. <u>DEPARTMENT OF NATURAL RESOURCES</u>	\$	<u>-0-</u>	\$	<u>5,000,000</u>
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\$5,000,000 the second year shall be transferred to the metropolitan area groundwater monitoring account established under Minnesota Statutes, section 103G.272, to be used by the commissioner of natural resources for the following purposes:

(1) establish a groundwater monitoring network in the 11-county metropolitan area that monitors nonstressed systems to provide information on aquifer characteristics and

25.1 natural water level and water quality trends;
25.2 and
25.3 (2) develop an automated data system,
25.4 including existing wells, to capture
25.5 groundwater level and water use data to
25.6 enhance the evaluation of water resource
25.7 changes in aquifer systems that are stressed
25.8 by pumping of existing wells.
25.9 The commissioner shall collaborate with the
25.10 commissioners of health and the Pollution
25.11 Control Agency in designing the methods
25.12 used to collect and evaluate the data.

25.13	Sec. 4. <u>BOARD OF WATER AND SOIL</u>			
25.14	<u>RESOURCES</u>	<u>\$</u>	<u>-0-</u>	<u>\$ 1,615,000</u>

25.15 (a) \$558,000 the second year is to purchase
25.16 and restore permanent conservation
25.17 easements on riparian buffers of up to 120
25.18 feet adjacent to public waters, excluding
25.19 wetlands, to keep water on the land in
25.20 order to decrease sediment, pollutant, and
25.21 nutrient transport, reduce hydrologic impacts
25.22 to surface waters, and increase infiltration
25.23 for groundwater recharge. The riparian
25.24 buffers must be at least 50 feet unless
25.25 there is a natural impediment, a road, or
25.26 other impediment beyond the control of
25.27 the landowner. This appropriation may
25.28 be used for restoration of riparian buffers
25.29 protected by easements purchased with
25.30 this appropriation and for stream bank
25.31 restorations when the riparian buffers have
25.32 been restored. Up to five percent may be
25.33 used for administration of this program and
25.34 up to five percent may be used for technical
25.35 design, construction, and project oversight.

26.1 (b) \$557,000 the second year is for grants
26.2 to watershed districts and watershed
26.3 management organizations for: (1) structural
26.4 or vegetative management practices that
26.5 reduce storm water runoff from developed
26.6 or disturbed lands to reduce the movement
26.7 of sediment, nutrients, and pollutants or
26.8 to leverage federal funds for restoration,
26.9 protection, or enhancement of water quality
26.10 in lakes, rivers, and streams and to protect
26.11 groundwater and drinking water; and (2)
26.12 the installation of proven and effective
26.13 water retention practices including, but not
26.14 limited to, rain gardens and other vegetated
26.15 infiltration basins and sediment control
26.16 basins in order to keep water on the land.
26.17 The projects must be of long-lasting public
26.18 benefit, include a local match, and be
26.19 consistent with TMDL implementation plans
26.20 or local water management plans. Watershed
26.21 district and watershed management
26.22 organization staff and administration may
26.23 be used for the local match. Priority may be
26.24 given to school projects that can be used to
26.25 demonstrate water retention practices. Up to
26.26 five percent may be used for administering
26.27 the grants and up to five percent may be
26.28 used for technical design, construction, and
26.29 project oversight.
26.30 (c) \$500,000 the second year is for
26.31 permanent conservation easements on
26.32 wellhead protection areas under Minnesota
26.33 Statutes, section 103F.515, subdivision 2,
26.34 paragraph (d). Priority must be placed on
26.35 land that is located where the vulnerability
26.36 of the drinking water supply management

27.1 area, as defined under Minnesota Rules,
27.2 part 4720.5100, subpart 13, is designated as
27.3 high or very high by the commissioner of
27.4 health. Up to five percent may be used for
27.5 administration of this program and up to five
27.6 percent may be used for technical design,
27.7 construction, and project oversight.

27.8 (d) The Star Lake Board, established under
27.9 Minnesota Statutes, section 103B.702, shall
27.10 provide recommendations to the Board of
27.11 Water and Soil Resources on a set of criteria
27.12 that could be used to designate a lake or river
27.13 as a "Minnesota Star Lake" or "Minnesota
27.14 Star River."

27.15 (e) The appropriations in fiscal year 2011 to
27.16 the Board of Water and Soil Resources in
27.17 Laws 2009, chapter 172, article 2, section
27.18 6, are available until June 30, 2012, and,
27.19 unless otherwise specified, may utilize up to
27.20 five percent for administration of grant and
27.21 easement programs and up to five percent for
27.22 technical design, construction, and project
27.23 oversight.

27.24 Sec. 5. Minnesota Statutes 2009 Supplement, section 103G.271, subdivision 6, is
27.25 amended to read:

27.26 Subd. 6. **Water use permit processing fee.** (a) Except as described in paragraphs
27.27 (b) to (f), a water use permit processing fee must be prescribed by the commissioner in
27.28 accordance with the schedule of fees in this subdivision for each water use permit in force
27.29 at any time during the year. The schedule is as follows, with the stated fee in each clause
27.30 applied to the total amount appropriated:

27.31 (1) \$140 for amounts not exceeding 50,000,000 gallons per year;

27.32 (2) \$3.50 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less
27.33 than 100,000,000 gallons per year;

27.34 (3) \$4 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less
27.35 than 150,000,000 gallons per year;

28.1 (4) \$4.50 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but
28.2 less than 200,000,000 gallons per year;

28.3 (5) \$5 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less
28.4 than 250,000,000 gallons per year;

28.5 (6) \$5.50 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but
28.6 less than 300,000,000 gallons per year;

28.7 (7) \$6 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less
28.8 than 350,000,000 gallons per year;

28.9 (8) \$6.50 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but
28.10 less than 400,000,000 gallons per year;

28.11 (9) \$7 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less
28.12 than 450,000,000 gallons per year;

28.13 (10) \$7.50 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but
28.14 less than 500,000,000 gallons per year; and

28.15 (11) \$8 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

28.16 (b) For once-through cooling systems, a water use processing fee must be prescribed
28.17 by the commissioner in accordance with the following schedule of fees for each water use
28.18 permit in force at any time during the year:

28.19 (1) for nonprofit corporations and school districts, \$200 per 1,000,000 gallons; and

28.20 (2) for all other users, \$420 per 1,000,000 gallons.

28.21 (c) The fee is payable based on the amount of water appropriated during the year
28.22 and, except as provided in paragraph (f), the minimum fee is \$100.

28.23 (d) For water use processing fees other than once-through cooling systems:

28.24 (1) the fee for a city of the first class may not exceed \$250,000 per year;

28.25 (2) the fee for other entities for any permitted use may not exceed:

28.26 (i) \$60,000 per year for an entity holding three or fewer permits;

28.27 (ii) \$90,000 per year for an entity holding four or five permits; or

28.28 (iii) \$300,000 per year for an entity holding more than five permits;

28.29 (3) the fee for agricultural irrigation may not exceed \$750 per year;

28.30 (4) the fee for a municipality that furnishes electric service and cogenerates steam
28.31 for home heating may not exceed \$10,000 for its permit for water use related to the
28.32 cogeneration of electricity and steam; and

28.33 (5) no fee is required for a project involving the appropriation of surface water to
28.34 prevent flood damage or to remove flood waters during a period of flooding, as determined
28.35 by the commissioner.

(e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of two percent per month calculated from the original due date must be imposed on the unpaid balance of fees remaining 30 days after the sending of a second notice of fees due. A fee may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal governmental agency holding a water appropriation permit.

(f) The minimum water use processing fee for a permit issued for irrigation of agricultural land is \$20 for years in which:

(1) there is no appropriation of water under the permit; or

(2) the permit is suspended for more than seven consecutive days between May 1 and October 1.

(g) A surcharge of \$30 per million gallons in addition to the fee prescribed in paragraph (a) shall be applied to the volume of water used in each of the months of June, July, and August that exceeds the volume of water used in January for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge for municipalities with more than one permit shall be determined based on the total appropriations from all permits that supply a common distribution system.

(h) Beginning January 1, 2010, until June 30, 2015, a water monitoring fee of .0008 cents per gallon shall be applied to the volume of groundwater used in the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright. Beginning July 1, 2015, or when the groundwater monitoring wells have been completed, whichever is earlier and thereafter, the fee shall be .0006 cents per gallon. Fees collected under this paragraph must be credited to the metropolitan area groundwater monitoring matching account established in section 103G.272.

Sec. 6. [103G.272] METROPOLITAN AREA GROUNDWATER MONITORING MATCHING ACCOUNT.

A metropolitan area groundwater monitoring matching account is created in the natural resources fund. Money in the account is appropriated to the commissioner of natural resources to provide local matching funds for monitoring the groundwater quantity and quality of nonstressed systems in the 11-county metropolitan area, to include the installation, maintenance, and sealing of new or existing groundwater level monitoring wells, monitoring equipment, groundwater data analysis, and data management systems. Money received from the water monitoring fee under section 103G.271, subdivision 6, paragraph (h), and interest earned on the account shall be deposited into the account.

Sec. 7. Laws 2009, chapter 172, article 2, section 4, is amended to read:

30.1					27,285,000
30.2	Sec. 4. POLLUTION CONTROL AGENCY	\$	24,076,000	\$	<u>22,785,000</u>
30.3	(a) \$9,000,000 the first year and \$9,000,000				
30.4	the second year are to develop total				
30.5	maximum daily load (TMDL) studies and				
30.6	TMDL implementation plans for waters				
30.7	listed on the United States Environmental				
30.8	Protection Agency approved impaired				
30.9	waters list in accordance with Minnesota				
30.10	Statutes, chapter 114D. The agency shall				
30.11	complete an average of ten percent of the				
30.12	TMDLs each year over the biennium. Of				
30.13	this amount, \$348,000 the first year is to				
30.14	retest the comprehensive assessment of the				
30.15	biological conditions of the lower Minnesota				
30.16	River and its tributaries within the Lower				
30.17	Minnesota River Major Watershed, as				
30.18	previously assessed from 1976 to 1992 under				
30.19	the Minnesota River Assessment Project				
30.20	(MRAP). The assessment must include the				
30.21	same fish species sampling at the same 116				
30.22	locations and the same macroinvertebrate				
30.23	sampling at the same 41 locations as the				
30.24	MRAP assessment. The assessment must:				
30.25	(1) include an analysis of the findings; and				
30.26	(2) identify factors that limit aquatic life in				
30.27	the Minnesota River.				
30.28	Of this amount, \$250,000 the first year is				
30.29	for a pilot project for the development of				
30.30	total maximum daily load (TMDL) studies				
30.31	conducted on a watershed basis within				
30.32	the Buffalo River watershed in order to				
30.33	protect, enhance, and restore water quality				
30.34	in lakes, rivers, and streams. The pilot				
30.35	project shall include all necessary field				

31.1 work to develop TMDL studies for all
31.2 impaired subwatersheds within the Buffalo
31.3 River watershed and provide information
31.4 necessary to complete reports for most of the
31.5 remaining watersheds, including analysis of
31.6 water quality data, identification of sources
31.7 of water quality degradation and stressors,
31.8 load allocation development, development
31.9 of reports that provide protection plans
31.10 for subwatersheds that meet water quality
31.11 standards, and development of reports that
31.12 provide information necessary to complete
31.13 TMDL studies for subwatersheds that do not
31.14 meet water quality standards, but are not
31.15 listed as impaired.

31.16 (b) \$500,000 the first year is for development
31.17 of an enhanced TMDL database to manage
31.18 and track progress. Of this amount, \$63,000
31.19 the first year is to promulgate rules. By
31.20 November 1, 2010, the commissioner shall
31.21 submit a report to the chairs of the house of
31.22 representatives and senate committees with
31.23 jurisdiction over environment and natural
31.24 resources finance on the outcomes achieved
31.25 with this appropriation.

31.26 (c) \$1,500,000 the first year and \$3,169,000
31.27 the second year are for grants under
31.28 Minnesota Statutes, section 116.195, to
31.29 political subdivisions for up to 50 percent
31.30 of the costs to predesign, design, and
31.31 implement capital projects that use treated
31.32 municipal wastewater instead of groundwater
31.33 from drinking water aquifers, in order to
31.34 demonstrate the beneficial use of wastewater,
31.35 including the conservation and protection of
31.36 water resources. Of this amount, \$1,000,000

32.1 the first year is for grants to ethanol plants
32.2 that are within one and one-half miles of a
32.3 city for improvements that reuse greater than
32.4 300,000 gallons of wastewater per day.

32.5 (d) \$1,125,000 the first year and \$1,125,000
32.6 the second year are for groundwater
32.7 assessment and drinking water protection to
32.8 include:

32.9 (1) the installation and sampling of at least
32.10 30 new monitoring wells;

32.11 (2) the analysis of samples from at least 40
32.12 shallow monitoring wells each year for the
32.13 presence of endocrine disrupting compounds;
32.14 and

32.15 (3) the completion of at least four to
32.16 five groundwater models for TMDL and
32.17 watershed plans.

32.18 (e) \$2,500,000 the first year is for the clean
32.19 water partnership program. Priority shall be
32.20 given to projects preventing impairments and
32.21 degradation of lakes, rivers, streams, and
32.22 groundwater in accordance with Minnesota
32.23 Statutes, section 114D.20, subdivision 2,
32.24 clause (4). Any balance remaining in the first
32.25 year does not cancel and is available for the
32.26 second year.

32.27 (f) \$896,000 the first year is to establish
32.28 a network of water monitoring sites, to
32.29 include at least 20 additional sites, in public
32.30 waters adjacent to wastewater treatment
32.31 facilities across the state to assess levels of
32.32 endocrine-disrupting compounds, antibiotic
32.33 compounds, and pharmaceuticals as required
32.34 in this article. The data must be placed on
32.35 the agency's Web site.

33.1 (g) \$155,000 the first year is to provide
33.2 notification of the potential for coal tar
33.3 contamination, establish a storm water
33.4 pond inventory schedule, and develop best
33.5 management practices for treating and
33.6 cleaning up contaminated sediments as
33.7 required in this article. ~~\$345,000~~ \$645,000
33.8 the second year is to ~~develop a model~~
33.9 ~~ordinance for the restricted use of undiluted~~
33.10 ~~coal tar sealants and~~ to provide grants to local
33.11 units of government for up to 50 percent of
33.12 the costs to implement best management
33.13 practices to treat or clean up contaminated
33.14 sediments in storm water ponds and other
33.15 waters as defined under this article. Local
33.16 governments must have adopted an ordinance
33.17 for the restricted use of undiluted coal tar
33.18 sealants in order to be eligible for a grant,
33.19 unless a statewide restriction has been
33.20 implemented. A grant awarded under this
33.21 paragraph must not exceed \$100,000. Up to
33.22 \$145,000 of the appropriation in the second
33.23 year may be used to complete work required
33.24 under section 28, paragraph (c).

33.25 (h) \$350,000 the first year and ~~\$400,000~~
33.26 \$600,000 the second year are for a restoration
33.27 project in the lower St. Louis River and
33.28 Duluth harbor in order to improve water
33.29 quality. This appropriation must be matched
33.30 by nonstate money at a rate of at least \$2 for
33.31 every \$1 of state money.

33.32 (i) \$150,000 the first year and \$196,000 the
33.33 second year are for grants to the Red River
33.34 Watershed Management Board to enhance
33.35 and expand existing river watch activities in
33.36 the Red River of the North. The Red River

34.1 Watershed Management Board shall provide
34.2 a report that includes formal evaluation
34.3 results from the river watch program to the
34.4 commissioners of education and the Pollution
34.5 Control Agency and to the legislative natural
34.6 resources finance and policy committees
34.7 and K-12 finance and policy committees by
34.8 February 15, 2011.

34.9 (j) \$200,000 the first year and \$300,000 the
34.10 second year are for coordination with the
34.11 state of Wisconsin and the National Park
34.12 Service on comprehensive water monitoring
34.13 and phosphorus reduction activities in the
34.14 Lake St. Croix portion of the St. Croix
34.15 River. The Pollution Control Agency
34.16 shall work with the St. Croix Basin Water
34.17 Resources Planning Team and the St. Croix
34.18 River Association in implementing the
34.19 water monitoring and phosphorus reduction
34.20 activities. This appropriation is available
34.21 to the extent matched by nonstate sources.
34.22 Money not matched by November 15, 2010,
34.23 cancels for this purpose and is available for
34.24 the purposes of paragraph (a).

34.25 (k) \$7,500,000 the first year and \$7,500,000
34.26 the second year are for completion of 20
34.27 percent of the needed statewide assessments
34.28 of surface water quality and trends. Of this
34.29 amount, \$175,000 the first year and \$200,000
34.30 the second year are for monitoring and
34.31 analyzing endocrine disruptors in surface
34.32 waters.

34.33 (l) \$100,000 the first year and \$150,000
34.34 the second year are for civic engagement
34.35 in TMDL development. The agency shall

35.1 develop a plan for expenditures under
35.2 this paragraph. The agency shall give
35.3 consideration to civic engagement proposals
35.4 from basin or sub-basin organizations,
35.5 including the Mississippi Headwaters Board,
35.6 the Minnesota River Joint Powers Board,
35.7 Area II Minnesota River Basin Projects,
35.8 and the Red River Basin Commission.

35.9 By November 15, 2009, the plan shall be
35.10 submitted to the house and senate chairs
35.11 and ranking minority members of the
35.12 environmental finance divisions.

35.13 ~~(m) \$5,000,000 the second year is for~~
35.14 ~~groundwater protection or prevention of~~
35.15 ~~groundwater degradation activities. By~~
35.16 ~~January 15, 2010, the commissioner, in~~
35.17 ~~consultation with the commissioner of~~
35.18 ~~natural resources, the Board of Water and~~
35.19 ~~Soil Resources, and other agencies, shall~~
35.20 ~~submit a report to the chairs of the house of~~
35.21 ~~representatives and senate committees with~~
35.22 ~~jurisdiction over the clean water fund on the~~
35.23 ~~intended use of these funds. The legislature~~
35.24 ~~must approve expenditure of these funds by~~
35.25 ~~law.~~

35.26 *(n) \$100,000 the first year and \$100,000 the*
35.27 *second year are for grants to the Star Lake*
35.28 *Board established under Minnesota Statutes,*
35.29 *section 103B.702. The appropriation is a*
35.30 *pilot program to focus on engaging citizen*
35.31 *participation and fostering local partnerships*
35.32 *by increasing citizen involvement in water*
35.33 *quality enhancement by designating star*
35.34 *lakes and rivers. The board shall include*
35.35 *information on the results of this pilot*
35.36 *program in its next biennial report under*

36.1 *Minnesota Statutes, section 103B.702. The*
36.2 *second year grants are available only if*
36.3 *the Board of Water and Soil Resources*
36.4 *determines that the money granted in the first*
36.5 *year furthered the water quality goals in the*
36.6 *star lakes program in Minnesota Statutes,*
36.7 *section 103B.701. * (The preceding*
36.8 **paragraph beginning "(n) \$100,000 the**
36.9 **first year" was indicated as vetoed by the**
36.10 **governor.)**

36.11 Notwithstanding Minnesota Statutes, section
36.12 16A.28, the appropriations encumbered on or
36.13 before June 30, 2011, as grants or contracts in
36.14 this section are available until June 30, 2013.

36.15 **ARTICLE 3**

36.16 **GENERAL PROVISIONS**

36.17 Section 1. Minnesota Statutes 2008, section 3.971, is amended by adding a subdivision
36.18 to read:

36.19 Subd. 9. **Restoration audits.** The legislative auditor, at the direction of the
36.20 Legislative Audit Commission, shall conduct restoration audits on a portion of land
36.21 restorations funded in whole or in part with state funds to determine whether the activities
36.22 and programs funded with state funds, including the outdoor heritage fund, the parks and
36.23 trails fund, the clean water fund, the environment and natural resources trust fund, and
36.24 state-issued bonds, are accomplishing restoration goals. The audit must include a critical
36.25 analysis of the restoration goals and objectives, scientific evaluation of the results, and
36.26 the effectiveness of the restorations in meeting applicable restoration requirements. The
36.27 legislative auditor shall hire or contract with scientists and other appropriate persons to
36.28 meet this requirement. Restoration audits shall be funded out of the fund that funded the
36.29 restoration, when possible. For the purposes of this section, a "restoration audit" is a
36.30 scientific evaluation of an area of land that has been restored in order to determine whether
36.31 the restoration meets applicable requirements for the restoration.

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

36.33 **Sec. 2. [3.9715] PAYMENT FROM HERITAGE FUNDS FOR AUDIT COSTS.**

37.1 The outdoor heritage fund, the clean water fund, the parks and trails fund, and the
37.2 arts and cultural heritage fund, established in the Minnesota Constitution, article XI,
37.3 section 15, must each pay the legislative auditor for costs incurred by the legislative
37.4 auditor to examine financial activities related to each fund. The legislative auditor shall
37.5 provide cost data to the commissioner of management and budget to determine the amount
37.6 of the required payments. The amount required to make these payments is appropriated
37.7 from each fund for payments to the legislative auditor under this section. Amounts
37.8 received by the legislative auditor under this section are appropriated to the legislative
37.9 auditor for purposes of examining financial activities related to each fund. The legislative
37.10 auditor shall report by January 15 each year to the chairs and ranking minority members of
37.11 the house of representatives and senate funding divisions with jurisdiction over the Office
37.12 of the Legislative Auditor and the funds established in the Minnesota Constitution, article
37.13 XI, section 15, on past and projected future expenditure of funds under this section.

37.14 Sec. 3. Minnesota Statutes 2009 Supplement, section 85.53, subdivision 2, is amended
37.15 to read:

37.16 Subd. 2. **Expenditures; accountability.** (a) A project or program receiving funding
37.17 from the parks and trails fund must meet or exceed the constitutional requirement to
37.18 support parks and trails of regional or statewide significance. A project or program
37.19 receiving funding from the parks and trails fund must include measurable outcomes, as
37.20 defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the
37.21 results. A project or program must be consistent with current science and incorporate
37.22 state-of-the-art technology, except when the project or program is a portrayal or restoration
37.23 of historical significance.

37.24 (b) Money from the parks and trails fund shall be expended to balance the benefits
37.25 across all regions and residents of the state.

37.26 (c) All information for funded projects, including the proposed measurable
37.27 outcomes, must be made available on the Web site required under section 3.303,
37.28 subdivision 10, as soon as practicable. Information on the measured outcomes and
37.29 evaluation must be posted as soon as it becomes available.

37.30 (d) Grants funded by the parks and trails fund must be implemented according to
37.31 section 16B.98 and must account for all expenditures. Proposals must specify a process
37.32 for any regranting envisioned. Priority for grant proposals must be given to proposals
37.33 involving grants that will be competitively awarded.

37.34 (e) A recipient of money from the parks and trails fund ~~must display a sign on lands~~
37.35 ~~and capital improvements purchased, restored, or protected with money from the parks~~

~~and trails fund that includes the logo developed by the commissioner of natural resources to identify it as a project funded with money from the vote of the people of Minnesota on November 4, 2008.~~ shall display, where practicable, a sign with the logo selected by the Board of the Arts as follows when funded by the parks and trails fund: on construction projects; at access points to any land or water resources acquired in fee or a less-than-fee title interest; and on lands that were restored, protected, or enhanced. A recipient shall also incorporate the logo, where practicable, into printed and other materials funded with money from the parks and trails fund.

(f) Money from the parks and trails fund may only be spent on projects located in Minnesota.

Sec. 4. Minnesota Statutes 2008, section 97A.056, is amended by adding a subdivision to read:

Subd. 10. **Logo.** A recipient of money from the outdoor heritage fund shall display, where practicable, a sign with the logo selected by the Board of the Arts as follows when funded by the outdoor heritage fund: on construction projects; at access points to any land or water resources acquired in fee or a less-than-fee title interest; and on lands that were restored, protected, or enhanced. A recipient shall also incorporate the logo, where practicable, into printed and other materials funded with money from the outdoor heritage fund.

Sec. 5. Minnesota Statutes 2009 Supplement, section 114D.50, subdivision 4, is amended to read:

Subd. 4. Expenditures; accountability. (a) A project receiving funding from the clean water fund must meet or exceed the constitutional requirements to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater and drinking water from degradation. Priority may be given to projects that meet more than one of these requirements. A project receiving funding from the clean water fund shall include measurable outcomes, as defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the results. A project must be consistent with current science and incorporate state-of-the-art technology.

(b) Money from the clean water fund shall be expended to balance the benefits across all regions and residents of the state.

(c) All information for proposed and funded projects, including the proposed measurable outcomes, must be made available on the Web site required under section 3.303, subdivision 10, as soon as practicable. Information on the measured outcomes and

39.1 evaluation must be posted as it becomes available. Information classified as not public
39.2 under section 13D.05, subdivision 3, paragraph (d), is not required to be placed on the
39.3 Web site.

39.4 (d) Grants funded by the clean water fund must be implemented according to section
39.5 16B.98 and must account for all expenditures. Proposals must specify a process for any
39.6 regranting envisioned. Priority for grant proposals must be given to proposals involving
39.7 grants that will be competitively awarded.

39.8 (e) Money from the clean water fund may only be spent on projects that benefit
39.9 Minnesota waters.

39.10 (f) A recipient of money from the clean water fund shall display, where practicable,
39.11 a sign with the logo selected by the Board of the Arts as follows when funded by the clean
39.12 water fund: on construction projects; at access points to any land or water resources
39.13 acquired in fee or a less-than-fee title interest; and on lands that were restored, protected,
39.14 or enhanced. A recipient shall also incorporate the logo, where practicable, into printed
39.15 and other materials funded with money from the clean water fund.

39.16 Sec. 6. Minnesota Statutes 2009 Supplement, section 129D.17, subdivision 2, is
39.17 amended to read:

39.18 Subd. 2. **Expenditures; accountability.** (a) Funding from the arts and cultural
39.19 heritage fund may be spent only for arts, arts education, and arts access, and to preserve
39.20 Minnesota's history and cultural heritage. A project or program receiving funding from
39.21 the arts and cultural heritage fund must include measurable outcomes, and a plan for
39.22 measuring and evaluating the results. A project or program must be consistent with
39.23 current scholarship, or best practices, when appropriate and incorporate state-of-the-art
39.24 technology when appropriate.

39.25 (b) Funding from the arts and cultural heritage fund may be granted for an entire
39.26 project or for part of a project so long as the recipient provides a description and cost for
39.27 the entire project and can demonstrate that it has adequate resources to ensure that the
39.28 entire project will be completed.

39.29 (c) Money from the arts and cultural heritage fund shall be expended for benefits
39.30 across all regions and residents of the state.

39.31 (d) All information for funded projects, including the proposed measurable
39.32 outcomes, must be made available on the Legislative Coordinating Commission Web
39.33 site, as soon as practicable. Information on the measured outcomes and evaluation must
39.34 be posted as soon as it becomes available.

40.1 (e) Grants funded by the arts and cultural heritage fund must be implemented
40.2 according to section 16B.98 and must account for all expenditures of funds. Priority for
40.3 grant proposals must be given to proposals involving grants that will be competitively
40.4 awarded.

40.5 (f) A recipient of money from the arts and cultural heritage fund must display a sign
40.6 with the logo selected by the Board of the Arts on capital projects during construction and
40.7 an acknowledgment in a printed program or other material funded with money from the
40.8 arts and cultural heritage fund that identifies it as a project funded with money from the
40.9 ~~vote of the people of Minnesota on November 4, 2008~~ arts and cultural heritage fund.

40.10 (g) All money from the arts and cultural heritage fund must be for projects located
40.11 in Minnesota.

40.12 Sec. 7. **FUNDS CARRYOVER.**

40.13 Unless otherwise provided, the amounts appropriated in Laws 2009, chapter 172,
40.14 are available until June 30, 2011. For acquisition of an interest in real property, the
40.15 amounts in Laws 2009, chapter 172, are available until June 30, 2012. If a project receives
40.16 federal funds, the time period of the appropriation is extended to equal the availability
40.17 of federal funding.

40.18 Sec. 8. **REPEALER.**

40.19 Laws 2009, chapter 172, article 5, section 9, is repealed.

APPENDIX
Article locations in 10-6306

ARTICLE 1 OUTDOOR HERITAGE Page.Ln 1.13

ARTICLE 2 CLEAN WATER Page.Ln 24.1

ARTICLE 3 GENERAL PROVISIONS Page.Ln 36.15