

Chapter 36

2025 Regular Session

Subject Legacy Amendment Funding**Bill** H.F. 2563**Analyst** Janelle Taylor (Articles 1-3)
Mary Davis (Article 4)**Date** May 27, 2025

Overview

This act appropriates money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; the four funds established by the “Legacy Amendment” passed by the voters in 2008.

Article 1: Outdoor Heritage Fund

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

Section	Description - Article 1: Outdoor Heritage Fund
---------	--

1	Appropriations.
---	------------------------

Technical.

2	Outdoor heritage fund.
---	-------------------------------

Subd. 1. Total appropriation. Provides total appropriations of \$162,111,000 in fiscal year 2026 and \$775,000 in fiscal year 2027 from the outdoor heritage fund.

Subd. 2. Prairies. Specifies appropriations totaling \$33,432,000 for various projects restoring, enhancing, and protecting the state’s prairies.

Subd. 3. Forests. Specifies appropriations totaling \$19,958,000 for various projects restoring, enhancing, and protecting the state’s forests.

Subd. 4. Wetlands. Specifies appropriations totaling \$29,032,000 for various projects restoring, enhancing, and protecting the state’s wetlands.

Section Description - Article 1: Outdoor Heritage Fund

Subd. 5. Habitats. Specifies appropriations totaling \$77,646,000 for various other habitat projects and the conservation partners legacy grant program.

Subd. 6. Administration. Specifies appropriations totaling \$2,043,000 in fiscal year 2026 and \$775,000 in fiscal year 2027 for administration, including administrative costs of the LSOHC, contract management services from the Department of Natural Resources (DNR), a technical evaluation panel, and the Legacy website.

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

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

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

Subd. 10. Carryforward. Extends the availability of several prior appropriations.

Subd. 11. Cancellation. Cancels \$120,000 from a 2020 appropriation originally for the Heron Lake Area Conservation Partnership.

3 Federal grant fund requirements.

States that an interest in real property purchased with money from the OHF may be used to leverage federal money from conservation programs (ex. Pittman-Robertson Wildlife Restoration, and Dingell-Johnson Sport Fish Restoration) and that the programs may place conditions requiring the continued use of the land for conservation purposes. States that these conditions do not require prior approval by the LSOHC under an existing law that requires OHF recipients to get approval prior to altering or conveying an interest in OHF acquired real property.

Article 2: Clean Water Fund

This article contains fiscal years 2026 and 2027 appropriations from the clean water fund. The appropriations are based upon recommendations made by the Clean Water Council (CWC). The CWC is a 28-member council tasked with making recommendations on how to spend money in the CWF. The CWF receives 33 percent of the revenues from the sales tax increase and must be spent “only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation.” The constitutional amendment also requires that at least five percent of the fund be spent to protect drinking water sources.

Section	Description - Article 2: Clean Water Fund
---------	---

1	Clean water fund appropriations.
---	---

Technical.

2	Clean water fund.
---	--------------------------

Subd. 1. Total appropriation. Provides a total appropriation of \$144,625,000 from the clean water fund in fiscal year 2026, and \$159,301,000 in fiscal year 2027.

Subd. 2. Availability of appropriation. Requires the money to be used only for activities that are directly related to and necessary for a specific appropriation and makes the funds available for two years or, when federal funds are involved, for the time period equal to the federal funding availability.

Subd. 3. Disability access. Requires recipients of the money, where appropriate, to make progress toward providing people with disabilities with greater access to the programs funded.

Subd. 4. Increasing diversity in environmental careers. States that agencies should work to provide opportunities that encourage a diversity of students to pursue careers in environment and natural resources when implementing appropriations in the article.

3	Department of Agriculture.
---	-----------------------------------

Appropriates \$16,075,000 in fiscal year 2026 and \$17,275,000 in fiscal year 2027 to the Department of Agriculture for various purposes, including money for:

- increased monitoring for pesticides in surface water and groundwater;
- activities to protect groundwater from nitrate contamination;
- agriculture best management practices loan program;
- technical assistance, research, and demonstration projects regarding best management practice implementation;
- maintenance of the Minnesota Water Research Digital Library;
- the Minnesota agricultural water quality certification program;

Section Description - Article 2: Clean Water Fund

- a regional irrigation water quality specialist;
- the Forever Green initiative;
- testing drinking water wells for pesticides;
- conservation equipment assistance grants; and
- expanding the existing state weather station and soil temperature network.

4 Pollution Control Agency.

Appropriates \$24,501,000 in fiscal year 2026 and \$24,702,000 in fiscal year 2027 to the Pollution Control Agency (PCA), including money for:

- completion of statewide surface water assessments;
- updating watershed restoration and protection strategies (WRAPS) which include total maximum daily load (TMDL) studies and TMDL implementation plans;
- groundwater assessment;
- national pollutant discharge elimination system (NPDES) wastewater and storm water TMDL implementation;
- grants to counties for subsurface sewage treatment systems (SSTS);
- activities, training, and grants to reduce chloride pollution;
- administration of the Clean Water Council (CWC); and
- grants for sanitary sewer projects in Voyageurs National Park.

5 Department of Natural Resources.

Appropriates \$14,150,000 in fiscal year 2026 and \$14,650,000 in fiscal year 2027 to the Department of Natural Resources (DNR), including money for:

- stream flow monitoring;
- lake Index of Biological Integrity (IBI) assessments;
- assessing mercury, PFAS, and other contamination of fish;
- development of targeted, science-based WRAPS;
- water supply planning, aquifer protection, and monitoring activities;
- technical assistance to support local implementation of nonpoint source restoration and protection activities;
- tool development and evaluation;
- county geologic atlases;
- increasing native freshwater mussel production; and
- technical assistance to local governments to replace culverts.

Section Description - Article 2: Clean Water Fund

6 Board of Water and Soil Resources.

Appropriates \$64,332,000 in fiscal year 2026 and \$75,004,000 in fiscal year 2027 to the Board of Water and Soil Resources (BWSR), including money for:

- grants to implement state-approved watershed-based plans;
- grants to local units of government for various water quality projects consistent with TMDL, WRAPS, groundwater restoration and protection strategies (GRAPS), and other local water management plans;
- acceleration of implementation, including technical assistance;
- state oversight and accountability of local implementation efforts;
- grants to local units of government to ensure compliance with buffer and soil loss requirements;
- a working lands floodplain program;
- permanent conservation easements and grants to local and Tribal governments to protect groundwater supplies;
- restoration evaluations;
- assistance to local governments to update comprehensive watershed management plans;
- technical assistance and grants for the conservation drainage program;
- conservation easements to protect lands adjacent to public waters, wetlands, and associated uplands;
- data collection and estimates of soil erosion;
- a water legacy grant program;
- assistance with the adoption of cover crops and other soil health practices;
- contracts with Conservation Corps Minnesota and Iowa; and
- assistance to soil and water conservation districts (SWCDs) and other local governments in the Lake Superior basin to leverage federal money.

7 Department of Health.

Appropriates \$14,295,000 in fiscal year 2026 and \$15,845,000 in fiscal year 2027 to the Department of Health, including money for:

- developing health risk limits for drinking water contaminants;
- ensuring safe drinking water for private well users in southeast Minnesota and statewide;
- drinking water source protection;
- development and delivery of groundwater restoration and protection strategies;

Section Description - Article 2: Clean Water Fund

- development of public health policies and an action plan to address threats to safe drinking water; and
- optimizing the statewide recreational water portal.

8 Metropolitan Council.

Appropriates \$2,025,000 in fiscal year 2026 and \$2,125,000 in fiscal year 2027 to the Metropolitan Council for:

- projects that address emerging drinking water supply threats; and
- the water demand reduction grant program.

9 University of Minnesota.

Appropriates \$1,000,000 in fiscal year 2026 and \$1,400,000 in fiscal year 2027 to the University of Minnesota for:

- developing county geologic atlases; and
- stormwater performance evaluation and technology transfer program.

10 Public Facilities Authority.

Appropriates \$8,240,000 in fiscal year 2026 and \$8,300,000 in fiscal year 2027 to the Public Facilities Authority (PFA), including money for the point source implementation grants program, and money for grants and loans for small community wastewater treatment.

11 Legislature.

Appropriates \$7,000 in fiscal year 2026 to the Legislative Coordinating Commission (LCC) for the Legacy website.

12 Reports to legislature.

Requires the CWC recommendations that are submitted to the legislature to be broken out by fiscal year.

13 Ash River Sanitary Sewer Collection and Treatment System Appropriation Extension.

Extends a previous appropriation from the CWF for the Ash River Sanitary Sewer Collection and Treatment System.

Article 3: Parks and Trails Fund

This article appropriates money in fiscal years 2026 and 2027 from the parks and trails fund. The parks and trails fund receives 14.25 percent of the revenues from the sales tax increase and must be spent to “support parks and trails of regional or statewide significance.” The article provides appropriations to: the DNR for state parks, state trails, and state recreation areas and for regional parks and trails in greater Minnesota through the parks and trails legacy grant program; and the Metropolitan Council for metropolitan regional parks and trails.

Section	Description - Article 3: Parks and Trails Fund
---------	--

1	Parks and trails fund appropriations.
---	--

	Technical.
--	------------

2	Parks and trails fund.
---	-------------------------------

	Subd. 1. Total appropriation. Provides a total appropriation of \$61,434,000 from the parks and trails fund in fiscal year 2026, and \$68,733,000 in fiscal year 2027.
--	---

	Subd. 2. Availability of appropriation. Requires the money to be used only for activities that are directly related to and necessary for a specific appropriation and makes the funds available for three years or, when federal funds are involved, for the time period equal to the federal funding availability.
--	--

	Subd. 3. Disability access. Requires recipients of the money, where appropriate, to make progress toward providing people with disabilities with greater access to the programs funded.
--	--

	Subd. 4. Energy and water conservation. States that grant recipients should prioritize water and energy conservation technology and the use of renewable energy for construction and building projects.
--	--

3	Department of Natural Resources.
---	---

	Appropriates \$37,120,000 in fiscal year 2026 and \$41,511,000 in fiscal year 2027 to the DNR for the following parks and trails purposes:
--	--

- | | |
|--|---|
| | <ul style="list-style-type: none">▪ \$24,310,000 in 2024 and \$27,222,000 in 2025 for state parks and trails to connect people to the outdoors, acquire land and create opportunities, maintain existing holdings, and coordinating with partners;▪ \$12,196,000 in 2026 and \$13,611,000 in 2027 for grants for regional parks and trails in greater Minnesota under the parks and trails legacy grant program, based on recommendations of the Greater Minnesota Regional Parks and Trails Commission (GMRPTC), and for operation costs of the Greater Minnesota Regional Parks and Trails Commission; and |
|--|---|

Section Description - Article 3: Parks and Trails Fund

- \$614,000 in 2026 and \$678,000 in 2027 for coordination between the DNR, GMRPTC, and the Metropolitan Council and other activities.

Requires the DNR to contract with the Conservation Corps Minnesota and Iowa for at least \$850,000 each year and requires grant recipients to give consideration to contracting with them. States that the DNR should work to provide other opportunities that encourage a diversity of students to pursue careers in environment and natural resources.

4 Metropolitan Council.

Appropriates \$24,310,000 in fiscal year 2026 and \$27,222,000 in fiscal year 2027 for metropolitan regional parks and trails to be distributed to implementing agencies according to the parks and trails fund metropolitan park distribution formula under current law. The appropriation must be used to fund the projects approved by the elected representatives of each implementing agency. Requires grant agreements to ensure that funds are used to supplement (not substitute) traditional sources of funding. Requires implementing agencies receiving funds to give consideration to contracting with the Conservation Corps Minnesota.

5 Legislature.

Appropriates \$4,000 in fiscal year 2026 to the LCC for the Legacy website.

6 Parks and trails fund appropriation extensions.

Extends the availability of several previous appropriations from the parks and trails fund.

7 Cancellations.

Cancels portions of two previous appropriations from the parks and trails fund for a total of \$41,000.

Article 4: Arts and Cultural Heritage

This article appropriates \$180 million dollars in the 2026-2027 biennium for arts and cultural heritage programs from the sales tax collected pursuant to the legacy amendment of the state constitution.

This article appropriates \$85 million dollars in 2026 and approximately \$95 million dollars in 2027 from the arts and cultural heritage fund to a variety of state agencies in Minnesota for activities related to arts, cultural heritage, and history, as well as providing competitive grants for individuals and organizations throughout Minnesota. The first-year appropriation is adjusted due to an overpayment to the Legacy Funds in previous years that was paid back to the general

fund in fiscal year 2026. These appropriations also leave a 5 percent reserve in the arts and cultural heritage fund.

Section	Description - Article 4: Arts and Cultural Heritage
---------	---

1	Arts and cultural heritage fund appropriations.
---	--

	Provides technical information related to the appropriation; provides this money is appropriated for the 2026-2027 biennium; provides that fiscal year 2026 begins July 1, 2025, and fiscal year 2027 ends on June 30, 2027. This section allows recipients of funds to use money appropriated in the first year in the second year as well. Dollar amounts in this article are approximate.
--	--

2 - 11	Arts and cultural heritage.
--------	------------------------------------

	Provides appropriations to the following state agencies for a variety of activities:
--	--

- | | |
|--|---|
| | <ul style="list-style-type: none">▪ \$84.5 million to the Minnesota State Arts Board for grants to artists and art organizations, arts education, and diverse cultural arts traditions, and significant public arts installations and provides 30 percent of this total funding to the Regional Arts Councils throughout the state.▪ \$36 million to the Minnesota Historical Society for their statewide programs, and to provide grants and funding toward the following activities:<ul style="list-style-type: none">○ grants to local and regional historical societies and partners in programming;○ digital library and historical surveys;○ grants to local communities for repairs and updates to historical buildings and for statutes and monuments; and○ grants to preserve and document oral histories of Hmong veterans.▪ \$5.4 million to the Department of Education for the regional library grants program.▪ \$19.6 million to the Department of Administration for grants to the following organizations:<ul style="list-style-type: none">○ \$2 million to the Minnesota Public Radio and \$3.6 million to the Association of Minnesota Public Educational Radio Stations (AMPERS);○ \$8.4 million to the Minnesota Public Television stations;○ \$3 million to the Como Park Zoo;○ \$400,000 to the Duluth Aquarium;○ \$150,000 to the Bakken Museum;○ \$970,000 to Wilderness Inquiry;○ \$700,000 for the Science Museum programs; |
|--|---|

Section Description - Article 4: Arts and Cultural Heritage

- \$164,000 for the Lake Superior Zoo in Duluth; and
 - \$100,000 to the MN African American Heritage Museum and Gallery.
- \$3.4 million to the Minnesota Zoo for access and education on zoo exhibits and programming.
- \$26.4 million to the Minnesota Humanities Center for the following activities:
 - \$5 million to the Humanities Center for their programming for statewide activities;
 - \$1.5 million for competitive grants for children's museums for exhibits and outreach and \$1 million to the MN Children's Museum in St. Paul;
 - \$25,000 for the Minnesota Humanities Councils to do outreach to help people apply for grant programs;
 - \$16 million for the Community Identity and Heritage Grants programs to award grants to individuals and organizations representing the various cultures and communities around the state to celebrate the unique cultural heritages in Minnesota;
 - Of the amount for the Community Identity and Heritage Grants program, \$3 million is for Festival grants, \$1.5 million is for museum grants, and \$500,000 is for grants for organizations making ethnic media content;
 - \$600,000 is for emergency grants through the Community Identity and Cultural Heritage grant programs, \$400,000 is for ethnic studies materials, and \$250,000 is for a grant to an organization to produce an art installation honoring the life of Gordon Parks;
 - \$400,000 is for grants for Minnesota Musicians, \$500,000 is for grants to support writing for a young audience, and \$100,000 is for a Youth Poet Laureate program; and
 - funding for arts programs with (Neo) Muralismos de Mexico, Lundstrum Center for Performing Arts, and United Hmong Family.
- \$1.6 million to the Indian Affairs Council for competitive grants for language and immersion programs, and funding for the council to work with the Minnesota State Archeologist on graves and the Native American Grave Protection and Repatriation Act.
- \$1 million to the Department of Agriculture for grants to county fairs for arts and cultural heritage and \$500,000 for the Future Farmers of American for art and history programs.

Section Description - Article 4: Arts and Cultural Heritage

- \$5,000 to the Legislative Coordinating Commission to maintain the Legacy website for agencies and grantees to report on arts and cultural heritage funding.

12 Expenditures and accountability.

Adds two new requirements to section 129D.17 which provides the requirements for arts and cultural heritage grants to be considered for a grant or funding, a grantee must provide their most recent 990 tax form.

13 Construction costs.

Adds a new requirement to section 129D.17 that arts and cultural heritage funds cannot be spent on capital construction costs, including new buildings. This section clarifies that historical site preservation is not prohibited, and that collection care in museums, accessibility modifications, and exhibits and art installations that require construction costs are not prohibited under this section.

14 Department of Education.

Updates the 2023 grant to the regional library systems to allow the funding to be used until June 30, 2026.

15 Department of Administration.

Updated the 2024 arts and cultural heritage appropriation to change the organization receiving funding for an art installation of Olympic Gold Medalist Suni Lee and extends the use of the funds until 2027, and extends the use of funding for the Hmong language writing program.

16 Minnesota Historical Society.

Provides that funding not used to obtain the Ruby Slippers from *The Wizard of Oz* can be used by the Judy Garland Children's Discovery Museum for exhibits related to the slippers.



Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn.gov/hrd | 651-296-6753 | Third Floor, Centennial Office Building | St. Paul, MN 55155