

House Research Act Summary

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TOPIC: Cultural and Outdoor Resources: Dedicated Funds

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Overview

This act provides appropriations from sales tax revenues deposited in four dedicated funds under Article XI, section 15, of the Minnesota Constitution.

Section

Article 1: Outdoor Heritage Fund

Overview

This article includes appropriations from the outdoor heritage fund based on the recommendations of the Lessard Outdoor Heritage Council (OHC) (renamed to the Lessard-Sams Outdoor Heritage Council in this article). The council is charged with making recommendations on the use of the funds in the outdoor heritage fund.

- 1 **Outdoor heritage appropriation.** Technical
- 2 **Outdoor heritage.**

Subd. 1. Total Appropriation. Provides a total appropriation from the outdoor heritage fund of \$69,532,000 the first year and \$18,000,000 the second year.

Subd. 2. Prairies. Appropriates \$14,213,000 the first year for prairie projects, including money:

- to the DNR to accelerate restoration and enhancement of native prairie

vegetation on public lands;

- for an agreement with the Southwest Initiative Foundation for land acquisition in Redwood County;
- for an agreement with Pheasants Forever to acquire and restore land for wildlife management areas (WMAs);
- to the DNR to acquire WMAs with prairie or grassland habitat;
- for an agreement with U.S. Fish and Wildlife Service to acquire land or permanent easements within the Northern Tall Grass Prairie Habitat Preservation Area;
- for an agreement with the Minnesota Land Trust to acquire permanent easements protecting critical prairie and grassland habitats in the bluffslands in southeastern Minnesota; and
- for an agreement with Anoka county to acquire land at the confluence of the Rum River and Cedar Creek.

Subd. 3. Forests. Appropriates \$18,000,000 each year to the DNR to acquire land and permanent working forest easements on private forests under the Minnesota Forests for the Future program for the Upper Mississippi Forest Project.

Subd. 4. Wetlands. Appropriates \$20,536,000 the first year for wetland projects, including money:

- to the DNR to acquire WMAs;
- for an agreement with Ducks Unlimited to restore and enhance shallow lake habitats;
- for an agreement with Pheasants Forever, in cooperation with the U.S. Fish and Wildlife Service, to acquire and restore wetlands for waterfowl production areas;
- to the Board of Water and Soil Resources for permanent easements and restoration of wetlands through the Reinvest in Minnesota (RIM) Reserve program; and
- for an agreement with Ducks Unlimited to acquire land associated with shallow lakes.

Subd. 5. Fish, game, and wildlife habitat. Appropriates \$4,000,000 to the DNR for a competitive grant program. The grants are available to local, regional, state, and national organizations for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife. The grants may be awarded in an amount up to \$400,000 and require a match of \$1 nonstate dollar to \$10 state funds. Allows up to six and a half percent of the appropriation to be used to administer the program. Specifies criteria for the grants. Requires the commissioner to report on the feasibility, process, and timeline for creating a Minnesota fish and wildlife foundation modeled after the National Fish and Wildlife Foundation and the possibility of this entity administering the grant program.

Appropriates money for additional fish, game, and wildlife habitat projects, including money:

- to the DNR to acquire aquatic management areas;
- for an agreement with Trout Unlimited to restore, enhance, and protect cold water river and stream habitats;
- for an agreement with Dakota County for acquisition of permanent easements;
- for an agreement with the Three Rivers Park District to improve water quality in Lake Rebecca; and
- for an agreement with the Shell Rock River Watershed District to construct fish barriers.

Subd. 6. Administration and other. Appropriates \$880,000 for the administration of the council, including money for contract management services from the DNR and money for the Legislative Coordinating Commission for the administrative expenses of the council, expense reimbursement of council members, and the Web site required in article 5.

Subd. 7. Availability of appropriation. States that appropriations are available until June 30, 2011, or June 30, 2012, for acquisitions of an interest in real property, unless otherwise specified. States that appropriations for projects receiving federal funds are extended to equal the availability of federal funding.

Subd. 8. Cash advances. Allows the commissioner of finance to transfer funds from the general fund to the outdoor heritage fund in order to cover any cash deficiencies.

Subd. 9. Accomplishment plans. States that it is a condition of accepting an appropriation under this section that the recipient submit an accomplishment plan and periodic accomplishment reports to the council (the process is similar to the existing work program process established by the Legislative-Citizen Commission on Minnesota Resources (LCCMR)).

Subd. 10. Project requirements. Establishes certain requirements for projects (similar to requirements placed on LCCMR projects), including vegetation and seed requirements, requiring easements to be permanent and have a long-term stewardship plan, requiring restorations to have ecological restoration and management plans, and requiring all restorations to be on lands permanently protected.

Subds. 11 to 15. Provide additional criteria and requirements for the appropriations and are standard subdivisions used by the LCCMR as part of their recommendations.

Subd. 16. Protect; definition. States that “protect” means to preserve ecological systems and prevent future degradation of ecological systems by actions including, but not limited to, purchase in fee or easement for purposes of the appropriations in this article.

- 3 Lessard Outdoor Heritage Council.** Amends § 97A.056, subd. 2. Removes the DNR’s council administration duties and allows the council, upon coordination and approval of the LCC, to appoint nonpartisan staff and contract with consultants as necessary, and allows money from the account to be used to cover the administrative expenses of the council and

for compensation and expense reimbursement of council members.

- 4 **Audit.** Amends § 97A.056, subd. 6. Modifies the existing audit requirement for the council by requiring the legislative auditor to conduct the audit (rather than an independent auditor selected by the council, which is required in current law).
- 5 **Legislative oversight.** Amends § 97A.056, subd. 7. Eliminates existing oversight requirements related to the staffing of the council by the DNR.
- 6 **Appropriation; forest protection reserve.** Appropriates \$2,000,000 the first year from the outdoor heritage fund to the commissioner of agriculture to respond to the threat or presence of invasive species, including tree pests. Provides immediate access to \$125,000 to update the state’s tree pest plans. Authorizes the commissioner to transfer all or part of this appropriation to the DNR and to award grants to local units of government or other entities.
- 7 **Revisor’s instruction.** Instructs the Revisor to change “Lessard Outdoor Heritage Council” to “Lessard-Sams Outdoor Heritage Council” where it appears in Minnesota Statutes.

Article 2: Clean Water Fund

Overview

This article includes appropriations from the clean water fund and related policy changes.

- 1 **Clean water fund appropriations.** Technical.
- 2 **Department of Agriculture.** Appropriates \$3,790,000 the first year and \$5,170,000 the second year to the Department of Agriculture, including money:
 - for monitoring and analysis of agricultural land management practices in the Root River watershed;
 - to monitor pesticides and pesticide degradates in ground and surface waters;
 - to increase groundwater and drinking water protection from agricultural chemicals;
 - for research, pilot projects, and technical assistance related to ways agricultural practices can contribute to restoring impaired water; and
 - for the agricultural best management loan program.
- 3 **Public Facilities Authority.** Appropriates \$13,441,000 the first year and \$19,259,000 the second year to the Public Facilities Authority for: grants for wastewater treatment or storm water projects necessary under total maximum daily load (TMDL) plans; the clean water legacy phosphorus reduction grant program; and for grants and loans for small community wastewater treatment.
- 4 **Pollution Control Agency.** Appropriates \$24,076,000 the first year and \$27,285,000 the second year to the Pollution Control Agency, including money:
 - for the development of TMDL studies and TMDL implementation plans;
 - to retest the lower Minnesota River that was tested under the Minnesota River

Assessment Project;

- for a TMDL pilot project within the Buffalo River watershed;
- for the development of an enhanced TMDL database and rules;
- for grants under the beneficial reuse of wastewater grants program;
- for groundwater assessment and drinking water protection;
- for the clean water partnership program;
- to establish a network of monitoring sites adjacent to wastewater treatment facilities to assess the levels of endocrine disruptors and other compounds as required under section 29 of this article;
- for coal tar notification and the development of best management practices as required under section 28 of this article, and to develop a model coal tar ordinance and provide grants to local governments to help clean up storm water ponds;
- for a restoration project in the lower St. Louis River and Duluth harbor;
- for a grant to the Red River Watershed Management Board;
- for water monitoring and phosphorus reduction activities in the Lake St. Croix portion of the St. Croix River;
- for completion of 20 percent of the needed statewide surface water assessments;
- for civic engagement in TMDL development;
- for future groundwater protection or degradation prevention activities; and
- for the Star Lake Board (the appropriation for the Star Lake Board was VETOED).

5 Department of Natural Resources. Appropriates \$6,690,000 the first year and \$7,835,000 the second year to the Department of Natural Resources, including money for:

- water quality assessments to support the identification of impaired waters;
- drinking water planning and protection;
- TMDL development and implementation plans;
- high-resolution digital elevation data (LiDAR) to be used in mapping;
- rulemaking for the Mississippi River corridor critical area (as required under this article);
- the county geologic atlas program; and
- nonpoint source restoration and protection activities.

6 Board of Water and Soil Resources. Appropriates \$18,705,000 the first year and \$19,519,000 the second year to the Board of Water and Soil Resources, including money:

- to acquire and restore permanent conservation easements on riparian buffers;
- for grants to watershed districts and watershed management organizations for water retention, including rain gardens;

- for nonpoint source pollution reduction and restoration grants for additional projects to keep water on the land;
- to the Anoka Conservation District for the metropolitan landscape restoration program;
- for permanent conservation easements on wellhead protection areas under the Reinvest in Minnesota (RIM) reserve program (modified to add wellhead protection areas in this article);
- for feedlot water quality improvement grants;
- for grants to implement stream bank, stream channel, and shoreline protection and restoration projects;
- for state oversight;
- for targeted nonpoint restoration, technical assistance and engineering;
- for county SSTS program grants; and
- for grants to address imminent threat and failing SSTSs.

Requires the board to: contract with the Minnesota Conservation Corps for at least \$1,000,000 over the biennium; give priority consideration to projects and practices that complement, supplement, or exceed current state standards; and to submit a report to the legislature on the expenditure and use of the funds.

Requires, to the extent possible, restorations funded under this section to plant vegetation or sow seed only of ecotypes native to Minnesota and preferably of the local ecotype.

- 7 Department of Health.** Appropriates \$1,645,000 the first year and \$2,105,000 the second year to the Department of Health for drinking water source protection activities and for addressing public health concerns related to contaminants found in drinking water.
- 8 University of Minnesota.** Appropriates \$750,000 the first year and \$305,000 the second year to the University of Minnesota for the county geologic atlas program and to develop a 25-year framework for sustainable water resources.
- 9 Legislature.** Appropriates \$25,000 the first year to the legislature for the LCC for the costs of developing the Web site tracking clean water fund and other expenditures as required in article 5.
- 10 Metropolitan Council.** Appropriates \$400,000 the first year to the Metropolitan Council for implementation of the master water supply plan.
- 11 Definitions.** Amends § 84.66, subd. 2. Technical.
- 12 Purpose and policy.** Amends § 103F.505. Makes changes to the purpose of the RIM reserve program including: modifying the purpose to include the restoration of marginal agricultural land, protection of environmentally sensitive areas, and the enhancement of soil and water quality; and adding to the purpose, minimizing damage to flood-prone areas, carbon sequestration, and supporting native plant habitats. Removes reference to the reestablishment of perennial vegetation.

- 13 Drained wetland.** Amends § 103F.511, subd. 5. Modifies the definition of “drained wetland” to include alterations made after December 23, 1985, and removes the requirement that they meet the commissioner’s definition of a legal alteration for purposes of the RIM reserve program.
- 14 Reinvest in Minnesota reserve program.** Amends § 103F.511, subd. 8a. Defines the “Reinvest in Minnesota Reserve program” as the program under section 103F.515 to be consistent with current Minnesota Rules.
- 15 Riparian land.** Amends § 103F.515, subd. 1. Modifies the definition of “riparian land” by removing the requirement that it be identified in a comprehensive local water plan for purposes of the RIM reserve program.
- 16 Establishment of program.** Amends § 103F.515, subd. 1. Makes technical corrections to incorporate the statutory name change of the RIM reserve program and the modified purpose of the program.
- 17 Eligible land.** Amends § 103F.515, subd. 2. Expands eligibility of lands for the RIM reserve program by adding lands that, with a water quality improvement practice, would be beneficial to resource protection, and lands used for pasture that are marginal (currently only lands on hillsides used for pasture are eligible). Increases the adjacent cropland to restored wetland ratio from four acres to eight acres per acre of restored wetland. Also adds land that is a wellhead protection area that has a wellhead protection plan approved by the commissioner of health. Exempts environmentally sensitive areas and lands used for pasture from the requirement that the lands be in crop production for at least two of the last five years. Removes the priority for wetlands with a cropping history during the period from 1976 to 1985.
- 18 Nature of property rights acquired.** Amends § 103F.515, subd. 4. Prohibits a conservation easement under the program from allowing livestock grazing unless approved by BWSR for conservation management purposes or extreme drought (currently BWSR must consult with the commissioner of natural resources before approval and there are exceptions for severe droughts or local emergencies). Permits conservation easements to allow spraying chemicals or mowing if approved by BWSR. Requires BWSR to allow the harvest of native grasses for use in seed production or bioenergy on wellhead protection lands.
- 19 Agreements by landowner.** Amends § 103F.515, subd. 5. Modifies a requirement of landowner agreements to not convert land to agricultural crop production if it supports native vegetation AND has not been used in crop production (currently the land must either support native vegetation OR have not been used in crop production).
- 20 Payments for conservation easements and establishment of conservation practices.** Amends § 103F.515, subd. 6. Requires BWSR to establish rates for landowner payments for the conservation easements and related conservation practices and removes the current payment structure.
- 21 Cooperation.** Amends § 103F.521, subd. 1. Adds soil and water conservation districts and watershed districts to the list of entities BWSR shall cooperate and share information with.
- 22 Supplemental payments on federal and state conservation programs.** Amends §

103F.525. Removes the prohibition on using bond proceeds to supplement payments made under federal land retirement programs.

- 23 Food plots.** Amends § 103F.526. Allows BWSR to authorize wildlife food plots on lands enrolled in the program.
- 24 Rulemaking.** Amends § 103F.531. Allows BWSR to adopt “policy” to implement the program and removes the requirement that rules include standards for tree planting.
- 25 Release and alteration of conservation easements.** Amends § 103F.535, subd. 5. Allows BWSR to alter, release, or terminate any conservation easements (currently only those existing as of April 30, 1992, can be altered, released, or terminated).
- 26 Coal tar.** Adds § 116.201. Prohibits a state agency from purchasing undiluted coal tar sealant.
- 27 Mississippi River Corridor Critical Area.** Amends § 116G.15. Makes a number of changes to the Mississippi River Corridor Critical Areas program by codifying existing requirements, and requiring the Department of Natural Resources (DNR) to adopt new rules for the program, including new districts within the area and the development of new guidelines and standards within each district. The program is currently administered by the DNR and provides coordinated planning and management for a portion of the Mississippi River corridor (from Ramsey and Dayton, to the southern boundary of Dakota County) in order to protect and preserve the corridor. Executive Order 79-19 provides the guidelines and standards currently being used for planning and managing the area.

Subd. 1. Establishment; purpose. Removes obsolete language and codifies the purpose of the Mississippi River Corridor Critical Area as originally detailed in Executive Order 79-19.

Subd. 2. Administration; rules. Allows the commissioner of natural resources to adopt rules necessary to administer the Mississippi River Corridor Critical Area program and codifies the reorganization order that transferred administration of the program from the Environmental Quality Board to the DNR. Requires the commissioner to work in consultation with the U.S. Army Corps of Engineers, the National Park Service, the Metropolitan Council, and others. Establishes the general management guidelines of the program established in Executive Order 79-19 as management duties of the commissioner and adds “protects and preserves the biological and ecological functions of the corridor” to the list of duties. Requires the Metropolitan Council to incorporate standards established under the program into its planning, and work with local units of government and the commissioner to insure adoption and implementation of the standards. Requires the rules to be consistent with residential nonconformity provisions in law.

Subd. 3. Districts. Requires the commissioner to establish, by rule, districts within the Mississippi River Corridor Critical Area and provides direction on what the commissioner shall consider when establishing the districts. (Currently there are four districts for the program, rural open space, urban diversified, urban developed, and urban open space.) Requires the commissioner to seek to determine an appropriate number of districts within any one municipality and take into account existing ordinances and conditions and municipal plans and policies.

Subd. 4. Standards. Requires the commissioner to establish, by rule, minimum guidelines and standards for each of the districts established in subdivision 3, including the key resources to be protected and the land uses to be allowed in the district. Requires the commissioner to take into account existing ordinances and conditions and municipal plans and policies in developing the guidelines and standards. Allows the commissioner to provide certain exceptions. Requires the guidelines and standards to protect or enhance certain key resources and features, such as wetlands, bluffs, shorelines and riverbanks, scenic views, and water quality. Requires the commissioner to map the bluffs and bluff related features and provide a preliminary map based on guidelines provided for bluff face/bluff, bluff line, base of bluff, steep slopes, and very steep slopes. Requires the rulemaking process to allow the preliminary map to be refined and requires the adoption of a final map.

Subd. 5. Application. Requires the program's standards to be used by local units of government, state and regional agencies, the Metropolitan Council, and the commissioner.

Subd. 6. Notification; fees. Requires local units of government or regional or state agencies to notify the DNR of all developments in the corridor that require discretionary action (defined as all actions that require a public hearing, including variances, conditional use permits, and zoning amendments) at least ten days before taking action on the application. Allows the commissioner to exempt certain types of applications from the notification requirement.

Subd. 7. Rules. Requires the commissioner to adopt rules to meet the requirements of this section and start the rulemaking process no later than January 15, 2010.

- 28 Prevention of water pollution from polycyclic aromatic hydrocarbons.** Requires the commissioner of the Pollution Control Agency to notify state agencies and local units of government of the potential for contamination of storm water ponds with polycyclic aromatic hydrocarbons from the use of coal tar pavement products by January 15, 2010. Defines storm water ponds for purposes of the section. Requires the commissioner to establish a schedule, by January 15, 2010, that requires state agencies and local units of government regulated under NPDES/SDS permits to report the total number of storm water ponds under their jurisdiction. Requires the commissioner to develop best management practices for state agencies and local units of government to use in cleaning up contaminated storm water ponds, make those best management practices available on the agency's Web site, and incorporate them into their next permitting cycle.
- 29 Endocrine disruptor monitoring.** Requires the commissioner of the Pollution Control Agency to establish a network of water monitoring sites near wastewater treatment facilities to assess levels of endocrine disrupting compounds, antibiotic compounds, and pharmaceuticals. Requires the sites to provide enhanced monitoring of the effluent at the discharge point, and above and below the discharge point. Requires the sites to be located throughout the state and represent a variety of wastewater treatment facilities. Requires the commissioner to consult with the commissioners of health and natural resources and others and requires the initial monitoring network to include at least ten sites. Specifies requirements for the monitoring and requires the monitoring to begin no later than November 1, 2009. Requires the information collected to be made available on the agency's

Web site and requires the commissioner to submit a preliminary and final report to the legislature.

- 30 Comprehensive statewide sustainable water resources detailed framework.** Requires the University of Minnesota Water Resource Center, in cooperation with others, to develop a long-range, 25-year framework for comprehensive statewide sustainable water resources. Specifies the contents of the framework, including an implementation schedule and benchmarks, and provides a definition of sustainable water use for purposes of the framework. Requires the framework to identify infrastructure needs, water needs for various purposes, and the effects of climate change, development, land use, and demographics, and identify best management practices and methods for determining their effectiveness. Requires the development of a ten year plan for sustainable water resources as well. Requires the framework to be submitted to the legislature by January 15, 2011, and that the University of Minnesota work through a work program process of the LCC.
- 31 Revisor’s instruction.** Instructs the Revisor to change “conservation reserve program” to “Reinvest in Minnesota reserve program” in various statutes.
- 32 Repealer.** Repeals § 103B.101, subd. 11 (requires the director of the Division of Waters at the DNR to perform engineering work requested by the BWSR and appear at certain hearings); § 103F.511, subd. 4 (the definition for “conservation reserve program”); 103F.521, subd. 2 (a requirement that BWSR and others provide technical assistance to landowners under the RIM Reserve program); and some of the existing rules for the RIM Reserve program.

Article 3: Parks and Trails Fund

Overview

This article provides appropriations from the parks and trails fund. The article provides appropriations to the Department of Natural Resources (DNR) for state parks and trails, and to the Metropolitan Council for metropolitan regional parks and trails. The article establishes a grant program to be administered by the DNR, to provide grants to parks and trails of regional or statewide significance and provides funding for the program. The article also establishes the Minnesota Naturalist Corps.

- 1 Parks and trails fund appropriations.** Technical.
- 2 Natural resources.** Appropriates \$16,861,000 the first year and \$20,040,000 the second year to the DNR for the following purposes:
- for a collaborative project to develop a 25-year long-term plan for parks and trails;
 - for state parks, recreation areas, and trails to:
 - (1) connect people to the outdoors by providing access, conservation education, and interpretative services through a number of activities, including enhanced marketing, increasing the number of park naturalists and interns (through the new Minnesota Naturalist Corps established in this article), opening or reopening

visitor centers, and producing a new parks and trails map;

(2) accelerate natural resource management, restoration, and protection activities, including: restoring state park lands; managing invasive species; and conducting prescribed burns; and

(3) accelerate facility maintenance and rehabilitation, including energy-efficiency improvements;

- to contract with the Minnesota Conservation Corps for restoration, maintenance, and other activities under this section for at least \$600,000 the first year and \$1,000,000 the second year; and
- for grants to metropolitan and other regional parks and trails for acquisition, restoration, maintenance, and development under the parks and trails grant program established in this article, including grants for solar energy projects.

Requires the commissioner to develop a ten year strategic state parks and trails plan.

Requires the commissioner to submit a report on the expenditure and use of the money appropriated to the legislature each year and establishes criteria for the reports.

Requires, to the extent possible, restorations funded under this section to plant vegetation or sow seed only of ecotypes native to Minnesota and preferably of the local ecotype.

3 Metropolitan Council. Appropriates \$12,641,000 the first year and \$15,140,000 the second year for metropolitan regional parks and trails to be distributed under the metropolitan area distribution formula established in this act except for \$40,000 available for Hennepin County for tree planting along the Victory Memorial Parkway. Requires grant agreements and recipients of money appropriated under this section to ensure that funds are used to supplement and not substitute for traditional sources of funding. Requires implementing agencies to give consideration to contracting with the Minnesota Conservation Corps.

4 Legislature. Appropriates \$15,000 the first year to the legislature for the LCC for the costs of developing the Web site tracking parks and trail fund and other expenditures as required in article 5.

5 Creation of a parks and trails inventory, framework, and plan.

Subd. 1. Inventory and framework development. Directs the University of Minnesota Center for Changing Landscapes, in consultation with the DNR, the Office of Explore Minnesota, the Metropolitan Council and others, to create a long-range framework for an integrated statewide parks and trails system, including an inventory of existing regionally and statewide significant parks and trails and a user friendly web-based guide for information on state and regional parks and trails to be incorporated into the DNR's Web site. Requires the framework and inventory summary to be submitted to the legislature by January 15, 2011.

Subd. 2. State and regional parks and trails plan. Requires the DNR to participate in a collaborative project to develop a ten-year strategic parks and trails plan, and a 25-year, long-range plan for the use of the parks and trails fund and other traditional sources of funding. Requires the collaboration to include Web site survey tools and regional listening sessions. Requires the plans to be consistent with the

framework and inventory developed under subdivision 1 and specifies what must be included in the plan.

Subd. 3. Parks and trails budget analysis. Requires the DNR, in consultation with the Department of Finance, to develop estimates for the total amount of funding available for parks and trails and determine the amount necessary to operate and maintain existing parks and trails and whether there are adequate funds to support park and trail expansions.

6 Availability of appropriations. Specifies periods for which appropriations in this article are available.

7 Minnesota Naturalist Corps. Adds § 84.992.

Subd. 1. Establishment. Establishes the Minnesota Naturalist Corps under the control of the commissioner of natural resources.

Subd. 2. Program. Requires the commissioner to develop a program for the corps and specifies requirements for the program.

Subd. 3. Training and mentoring. Requires the commissioner to develop and implement a training program for corps members and requires that each corps member be assigned a state park naturalist as a mentor.

Subd. 4. Uniform patch. Requires uniforms worn by members to have a patch identifying them as corps members and that the program was funded by the clean water, land, and legacy amendment.

Subd. 5. Eligibility. Requires corps members to be permanent residents of the state, be participating in an approved college internship program, and have completed at least one year of postsecondary education.

Subd. 6. Corps member status. States that corps members are not employees of the state and exempts them from employment benefits and unemployment benefits under certain circumstances.

Subd. 7. Employee displacement. Requires the commissioner to certify that the assignment of corps members will not result in the displacement of currently employed or seasonal employees and prohibits the department from terminating, laying off, or reducing hours for any employee for the purpose of using corps members.

8 Parks and trails grant program. Adds § 85.535.

Subd. 1. Establishment. Requires the commissioner of natural resources to administer a grant program to provide grants from the parks and trails fund to support parks and trails of regional or statewide significance.

Subd. 2. Priorities. Establishes priorities for trails projects, including connectivity, opportunities for commuters, and safety.

Subd. 3. Match. Requires a nonstate match of 25 percent of the total eligible project costs.

Subd. 4. Rule exemption. Provides an exemption from rulemaking in implementing the section.

Article 4: Arts and Cultural Heritage Fund

Overview

This article makes appropriations from the arts and cultural heritage fund and contains language items relating to appropriations from the fund.

1 Arts and Cultural Heritage Fund appropriations. Technical.

2 Arts and Cultural Heritage.

Subd. 1. Total Appropriation. Appropriates \$44.47 million the first year and \$48.75 million the second year.

Subd. 2. Board of the Arts. Appropriates \$21,650,000 each year to the Minnesota Board of the Arts from the arts and cultural heritage fund. Requires that funds be used to supplement and not supplant traditional sources of funding.

Up to 78 percent of the amount in this subdivision is to support Minnesota artists and arts organizations, to overcome barriers to accessing arts, and to instill arts into community and public life. Provides that a portion of this amount may be used to pay attendance fees and travel costs for youth to visit art museums, arts performances, or other arts activities or to bring artists to schools, libraries or other community centers or organizations.

Up to 15 percent of the amount in this subdivision is for arts education. Provides that a portion of this amount may be used for grants to school districts to provide materials or resources to teachers, students, and parents to promote achievement of K-12 academic standards in the arts.

Up to five percent of the amount in this subdivision is for events and activities that represent diverse ethnic and cultural arts traditions.

Up to three percent of the amount in this subdivision is for administration, technical services, fiscal oversight, and accountability.

Requires the Board of the Arts, in partnership with regional arts councils, to conduct a census of Minnesota artists and artistic organizations.

Provides that 30 percent of the total appropriated to each of the categories in this subdivision is for grants to regional arts councils.

Requires reports on expenditure and use of money appropriated under this subdivision.

Subd. 3. Department of Education. Appropriates \$4.25 million each year for grants under Minnesota Statutes, section 134.355, to the 12 Minnesota Regional Library Systems to provide educational opportunities in the arts, history, literary arts,

and cultural heritage. Provides that the funds may be used to sponsor programs provided by libraries or to provide grants to local arts and cultural heritage programs in partnership with libraries.

Subd. 4. Minnesota Historical Society. Appropriates \$9.75 million the first year and \$12.25 million the second year to preserve and enhance access to Minnesota's history and its cultural and historical resources. Requires that funds be used to supplement and not supplant traditional sources of funding. Provides that up to 2.5 percent may be used for MHS administration.

Of the amount appropriated in this subdivision:

- \$2.25 million the first year and \$4.5 million the second year are for history programs and projects operated or conducted through local, county, regional, or other historical or cultural organizations; or for activities to preserve significant historic and cultural resources. Funds are to be distributed through a competitive grants process administered by MHS. Provides that the Preston grain elevator project and Ironworld are eligible for grants under this program, as are certain projects previously approved by MHS but not funded. Requires MHS to appoint a historic resources advisory council to provide policy and grant making guidance on expenditure of funds under this paragraph.
- \$3 million the first year and \$4.75 million the second year are for programs and purposes related to the historical and cultural heritage of Minnesota, conducted by the Minnesota Historical Society.
- \$1.25 million the first year and \$2.75 million the second year are for partnerships between and with MHS to enhance access to Minnesota's history and cultural heritage.
- \$2.5 million the first year is for an exhibit on the regional, local, and cultural diversity of Minnesota's history and cultural heritage. This money is for both traveling exhibits and an exhibit to be housed at the Minnesota History Center.
- \$250,000 each year is for MHS to contract for a general statewide survey of Minnesota's sites of historical, archaeological, and cultural significance.
- \$500,000 the first year is for a digital library project to preserve, digitize, and share Minnesota images, documents, and historic materials.

Subd. 5. Department of Administration. Appropriates \$6.5 million the first year and \$7.9 million the second year for grants to named organizations. Provides that up to one percent may be used by the Department of Administration for grants administration. Requires that money be used to supplement, not substitute for, traditional sources of funding, and that no more than 2.5 percent of any appropriation may be used by a recipient for administration. Authorizes the department to establish a cultural grants advisory board to advise and assist in making grants under this subdivision.

Of the amount appropriated in this subdivision:

- \$2.8 million the first year and \$3.5 million the second year for a grant to the

Minnesota Public Television Association for production and acquisition grants.

- \$1.15 million the first year and \$1.5 million the second year are for a grant to MPR for specified purposes.
- \$1.15 million the first year and \$1.5 million the second year are for a grant to the Association of Minnesota Public Radio Stations for production and acquisition grants.
- \$450,000 each year is for Minnesota zoos. Three-quarters of the money is to be divided equally among the Minnesota Zoo, the Como Zoo, and the Lake Superior Zoo. The remainder is to be apportioned through a competitive grant process or may be allocated to zoos accredited (or working towards accreditation) by the Association of Zoos and Aquariums.
- \$250,000 each year is for the Minnesota Children's Museum, for specified purposes.
- \$250,000 each year is for the Duluth Children's Museum, for specified purposes.
- \$450,000 each year is for the Science Museum of Minnesota, for specified purposes.

Subd. 6. Minnesota Center for the Humanities. Of the amounts appropriated in this subdivision:

- \$300,000 each year is for the Minnesota Center for the Humanities. The center is authorized to consider museums and organizations celebrating ethnic identities of Minnesotans for grants from these funds.
- \$500,000 each year is for programs and cooperation between the center for Humanities and the Council on Asian-Pacific Minnesotans, the Council on Black Minnesotans, the Indian Affairs Council, and the Council on Affairs of Chicano/Latino People (\$125,000 each year is for programs and cooperation with each group).
- \$250,000 each year is to the Minnesota Center for the Humanities for grants to Kids Voting Minnesota, Learning Law and Democracy Foundation, and YMCA Youth in Government for civics education programs.

Requires a report on possible use of constitutionally-dedicated funds for restoration, renovation and repair of the State Capitol.

Subd. 7. Legislature. Appropriates \$20,000 to the LCC for a Web site.

Subd. 8. Perpich Center for Arts Education. Appropriates \$300,000 the first year and \$700,000 the second year for specified purposes.

- 3 Indian Language Preservation.** Appropriates \$150,000 the first year to the Indian Affairs Council for the working group on Dakota and Ojibwe Language Revitalization and Preservation.
- 4 Appropriations.** Appropriates \$250,000 each year for a grant to the Niigaane Ojibwe

Immersion school and the Wicoie Nandagikendan Urban Immersion Project for specified purposes.

5 Arts and Cultural Heritage fund.

Subd. 1. Technical.

Subd. 2. Expenditures; accountability. States purposes for which money in the arts and cultural heritage fund may be spent. Provides that projects or programs receiving funding must have measurable outcomes and a plan for measuring and evaluating results. Requires information about projects, including the proposed measurable outcomes, to be available on the LCC Web site. Requires money to be spent for benefits across all regions and residents of the state and to be implemented in accordance with laws and policies governing grant management. Requires recipients to identify projects as being funded with constitutionally-dedicated money.

Subd. 3. Special review. Provides that for a project receiving an appropriation of more than \$10 million in a biennium from the arts and cultural heritage fund, the Attorney General must approve contracts and real estate transactions and must exercise due diligence in the best interest of the state.

- 6 Public television grants.** Provides that money appropriated from the arts and cultural heritage fund for public television grants must be used to create, produce acquire, or distribute programs that educate, enhance, or promote local, regional, or statewide items of artistic, cultural, or historic significance. Provides for the commissioner of administration to make grants upon recommendation of the Minnesota Public Television Association. Specifies conditions and reporting requirements.
- 7 Public radio grants.** Provides that money appropriated from the arts and cultural heritage fund for grants to noncommercial radio stations that are members of the Association of Minnesota Public Educational Radio Stations (AMPERS) must be used to create, produce acquire, or distribute programs that educate, enhance, or promote local, regional, or statewide items of artistic, cultural, or historic significance. Provides for the commissioner of administration to make grants upon recommendation of AMPERS. Specifies conditions and reporting requirements.
- 8 Arts and cultural heritage framework.** Requires programs and organizations funded through the arts and cultural heritage fund to conduct a collaborative project to develop a ten-year plan and a 25-year framework for use of money available in the fund and other traditional sources of funding. Requires a report to the legislature by January 15, 2010.
- 9 Working group on Dakota and Ojibwe Language Revitalization and Preservation.** Creates a volunteer working group to develop a strategy to revitalize and preserve indigenous languages of the 11 federally recognized Indian tribes in Minnesota. Specifies membership and duties, and requires a report by February 15, 2011.

Article 5: Governance; General Provisions

Overview

This article establishes oversight and standards for the use of the new outdoor heritage, parks and trails, clean water, and arts and cultural heritage funds.

- 1 **Application.** Adds § 3.3006. States that the definitions of enhance, protect, and restore found in Minnesota Statutes, section 84.02, apply to all funds appropriated and purposes authorized under the clean water fund, parks and trails fund, and outdoor heritage fund.
- 2 **Constitutionally dedicated funding accountability.** Adds § 3.303, subd. 10. Requires the LCC to develop and maintain a Web site containing specified information relating to projects funded or proposed to be funded from the constitutionally-dedicated funds. Provides that the LCC is responsible for receiving specified plans and frameworks for each of the constitutionally dedicated funds. Requires the LCC to provide assistance and oversight to these planning efforts and to coordinate public access to hearings and meetings.
- 3 **Enhance.** Adds § 84.02, subd. 4a. Defines “enhance” for purposes of Minnesota Statutes, chapter 84, governing the DNR.
- 4 **Protect.** Adds § 84.02, subd. 6a. Defines “protect” for purposes of Minnesota Statutes, chapter 84, governing the DNR.
- 5 **Restore.** Adds § 84.02, subd. 6b. Defines “restore” for purposes of Minnesota Statutes, chapter 84, governing the DNR.
- 6 **Parks and trails fund.** Amends § 85.53.

Subd. 1. Establishment. Technical.

Subd. 2. Expenditures; accountability. Requires projects or programs funded by the parks and trails fund to meet or exceed the constitutional requirement to “support parks and trails of regional or statewide significance” and include measurable outcomes and a plan for measuring and evaluating the results. Requires a project or program to be consistent with current science and incorporate state of the art technology except when the project or program is a portrayal or restoration of historical significance. Establishes additional funding requirements including: requiring that expenditures from the fund be balanced across all regions and residents of the state; requiring grants to meet existing state grant requirements; and requiring a sign on lands and capital improvements funded with parks and trails funds that identify the projects as projects funded with money from the vote of the people of Minnesota on November 4, 2008.

Subd. 3. Metropolitan area distribution formula. Establishes a formula for disbursing funds appropriated from the parks and trails fund to the Metropolitan Council as grants to the system’s implementing agencies as follows:

- (1) 45 percent according to an existing formula (40 percent based on use; 40 percent based on operation and maintenance expenditures; 20 percent based on acreage);

- (2) 31.5 percent based upon the relative share of the most recent metropolitan area population estimates;
- (3) 13.5 percent based upon the relative share of nonlocal visits according to the most recent user survey; and
- (4) ten percent as grants for land acquisitions within the approved master plan boundaries (the Metropolitan Council is required to provide \$2 of park bonds for every \$3 of state funds granted).

Subd. 4. Data availability. Requires certain data that is collected through projects funded with money from the parks and trails fund to meet standards and be available on the Internet (this requirement has also been applied to LCCMR projects in the past through an appropriation rider).

7 Clean water fund. Adds subdivisions to § 114D.50.

Subd. 1. Establishment. Technical.

Subd. 2. Sustainable drinking water account. Creates the sustainable drinking water account in the clean water fund.

Subd. 3. Purpose. States purposes for which money in the clean water fund may be spent. Requires the fund to supplement traditional sources of funding and not to be used as a substitute.

Subd. 4. Expenditures; accountability. Requires projects or programs funded by the clean water fund to meet or exceed the constitutional requirement to “protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation” and include measurable outcomes and a plan for measuring and evaluating the results. Requires a project to be consistent with current science and incorporate state of the art technology. Establishes additional funding requirements including: requiring that expenditures from the fund be balanced across all regions and residents of the state; and requiring grants to meet existing state grant requirements. Provides that money from the fund may be spent only on projects that benefit Minnesota waters.

Subd. 5. Data availability. Requires certain data that is collected through projects funded with money from the fund to meet standards and be available on the Internet (this requirement has also been applied to LCCMR recommended projects in the past through an appropriation rider).

8 Legislative guide. Requires creation of a legislative guide stating principles for use and expected outcomes of funds from the constitutionally-dedicated sales tax. Requires the guide to be created jointly by the House Cultural and Outdoor Resources Division, the appropriate Senate committee, and the Lessard-Sams Outdoor Heritage Council. States the provisions to be included. Requires the guide to be completed by January 15, 2009.

9 25-year strategic framework. Requires the legislative committees, divisions, or councils responsible for recommending expenditures to the full legislature from the outdoor heritage fund, clean water fund, parks and trails fund, and the arts and cultural heritage fund to develop a 25-year strategic plan for the expenditures by January 15, 2011. Specifies the

provisions to be included and requires the plan to be updated at least every five years.

- 10** **Logo.** Requires the Minnesota Board of the Arts to sponsor a contest for selecting the design of a logo to use on signage for projects receiving money from the outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds and requires recipients to display signs, where practicable, incorporating the logo.