

Subject Legacy
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Overview

This bill contains fiscal year 2023 appropriations from the outdoor heritage fund as well as supplemental fiscal year 2023 appropriations from the three other funds established by the “Legacy” amendment which raised the state’s sales tax 3/8 of one percent and dedicated the receipts. It also provides extensions of previous appropriations and modifies operating provisions of the Clean Water Council.

Article 1: Outdoor Heritage Fund

This article contains appropriations totaling \$159,049,000 from the outdoor heritage fund (OHF) based upon recommendations made by the Lessard-Sams Outdoor Heritage Council (LSOHC). The LSOHC is a 12-member council made up of four legislators and eight citizens tasked with making annual recommendations to the legislature on how to spend money in the OHF. The OHF receives 33 percent of the receipts from the sales tax increase and may be spent only “to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife.”

Section	Description – Article 1: Outdoor Heritage Fund
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| 1 | Outdoor heritage fund appropriation.
Technical. |
| 2 | Outdoor heritage fund.
Subd. 1. Total appropriation. Provides total appropriations of \$159,049,000 in fiscal year 2023 from the outdoor heritage fund.
Subd. 2. Prairies. Specifies appropriations totaling \$35,033,000 for various projects restoring, enhancing, and protecting the state’s prairies. |

Section Description – Article 1: Outdoor Heritage Fund

Subd. 3. Forests. Specifies appropriations totaling \$13,261,000 for various projects restoring, enhancing, and protecting the state’s forests.

Subd. 4. Wetlands. Specifies appropriations totaling \$26,771,000 for various projects restoring, enhancing, and protecting the state’s wetlands.

Subd. 5. Habitats. Specifies appropriations totaling \$83,361,000 for various other habitat projects and the conservation partners legacy grant program.

Subd. 6. Administration. Specifies appropriations totaling \$623,000 for administration, including contract management services from the Department of Natural Resources (DNR), restoration and enhancement evaluations, and an initial development plan coordinator.

Subd. 7. Availability of appropriation. States that money appropriated may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan and may not be spent on indirect costs or other institutional overhead charges that are not directly related to a specific appropriation. Provides for the availability of funding depending on the use of the funds and whether or not federal funds are also used.

Subd. 8. Payment conditions and capital equipment expenditures. Requires all agreements to be administered on a reimbursement basis unless otherwise provided. Allows reasonable amounts to be advanced in some circumstances if approved as part of an accomplishment plan. Requires capital expenditures that exceed \$10,000 to be itemized and approved as part of an accomplishment plan.

Subd. 9. Mapping. Requires recipients of an appropriation to submit geographic information on lands acquired in fee with the appropriation that are open to the public for hunting and fishing to the DNR for mapping.

Subd. 10. Carryforwards. Extends the availability of two previous appropriations, one for the Buffalo River Watershed Stream Habitat Program and one for the Carnelian Creek Conservation Corridor.

Article 2: Clean Water Fund

This article contains supplemental fiscal year 2023 appropriations from the clean water fund (CWF). The CWF receives 33 percent of the revenues from the sales tax increase and must be spent “only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation.” It also modifies operating provisions applicable to the

Clean Water Council which is tasked with making annual recommendations on how to use the money in the CWF.

Section Description – Article 2: Clean Water Fund

1 Clean water fund appropriations.

Subd. 1. Department of Agriculture. Appropriates \$2,000,000 to MDA to monitor trout streams in southeastern Minnesota for neonicotinoids. Requires MDA to monitor and test for microplastics and nanoplastics as part of certain testing work previously funded by the CWF.

Subd. 2. Pollution Control Agency. Appropriates money to the PCA as follows:

- \$2,000,000 to monitor tributaries near the shores of Lake Superior for perfluoroalkyl and polyfluoroalkyl substances (PFAS);
- \$2,000,000 for enhanced monitoring of private wells in Washington County for PFAS;
- \$2,000,000 to monitor the Mississippi River for PFAS and other contaminants detected in Pig’s Eye Lake;
- \$400,000 to monitor groundwater and surface waters in the Battle Creek Watershed for PFAS;
- \$2,000,000 to collect lead sinkers and other water quality activities through the Get the Lead Out program;
- \$5,000,000 to develop protocols for sampling and testing water for microplastics and nanoplastics and for implementing the protocols. Allows the PCA to transfer money to MDA, DNR, and the Department of Health to implement the protocols and for the additional microplastics and nanoplastics testing, monitoring, and assessment required under the bill. The PCA is also required to monitor and assess for microplastics and nanoplastics as part of certain monitoring assessment work previously funded by the CWF.

Subd. 3. Department of Natural Resources. Appropriates a total of \$402,000 to the DNR, PCA, and BWSR, to prepare a report on peatlands. Appropriates \$500,000 to DNR for a grant to Conservation Corps Minnesota for certain water quality improvement activities. Requires the DNR to assess for microplastics and nanoplastics as part of certain assessment work previously funded by the CWF.

Subd. 4. Board of Water and Soil Resources. Appropriates \$7,665,000 for conservation easements under the Conservation Reserve Enhancement Program (CREP) and another \$7,665,000 for conservation easements under CREP targeted at restoring peatlands.

Subd. 5. Metropolitan Council. Appropriates \$7,665,000 to the Metropolitan Council to replace privately owned residential lead drinking water service lines.

Section Description – Article 2: Clean Water Fund

Requires the money be used first to match federal money provided under the Infrastructure Investment and Jobs Act (IIJA).

Subd. 6. University of Minnesota. Appropriates \$437,000 to the University of Minnesota to study the risks to fish populations from the tire-derived chemical 6PPDq.

Subd. 7. Public Facilities Authority. Appropriates \$7,665,000 to the PFA to replace privately owned residential lead drinking water service lines. Requires the money be used first to match federal money provided under the IIJA.

Subd. 8. Availability and other requirements. Subjects the appropriations in the bill to the availability and other requirements provided in the clean water fund appropriations passed last year.

2 Membership; appointment.

Makes legislative members of the Clean Water Council voting members.

3 Report to legislature.

Requires the Clean Water Council to make their recommendations for how to spend money in the CWF annually, rather than biennially as required under current law.

4 Voyageurs National Park grant; extension.

Extends a previous appropriation from the CWF for the Ash River Sanitary Sewer Collection and Treatment Facility Planning project until June 30, 2023.

Article 3: Parks and Trails Fund

This article contains supplemental fiscal year 2023 from the parks and trails fund. The parks and trails fund receives 14.25 percent of the revenues from the sales tax increase and must be spent to “support parks and trails of regional or statewide significance.”

The parks and trails fund is traditionally split as follows: 40 percent to the Department of Natural Resources (DNR) for state parks, state trails, and state recreation areas; 40 percent to the Metropolitan Council for metropolitan regional parks and trails; and 20 percent for regional parks and trails in greater Minnesota through the parks and trails legacy grant program administered by the DNR. This article proportionally increases each 2023 appropriation based on new revenue estimates from the February forecast, providing an increase in total spending from \$55,884,000 to \$62,431,000. The article also provides an extension of a previous appropriation for coordination between parks and trails legacy partners and for a city of Crookston project.

Article 4: Arts and Cultural Heritage Fund

This article contains supplemental funding for fiscal year 2023 from the arts and cultural heritage fund. The arts and cultural heritage fund receives 19.75 percent of the revenues from the sales tax increase and must be spent to support the arts and preserve Minnesota's history and cultural heritage.

This article proportionally increases each of the 2023 appropriations based on new revenue estimates from the February forecast, providing an increase in total spending from \$76,717,000 to \$88,713,000. The article also provides an extension of a previous appropriation to the Historical Society.



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