

Chapter 60

2023 Regular Session

Subject Environment, Natural Resources, Climate and Energy**Bill** H.F. 2310**Analyst** Janelle Taylor
Bob Eleff**Date** July 11, 2023

Overview

This act contains fiscal year 2024 and 2025 budget appropriations for the Pollution Control Agency (PCA), Department of Natural Resources (DNR), Board of Water and Soil Resources (BWSR), Department of Commerce, Minnesota Public Utilities Commission, and other entities. It also contains the fiscal year 2024 appropriations from the environment and natural resources trust fund (ENRTF) based upon recommendations of the Legislative-Citizen Commission on Minnesota Resources (LCCMR) and a number of statutory and other changes related to the environment, natural resources, climate, and energy.

Article 1: Environment and Natural Resources Appropriations

This article contains the fiscal year 2024 and 2025 appropriations for the PCA, DNR, BWSR, metropolitan area regional parks, Conservation Corps Minnesota, the Minnesota Zoo, the Science Museum, and the school trust lands director.

Section	Description – Article 1: Environment and Natural Resources Appropriations
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| 1 | Environment and natural resources appropriations.
Technical. |
| 2 | Pollution Control Agency.
Appropriates \$305,345,000 in fiscal year 2024 and \$229,638,000 in fiscal year 2025 to the PCA, including appropriations for the Environmental Quality Board (EQB). |
| 3 | Natural resources.
Appropriates \$1,000,000 in fiscal year 2023, \$535,868,000 in fiscal year 2024 and \$403,116,000 in fiscal year 2025 to the DNR, including pass through appropriations for the school trust lands director. |

Section	Description – Article 1: Environment and Natural Resources Appropriations
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| 4 | Board of Water and Soil Resources.
Appropriates \$61,943,000 in fiscal year 2024 and \$58,131,000 in fiscal year 2025 to BWSR. |
| 5 | Metropolitan Council.
Appropriates \$32,240,000 in fiscal year 2024 and \$11,490,000 in fiscal year 2025 to the Metropolitan Council. |
| 6 | Conservation Corps Minnesota.
Appropriates \$1,070,000 in fiscal years 2024 and 2025 for Conservation Corps Minnesota. |
| 7 | Zoological Board.
Appropriates \$14,244,000 in fiscal year 2024 and \$13,812,000 in fiscal year 2025 to the Minnesota Zoo. |
| 8 | Science Museum.
Appropriates \$8,200,000 in fiscal year 2024 and \$1,260,000 in fiscal year 2025 to the Science Museum of Minnesota. |
| 9 | University of Minnesota.
Appropriates \$1,500,000 in fiscal year 2024 to the University of Minnesota. |
| 10 | Public safety.
Appropriates \$229,000 in fiscal year 2025 to the Department of Public Safety. |

Article 2: Environment and Natural Resources Trust Fund

This article contains fiscal year 2024 appropriations from the ENRTF and the Great Lakes protection account as recommended by the LCCMR. It also contains policy recommendations developed by the LCCMR concerning capital projects funded by the ENRTF in response to a law passed in 2022 requiring them to submit recommendations on the topic to the legislature as well as other policy changes related to the ENRTF and LCCMR.

Section	Description – Article 2: Environment and Natural Resources Trust Fund
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| 1 | Environment and natural resources appropriations.
Technical. |
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Section Description – Article 2: Environment and Natural Resources Trust Fund

2 Minnesota resources.

Subd. 1. Total appropriation. Provides a total appropriation of \$79,644,000 in fiscal year 2024 from the ENRTF and \$189,000 in fiscal year 2024 from the Great Lakes protection account.

Subd. 2. Definitions. Technical.

Subd. 3. Foundational natural resource data and information. Provides a total appropriation for natural resource data and information projects of \$8,219,000 in fiscal year 2024.

Subd. 4. Water resources. Provides a total appropriation for water resources projects of \$8,328,000 in fiscal year 2024, including \$189,000 from the Great Lakes protection account.

Subd. 5. Environmental education. Provides a total appropriation for environmental education projects of \$3,905,000 in fiscal year 2024.

Subd. 6. Aquatic and terrestrial invasive species. Provides a total appropriation for invasive species projects of \$5,104,000 in fiscal year 2024.

Subd. 7. Air quality, climate change, and renewable energy. Provides a total appropriation for air quality and renewable energy projects of \$3,913,000 in fiscal year 2024.

Subd. 8. Methods to protect or restore land, water, and habitat. Provides a total appropriation for projects for protection, restoration, and enhancement methods of \$15,997,000 in fiscal year 2024.

Subd. 9. Land acquisition, habitat, and recreation. Provides a total appropriation for land acquisition projects of \$31,241,000 in fiscal year 2024.

Subd. 10. Administration, emerging issues, and contract agreement reimbursement. Provides a total appropriation of \$3,126,000 in fiscal year 2024 for certain administrative expenses and an emerging issues account.

Subds. 11 to 18. Provides project requirements that apply to all recipients. The LCCMR recommends similar requirements each year, which include: specifying the availability of appropriations; data requirements; specific project requirements, including requiring ecological restoration and management plans; and requiring easements to be permanent and have a long-term monitoring and enforcement plan. Extends several previous appropriations set to expire.

Section Description – Article 2: Environment and Natural Resources Trust Fund

Subd. 19. Repurpose. Repurposes unused money from a previous appropriation, estimated to be \$176,000, towards examining the impacts of neonicotinoid exposure on game species.

3 Membership.

Prohibits a citizen member of the LCCMR from being a lobbyist. Allows citizen members to be compensated at a rate of up to \$125 per day (under current law it is \$55 per day). Requires one of the governor's citizen member appointments to the LCCMR to be a member recommended by the Tribal government representatives of the Indian Affairs Council. Establishes term limits for citizen appointments.

4 Citizen selection committee.

Modifies provisions governing the citizen selection committee which identifies and recommends candidates for citizen appointments to the LCCMR. The citizen selection committee members would serve three-year terms and be compensated up to the same rate as LCCMR citizen members. A member would also not be able to be a registered lobbyist. The section would go into effective January 1, 2025.

5 Duties.

Reduces the supermajority requirement for LCCMR funding recommendations from 12 to 11 and makes conforming changes related to the next section.

6 Conflict of interest.

Prohibits a member from voting on a motion regarding the final recommendations of the commission if the motion relates to an organization in which the member has a direct financial personal interest. Reduces the super majority requirement needed to approve the final recommendations of the commission by the number of members prohibited from voting.

7 Availability of funds for disbursement.

Modifies a requirement regarding money from the environment and natural resources trust fund that is not encumbered so that it cancels and is credited back to the trust fund when it expires, rather than within the biennium.

8 Capital construction and land acquisition; restrictions.

Restricts a recipient of an appropriation from the ENRTF who uses the appropriation for a capital construction project with a total cost of \$10,000 or more from altering the use of the capital asset or conveying any interest in the capital asset without the prior review and approval of the LCCMR. Requires the LCCMR to establish procedures for reviewing requests and provides certain criteria for doing so. Also requires recipients to record a notice of funding restriction with the appropriate local

Section Description – Article 2: Environment and Natural Resources Trust Fund

government and specifies what the notice must contain. This section would go into effect January 1, 2025.

9 Real property interests; report.

Requires a recipient of an appropriation from the ENRTF who uses the appropriation for a capital construction project with a total cost of \$10,000 or more to submit an annual report to the LCCMR on the status of the real property for a period of 25 years. This section would go into effect January 1, 2025.

10 Lands in public domain.

Reduces the supermajority requirement for LCCMR approvals of certain land and easement acquisitions from 12 to 11.

11 Additional capital construction project requirements.

Subd. 1. Full funding. Specifies the commitment of other sources of funding required when a project or project phase has not received full funding from the ENRTF.

Subd. 2. Match. Requires a recipient of money from the ENRTF for a capital construction project to provide at least 25 percent in match, either cash or in-kind, from nontrust fund sources.

Subd. 3. Sustainable building guidelines. States that certain sustainable building guidelines apply to new buildings and major renovations funded by the ENRTF.

Subd. 4. Applicability. Exempts capital construction projects costing less than \$10,000 and land acquisition projects that are not for the purpose of capital construction from the requirements in subdivisions 1, 2, and 3.

Subd. 5. Other capital construction statutes. States that a number of existing capital project requirements apply to recipients of money appropriated from the ENRTF.

This section is effective January 1, 2025.

12 Land acquisition, habitat, and recreation.

Modifies a previous appropriation for Mississippi River water quality, habitat, and recreational improvements to specify the appropriation is for the city of Baxter and removing specific acreage requirements.

Section	Description – Article 2: Environment and Natural Resources Trust Fund
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| 13 | Environmental education.
Modifies a previous appropriation for environmental learning centers to remove a minimum threshold on the number of students that must be provided with scholarships. |
| 14 | Methods to protect, restore, and enhance land, water, and habitat
Modifies a previous appropriation for a watershed and forest restoration project to allow for the acquisition of land and reforestation on lands protected through long-term contracts. |
| 15 | Habitat and recreation.
Modifies a previous appropriation to remove language indicating a Mesabi Trail project would extend “to” the city of Tower so that it would instead state that it would extend “toward” the city of Tower. |
| 16 | Effective date.
States that unless otherwise provided, the article is effective the day following final enactment. |

Article 3: Pollution Control

This article contains a number of provisions proposed by the PCA and other provisions impacting the agency and environment.

Section	Description – Article 3: Pollution Control
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| 1 | Microplastics.
Establishes a definition of microplastics in Minnesota Statutes, chapter 115 (Water Pollution Control; Sanitary Districts). |
| 2 | Nanoplastics.
Establishes a definition of nanoplastics in Minnesota Statutes, chapter 115 (Water Pollution Control; Sanitary Districts). |
| 3 | Plastic.
Establishes a definition of plastic in Minnesota Statutes, chapter 115 (Water Pollution Control; Sanitary Districts). |

Section Description – Article 3: Pollution Control

- 4 **Generally.**
Adds providing chloride reduction training and charging a training fee necessary to cover the agency's costs of the training to the list of powers and duties of the commissioner of the PCA. The fee may not exceed \$350.
- 5 **Duty to notify; avoiding water pollution.**
Requires a publicly owned water treatment works or domestic sewer system owner to promptly notify the public and any downstream drinking water facility of a discharge of a pollutant. Requires the notice to be made using the most efficient communication system available. Requires signs to be posted at all impacted public use areas within the same jurisdiction or notice to be provided to the entity that has jurisdiction over the impacted area. Specifies requirements of the notice and requires the PCA to provide guidance on the methods and protocols for providing the required notice.
- 6 **Environmental justice area.**
Establishes a definition of environmental justice area for purposes of Minnesota Statutes, chapter 115A (Waste Management Act).
- 7 **Waste treated seed.**
Defines waste treated seed for purposes of Minnesota Statutes, chapter 115A (Waste Management Act) as treated seed that is withdrawn from sale or that an end user considers unusable or waste.
- 8 **Architectural paint; product stewardship program; stewardship plan.**
Limits the size of the financial reserve a producer or stewardship organization must maintain to 75 percent of the organization's annual operating expenses. Requires review by an independent auditor of an assessment on paint proposed by a producer or stewardship organization to fund a stewardship plan. If two revised stewardship plans are rejected by the commissioner, the commissioner must modify the plan to comply with the requirements of this section and approve it.
- 9 **Waste management capital assistance program.**
Specifies the alternatives to disposal that may be funded under the program, including reuse, recycling, composting, and resource recovery.
- 10 **Application requirements.**
Incorporates specific references to waste reduction and reuse that must be addressed in funding applications for those types of projects.

Section Description – Article 3: Pollution Control

- 11 Purposes; public interest; declaration of policy.**
Extends the scope for state policies regarding solid waste management to include the acquisition and improvement of facilities in addition to their establishment, and specifies the various types of solid waste activities (reduction, reuse, recycling, composting, etc.) that may be used to properly manage waste.
- 12 Administration; assurance of funds.**
Increases from 50 to 75 percent the proportion of the capital cost of a solid waste project that may be paid by a state grant from funds raised from bonds issued under section 115A.58.
- 13 Solid waste management projects.**
Increases the maximum grant award for solid waste projects from the lesser of 25 percent of the capital cost or \$2,000,000, to the lesser of 25 percent of the capital cost or \$5,000,000.
- 14 Grant program established.**
Expands the subjects of grants awarded by the agency to political subdivisions and Tribes to include waste reduction and reuse, in addition to recycling and composting.
- 15 Priorities; eligible projects.**
Expands grant eligibility to include waste reduction and reuse.
- 16 Prohibited disposal methods.**
Prohibits disposing of waste treated seed in a manner that is inconsistent with any directions or warnings provided on the seed label, or by burying near water, composting, or burning in a home or other dwelling.
- 17 Requests for review, investigation, and oversight.**
Establishes an account to receive revenues above the first \$350,000 received under the PCA's voluntary investigation and cleanup program and appropriates the money to the PCA.
- 18 Test reporting.**
Modifies the date the PCA must report private well testing results to each community in the east metropolitan area from January 15 each year to March 15.
- 19 Reporting.**
Modifies the 3M settlement reporting requirements for the PCA and DNR to make the report due annually on October 1, instead of twice a year as required under current law.

Section Description – Article 3: Pollution Control

20 Odor management.

Requires a facility located in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington County that has received an agency inspection after an odor complaint to develop, if the commissioner determines that the odor is objectionable, an odor management plan for agency review and approval. If the plan is not approved or, after being implemented, does not eliminate the objectionable odor, the agency may require a revised plan, impose penalties, or modify the facility's air quality permit. Requires rulemaking to develop a process for investigating odor complaints and for determining if an odor is objectionable, an odor standard, and other provisions.

21 Products containing PFAS.

Subd. 1. Definitions. Defines terms for purposes of PFAS product bans and information requirements established in this section.

Subd. 2. Information required. Requires a manufacturer of a product that contains intentionally added PFAS sold, offered for sale, or distributed in the state to submit certain information to the PCA beginning January 1, 2026, including a description of the product, and the purpose and amount of the PFAS in the product. Requires a manufacturer to revise the information whenever there is a significant change in the information or when requested by the agency. Prohibits a person from selling, offering for sale, or distributing for sale a product if the manufacturer has failed to submit the required information and the person has received notification.

Subd. 3. Information requirement waivers; extensions. Allows the PCA to waive the information requirement under subdivision 2 if the commissioner of the PCA determines that substantially equivalent information is already publicly available. Allows the PCA to grant waivers to manufacturers for multiple products or a product category. States that for certain agricultural products regulated under chapters 18B or 18C (pesticides, fertilizers, etc.), the information requirements may be satisfied by submitting the information required under subdivision 2 as part of its annual registration or approval process and the commissioner of agriculture may determine whether to make the information publicly available. Allows the PCA to enter into an agreement with other states or political subdivisions to collect the information and accept information to a shared system. Allows the PCA to extend the deadline for submission if the commissioner determines more time is needed by the manufacturer.

Subd. 4. Testing required and certificate of compliance. Allows the PCA to require a manufacturer to provide certain PFAS testing results if the commissioner has reason to believe a product being offered for sale in the state contains intentionally added PFAS. Requires a manufacturer to submit a certificate attesting that the product does not contain PFAS if the testing

Section Description – Article 3: Pollution Control

demonstrates so. If the product does contain PFAS, requires the manufacturer to comply with the information requirements under subdivision 2.

Requires a manufacturer to notify a person who sells or offers for sale products that are prohibited under this section (either because information has not been submitted as required in subdivision 2 or that are banned under the next subdivision) and provide the PCA with a list of those notified. Allows the PCA to notify persons selling the products as well.

Subd. 5. Prohibitions. Paragraph (a) prohibits a person from selling, offering for sale, or distributing for sale the following products containing intentionally added PFAS beginning January 1, 2025: carpets or rugs; cleaning products; cookware; cosmetics; dental floss; fabric treatments; juvenile products; menstruation products; textile furnishings; ski wax; and upholstered furniture.

Paragraph (b) allows the PCA to, by rule, prohibit additional products containing intentionally added PFAS within certain timeframes. Requires the commissioner to prioritize products that are most likely to contaminate or harm the state's environment and natural resources. Allows the commissioner to exempt products when the use of PFAS is currently unavoidable but prohibits the commissioner from exempting any product prohibited under paragraph (a).

Paragraph (c) prohibits a person from selling, offering for sale, or distributing a product containing intentionally added PFAS beginning January 1, 2032, unless the commissioner has determined by rule that the use of PFAS in the product is currently an unavoidable use.

Requires the commissioner of agriculture to approve rules adopted under paragraph (b) or (c) impacting certain agricultural products.

Subd. 6. Fees. Allows the commissioner to establish fees, by rule, payable by the manufacturer upon submission of the required information to cover the reasonable costs of implementing this section. Requires the fees to be deposited in an account in the environmental fund.

Subd. 7. Enforcement. Allows the PCA to enforce this section using existing authorities and allows coordination with the commissioners of commerce and health. Requires a person to furnish information to the PCA, if requested, that is relevant to show compliance with this section.

Subd. 8. Exemptions. States that the section does not apply to: (1) a product where the presence of PFAS is governed by federal law that preempts state authority; (2) a product regulated under existing laws that regulate PFAS in firefighting foam and food packaging; and (3) the sale or resale of used products.

Section Description – Article 3: Pollution Control

States that subdivisions 4 and 5 do not apply to prosthetics, orthotic devices, medical devices, drugs, or products otherwise used in a medical setting or medical application.

Subd. 9. Rules. Allows the commissioner to adopt rules necessary to implement this section and states that a certain law governing the expiration of rulemaking authority does not apply.

22 Public members.

Allows public members of the EQB to be compensated at a rate of up to \$125 per day.

23 Standards for labeling bags, food or beverage products, and packaging.

Expands the current prohibition against labeling plastic bags as biodegradable or compostable unless the product is certified as meeting a standard established for those terms by the American Society for Testing and Materials, to include all bags, food or beverage products, and packaging.

Subd. 1. Biodegradable label. Expands the scope of products subject to this subdivision from plastic bags to include all bags, as well as food or beverage products and packaging (“covered products”). Prohibits the sale of such a product in the state if the product’s labeling implies that the product will biodegrade or decompose in a landfill or other environment unless the American Society for Testing and Materials has adopted a standard specifying characteristics that those products must meet in order to be certified as eligible to use such labeling, and the product has been certified as meeting that standard under subdivision 2a.

Subd. 2. Compostable label. Expands the scope of products subject to this subdivision from plastic bags to include all bags, as well as food or beverage products and packaging. Prohibits the sale of such a product in the state unless it has been certified under subdivision 2a as meeting standards established by the American Society for Testing and Materials regarding compostability, unless the product is composed solely of wood or paper without coatings or additives. Specifies that the product must be labeled to indicate that it is intended to be disposed of at an industrial or commercial compost facility.

Subd. 2a. Certification of compostable products. Prohibits, beginning in 2026, the sale of covered products unless the product is certified as meeting the requirements of subdivision 2 by a nonprofit entity that is capable of analyzing compliance with that subdivision and that promotes the design of biodegradable/compostable products.

Section Description – Article 3: Pollution Control

Subd. 3. Enforcement; civil penalty; injunctive relief. Expands those subject to penalties for violating this section to include retailers, and allows for administrative as well as civil penalties.

Subd. 4. Definitions. Defines terms.

Provides that this section is effective January 1, 2025.

24 Lead and cadmium in consumer products; prohibition.

Prohibits a person from importing, manufacturing, selling, holding for sale, distributing, or offering for use certain products containing lead or cadmium above certain levels unless preempted by federal law. Allows the PCA, Department of Commerce, and Department of Health to coordinate in enforcing the section.

25 Definitions.

Modifies the definitions for “class B firefighting foam” and “PFAS chemicals” used in existing law regulating the discharge of certain firefighting foams and for purposes of a new ban on the manufacture, distribution, sale, and use of class B firefighting foam containing PFAS chemicals.

26 Prohibition.

Prohibits the manufacture, sale, distribution, or use of class B firefighting foam containing PFAS beginning January 1, 2024. States that the restriction does not apply for purposes of use at airports until the state fire marshal makes certain determinations or when the inclusion of PFAS is required by federal law. If federal requirements to include PFAS are revoked after January 1, 2024, the prohibition applies to those foams one year following the day of the revocation.

27 Discharge for testing and training.

States that a person, political subdivision, or state agency that is exempt from the ban under the previous section may not use firefighting foam containing intentionally added PFAS for testing or training purposes, with certain exceptions, as prohibited under current law.

States that this section is effective January 1, 2024.

28 Treated seed waste disposal rulemaking.

Requires the PCA, in consultation with the Minnesota Department of Agriculture (MDA) and the University of Minnesota, to adopt administrative rules regarding the safe and lawful disposal of waste treated seed and specifies that these rules must clearly identify the regulatory jurisdiction of state agencies and local governments.

Section Description – Article 3: Pollution Control

29 Petroleum tank release cleanup; report.

Requires the PCA to undertake activities to improve the performance of the agency's petroleum tank release cleanup program by addressing recommendations made by the Office of the Legislative Auditor in its report on the program issued in February 2021. This section requires the commissioner to: (1) define what conditions are necessary to declare a remediation site as posing low risks to public health; (2) develop guidelines directing staff to consider future uses of a site in making remediation decisions; (3) develop measures of program performance and evaluate the program periodically; (4) examine establishing technical qualifications for contractors remediating contaminated sites; and (5) make consultants more accountable for the quality of their work.

30 PFAS manufacturers fee work group.

Requires the PCA to establish a work group to review options for collecting a fee from manufacturers of PFAS and submit a report to the legislature with recommendations by February 15, 2024.

31 Temporary exemption for terminals and oil refineries.

States that the new PFAS firefighting foam ban established in this article does not apply to the manufacture, sale, distribution, or use for purposes of use at a terminal or oil refinery until January 1, 2026. Allows the state fire marshal to grant a waiver extending the exemption if an applicant provides certain information. Requires the opportunity for public comment during the waiver process. Requires all extensions to expire by January 1, 2028. Establishes requirements for using PFAS firefighting foam under a waiver.

32 Firefighter turnout gear; report.

Requires the commissioner of the PCA, in consultation with the commissioner of health, to submit a report to the legislature regarding PFAS in firefighter turnout gear by January 15, 2024, and specifies the contents of the report, including recommendations for protocols for PFAS biomonitoring in firefighters.

33 PFAS water quality standards.

Requires the PCA to adopt rules establishing water quality standards for six PFAS the federal government is currently proposing drinking water standards for (perfluorooctanoic acid (PFOA), perfluorooctane sulfonic acid (PFOS), perfluorononanoic acid (PFNA), hexafluoropropylene oxide dimer acid (HFPO-DA, commonly known as GenX Chemicals), perfluorohexane sulfonic acid (PFHxS), and perfluorobutane sulfonic acid (PFBS)). Requires the rules to be adopted by July 1, 2026.

Section Description – Article 3: Pollution Control

34 Health risk limit; perfluorooctane sulfonate.

Requires the commissioner of health to amend the health risk limit (HRL) for PFOS at an amount that does not exceed 0.015 parts per billion by July 1, 2026. Requires the commissioner to comply with existing standards that require drinking water and air quality standards to be based on scientifically acceptable, peer-reviewed information and include a reasonable margin of safety to adequately protect the health of infants, children, and adults by considering certain health outcomes.

35 Resource management; report.

Requires a report by the PCA to the legislature by July 15, 2025, that identifies a pathway to implement resource management policies.

36 Report required; recycling and reusing solar photovoltaic modules and installation components.

Requires a report by the PCA, in collaboration with the commissioners of commerce and employment and economic development, to the legislature by January 15, 2025, that presents options for developing a system to collect and recycle solar panels and associated infrastructure once the panels have reached the end of their useful life. The report must catalogue current end-of-life procedures and estimate the value of materials collected. After completing the report, the commissioners must convene a working group to advise and recommend policies to develop a statewide collection and management system for used solar panels.

37 Revisor instruction.

Requires the revisor to change the term “master plan” to “plan” wherever it appears in Minnesota Statutes, sections 473.803 to 473.8441.

38 Repealer.

Repeals Minnesota Statutes, sections 115.44, subdivision 9, and 116.011 (PCA reporting requirements) and sections 325E.389 and 325E.3891 (prohibiting lead in cadmium in certain products being replaced with new prohibitions in this article).

Article 4: Natural Resources

This article contains a number of policy provisions proposed by the DNR as well as other provisions impacting natural resources.

Section Description – Article 4: Natural Resources

- 1 Restored prairie.**
Adds a definition of “restored prairie” to Minnesota Statutes, chapter 84 (Department of Natural Resources).
- 2 Application, form.**
Removes a requirement that an application for a license or permit for a utility to cross state land or water be in quadruplicate.
- 3 Supplemental application fee and monitoring fee.**
Modifies utility crossing license fees by establishing a new \$1,000 fee for public land and water crossings not subject to the current fee of \$1,750 (which applies to crossings by electric power lines, cables, or conduits 100 kilovolts or greater or to main pipelines for gas, liquids, or solids in suspension). Establishes a \$500 fee for each additional water or land crossing in excess of two crossings. Provides definitions for “water crossing” and “land crossing” for purposes of the provision.
- 4 Application fee exemption.**
Conforming change related to the previous section.
- 5 Fees for renewing license.**
Requires the DNR to assess a utility license applicant all applicable fees when renewing a license as if the application was for a new license.
- 6 Report of ownership transfers; fee.**
Changes the person responsible for the application to transfer ownership of an off-highway motorcycle (OHM) to the current owner from the registered owner as required under current law.
- 7 Application, issuance, issuing fee.**
Requires snowmobile registration numbers to be printed on a decal and affixed to the snowmobile. Current law requires registration numbers to be affixed to the snowmobile.
- 8 Display of registration decal.**
Requires a person to have a current snowmobile registration decal affixed to each side of a snowmobile in order to operate or transport it and specifies how the decal must be affixed. Under current law, registration numbers are required to be affixed to the snowmobile.

Section Description – Article 4: Natural Resources

9 Area for registration number.

Statutorily requires snowmobiles made after June 30, 1972, and sold in Minnesota to have a clear area on each side of the cowling meeting certain requirements (this is currently required in a rule being repealed in this article).

10 Transfer or termination of snowmobile ownership.

Changes the person responsible for the application to transfer ownership of a snowmobile to the current owner from the registered owner as required under current law.

11 Required rules, fees, and reports.

Makes conforming changes related to the requirement for snowmobile decals and makes other technical updates.

12 Operation on streets and highways.

Allows a person to cross a divided highway on a snowmobile at a safe location approved by the road authority.

13 Penalty.

States that the penalty amount for those operating an OHM, off-road vehicle (ORV), all-terrain vehicle (ATV), or snowmobile in violation of certain trespass laws cannot be less than the civil penalty applicable to those violations.

14 Report of transfers.

Changes the person responsible for the application to transfer ownership of an ATV to the current owner from the registered owner as required under current law.

15 Insecticides on state lands.

Prohibits the use of an insecticide in a wildlife management area (WMA), state park, state forest, aquatic management area (AMA), or a scientific and natural area (SNA) if the insecticide is from the neonicotinoid class of insecticides or it contains chlorpyrifos.

16 Program.

Expands the Minnesota Naturalist Corps program purposes to include supporting state trails (in addition to state parks which is stated under current law).

17 Eligibility.

Modifies eligibility requirements for participation in the Minnesota Natural Corps, including no longer requiring a person to: be a Minnesota resident; be participating in certain fields of study; or have at least one year of postsecondary education.

Section Description – Article 4: Natural Resources

18 Management plan.

Modifies a law requiring the DNR to prepare and maintain a long-term invasive species management plan by requiring the plan to be updated by December 31, 2023, and every five years thereafter and requiring the plan to address the impacts of climate change on invasive species management.

19 Removal and confinement.

Allows a conservation officer or other licensed peace officer to order the removal of aquatic invasive species (AIS) before water-related equipment is transported or placed in waters of the state if the decontamination equipment is not onsite (under current law, the equipment must be available onsite).

20 Luce Line Trail, Hennepin, McLeod, and Meeker Counties.

Expands the authorization of the Luce Line State Trail to include a connection to Greenleaf Lake State Recreation Area.

21 State park reservation system.

Allows the DNR to develop reasonable reservation policies for day-use facilities, tours, educational programs, seminars, events, and rentals, in addition to campsites and lodging as allowed under current law.

22 Other commercial operation.

Establishes a definition of “other commercial operation” for purposes of Minnesota Statutes, chapter 86B (Water Safety and Watercraft).

23 Definitions.

Defines “accompanying operator,” “adult operator,” “exempt operator,” “motorboat rental business,” “resort business,” and “young operator” for purposes of new watercraft operator permit and motorboat rental business requirements.

24 Watercraft operator’s permit.

Subd. 1. Generally. Requires the commissioner to issue a watercraft operator’s permit to those 12 years of age or older who complete a water safety course and written test or who provide proof of completing a program subject to a certified reciprocity agreement. Under current law, youth 12 to 17 years of age are required to obtain the permit.

Subd. 2. Issuing permit to certain young operators. Allows the commissioner to issue a permit to an 11-year-old but the permit would not be valid until the person is 12.

Section Description – Article 4: Natural Resources

Subd. 3. Personal possession required. Requires a person required to have a watercraft operator's permit to have the permit or a driver's license/identification card with a valid watercraft operator's permit indicator in their possession. Requires a person to display one of these to a conservation officer or peace officer upon request.

Subd. 4. Using electronic device to display proof of permit. States that if a person uses an electronic device to display the watercraft operator's permit, the conservation officer or police officer is immune from liability for any damage to the device unless the officer does not exercise due care. Also states that this does not constitute consent for the officer to access other content on the device.

States that the section is effective July 1, 2025.

25 Operating personal watercraft and other motorboats.

Subd. 1. Adult operators. Requires an adult operator of a motorboat, including a personal watercraft, to have a valid watercraft operator's permit, be exempt from permit requirements, or have an accompanying operator in the watercraft.

Subd. 2. Young operators. Prohibits a person under the age of 12 from operating a personal watercraft or a motorboat with a motor with more than 75 horsepower. Allows a person under the age of 12 to operate a motorboat, excluding a personal watercraft, with a motor of less than 75 horsepower if there is an accompanying operator in the watercraft. Under an existing law (repealed under this bill), similar restrictions apply.

Subd. 3. Accompanying operators. States that for the purposes of this section and existing driving while impaired provisions, the accompanying operator and the actual operator are operating and in physical control of the motorboat.

Subd. 4. Owners may not allow unlawful use. Prohibits the owner or other person in control of a motorboat from allowing the motorboat from being operated in violation of this section.

Subd. 5. Exception for low-powered motorboats. Allows a person to operate a motorboat, excluding a personal watercraft, with a 25 horsepower or less motor without a valid watercraft operator's permit and without an accompanying operator.

States that the section is effective July 1, 2025.

26 Watercraft safety program.

Requires the commissioner to establish a watercraft safety course and testing program for personal watercraft and watercraft operators, including a written test.

Section Description – Article 4: Natural Resources

Similar requirements exist under current law. Requires the course to be approved by the National Association of State Boating Law Administrators and be available online. Allows the commissioner to designate courses administered by third parties and enter into reciprocity agreements or certify programs from other states that are similar to in-state programs. Requires the commissioner to establish a work group to assist with developing and implementing the program and establishes content requirements for the program. Requires the commissioner to develop a short boater safety examination to be administered electronically or on paper by rental businesses.

States that the section is effective July 1, 2025.

27 Motorboat rental businesses.

Subd. 1. Requirements. Prohibits a motorboat rental business from renting or leasing a motorboat to a person unless the person is 18 years of age or older and has a valid watercraft operator's permit or is exempt from the requirements.

Subd. 2. Authorized operators. Requires a motorboat rental business to list on each rental or lease agreement the name and age of each operator authorized to operate the motorboat or personal watercraft. Requires the renter or lessee to ensure that only those listed operate the motorboat or personal watercraft.

Subd. 3. Summary of boating regulations; examination. Requires a motorboat rental business to provide each authorized operator a summary of the watercraft safety laws. Requires each authorized operator to review the summary and take a short boater safety examination before they leave the motorboat rental business, with exceptions.

Subd. 4. Safety equipment for personal watercraft. Requires a motorboat rental business to provide a free U.S. Coast Guard approved wearable personal flotation device meeting certain requirements to all people who rent a personal watercraft. (This is a recodification of a similar law which is removed in the next section.)

States that the section is effective July 1, 2025.

28 Dealers.

Removes provisions related to the rental of personal watercraft that have been recodified in the previous section.

States that the section is effective July 1, 2025.

Section Description – Article 4: Natural Resources

- 29 **Watercraft 19 feet or less.**
Increases watercraft licensing fees for watercraft 19 feet or less.
- 30 **Canoes, kayaks, sailboards, paddleboards, paddleboats, or rowing shells.**
Increases the watercraft licensing fee for a canoe, kayak, sailboard, paddleboard, paddleboat, or rowing shell over ten feet in length from \$10.50 to \$23.
- 31 **Watercraft over 19 feet.**
Increases watercraft licensing fees for watercraft over 19 feet.
- 32 **Watercraft for commercial use.**
Increases watercraft licensing fees for commercial watercraft from \$75 to \$164 and modifies the application of the fee by applying it to watercraft of all size that are used primarily for charter fishing, commercial fishing, commercial passenger carrying, or other commercial operation.
- 33 **Watercraft used by nonprofit corporation for teaching.**
Increases the watercraft license fee applicable to those used by nonprofit organizations for teaching boat and water safety from \$4.50 to \$8.
- 34 **Dealer’s license.**
Increases the watercraft dealer’s license fee from \$67.50 to \$142.
- 35 **Membership regulation.**
Allows members of the Minnesota Forest Resources Council (MFRC) to be compensated at a rate of up to \$125 per day.
- 36 **Sunset.**
Extends the Sustainable Forest Resources Act sunset five years (from June 30, 2028, to June 30, 2033).
- 37 **Deferred payments.**
Allows a payment for timber to be postmarked within 30 days of a statement date before interest begins to accrue. Under current law, payment is required within 30 days of the statement date before interest begins to accrue.
- 38 **Native swan.**
Defines “native swan” for purposes of the game and fish laws as trumpeter and tundra swans and excludes mute swans.

Section Description – Article 4: Natural Resources

- 39 **Unloaded.**
Amends the definition of “unloaded” to accommodate muzzle loading firearms with encapsulated powder charge and electronic ignition systems which are added to allowable firearms under section 70.
- 40 **Wanton waste.**
Exempts common carp from the prohibition on wantonly wasting or destroying a usable part of a protected animal.
- 41 **Power to prescribe form of permits and licenses.**
Requires the DNR to provide applicants for fishing, trapping, and hunting licenses the option of receiving the license in either a paper or paperless format and provide a paperless license unless the applicant requests a paper one. The section is effective March 1, 2026.
- 42 **Walk-in access program.**
Expands the purpose of the walk-in access program to include providing access for bird-watching, nature photography, and similar compatible uses.
- 43 **Use of motorized vehicles by people with disabilities.**
Modifies a provision allowing the use of motorized vehicles in a wildlife management area (WMA) under a special permit issued by the DNR to a person with a disability. The changes include no longer requiring the disability to be permanent, no longer requiring a hunting license, requiring the vehicles to meet a federal definition for “other power-driven mobility devices,” and requiring the person to provide credible assurance that the device or motorboat is being used because of the disability.
- 44 **Portable stands.**
Allows licensed deer hunters to leave portable deer stands overnight in certain WMAs in Northwestern Minnesota. A law was passed in 2017 to allow this, but it expired December 31, 2019.
- 45 **Criminal penalties.**
States that the penalty amount for those operating an OHM, ORV, ATV or snowmobile in violation of certain trespass laws cannot be less than the civil penalty applicable to those violations.
- 46 **Commissioner’s authority.**
Technical change related to the next section.

Section Description – Article 4: Natural Resources

- 47 **Taking wild animals with federal incidental take permit.**
Allows the DNR to issue permits to a person to take wild animals under a federal incidental take permit.
- 48 **Personal possession.**
Makes conforming changes to reflect the changes made in section 41 relating to paperless licenses.
- 49 **Resident licenses.**
Modifies requirements for obtaining resident hunting, fishing, and trapping licenses to allow a valid driver's license or identification card application receipt that is at least 60 days past the issuance date and Tribal identification cards to be used as proof of residency. Prohibits a person from obtaining a resident license if they have been issued a resident license by another state or country within 60 days of applying.
- 50 **Seizure.**
Makes conforming changes to reflect the changes made in section 41 relating to paperless licenses.
- 51 **Issuance after conviction; big game.**
Prohibits a person from using a big game license they purchased prior to being convicted of certain game and fish law violations. Under current law, a person is prohibited from purchasing a big game license or taking big game under a lifetime license for three years after being convicted of one of the following violations: (1) a gross misdemeanor under the game and fish laws related to big game; (2) hunting big game without a license; or (3) having a second violation under the game and fish laws related to big game within three years.
- 52 **Nonresidents stationed in state; spouses.**
Allows spouses of nonresident armed forces members stationed in Minnesota to obtain a resident fishing license.
- 53 **Nonresident active members of National Guard; spouses.**
Allows spouses of nonresident National Guard members stationed in Minnesota to obtain a resident fishing license.
- 54 **Turtle license.**
Eliminates the turtle seller's license fee and turtle seller's apprentice license fee effective January 1, 2024.

Section Description – Article 4: Natural Resources

- 55 **Permissible firearms and ammunition; big game and wolves.**
Amends the list of permissible firearms to take big game and wolves to accommodate muzzle loading firearms with electronic ignitions and encapsulated powder charge ignition systems.
- 56 **Crossbow hunting.**
Allows the use of a crossbow to take deer, bear, turkey, or rough fish during the respective archery seasons until June 20, 2025.
- 57 **Clothing and ground blind requirements; blaze orange or blaze pink.**
Requires a person in a fabric or synthetic ground blind on public land during the open deer hunting season to have a blaze orange safety covering on the blind visible for 360 degrees around the blind or have at least 144 square inches of blaze orange material on each side of the blind.
- 58 **Limit of one deer.**
Clarifies that a person may take only one deer per year except as provided under DNR rules.
- 59 **Residents or nonresidents under age 18; taking either-sex deer.**
Prohibits a member of a hunting party from tagging a deer using another person's youth hunting tag (under current law the prohibition applies only to antlerless deer).
- 60 **Animals causing damage.**
Allows a property owner, the owner's immediate family, or an agent of the property owner to nonlethally scare, haze, chase, or harass deer or elk causing damage to agricultural crops under certain conditions and restrictions. Requires any resulting death of a deer or elk to be reported to the DNR's Division of Fish and Wildlife within 24 hours.
- 61 **Swans.**
States that a person who takes, harasses, destroys, buys, sells, possesses, transports, or ships a native swan in violation of the game and fish laws is guilty of a gross misdemeanor.
- 62 **Commissioner may remove rough fish.**
Removes certain provisions allowing the DNR to take fish with seines, nets, and other devices, including no longer taking lake whitefish and catfish on Minnesota-Wisconsin boundary waters.

Section Description – Article 4: Natural Resources

- 63 **Lines.**
Allows the use of two lines when fishing the Minnesota River downstream of the Granite Falls Dam and in the Mississippi River downstream of St. Anthony Falls.
- 64 **When use prohibited.**
Clarifies the dates when fish may not be taken by certain methods.
- 65 **Placing waste on ice prohibited.**
Provides a cross-reference in the statutes governing fish houses, dark houses, and other shelters on the ice to the new prohibition on leaving waste on the ice established in the next section.
- 66 **Storing garbage and other waste on ice.**
Prohibits a person using a shelter, motor vehicle, or any other conveyance on the ice of state waters from depositing garbage, rubbish, cigarette filters, firework debris, offal, dead animals, litter, sewage, or any other waste outside the shelter, vehicle, or conveyance unless it is placed in a container secured to the shelter, vehicle, or conveyance and not placed directly on the ice. Defines “sewage” for purposes of the provision. Establishes a petty misdemeanor penalty for violating the provision with a civil penalty of \$100.
- 67 **Species allowed.**
Allows cisco to be taken by spear.
- 68 **Dark houses required for certain species.**
Requires cisco taken by spear to be taken from a dark house.
- 69 **Open season.**
Clarifies the dates for the spear fishing season.
- 70 **Dates for certain species.**
Clarifies the dates for fishing seasons for certain species.
- 71 **Season.**
Clarifies the dates for the frog season.
- 72 **Taking turtles; requirements.**
Requires a recreational turtle license to take turtles (in addition to a resident angling license which is required under current law). Prohibits turtles taken from the wild from being sold and makes other conforming changes needed due to the elimination of the turtle seller’s license. States the section is effective January 1, 2024.

Section Description – Article 4: Natural Resources

73 License exemptions.

Modifies exemptions from the recreational turtle license requirements to conform to the removal of the turtle seller's license. Provides an exemption from licensing requirements for a person buying turtles for resale at a retail outlet or restaurant, a person under the age of 16, and a person with an aquatic farm license with a turtle endorsement or private fish hatchery license with a turtle endorsement. Prohibits turtles possessed under the licensing exemptions from being released back into the wild. States the section is effective January 1, 2024.

74 Taking; methods prohibited.

Prohibits the use of traps and commercial equipment when taking turtles and makes other changes to conform to the removal of the turtle seller's license. States the section is effective January 1, 2024.

75 Turtle species; limits.

Makes changes to conform to the removal of the turtle seller's license.

76 Lake Superior lake trout; expanded assessment harvest.

Clarifies certain dates when commercial lake trout fishing is allowed in Lake Superior.

77 Ecosystem harm.

Defines "ecosystem harm" for purposes of Minnesota Statutes, chapter 103G (Waters of the State).

78 Negative impact to surface waters.

Defines "negative impact to surface waters" for purposes of Minnesota Statutes, chapter 103G (Waters of the State).

79 Sustainable diversion limit.

Defines "sustainable diversion limit" for purposes of Minnesota Statutes, chapter 103G (Waters of the State).

80 Orders and investigations.

Provides a number of powers and duties of the commissioner of natural resources when enforcing provisions under chapter 103G, which includes water appropriation permit, public water work permit, and other water related requirements. The powers and duties include, the power to: issue and enforce reasonable orders, schedules of compliance, and stipulation agreements; issue notices of violation; require permit holders to make reports, install certain equipment, perform certain tests, and provide other information; and conduct investigations and order hearings.

Section Description – Article 4: Natural Resources

81 Duty of candor.

Prohibits a person from knowingly making a false statement, failing to disclose necessary information, or offering information that the person knows is false. Requires a person to take reasonable measures to provide accurate information when a person finds out they have offered information to the commissioner that is false.

82 Reporting fish kills in public waters.

Subd. 1. Definition. Defines “fish kill” as an incident resulting in the death of 25 or more fish within one linear mile of a flowing water or 25 or more fish within a square mile of a nonflowing water (excluding fish lawfully taken under the game and fish laws) for purposes of new fish kill requirements in this and the next section.

Subd. 2. Reporting requirement. Requires a state or county staff person or official who learns of a fish kill to report the location to the Minnesota State Duty Officer within one hour of being notified or four hours of first observing the fish kill. Requires the duty officer to alert the DNR, Department of Health (MDH), Department of Agriculture (MDA), and the PCA within one hour of being notified. Requires the fish kill be noticed in the next *EQB Monitor*.

83 Development of fish kill response protocol.

Subd. 1. Development of protocol. Requires, by June 30, 2024, the PCA, DNR, MDA, and Department of Health (MDH), to update the fish kills response guidance by developing a protocol consisting of steps state agencies must take when responding to a fish kill reported under the previous section and specifies what the protocol must address.

Subd. 2. Review of protocol. Requires MDA, MDH, DNR, and the PCA to post a draft of the protocol on their respective websites for 60 days for public review and comment and to hold at least one public meeting. Requires the agencies to consider public comments before posting the final protocol.

Subd. 3. Implementation. Requires MDA, MDH, DNR, and the PCA to follow the protocol once the final has been posted and to document the extent to which it has been followed.

Subd. 4. Updating protocol. Requires the agencies to review and update the protocol at least every five years.

Section Description – Article 4: Natural Resources

84 Water-use permit; processing fee.

Increases the water-use surcharge applicable during certain months from \$30 to \$50 per million gallons of water and expands, by two months, when the surcharge is applicable.

85 Relationship to surface water resources.

States that groundwater appropriations may be authorized only if they avoid known negative impacts to surface waters. Allows the DNR, if it is determined there will be negative impacts, to use a sustainable diversion limit or other methods, tools, or information to implement measures so that the appropriations do not negatively impact surface waters. Under current law, groundwater appropriations that will have negative impacts to surface waters are subject to certain provisions that apply to surface water appropriations.

86 Protecting groundwater supplies.

Requires the DNR to consider the cumulative withdrawal rates from groundwater resources on a monthly or annual basis when establishing water appropriation limits. Allows the DNR to consult with other state entities when determining impacts on water quality and quantity.

87 Authority to issue administrative penalty orders.

Expands the DNR's authority to issue administrative penalty orders to those violating the terms of a water appropriation permit.

88 Amount of penalty; considerations.

Allows the DNR to issue administrative penalties of up to \$40,000. Under current law, penalties are capped at \$1,000 when there is the potential for minor harm, \$10,000 when there is moderate potential, and \$20,000 when there is severe potential.

89 Penalty.

Requires the penalties from the previous section to be forgiven if a violation has been corrected or appropriate steps have been taken unless there are repeated or serious violations.

90 Cumulative remedy.

Removes provisions prohibiting the state from seeking civil penalties for violations covered by an administrative penalty order.

91 Penalties; enforcement.

Subd. 1. Civil penalties. Allows the commissioner to issue a notice to those who violate chapter 103G, including rules, permits, duties, orders, and stipulation agreements issued under it. States that a person issued a notice must forfeit and

Section Description – Article 4: Natural Resources

pay a penalty determined by the district court of no more than \$10,000 per day of violation. Allows the courts to require a defendant to pay the reasonable value of restoration, monitoring, and other expenses resulting from the unauthorized use of or damage to natural resources and just compensation for any loss, destruction, or damages. Allows a defendant, in defense of the damages assessed, to prove a violation was caused solely by an act of God, war, negligence by the state, sabotage or vandalism, or a combination.

Subd. 2. Enforcement. States that chapter 103G may be enforced by one or more of the following: criminal prosecution; civil penalties; injunction; action to compel performance; or other appropriate action.

Subd. 3. Injunctions. States that a violation of chapter 103G may be enjoined in an action in the name of the state brought by the attorney general.

Subd. 4. Actions to compel performance. Allows the court to require a defendant to act within the defendant's power to accomplish the purposes of an order. Allows the court to require a municipality to exercise its powers without regard to certain limitations. Requires the court to grant a municipality the opportunity to determine the appropriate financial alternatives to comply. Requires actions brought under this subdivision to take place in Ramsey County District Court.

92 Permit application and notification fees.

Increases water-use application fees for constructing or repairing certain dams, working in public waters, or diverting waters for mining from at least \$300 to at least \$1,200 and increases the cap from \$3,000 to \$12,000. Also increases the fee to request conducting a project under a general permit from \$100 to \$400.

93 Filing application.

Requires a copy of an application, including maps, plans and specifications, for a public waters work permit to be served to the Tribal chair of a federally recognized Tribe if the activities will take place within the boundaries of the Tribe's reservation or Tribal community.

94 Recommendation of local units of government and federally recognized Indian Tribes.

Allows a federally recognized Tribe notified of an application in the previous section to submit recommendations to the DNR or request a Tribal consultation within 30 days. States that if Tribal consultation is requested, that a permit application is not complete until after the consultation occurs or 90 days, whichever comes first.

Section Description – Article 4: Natural Resources

95 Watercraft operator's permit.

Requires the Department of Public Safety to maintain information on a person issued a watercraft operator's permit and include the information on all drivers' licenses or identification cards issued to the person. States that the section is effective July 1, 2025.

96 Deposit of revenues.

Increases the percentage of the amount from the in lieu of sales tax on state lottery tickets that is dedicated for certain purposes. Under current law, 72.43 percent of the lottery in lieu (LIL) tax is dedicated to five different purposes. This section would increase the amount dedicated for those purposes to 81.56 percent. It also requires 1.5 percent to be deposited in a new regional parks and trails account to be used for regional parks and trails outside the metropolitan area and another 1.5 percent to a new outdoor recreational opportunities for underserved communities account for projects and activities that connect diverse and underserved Minnesotans. The remainder would go to the general fund.

97 Upper Sioux Agency State Park; land transfer.

Requires the DNR to transfer state-owned land within the boundaries of Upper Sioux Agency State Park to the Upper Sioux Community for no cost. Allows the Minnesota Historical Society to transfer land within the Upper Sioux Agency Historic Site to the Upper Sioux Community for no cost. Requires the DNR, in cooperation with the Minnesota Historical Society, to identify any funding restrictions or other legal barriers to transferring the land. Requires the commissioner to submit a report to the legislature by January 15, 2024, that identifies all barriers to transferring the land, including any legislation needed to eliminate those barriers.

98 Required rulemaking.

Requires the DNR to amend rules to conform to the snowmobile registration display modifications and the changes to the walk-in access program made in the bill. Allows the DNR to use the good cause exemption from rulemaking to do so.

99 Registration decal format transition.

Provides for the transition from the old snowmobile registration number display requirements to the new snowmobile registration decal requirements established in the bill.

100 Report on feral pigs and mink.

Requires the DNR, in cooperation with other named state agencies, to submit a report to the legislature by February 15, 2024, that includes specified elements

Section Description – Article 4: Natural Resources

- including recommendations for managing feral pigs and mink to prevent negative impacts on the environment and human health.
- 101 **Statutory and rule revisions to prevent fish kills in driftless area.**
Requires the MDA, MDH, DNR, and the PCA to make recommendations to the legislature for statutory and rules changes to help prevent fish kills within the boundaries of the DNR’s Paleozoic Plateau ecological section by January 15, 2024.
- 102 **Turtle seller’s licenses; transfer and renewal.**
Prohibits the DNR from renewing or transferring turtle seller’s licenses beginning January 1, 2024.
- 103 **Swan restitution values; rule amendments.**
Requires the commissioner of natural resources to amend DNR rules to increase the restitution value for a tundra swan (from \$200 to \$1,000) and a trumpeter swan (from \$1,000 to \$2,500). Also requires the DNR to amend rules to double the restitution value for wild game taken, harassed, or destroyed with malicious intent. Allows the commissioner to use the good cause exemption from rulemaking to do so.
- 104 **Native fish conservation; reports.**
Requires the DNR to provide a written update to the legislature, by August, 1, 2023, on the progress of identifying necessary protection and conservation measures for native fish that are currently designated as rough. Also requires the DNR to submit a report to the legislature, by December 15, 2023, with recommendations for statutory and rule changes necessary to provide protection and conservation measures and research needs for native fish currently designated as rough fish.
- 105 **Water use permits; city of Lake Elmo.**
Temporarily allows (until June 30, 2027) the DNR to issue permits necessary for the city of Lake Elmo to construct and operate a new municipal water supply well and to amend existing permits to increase the volume of water allowed.
- 106 **White Bear Lake area water-use permit modification moratorium.**
Temporarily prohibits (until June 30, 2027) the DNR from reducing the total amount of groundwater use permitted under a White Bear Lake area water-use permit issued or amended before January 1, 2023, unless necessary to address emergency preparedness or other public health and safety issues.
- 107 **Analysis of crossbow hunting’s effect on deer population.**
Requires the DNR to submit an analysis of the effect the new crossbow provision has on the deer population to the legislature by October 1, 2025.

Section Description – Article 4: Natural Resources

108 Department of Natural Resources outreach to Southeast Asian Minnesotans.

Requires the DNR to hire at least 3.5 full-time equivalent positions to engage in outreach to members of Southeast Asian communities about hunting and fishing opportunities and regulations.

109 Ensuring adequate bait supply.

Allows the DNR to adopt emergency rules to alleviate a shortage of bait, including allowing the importation of live minnows. Requires the DNR and stakeholders to make recommendations to the legislature to ensure a viable Minnesota-grown bait supply and sustainable bait industry by January 15, 2024.

110 Recommendations for reducing aquatic invasive species contamination in trout streams.

Requires the DNR to submit recommendations for statutory and program changes to reduce the risk of aquatic invasive species contamination in Minnesota trout streams to the legislature by January 15, 2024.

111 Revisor instruction.

Instructs the Revisor to renumber subdivisions in the definitions section of chapter 103G and make necessary cross-reference changes to accommodate the new definitions added in this article.

112 Repealer.

Paragraph (a) repeals Minnesota Rules, parts 6100.5000, subparts 3, 4, and 5; and 6100.5700, subpart 4 (snowmobile registration number related rules) and Minnesota Rules, part 6115.1220, subpart 8 (reference to county land acquisition approval requirements).

Paragraph (b) repeals Minnesota Statutes, sections 86B.101 (existing watercraft safety program); 86B.305 (existing youth operator provisions); and 86B.313, subdivisions 2 and 3 (youth personal watercraft provisions) effective July 1, 2025.

Paragraphs (c) and (d) repeal statutory provisions establishing turtle seller licensing requirements (section 97C.605, subdivisions 2, 2a, 2b, and 5) and the associated rules, and rules regulating the use of traps and other equipment to take turtles (Minnesota Rules, part 6256.0500, subparts 2, 2a, 2b, 4, 5, 6, 7, and 8) effective January 1, 2024.

Article 5: Water and Soil Resources

This article contains a number of provisions proposed by BWSR and other provisions impacting water and soil resources.

Section	Description – Article 5: Water and Soil Resources
1	Voting members. Allows members of the Board of Water and Soil Resources to be compensated at a rate of up to \$125 per day.
2	Powers and duties. Allows BWSR to acquire conservation easements on behalf of the state and federal government consistent with Camp Ripley’s Sentinel Landscape program and related conservation programs. Allows the board to enter into agreements with Tribal Nations, federal agencies, higher education institutions and others to carry out its programs and responsibilities.
3	Conservation practices; standardized specifications. Requires BWSR to work with Tribal Nations to foster mutual understanding and provide recommendations for standardized specifications for certain conservation practices, projects, and systems as required for other government entities, academic institutions, and stakeholders. Specifies the types of practices, projects, and systems that are subject to the requirement in more detail.
4	Guidelines for establishing and enhancing native vegetation. Requires BWSR to work with state and federal agencies, Tribal Nations, academic institutions, and others to foster mutual understanding and provide recommendations for standardized specifications for establishing and enhancing native vegetation. Allows BWSR to convene working groups or work teams to develop information, education, and recommendations.
5	Easement stewardship accounts. Allows two easement stewardship accounts (the water and soil conservation easement stewardship account and the mitigation easement stewardship account) that provide money to BWSR for costs associated with managing easements held by the board to be used for repairing and replacing structures. Also requires BWSR to include the estimated costs for repairing and replacing structures when calculating the financial contributions made to the accounts when easements are acquired.
6	Lawns to legumes program. Requires BWSR to establish a program to provide grants or payments to plant residential lawns with native vegetation and pollinator-friendly forbs and legumes to protect a diversity of pollinators (a similar program, “lawns to legumes” has been

Section Description – Article 5: Water and Soil Resources

- funded in previous years). Establishes criteria for the program and allows the board to collaborate and enter into agreements with certain entities to implement and promote the program.
- 7 **Habitat-friendly utilities program.**
Allows BWSR to provide financial and technical assistance to promote the successful establishment of native vegetation as part of utility projects. Requires BWSR to establish criteria for grants or payments awarded and allows priority to be given to proposals for protecting high-priority natural resources and wildlife species. Allows the board to collaborate and enter into agreements with government agencies, Tribal Nations, utility companies, nonprofit organizations, and contractors.
- 8 **Habitat enhancement landscape program.**
Allows BWSR to provide financial and technical assistance to establish or enhance areas of diverse native vegetation for certain purposes, including to support pollinators. Requires BWSR to establish criteria for grants or payments awarded and allows priority to be given to proposals for protecting endangered or threatened pollinator and other species. Allows the board to collaborate and enter into agreements with government agencies, Tribal Nations, utility companies, nonprofit organizations, and contractors.
- 9 **Program authorization.**
This and sections 10 to 13 modify the state cost-share program (also known as the erosion control and water management program) which provides assistance to soil and water conservation districts (SWCDs). This section allows BWSR to allocate money for additional purposes, including improvements to water quantity, habitat enhancement, plant biodiversity, energy conservation, and climate adaptation. The term “cost-share” is also removed from this and the other sections related to the program.
- 10 **Use of funds.**
Allows money allocated under the program to be used for activities identified in certain state-approved plans related to water and natural resources.
- 11 **Contracts by districts.**
Allows a SWCD to provide technical and financial assistance for the additional purposes added under section 9. Eliminates certain restrictions that apply when an SWCD contracts to provide the assistance, including the requirement that BWSR approve contracts and provisions establishing certain contract terms. Allows a SWCD to require a long-term maintenance covenant upon land (only BWSR is allowed to do so under current law).

Section Description – Article 5: Water and Soil Resources

12 Policies and rules.

Updates BWSR's rulemaking authority under the program to conform with the changes to the program.

13 Inspections.

Requires a SWCD or the district's delegate to conduct site inspections of conservation practices installed to determine compliance (a rule requiring similar inspections is repealed in this article).

14 Establishment order.

Requires watershed district managers, rather than BWSR, to establish, by order, certain watershed district projects.

15 Soil health practices program.

Establishes the soil health practices program.

Subd. 1. Definitions. Defines "board," "local units of government," and "soil health" for purposes of the program.

Subd. 2. Establishment. Requires BWSR to establish a program providing financial and technical support to produce soil health practices that achieve water quality, soil productivity, climate change resiliency, and carbon sequestration benefits. Requires the program to include certain practices sanctioned by BWSR or the United States Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS).

Subd. 3. Financial and technical assistance. Allows BWSR to provide financial assistance to local units of government, private sector organizations, and farmers to establish soil health practices and related practices with climate and water-quality benefits. Requires BWSR to establish practices and costs eligible for financial and technical assistance under the program.

Subd. 4. Program implementation. Allows BWSR to hire staff and enter into agreements to implement the program. Requires BWSR to assist local units of government in achieving the objectives of the program.

Subd. 5. Federal aid availability. Requires BWSR to regularly review the availability of federal funds and programs to supplement or complement local and state efforts under the program.

Subd. 6. Soil health practices. Allows BWSR to cooperate with the USDA, other state and federal agencies, local governments, and private sector organizations to establish soil health goals for the state.

Section Description – Article 5: Water and Soil Resources

- 16 **Purpose and policy.**
Modifies the purpose and policy of the reinvest in Minnesota (RIM) reserve program.
- 17 **Grasslands.**
Establishes a definition of “grasslands” for purposes of the RIM reserve program.
- 18 **Restored prairie.**
Establishes a definition of “restored prairie” for purposes of the RIM reserve program.
- 19 **Reinvest in Minnesota working lands program.**
 Subd. 1. Establishment. Allows BWSR to establish a reinvest in Minnesota working lands program in addition to the existing RIM reserve program. Requires lands selected for the program to be based on the land’s potential to achieve certain outcomes.

 Subd. 2. Applicability. States that provisions of the existing RIM reserve program apply except as provided under subdivisions 1, 3, and 4.

 Subd. 3. Nature of property rights acquired. Allows BWSR to authorize haying, grazing, perennial and winter annual cover crop production, forest management, or other activities the board determines are consistent with the purpose and policy of the RIM reserve program or appropriation conditions/criteria.

 Subd. 4. Payments for easements. Requires BWSR to establish payment rates for acquiring easements and related practices. Requires BWSR to consider market factors as well as easement terms when establishing rates.
- 20 **Rules.**
Allows BWSR to adopt rules as part of the state’s wetland banking program that include provisions for the mitigation and banking of other water and water-related resources in addition to wetlands.
- 21 **Drainage Work Group report.**
Requires BWSR and the Drainage Work Group to evaluate and develop recommendations and submit a report to the legislature by February 1, 2024, on the definition and application of outlet adequacy and public notice requirements for proposed public drainage activities, including a drainage registry portal.
- 22 **Repealer.**
Repeals provisions of the state cost-share program related to funding applications and a number of the rules pertaining to the program.

Article 6: State Lands

This article contains a number of provisions that pertain to the administration of state land, including the state land-related policy recommendations of the DNR for the 2023 Legislature.

Section	Description – Article 6: State Lands
1	Landowner responsibilities. Allows the DNR to enroll land in the Minnesota forests for the future program if the land has a preexisting easement acceptable to the commissioner. Under current law, land subject to any prior title, lien, or encumbrance is not accepted.
2	Land exchange; St. Louis County. Allows St. Louis County to require that the exchange partner for certain lands provide lands or a combination of lands and money valued at 125 percent of the value of the lands that the county plans to convey to the exchange partner.
3	Additions to state parks. Adds land to the statutory boundary of Frontenac State Park and William O’Brien State Park.
4	Addition to state forest. Adds land to the statutory boundary of Riverlands State Forest.
5	Private sale of surplus state land bordering public water; Aitkin County. Allows the DNR to sell surplus state land bordering public water (Sugar Lake) in Aitkin County by private sale.
6	Public sale of surplus state land bordering public water; Becker County. Allows the DNR to sell surplus state land bordering public water (Cotton Lake) in Becker County.
7	Public sale of surplus state land bordering public water; Becker County. Allows the DNR to sell surplus state land bordering public water (Pearl Lake) in Becker County.
8	Private sale of tax-forfeited land; Beltrami County. Allows Beltrami County to sell by private sale certain tax-forfeited land.
9	Private sale of tax-forfeited land; Beltrami County. Allows Beltrami County to sell by private sale certain tax-forfeited land.

Section	Description – Article 6: State Lands
10	Private sale of surplus state land bordering public water; Crow Wing County. Allows the DNR to sell certain surplus state land in Crow Wing County by private sale.
11	Private sale of tax-forfeited land; Itasca County. Allows Itasca County to sell by private sale certain tax-forfeited land.
12	Public or private sale of surplus state land bordering public water; Kandiyohi County. Allows the DNR to sell certain surplus state land bordering public water (Florida Lake) in Kandiyohi by private sale.
13	Private sale of tax-forfeited land; Koochiching County. Allows Koochiching County to sell by private sale certain tax-forfeited land.
14 - 20	Private sale of tax-forfeited lands; St. Louis County. Allows St. Louis County to sell various tax-forfeited parcels by private sale.
21	Private sale of surplus land bordering public water; Sherburne County. Allows the DNR to sell certain surplus land in Sherburne County by private sale.
22	Lease; tax-forfeited land; St. Louis County. Allows St. Louis County to lease certain tax-forfeited land for more than \$50,000 per year or for a period longer than 25 years for certain purposes.
23	Exchange of state land; St. Louis County. Allow the DNR, with the approval of the Land Exchange Board, to exchange certain lands in St. Louis County and requires the exchange partner to provide lands or a combination of lands and money valued at 125 percent of the value of the state lands.
24	Private sale of land; St. Louis County. Allows St. Louis County to sell certain land by private sale.
25	Land transfer; city of Duluth. Allows the commissioner of transportation to acquire certain land from the city of Duluth to be returned to the Fond du Lac Band of Lake Superior Chippewa.
26	Effective date. States that the article is effective the day following final enactment.

Article 7: Farmed Cervidae

This article modifies a number of provisions concerning the regulation of farmed cervids (deer, elk, moose, etc.).

Section	Description – Article 7: Farmed Cervidae
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1	Running at large prohibited.
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Requires the owner of farmed cervids to immediately notify the DNR of an escape if the animal is not returned/captured within 24 hours. Allows a licensed hunter to take an escaped farmed cervid during the appropriate hunting season without liability to the owner for the loss of the animal. Allows the owner to retain ownership of the animal if it had been outside its enclosure less than 72 hours. Requires CWD testing of an escaped farmed cervid that is killed by a licensed hunter or the DNR.

Establishes that the possessor of an escaped farmed cervid that tests positive for CWD is responsible for properly disposing of the animal. Provides that the owner is liable for any additional costs associated with the escape of farmed cervids infected with CWD. Authorizes the Office of the Attorney General to enforce this provision on behalf of state agencies.

Effective date: This section would take effect on September 1, 2023.

2	Fencing.
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Requires perimeter fencing for farmed cervids to be constructed and maintained to prevent physical contact between farmed and wild cervids. Requires cervid farmers to repair fence deficiencies that allow entry or exit immediately and all other deficiencies within 14 days. Under current law, that farmer has up to 45 days to repair the deficiency.

Effective date: This section would take effect on September 1, 2024.

3	Mandatory registration.
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Generally, prohibits new registrations for the possession of farmed white-tailed deer. Specifies that an existing registration may be sold or transferred once, but only to an immediate family member, and the BAH may approve the sale or transfer only if the person pays a \$500 transfer fee and the BAH verifies that the registration is in good standing.

Effective date: This section would take effect the day following final enactment.

Section Description – Article 7: Farmed Cervidae

4 Mandatory surveillance for CWD; depopulation.

Prohibits the intentional movement of CWD-positive farmed white-tailed deer from any premises. Requires CWD testing for all farmed cervids that die after six months of age—under current law this requirement applies to animals at least 12 months old.

Requires the owner of a premises where CWD has been detected to allow and cooperate with inspections as determined by the BAH and DNR conservation officers and wildlife managers. Requires depopulation of an infected herd within 30 days—under current law depopulation must occur within a reasonable time determined by the BAH in consultation with the DNR.

Requires landowners to maintain fencing for ten years on premises where CWD has been detected (current law requires fencing maintenance for five years) and prohibits raising farmed Cervidae on the premises for at least ten years.

Requires the landowner, prior to any sale or transfer of the premises, to disclose the date of depopulation and the associated requirements incumbent upon a new owner of the property. Requires the landowner to record a notice in the county's real estate records that includes specified information such as the legal description of the premises, the date of CWD detection, and the requirements incumbent upon an owner of the land. Provides that notices expire ten years after the date of detection and requires registrars of title to omit expired notices from certificates of title.

Provides that the owner is responsible for proper disposal of CWD-positive farmed cervids.

5 Liability.

Provides that the owner is liable for another's injury caused by the owner's sale or unlawful disposal of CWD-infected or -exposed farmed cervids if the owner knew or reasonably should have known the animal was infected. Provides that the owner is liable to the state for any costs associated with the owner's unlawful disposal of CWD-infected or -exposed farmed cervids and authorizes the Office of the Attorney General to enforce this provision.

6 Importation.

Prohibits the importation of live Cervidae from a state or province where CWD has been detected in the farmed or wild cervid population in the last five years unless the animal has been tested for CWD with a validated live-animal test and CWD was not detected. Requires Cervidae or Cervidae semen to originate from a herd that has been subject to a state-, federal-, or provincial-approved CWD herd certification program and that has reached a status equivalent to the highest certification. Provides exceptions from the prohibitions for the interstate transfer of animals between two facilities accredited by the Association of Zoos and Aquariums and

Section Description – Article 7: Farmed Cervidae

- allows the DNR to issue a permit allowing the importation of orphaned cervids not susceptible to CWD from another state to an institution accredited by the association.
- 7 **Cooperation with Board of Animal Health.**
Allows the DNR to contract with the BAH to administer farmed Cervidae provisions under chapter 35 for farmed white-tailed deer and requires the DNR to enter into an interagency agreement to establish roles and responsibilities necessary to protect the health of Cervidae in the state.
- 8 **Federal fund account.**
Requires the commissioner of agriculture, in consultation with the DNR and BAH, to submit a report to the legislature by February 15 each year on the receipt and expenditure of any federal money received for CWD purposes.
- 9 **Consultation required.**
Requires the BAH and DNR to consult the University of Minnesota’s Center for Prion Research and Outreach and incorporate peer-reviewed scientific information in the agencies’ enforcement of state law and rules pertaining to CWD and farmed cervids.
- 10 **Notice required.**
Requires the BAH to promptly notify affected local units of government and Tribal governments when a farmed cervid tests positive for CWD.
- 11 **Live-animal testing required.**
Requires farmed white-tailed deer to be tested for CWD using a noninvasive live-animal test once the United States Department of Agriculture has determined that a noninvasive live-animal test capable of accurately detecting CWD in white-tailed deer is available. Requires a validated live-animal test when moving white-tailed deer six months old and over from any premises within the state within 12 weeks of movement. Requires live-animal testing results to be submitted to the DNR and BAH. Allows the BAH to institute additional live-animal testing requirements. Requires animals testing positive for CWD using a live-animal test to be destroyed and tested for CWD using a postmortem test and if that is positive, the owner must depopulate the premises of farmed Cervidae as required under law.
- 12 **Transfer of duties; farmed white-tailed deer.**
Provides sole oversight of farmed white-tailed deer to the DNR effective July 1, 2023. This transfer would follow a standard statutory process except that BAH personnel would not transfer to the DNR.

Section	Description – Article 7: Farmed Cervidae
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13	Revisor instruction.
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Requires the revisor of statutes to modify Minnesota Statutes and Minnesota Rules to conform to the transfer of duties in section 12.

14	Repealer.
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Repeals a provision establishing concurrent authority for the DNR and BAH to regulate farmed-white tailed deer (§ 35.155, subd. 14).

Article 8: Environmental Justice

Section	Description – Article 8: Environmental Justice
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1	Exceptions.
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Requires the Minnesota Pollution Control Agency to transfer 40 percent of any monetary penalties or settlement amounts of \$250,000 or more arising from environmental violations to the community health board in whose jurisdiction the violating facility is located, to be used for a project that benefits the residents of the area impacted by the violation, as determined after obtaining their input. The health board must report annually to the legislature on the community engagement process, project activities, and expenditures, and the agency must report biennially on the cost of any services it provides to the board or community residents for those activities.

2	Air toxics emissions reporting.
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Requires owners and operators of facilities located within the seven-county metropolitan area to report their emissions of toxic air pollutants annually to the agency.

3	Cumulative impacts analysis; permit decisions in environmental justice areas.
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Requires the agency to initiate a rulemaking (and complete it within 36 months) designed to establish a process to determine whether facilities seeking new or reissued air quality permits that are located in the seven-county metropolitan area or a city of the first class and within one mile of an environmental justice area must analyze the cumulative impacts of past and current pollution in the area affected by the permit. The decision as to whether this analysis is required is made by the commissioner.

A facility required to conduct a cumulative impacts analysis must hold at least two public meetings in the affected environmental justice area. The commissioner must consider the cumulative impacts analysis in determining whether to issue or deny the permit, which must be denied if the analysis shows that, in combination with other

Section	Description – Article 8: Environmental Justice
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| | environmental stressors present in the environmental justice area, issuance would have substantial adverse impacts on residents, unless a community benefit agreement is entered into by the agency and the facility, following significant community participation from residents of the environmental justice area, that imposes permit conditions that protect the public health of environmental justice area residents. |
| 4 | Public informational meetings.
Authorizes the commissioner to require a facility, as part of a state individual air quality permit issued in response to an enforcement action that resulted in the facility paying a civil penalty, to hold in-person meetings with the community regarding the facility's operations. |
| 5 | Air toxics emissions; rulemaking.
Requires the agency to initiate a rulemaking designed to provide uniform regulation of facilities that emit air toxics with respect to emissions testing and monitoring, facility inspections, record keeping and reporting, based on the environmental risks posed by the specific air toxics emitted and the facility's compliance record. |
| 6 | Community air-monitoring systems; pilot grant program.
Establishes a pilot program to award grants to partnerships between a community-based nonprofit and an entity with technical expertise in deploying air pollution monitoring equipment for the purpose of measuring local air pollution levels through the use of various mobile and low-cost measuring devices. |

Article 9: Environment and Natural Resources Miscellaneous Provisions

This article contains other provisions related to the environment and natural resources.

Section	Description – Article 9: Environment and Natural Resources Miscellaneous Provisions
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| 1 | Unreasonable adverse effects on the environment.
Modifies the term “unreasonable adverse effects on the environment” for purposes of Minnesota Statutes, chapter 18B (Pesticide Control), to include effects caused by pesticide-treated seed. |
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Section	Description – Article 9: Environment and Natural Resources Miscellaneous Provisions
2	Pesticide-treated seed. Prohibits using, storing, handling, distributing, or disposing of pesticide-treated seed in a manner that endangers humans, food, livestock, fish, or wildlife, or that will have an unreasonable adverse effect on the environment (as defined in the previous section).
3	Authority. Allows cities of the first class to prohibit the use of pollinator-lethal pesticides within their borders, as provided in the next section.
4	Application of certain pesticides prohibited. States that a person may not apply or use a pollinator-lethal pesticide within a city of the first class that has adopted an ordinance. Defines “pollinator-lethal pesticide” for these purposes. Provides exceptions to the prohibition and requires MDA to maintain a list of pollinator-lethal pesticides on the department’s website.
5	Miscellaneous violations. Prohibits using or selling neonicotinoid-treated seed for food, feed, oil, or ethanol production.
6	Pesticide treated seed use and disposal; consumer guidance required. Requires MDA to develop and maintain consumer guidance regarding the proper use and disposal of pesticide-treated seed. Requires retailers to post MDA’s guidance in a conspicuous location.
7	Creation. Allows members of the Minnesota Zoological Board to be compensated at a rate of up to \$125 per day.
8	New power purchase agreement. Modifies a biomass power purchase agreement statute to remove a restriction on subsidies or contributions from any power purchase agreement after 2024.
9	County environmental trust fund. Allows St. Louis County to use up to 50 percent of the principal in 2023, 2024, and 2025 and up to 10 percent thereafter in an environmental trust fund established under provisions allowing for the establishment of such funds from proceeds from the sale of certain tax-forfeited lands for certain economic development projects and environmental projects within the county that protect the environment or create

Section	Description – Article 9: Environment and Natural Resources Miscellaneous Provisions
	clean economy jobs and manufacturing. Requires the county to leave at least \$10,000,000 in the account and names the fund the Mary C. Murphy Trust Fund.
10	Metropolitan cities inflow and infiltration grants. Subd. 1. Definitions. Defines “affordability criteria” and “city” for purposes of the grant program. Subd. 2. Grants. Requires the Metropolitan Council to make grants to cities for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the council’s sanitary sewer disposal system. Allows a grant of up to 50 percent of the costs, and up to 100 percent of the costs if the project meets affordability criteria. Subd. 3. Eligibility. States that to be eligible for a grant, a city must be identified by the Metropolitan Council as a contributor of excessive inflow and infiltration in the metropolitan disposal system or have a measured flow rate within 20 percent of its allowable inflow and infiltration limits. Subd. 4. Application. Requires the Metropolitan Council to award grants based on applications from cities containing certain elements. Requires the council to prioritize applications that meet affordability criteria. Subd. 5. Cancellation. States that if grant funds are not encumbered within four years that the grant must be canceled.
11	Community wastewater costs; annual report. Requires the Metropolitan Council to submit an annual report to the legislature providing a summary of the average monthly wastewater costs of communities in the metropolitan area.
12	50-year clean water plan scope of work. Requests the University of Minnesota to develop a scope of work, timeline, and budget for a plan to promote and protect clean water in Minnesota for the next 50 years.

Article 10: Climate and Energy Finance

Contains appropriations from the general fund.

Article 11: Renewable Development Account Appropriations

Contains appropriations from the renewable development account.

Article 12: Energy Policy

Section	Description - Article 12: Energy Policy
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| 1 | <p>[16B.312] Construction materials; environmental analysis.</p> <p>Requires the commissioner of administration to establish maximum acceptable global warming potentials for concrete, steel, and asphalt used in state buildings and roads, measures that reflect the amount of greenhouse gas emissions resulting from the lifecycle environmental impacts of mining and manufacturing those materials. Creates a task force to advise the commissioner on incorporating the maximum standards into the state's bidding process beginning in 2026. Requires the commissioner to establish a pilot program to voluntarily obtain from vendors environmental product declarations that calculate a product's lifecycle environmental impacts. Provides grants to assist manufacturers to obtain environmental product declarations.</p> |
| 2 | <p>[16B.325] Sustainable building guidelines.</p> <p>Subd. 2. Lowest possible energy cost; energy conservation. Requires the guidelines to encourage design allowing buildings to adapt to and accommodate projected climate-change impacts.</p> |
| 3 | <p>[16C.135] Purchases of fuel and vehicles by state agencies.</p> <p>Subd. 3. Vehicle purchases. Directs the commissioner of administration to purchase motor vehicles in accord with the specified hierarchy that gives preference to electric and electric hybrid vehicles.</p> |
| 4 | <p>[16C.137] Minimizing energy use; renewable fuels.</p> <p>Subd. 1. Goals and actions. Requires each state department to purchase motor vehicles in accord with the hierarchy established in section 3 that gives preference to electric and electric hybrid vehicles.</p> |
| 5 | <p>[116C.779] Funding for renewable development.</p> <p>Subd. 1. Renewable development account. Reduces the annual amount transferred to the account by Xcel Energy by \$3.75 million. Requires projects receiving funds from the account to file a diversity report under section 216C.51. Makes construction projects receiving funds from the account subject to the state's prevailing wage rate and other labor provisions.</p> |

Section Description - Article 12: Energy Policy

- 6 **[116C.7792] Solar energy production incentive program.**
Allocates funds through 2025 to Xcel Energy's solar rewards program, which provides per kWh production payments to homeowners and certain building owners who have installed solar energy generating systems. Requires one-half of available funds in 2023, 2024, and 2025 to be set aside for low-income households and nonprofits that serve them.
- 7 **[123B.662] Definitions.**
Defines terms used in section 8.
- 8 **[123B.663] Air ventilation pilot program grants and guidelines.**
Establishes a program in the Department of Commerce to award grants to school boards to have school HVAC systems assessed and equipment upgrades purchased and installed.
- 9 **[168.27] Motor vehicle dealers; violations, penalties.**
 Subd. 2a. Dealer training; electric vehicles. Requires an automobile dealer selling electric vehicles to retain at least one employee who completed a training course in electric vehicles offered by a Minnesota automobile dealership association.
- 10 **[216B.096] Cold weather rule; public utility.**
 Subd. 11. Reporting. Changes dates by which utilities must file reports with the commission regarding the number of customer disconnections.
- 11 **[216B.16] Rate change; procedure; hearing.**
 Subd. 10. Intervenor compensation. Provides that implementation and enforcement of the current provisions governing the payment of compensation to intervenors in certain Public Utilities Commission proceedings be suspended while section 216B.631 is effective (see section 25).
- 12 **[216B.1615] Electric vehicle deployment program.**
Requires each public utility to file a transportation electrification plan with the Minnesota Public Utilities Commission at least every three years that is designed to promote the purchase of electric vehicles and the deployment of electric vehicle infrastructure.
- 13 **[216B.164] Cogeneration and small power production.**
 Subd. 12. Customer's access to electricity usage data. Requires a utility to provide a customer's electricity usage data to the customer if needed for the interconnection of a distributed generating facility.

Section Description - Article 12: Energy Policy

14 [216B.1641] Community solar garden.

Establishes new regulations for community solar gardens approved after 2023:

- statewide annual capacity limits: 100 MW through 2026; 80 MW from 2027-2030; and 60 MW thereafter;
- maximum solar garden capacity is increased to five MW;
- at least 30 percent of a garden's capacity must be subscribed by low- or middle-income residential customers;
- workers constructing gardens must be paid at least the state prevailing wage; and
- customers who are eligible for utility bill payment assistance may not be charged any systemwide costs associated with solar gardens.

15 [216B.1645] Power purchase contract or investment.

Subd. 4. Payments to the Prairie Island Indian Community. Beginning in 2024, requires Xcel Energy to make annual payments to the Prairie Island Indian Community of \$7.5 million plus \$50,000 for each cask of nuclear waste stored at the Prairie Island nuclear electric generating plant. The Public Utilities Commission must allow these payments to be recovered through electricity rates. Specifies that the commission's approval of a certificate of need allowing additional storage of nuclear waste at Prairie Island is effective only if Xcel, the Prairie Island Indian Community, and the governor enter an agreement binding the parties to these required payments.

16 [216B.1691] Renewable energy objectives.

Subd. 2h. Distributed solar energy standard. Requires that by the end of 2030 at least three percent of retail electric sales of both Xcel Energy and Minnesota Power be generated from solar energy generating systems with a capacity of ten megawatts or less that are constructed or purchased after August 1, 2023; the comparable target for Otter Tail Power is one percent. Projects whose capacity is 100 kilowatts or greater may be counted towards this target only if workers constructing the systems are paid at least the state prevailing wage and their employer participates in a registered apprenticeship program.

17 [216B.17] Complaint investigation and hearing.

Subd. 1. Investigation. Provides that the commission may conduct an investigation by a complainant against a public utility under section 216B.172.

18 [216B.172] Consumer disputes.

Establishes a procedure under which a consumer complaint against a utility may be brought before the commission for a decision.

Section Description - Article 12: Energy Policy

- 19 **[216B.2402] Definitions.**
 Subd. 16. Low-income household. Establishes a new definition of low-income household that determines eligibility for low-income programs under a utility's energy conservation and optimization plan: 80 percent or less of area median income or eligibility for other federal, state, or utility programs approved by the Department of Commerce.
- 20 **[216B.2425] State transmission and distribution plan.**
 Subd. 3. Commission approval. Authorizes the commission to certify a transmission project other than a high-voltage transmission line as part of a utility's state transmission plan, if the commission finds the project to be in the public interest.
- 21 **[216B.2425] State transmission and distribution plan.**
 Subd. 9. Integrated distribution plan; contents. Requires Xcel Energy to include in its integrated distribution plan filed with the commission a forecast of distribution system upgrades made necessary in order to interconnect distributed generation facilities Xcel adds to its system to comply with the distributed solar energy standard (section 16) and the new solar community garden provisions (section 14).
- 22 **[216B.243] Certificate of need for large energy facility.**
 Subd. 8. Exemption. Excludes a solar energy or large wind system for which a site permit has been applied for by an independent power producer from the requirement to obtain a certificate of need from the commission.
- 23 **[216B.50] Restrictions on property transfer and merger.**
 Subd. 1. Commission approval required. Increases from \$100,000 to \$1,000,000 the minimum price of an operating plant whose sale, acquisition, or lease requires commission approval.
- 24 **[216B.62] Regulatory expenses.**
 Subd. 3b. Assessment for department regional and national duties. Increases from \$500,000 to \$1,000,000 the maximum amount the Department of Commerce can assess utilities to conduct activities related to energy grid reliability at the state, regional, or national level. Strikes the expiration date for this section.
- 25 **[216B.631] Compensation for participants in proceedings.**
 Establishes a process under which eligible participants in a commission proceeding may be compensated, providing the commission determines that the participant has

Section Description - Article 12: Energy Policy

- materially assisted the commission's deliberations. Sets caps on compensation amounts.
- 26 **[216C.08] Jurisdiction.**
Specifies that the Department of Commerce has responsibility for the solar for schools program, including the program transferred from Xcel Energy (see sections 36, 69, and 78).
- 27 **[216C.09] Commissioner duties.**
Specifies that the commissioner of commerce has authority over policies pertaining to the solar for schools program (see sections 36, 69, and 78).
- 28 **[216C.264] Coordinating residential weatherization programs.**
 Subd. 1a. Definitions. Adds definitions regarding weatherization assistance programs.
- 29 **[216C.264] Coordinating residential weatherization programs.**
 Subd. 1b. Establishment; purpose. Establishes a preweatherization program in the Department of Commerce to provide grants to install preweatherization measures in residential homes.
- 30 **[216C.264] Coordinating residential weatherization programs.**
 Subd. 1c. Preweatherization account. Creates a preweatherization account in the special revenue fund.
- 31 **[216C.264] Coordinating residential weatherization programs.**
 Subd. 5. Grant allocation. Expands the use of state weatherization funds to include the installation of preweatherization measures and the training of workers to provide weatherization services.
- 32 **[216C.264] Coordinating residential weatherization programs.**
 Subd. 7. Supplemental preweatherization program. Directs the commissioner of commerce to provide preweatherization and weatherization grants to eligible grantees.
- 33 **[216C.2641] Weatherization training grant program.**
Establishes a competitive program to award grants to nonprofits, labor organizations, and job training or educational institutions to train workers to provide weatherization services.

Section Description - Article 12: Energy Policy

- 34 **[216C.331] Energy benchmarking.**
Requires owners of buildings of 50,000 square feet or more (located in the metropolitan area or in cities of 50,000 or more outside of it) to report their building's energy use annually to the commissioner of commerce, using a computer application developed by the federal Environmental Protection Agency.
- 35 **[216C.374] Electric school bus deployment program.**
Establishes a program in the Department of Commerce to operate a program to award grants to school districts to purchase electric school buses and associated infrastructure. Grant amounts are based on the commissioner's determination of the school district's need for financial assistance, and may pay up to 75 percent of purchase and installation costs, or up to 95 percent for school districts with a high proportion of students from low-income families.
- 36 **[216C.375] Solar for schools program.**
Transfers responsibility for the solar for schools program operating within the electric service area of Xcel Energy from the utility to the Department of Commerce. Expands program eligibility to include Tribal contract schools and cooperative units. Increases the maximum capacity of solar energy systems that may be funded under the program in non-Xcel territory from 40 to 1,000 kW, provided the interconnecting utility consents, and the system is no greater than 120 percent of the school's annual electricity consumption.
- 37 **[216C.377] Solar grant program; public buildings.**
Establishes a program in the Department of Commerce to award grants to install solar energy generating systems on buildings owned by local units of government or buildings used by federally recognized Tribes for the purpose of Tribal government.
- 38 **[216C.378] Distributed energy resources system upgrade program.**
Establishes a program in the Department of Commerce to provide funds to Xcel Energy to increase the capacity of its local electric grid in order to accommodate the interconnection of distributed energy generation projects.
- 39 **[216C.379] Energy storage incentive program.**
Requires Xcel Energy to develop a grant program for residential energy storage systems with a capacity no greater than 50 kWh in homes that have a solar energy generating system. Grants are based on the system's capacity, up to a maximum of \$5,000.

Section Description - Article 12: Energy Policy

- 40 **[216C.401] Electric vehicle rebates.**
Provides rebates at the point of sale of \$2,500 for the purchase or lease of a new electric vehicle priced under \$55,000, and \$500 for a used electric vehicle under \$25,000.
- 41 **[216C.402] Grant program; manufacturers' certification of auto dealers to sell electric vehicles.**
Provides grants of up to \$40,000 to Minnesota auto dealers to obtain certification from electric vehicle manufacturers to sell electric vehicles.
- 42 **[216C.435] Definitions; PACE loan programs.**
 Subd. 8. Qualifying commercial real property. Expands the definition of commercial real property eligible to receive a Property Assessed Clean Energy Loan to include farmland on which land and water improvements are installed.
- 43 **[216C.436] Commercial PACE loan program.**
 Subd. 1b. Definitions. Defines "farmland," "land and water improvement," and other terms.
- 44 **[216C.436] Commercial PACE loan program.**
 Subd. 2. Program requirements. Expands program requirements to address land and water improvements on farmland. Requires disclosure of all terms and conditions in the loan document and written consent from the mortgage lender of any mortgage encumbering the commercial real property.
- 45 **[216C.45] Residential electric panel upgrade grants.**
Provides grants of \$2,000 to \$3,000 to homeowners with household incomes below 150 percent of area median income to upgrade electrical panels. Owners of multifamily buildings may receive grants of \$5,000 plus \$500 per unit.
- 46 **[216C.46] Residential heat pump rebate program.**
Establishes a program in the Department of Commerce to award grants to homeowners who have received or applied for a federal grant for a heat pump under the Inflation Reduction Act and who have installed insulation and air sealing measures recommended after an energy audit to optimize the heat pump's capacity. The maximum grant amount is the lesser of \$4,000 or the net cost of the heat pump after deducting the amount of the federal grant. The program also includes grants to train contractors to install heat pumps.

Section Description - Article 12: Energy Policy

- 47 **[216C.51] Utility diversity reporting.**
Requires utilities to report annually to the commissioner of commerce regarding efforts to increase diversity among its workforce and vendors.
- 48 **[216E.01] Definitions.**
 Subd. 3a. Energy storage system. For the purpose of obtaining a site permit from the commission, defines an energy storage system as one having a nameplate capacity of 10,000 kilowatts or greater.
- 49 **[216E.01] Definitions.**
 Subd. 6. Large electric power facilities. Expands the definition of “large electric power facilities” to include energy storage systems.
- 50 - 59 **[216E.03], [216E.04], [216E.06], and [216E.10]**
Technical. Incorporates the new definition of “large electric power facilities,” now expanded to include energy storage systems, into existing statutes governing site permits.
- 60 **[216G.02] Routing of certain pipelines.**
 Subd. 1. Definition. Defines “gas” (to include carbon dioxide) and “hazardous liquid.”
- 61 **[216H.02] Greenhouse gas emissions control.**
 Subd. 1. Greenhouse gas emissions-reduction goal. Amends the state’s greenhouse gas emissions reduction goal by requiring a 50 percent reduction by 2030 (on a 2005 baseline) and a goal of net zero in 2050.
- 62 **[237.55] Report on telecommunications access.**
Changes the date for the Department of Commerce to report to the commission on the telecommunications access program.
- 63 **[500.216] Limits on certain residential solar energy systems prohibited.**
Limits restrictions a homeowners association may impose on a property owner seeking to install a solar energy generating system.
- 64 **[515B.2-103] Construction and validity of declaration and bylaws.**
Conforming language for section 63.
- 65 **[515B.3-102] Powers of unit owners’ association.**
Conforming language for section 63.

Section Description - Article 12: Energy Policy

- 66 **Laws 2005, ch. 97, art. 10, § 3, as amended by Laws 2013, ch. 85, art. 7, § 9.**
Advances the expiration date for the statute allowing natural gas utilities to recover infrastructure costs outside of a general rate case from June 2023 to June 2028.
- 67 **Rulemaking authorized.**
Authorizes the commission to develop and adopt rules for the siting of energy storage systems.
- 68 **Local climate action grant program.**
Establishes a program in the Pollution Control Agency to award grants and provide technical assistance to political subdivisions for projects that reduce local contributions to climate change or help local jurisdictions adapt to extreme weather events.
- 69 **Transfer of unencumbered withheld funds.**
Requires Xcel Energy to transfer any unencumbered funds held for the solar for schools program to the account created under section 36.
- 70 **Decommissioning and demolition plan for coal-fired plant.**
Requires Xcel Energy to file a plan and schedule with the commission for demolition of the A.S. King plant in its next integrated resource plan or by December 31, 2025. A copy must also be submitted to the local city council.
- 71 **Tribal Advocacy Council on Energy; Department of Commerce support.**
Requires the Department of Commerce to provide technical support to assist Minnesota's federally recognized Indian Tribes to establish a Tribal Advocacy Council on Energy.
- 72 **Electric grid resilience grants.**
Establishes a program in the Department of Commerce to award grants to utilities that are not investor-owned for projects that increase the resilience of the electric grid.
- 73 **Community solar garden study.**
Requires the commissioner of commerce to contract for a study comparing Minnesota's community solar garden program with those operating in other jurisdictions; evaluate program costs to ratepayers compared to other ways to deliver solar energy; and analyze impacts of the program on interconnections and infrastructure upgrades.

Section Description - Article 12: Energy Policy

- 74 **Utility energy storage system capacity study.**
Requires the commissioner of commerce to contract for a study to estimate the capacity of energy storage systems in the state necessary to meet the state's renewable energy and carbon-free energy standards.
- 75 **Public Utilities Commission docket; interconnection.**
Requires the commission to open a proceeding no later than September 1, 2023, to establish interconnection procedures that prioritize distributed generation projects with a capacity of 40 kilowatts or less over larger projects.
- 76 **Supporting investment in green fertilizer.**
Authorizes the commissioner of agriculture to award grants to cooperatives to invest in the production of hydrogen produced by splitting water molecules using wind or solar energy.
- 77 **Revisor instruction.**
Technical.
- 78 **Repealer.**
Repeals section 216C.376, the solar for schools program operated by Xcel Energy (see section 36).



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