

HOUSE & SENATE

Bill Summary

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Overview

This is the omnibus agriculture, environment, and natural resources finance bill for the 2015 first special session. Governor Dayton vetoed this bill's regular session predecessor, H.F. 846, on May 23rd, 2015.

Article 1: Agriculture Appropriations

Section

- 1 **Agriculture appropriations.** Provides the technical language on how the appropriations for fiscal years 2016 and 2017 in this article are treated.
- 2 **Department of Agriculture.** Appropriates approximately \$87 million in direct appropriations to the Minnesota Department of Agriculture (MDA). The amount appropriated does not include any statutory appropriations to the department from the agricultural fund and other funds.
- 3 **Board of Animal Health.** Appropriates approximately \$10.7 million in direct appropriations to the Board of Animal Health.
- 4 **Agricultural Utilization Research Institute.** Appropriates approximately \$7.3 million in direct appropriations to the Agricultural Utilization Research Institute (AURI).

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- 5 Avian influenza response activities.** Appropriates approximately \$6.5 million to several state agencies for avian influenza response. This section also provides for a transfer of \$4.4 million from the FY 2015 balance in the general fund to the disaster assistance contingency account for avian influenza emergency response activities.
- 6 Rural Finance Authority; disaster recovery loans.** Appropriates \$10 million to the commissioner of agriculture for the Rural Finance Authority revolving loan account for disaster recovery loans.
- 7 Avian influenza response; federal funds.** Appropriates any federal funds received by certain state agencies for influenza response.
- 8 Effective date.** Makes the appropriations for avian influenza response activities effective the day following final enactment.

Article 2: Agriculture Statutory Changes

- 1 Federal reimbursement.** Requires MDA to pursue federal reimbursement for state wolf depredation payments to livestock owners while the federal government prohibits Minnesota livestock producers from protecting their livestock from wolf predation.
- 2 Technical.** Relates to the repeal of the shared savings loan program in this article.
- 3, 4, & 6 Structural pest control applicators; pesticide law.** Clarify that a person will only need to have a structural pest control license to purchase restricted use pesticides or to apply pesticides to a structure for hire.
- 5 Pesticide regulatory account; pollinator friendly plant labeling.** Limits the amount that the MDA may use from the pesticide regulatory account to enforce pollinator-friendly labeling restrictions to \$20,000 per year.
- 7 & 8 Commercial pesticide application.** Clarify that a person will need to have a commercial applicator license to purchase restricted use pesticides or to apply pesticides for hire.
- 9 - 11 Agricultural fertilizer research and education account; fertilizer fee increase.** Moves the additional 40 cents per ton fee on fertilizer that is dedicated for research and education into a separate account. Section 9 also increases the regular fertilizer fee by nine cents per ton.
- 12 & 13 Phytosanitary inspections.** Provides MDA with more flexibility in providing phytosanitary inspections.
- 14 Phytosanitary and export certification fees.** Grants the MDA more flexibility in recovering processing costs for phytosanitary and export certifications.
- 15 – 18 Nursery stock certification.** Clarifies nursery stock regulation, including a clarification that it does not include sod or any seeds.
- 19 Nursery stock growers and dealers license fees; penalty.** Allows the MDA to recover a penalty equal to the required fee when a nursery stock grower or dealer are found operating without a license. This section also gives the MDA more flexibility in recovering reinspection and additional inspection costs.

Section

- 20 Nursery and phytosanitary account; pollinator friendly plant labeling.** Limits the amount that the MDA may use from the nursery and phytosanitary account to enforce pollinator-friendly labeling restrictions to \$20,000 per year.
- 21 - 36 Industrial hemp enforcement.** Provide for enforcement of the industrial hemp provisions in the bill through the existing enforcement authority of the commissioner of agriculture.
- 37 Controlled substance offenses.** Specify that prosecution of industrial hemp violations by the commissioner of agriculture does not preclude prosecution for controlled substances.
- 38 Citation.** Cites the new chapter 18K of Minnesota Statutes as the “Industrial Hemp Development Act.”
- 39 Definitions.** Provides the definitions for the new chapter 18K. This section defines “commissioner,” “industrial hemp,” and “marijuana.”
- 40 Industrial hemp possession.** Allows a person to possess industrial hemp that is grown pursuant to the new Minnesota Statutes, chapter 18K.
- 41 Licensing.**
- Subd. 1. Requirements.** Requires a license issued by the commissioner of agriculture before growing industrial hemp for commercial purposes. The applicant must pay the license fee established by the commissioner to be issued the license. A license holder is presumed to be growing industrial hemp for commercial purposes.
- Subd. 2. Background check; data classification.** Provides for a background check from the Minnesota Bureau of Criminal Apprehension for a first-time applicant for a license under this section. The cost of the background check is the responsibility of the applicant. The criminal history records are private data on individuals under the Data Practices Act.
- Subd. 3. Federal requirements.** Requires applicants under this section to comply with all federal requirements for industrial hemp.
- 42 Annual report; sales notification.** Provides for an annual report from licensees to the commissioner of agriculture on seeds planted and contracts. This section also requires notification to the commissioner on sales within 30 days of the sale.
- 43 Rulemaking.** Authorizes the commissioner of agriculture to adopt rules related to the purpose of carrying out the new Minnesota Statutes, chapter 18K. The rules must be consistent with the U.S. Drug Enforcement administration on industrial hemp. This section is not effective until the federal government authorizes the commercial production of hemp.
- 44 Fees.** Provides that any fees paid under the new Minnesota Statutes, chapter 18K, shall be deposited in an industrial hemp account. Money in the account is appropriated to the commissioner of agriculture to implement and enforce the chapter.
- 45 Defense for the possession of marijuana.** Provides an affirmative defense for prosecution of marijuana possession laws if the person possesses industrial hemp grown as allowed under state and federal law.

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46 Pilot program and research authorization.

Subd. 1. Authorized activity. Allows the commissioner of agriculture to grow or cultivate industrial hemp for research purposes, and to authorize educational institutions to grow or cultivate industrial hemp as part of a pilot program or for research purposes.

Subd. 2. Site registration. Requires annual site registration with the commissioner of agriculture before growing or cultivating industrial hemp as allowed under this section.

Subd. 3. Rulemaking. Authorizes the commissioner of agriculture to adopt rules that govern the pilot program under this section pursuant to provisions in the 2014 federal farm law.

47 Seed permit requirement. Requires a permit and fee for persons labeling native grass and wildflower seeds for sale in the state.

48 & 49 Seed fee permit increases. Increases seed fee permits by 50 percent.

50 - 52 Feed fee increases. Increases commercial feed license fees as follows:

- (1) brand name registration to \$50 from \$25;
- (2) application fee to \$75 from \$25;
- (3) fee paid by pet food distributors for each product type that is sold in ten lb. or less packages to \$100 from \$50;
- (4) fee paid by specialty pet food distributors for each product type to \$100 from \$25;
- (5) a minimum inspection or in lieu of inspection fee to \$75 from \$10; and
- (6) a late filing fee per product to \$100 from \$10.

53 Cottage foods exemption. Allows persons to sell food prepared in an unlicensed kitchen that is:

- (1) not potentially hazardous food; or
- (2) pickles, vegetables, or fruit with a pH value 4.6 or lower that were canned in Minnesota.

Sales will be allowed directly to individuals, including sales at farmers markets and out of the individual's home, to the extent allowed by local ordinance. Persons selling food under this section must comply with training requirements and register with the MDA. Gross sales under this exemption are limited to \$18,000 per year. Persons with annual gross sales over \$5,000 must pay a \$50 annual fee for registration. An agricultural fund account is created for deposit of the fees collected and the fee revenue is appropriated for the MDA costs of implementation. The current law exemptions that allow up to \$5,000 in gross sales are repealed in this article.

54 Milk and cream buyer and tester license. Makes the milk and cream buyer and tester license a two-year license with a fee of \$60 for initial and renewal licenses. Previously the license term was for one year and the fees were 450 for initial licensing and \$25 for renewal.

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- 55 Milk procurement fee.** Increases the milk procurement fee to 1.1 cents per cwt from .71 cents per cwt.
- 56 Agriculture, research, education, extension, and technology transfer grant program.** Establishes the agriculture, research, education, extension, and technology transfer grant program and account for the commissioner of agriculture to provide grants for long-term agricultural productivity increases.
- 57 Definitions.** Defines terms that are used in three incentive programs created in the bill. The terms defined are: “advanced biofuels,” “biomass thermal production,” “cellulosic biomass,” “cellulosic sugar,” “commissioner,” “cover crops,” “MMbtu,” “perennial crops,” and “renewable chemical.”
- 58 Advanced biofuel production incentive.** Establishes the advanced biofuel production incentive program to provide payments for the production of advanced biofuels in Minnesota. The payments for advanced biofuel production from cellulosic biomass are \$2.1053 for each million metric British thermal units (MMbtu) of production from cellulosic biomass and \$1.053 per MMbtu for advanced biofuel production from starch or sugar. Total payments to a single producer of advanced biofuel are restricted to 2,850,000 MMbtu of biofuel production per year for up to ten years. The total for all producers is restricted to 17,100,000 MMbtu of biofuel production per year.
- 59 Renewable chemical production incentive.** Establishes the renewable chemical production incentive program to provide payments for the production of renewable chemicals in Minnesota. The payments for renewable chemical production are \$0.03 per pound of sugar-derived renewable chemical, \$0.03 per pound of cellulosic sugar, and \$0.06 for each pound of cellulosic-derived renewable chemical. Total payments to a single producer of renewable chemicals are restricted to 99,999,999 pounds of renewable chemical production per year for up to ten years. The total for all producers is restricted to 5,999,999 pounds of renewable chemical production per year.
- 60 Biomass thermal production incentive.** Establishes the biomass thermal production incentive program to provide payments for the production of biomass thermal in Minnesota. The payments for biomass thermal production are \$5 for each million metric British thermal units (MMbtu) of production. Total payments to a single producer of biomass thermal are restricted to 30,000 MMbtu of biomass thermal production per year for up to ten years. The total for all producers is restricted to 150,000 MMbtu of biomass thermal production per year.
- 61 Report; incentive programs.** Requires the commissioner of agriculture to report to the legislature by January 15, each year, on production and incentive payments for:
- (1) the advanced biofuel production incentive program;
 - (2) the renewable chemical production incentive program; and
 - (3) the biomass thermal production incentive program.

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- 62 - 65 Rural Finance Authority administrative account.** Establish the Rural Finance Authority (RFA) administrative account for deposit of fees received and make technical cross-reference changes related to the account.
- 66 RFA loans; refinancing.** Allows RFA loans to be used for refinancing.
- 67 & 68 Technical.** Makes technical cross-reference changes related to the RFA administrative account.
- 69 Disaster recovery loan program; purpose.** Provides that the RFA disaster recovery loan program includes loss of revenue due to avian influenza.
- 70 Disaster recovery loan program; eligibility.** Makes losses due to highly pathogenic avian influenza eligible under the RFA disaster recovery program and eliminates net worth restrictions for the program.
- 71 - 74 Technical.** Makes technical cross-reference changes related to the RFA administrative account.
- 75 Pilot microloan program.** Expands the type of livestock that are eligible under the RFA pilot microloan program.
- 76 & 77 Farm opportunity loan program.** Establish the farm opportunity loan program under the RFA to replace the shared savings loan program that is being repealed in this article, including a technical cross-reference.
- 78 Farm business management space availability.** Authorizes Minnesota State Colleges and University campuses to specify space availability for farm business management courses.
- 79 Wild hemp.** Clarifies that industrial hemp grown by a licensed grower is not wild hemp to be controlled by a county board.
- 80 Corporate farm law report.** Adds a \$15 filing fee for certain corporate farm law reports.
- 81 Farm-lender mediation extension.** Extends the farmer-lender mediation program an additional year to June 30, 2017, if the Legislature does not meet in 2016.
- 82 2014 appropriation adjustment.** Modifies the 2014 appropriation provisions for the farm to food shelf program.
- 83 Livestock industry study.** Requires a livestock industry study.
- 84 Correctional facility butcher training pilot program.** Establishes the correctional facility butcher training pilot program.
- 85 Urban agriculture program.** Directs the commissioner of agriculture to convene interested stakeholders to develop an urban agriculture proposal.
- 86 Balances transferred; accounts abolished.** Transfers accounts and abolishes accounts related to the RFA administrative account and the farm opportunity loan program.
- 87 Repealer.** Repeals Minnesota Statutes, sections 17.115 (shared savings loan program); 28A.15, subdivisions 9 and 10 (current unlicensed food preparation exemptions); and 116V.03 (statutory appropriation for AURI).

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88 **Effective date.** Provides that the sections related to the RFA programs in this act and passed in the omnibus agriculture policy bill (Laws 2015, chapter 44) are effective the day following final enactment.

Article 3: Environment and Natural Resources Appropriations

- 1** **Environment and natural resources appropriations.** Provides the technical language on how the appropriations for fiscal years 2016 and 2017 in this article are treated.
- 2** **Pollution Control Agency.** Appropriates approximately \$186.9 million to the Pollution Control Agency (PCA).
- 3** **Department of Natural Resources.** Appropriates approximately \$525.9 million to the Department of Natural Resources.
- 4** **Board of Water and Soil Resources.** Appropriates approximately \$26.7 million to the Board of Water and Soil Resources (BWSR).
- 5** **Metropolitan Council.** Appropriates approximately \$17.5 million in direct appropriations to the Metropolitan Council.
- 6** **Conservation Corps Minnesota.** Appropriates approximately \$1.9 million in direct appropriations to Conservation Corps Minnesota.
- 7** **Zoological Board.** Appropriates approximately \$16.8 million in direct appropriations to the Minnesota Zoological Board.
- 8** **Science Museum.** Appropriates approximately \$2.2 million in direct appropriations to the Science Museum of Minnesota.
- 9** **Administration.** Appropriates \$600,000 from the state forest suspense account to the Department of Administration for certain activities of the school trust lands administrator.
- 10** **BWSR returned grants.** Modifies a 2010 law on returned BWSR grants allowing BWSR to use the money for grants to local governments.
- 11** **2014 appropriation modification.** Modifies a 2014 appropriation to allow up to \$50,000 from the shooting sports facility grants to be used for administration of the grants and allows some of the money for fishing program grants to be used for hunter and angler recruitment and retention.
- 12** **Repealer.** Repeals Laws 2010, chapter 215, article 3, section 3, subdivision 6, as amended – closed landfill investment fund payback.

Article 4: Environment and Natural Resources Statutory Changes

- 1 & 2** **CLIF repayment.** Provides for the repayment of approximately \$58.2 million from the general fund to the closed landfill investment fund (CLIF) based on a forecasted general fund balance.
- 3** **Public entity purchases.** Modifies public entity purchasing requirements.

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- 4 DNR utility fees; state land and water.** Modifies the current exemption on utility fees to make the utility line exemption apply to the application fees on crossing state lands and waters that are not 100 kilovolts or greater or main pipelines.
- 5 Conservation easement stewardship account; DNR.** Creation of the DNR conservation stewardship easement account.
- 6, 7, 11, & 15 OHV and snowmobile registration.** Clarify that the new owner of an off-highway vehicle (OHV) or snowmobile is the individual responsible to transfer ownership.
- 8 Grant-in-aid application; ORV trails.** Establishes timelines for DNR review of completed applications for off-road vehicle (ORV) grant-in-aid applications.
- 9 & 10 Snowmobile registration; children's vehicles.** Exemption from registration requirements for snowmobiles that are 125 cc's or less.
- 12 - 14 All-terrain vehicle definition.** Modify the definitions of "all-terrain vehicle," "class 1 all-terrain vehicle," and "class 2 all-terrain vehicle" to make the type of vehicle based on the width of the vehicle.
- 16 ATV training documentation.** Clarifies that a driver's license with a valid ATV safety indicator will work to prove compliance with the ATV training requirement.
- 17 ATV youth operation.** Allow youth at least 12 years old, but less than 16 to operate an ATV on the roadway when the youth has an ATV training certificate and is accompanied by a parent or legal guardian.
- 18 ATV operation generally.** Allows certain class 1 ATVs to be operated on the roadway the same as a class 2 ATV. This section also extends the current exemption or utility vehicle to include road authority vehicles and provides for local ordinances allowing ATV use on their streets and roads to access local businesses.
- 19, 26, 30, 39, & 71 Aquatic invasive species affirmation.** Contain a modified version of the aquatic invasive species training that will replace the trailer decal requirement with a requirement for affirmation of the person's knowledge on aquatic invasive species law when a person purchases a watercraft license and when a nonresident purchases a Minnesota fishing license.
- 20 - 24, & 28 - 29 Aquatic invasive species; designation.** Replace the word "listed" with "designated" where it refers to species identified as prohibited, regulated, unlisted, and unregulated invasive species.
- 25 Decontamination requirement.** Authorize watercraft inspectors and conservation officers to require decontamination.
- 27 Decontamination permits.** Allows DNR to issue decontamination permits under the invasive species law.
- 31 Invasive species account purposes.** Allows money in the invasive species account to be used for habitat improvement.
- 32 Trail connections to state parks and recreation areas.** Clarifies that state trails may connect to nearby state parks and recreation areas, even though the park or recreation area is not specified in the trail authorization.

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- 33** **Mississippi Blufflands State Trail.** Creates of the Mississippi Blufflands State Trail.
- 34** **Blufflands trail system.** Adds several connections to the Blufflands trail system.
- 35** **Camp Ripley/Veterans State Trail.** Allows separation of motorized and nonmotorized trails, as needed.
- 36** **Lake Vermilion-Soudan Underground Mine State Park; elevator licensing exemption.** Exempts the mine tour hoist at Lake Vermilion-Soudan Underground Mine State Park from elevator licensing and regulation under the Department of Labor and Industry. The mine hoist will continue to be regulated under the federal mine code and is subject to an annual inspection.
- 37** **Lake Vermilion-Soudan Underground Mine State Park.** Corrects the state park name and adds the Stuntz Bay boat house area as not needing a state park permit.
- 38** **Water trails; Shell Rock River.** Contains the addition of the Shell Rock River to the list of state water trails.
- 40** **Shooting sports facility grants.** Expands the shooting sports facilities grants to include shooting sports and allows local governments to receive the grants.
- 41** **Fire; special permits.** Updates the special permits for fire training to national firefighter training standards.
- 42 - 61** **Auxiliary forest.** Updates auxiliary forest statutes.
- 62** **Forest bough account.** Expands the use of the forest bough account to include special forest product information and education programs instead of just balsam bough education.
- 63** **Auction sale procedure; timber permits.** Increases when a bid guarantee payment is required to be increased for timber permits.
- 64** **Timber permit extension.** Reduces in the interest rate to five percent from eight percent for timber permit extensions.
- 65** **Condemnation of school trust lands.** Allows for the condemnation of school trust lands for the state to buy-out the school trust interest in the lands. This will allow the state to buy-out the trust interest in the land and fulfill the requirement for a public sale of the trust lands under the Minnesota Constitution.
- 66 & 67** **DNR land sales; brokers.** Allows the DNR to retain licensed real estate brokers to sell unsold land parcels to sell the parcels for not less than 90 percent of the appraised value.
- 68** **Land sales; school trust lands account.** Provides for the deposit of proceeds in the school trust lands account from a sale of surplus state DNR land that is not part of the state outdoor recreation system or an administrative site.
- 69** **Budget oversight committees; game and fish fund.** Extends the sunset of the budget oversight committees for the game and fish fund an additional five years to 2020.
- 70** **Birds causing damage.** Expands the use of nonlethal hazing when property damage is occurring to include all game bird species.

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- 72 APO authority; buffers and soil loss limits.** Allows BWSR, a county, or a watershed district to issue an administrative penalty order (APO) for violation of riparian protection requirements under Section 79 and for violation of soil loss limits requirements. An APO is limited to \$500 and may be issued only after ten months since the landowner was issued a notice of noncompliance. One-half of any money received under an APO must be remitted to the county or watershed district with jurisdiction.
- 73 Wetland stakeholder coordination.** Directs BWSR to establish a wetland work group, similar to the drainage work group. The group will provide forum for developing policy recommendations to improve WCA.
- 74 Conservation easement stewardship account; BWSR.** Creates a BWSR conservation stewardship easement account.
- 75 Identification of high priority areas for wetland replacement.** Directs BWSR to identify high priority areas for wetland replacement. BWSR must consult with the Department of Natural Resources (DNR), the Department of Agriculture, and local governments. The criteria for designating these areas include wetland functions, the historic loss and abundance of wetlands, and current state and local plans and studies that identify watershed needs. The designation of high priority areas is exempt from rulemaking requirements and become effective 30 days after being published in the State Register. Local governments may identify high priority areas and projects for wetland replacement, which can be provided to BWSR to consider in designating high priority areas for wetland replacement.
- 76 Watershed district contracts; state bond funds.** Allows watershed districts to retain adequate reserves for future operation costs from income on state bond financed property.
- 77 Soil loss limits cost-sharing.** Modifies the soil loss limit cost-share provisions to allow extensions beyond 90 days after a settlement is filed.
- 78 Soil loss limits; application of federal or other state law.** Provides that the enforcement of soil loss limits laws do not preclude other applicable state and federal law.
- 79 Riparian protection requirements.**
- Subd. 1. Definitions.** Define “board,” “buffer,” “buffer protection map,” “commissioner,” “executive director,” “local water management authority,” “normal water level,” and “public waters” for the purpose of riparian buffer requirements.
- Subd. 2. Purpose.** Provides the purpose of riparian buffer requirements.
- Subd. 3. Protection requirements on public waters and public drainage systems.** Provides that land adjacent:
- (1) to public water body that is mapped on a buffer protection map must have a buffer of perennial vegetation or alternative riparian water quality practice in place by November 1, 2017; and
 - (2) to a public drainage system that is mapped on a buffer protection map must have a buffer of perennial vegetation or alternative riparian water quality practice in place by November 1, 2018.

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For mapped public waters the buffer required is the greater of: a 50-foot average with a 30-foot minimum or the requirement in the DNR's shoreland zoning rules. For mapped public drainage systems, the buffer requirement is 16.5 feet.

Land used for cultivated farming may satisfy the buffer requirement by adopting alternative riparian water quality practices approved by BWSR.

Subd. 4. Local water resources riparian protection. Provides that soil and water conservation districts (SWCDs) must develop, adopt, and submit to local water management authorities a summary of watercourses under the authority's jurisdiction that must be included in the authority's plan. "Local water management authority" means a watershed district, a metro water management organization, or a county.

Subd. 5. Exemptions. Exempts land adjacent to water subject to the riparian protection requirements of subdivision 3 that is:

- (1) enrolled in the federal CRP program;
- (2) used as a public or private access, including beaches and water oriented structures;
- (3) covered by a road, trail, building, or other structure;
- (4) subject to a PCA discharge permit;
- (5) part of a water-inundation cropping system; or
- (6) temporarily nonvegetated due to tile installation, perennial plant seeding, or an authorized conservation project.

Subd. 6. Local implementation and assistance. Directs SWCDs to assist landowners with implementing the water resource protections in this section. The DNR and BWSR must provide adequate financial resources to SWCDs for implementation of this section.

Subd. 7. Corrective actions. Provides for SWCDs to report violations of this section to counties or watershed districts with jurisdiction. The county or watershed district may use a delegated APO authority (see section 70) beginning November 1, 2017, to enforce this section. This subdivision also provides that:

- (1) any fines may be forgiven when sufficient steps to get into compliance;
- (2) an APO may be appealed as provided in current law;
- (3) corrective action is not required for acts of nature; and
- (4) landowner agents or operator cannot remove or degrade any required practices without a signed statement from the landowner stating that permission has been granted by the unit of government with jurisdiction.

Subd. 8. Funding subject to withholding. Allows BWSR and DNR to withhold funding to local water management authorities and SWCDs for failing to implement this section.

Subd. 9. Appeals of validations and penalty orders. Allows for appeals of an SWCD validation or APO to BWSR within 30 days of receipt of the validation or

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order. The executive director of BWSR must make a determination within 60 days of receiving the appeal and the director's determination is appealable to the MN Court of Appeals.

Subd. 10. Landowner assistance; public drainage system process. Provides that landowners may contact an SWCD for information on financial assistance available. This section also allows drainage authorities to use certain procedures in advance or retroactively to compensate landowners in fulfilling requirements under this section.

Subd. 11. State lands. Applies the requirements in this section to all state lands.

- 80 Wetland preservation areas.** Technical conforming change. Wetland preservation areas allows counties to offer reduced property taxes to landowners to protect wetlands on their property.
- 81 In-lieu fee program.** Defines “in-lieu fee program” for the purposes of WCA. An “in-lieu fee program” will allow wetland replacement through the payment of money to BWSR or a BWSR-approved sponsor to develop wetland replacement.
- 82 Wetland replacement.** Broadens wetland replacement options to include all actions of at least public value. This section also expands current restrictions on wetland replacement options for banking to require them for all wetland replacement.
- 83 Wetland replacement siting.** Removes specific criteria for wetland replacement siting due to public transportation projects and clarifies that for wetland banking projects the priority starts with projects in the same county or wetland banking area of the impacted wetland. This section also removes language relating to the NE MN inventory report; and directs BWSR to develop wetland replacement ratios and wetland ban service area priorities.
- 84 WCA rules.** Authorizes BWSR to develop rules for an in-lieu fee program within the wetland banking program that must conform to the federal wetland mitigation rules.
- 85 Interagency team.** Directs BWSR to develop an interagency team to identify and evaluate wetland replacement sites. The team will consist of the Technical Evaluation Panel and representatives from specific state and federal agencies. This section also removes a reference for local approval of wetland banking plans and replaces it with local approval of sequencing.
- 86 Wetland replacement completion.** Authorizes wetland values to be replaced after draining or filling of wetland when financial assurance is provided or under the in-lieu fee program. This section also allows the BWSR to acquire fee title to land for replacement wetlands and to establish payment rates for in-lieu fee program payments; and establishes an in-lieu fee program account.
- 87 Local government decisions.** Eliminates local approval of wetland banking plans and replaces it with local approval of sequencing.
- 88 Wetland replacement credits.** Eliminates the requirement that wetland replacement must be completed prior to draining or filling a wetland because of conflict with the in-lieu fee program; and allows additional replacement options related to aquatic resources in a greater than 80 percent area.

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- 89 Fees.** Authorizes BWSR to charge fees to pay the costs associated with establishing conservation easements or other long-term protection on wetland replacement sites.
- 90 Greater than 80 percent areas; wetland credit.** Provides that other important natural areas in the greater than 80 percent area, in addition to preservation of wetlands, can also receive wetland replacement credit. These areas include riparian buffers and certain watershed areas.
- 91 Public water work permit; culvert replacement exception.** Exempts from the public waters work permit requirement the replacement of culvert that is the same size and elevation and it does not impact a trout stream.
- 92 Water use permits; restriction in summer months.** Modifies the dates when the commissioner must not restrict groundwater appropriation permits, unless the water appropriation will endanger a domestic water supply.
- 93 Existing once through systems.** Allows the DNR to permit once-through cooling and heating systems that use up to 5 million gallons per year and were in existence prior to January 1, 2015. This section also authorizes the use of groundwater thermal exchange devices.
- 94 Fees for past unpermitted activities.** Allows the DNR to waive fees for past unpermitted appropriation of water for once-through cooling and heating systems.
- 95 Preliminary well construction approval.** Eliminates the requirement to have an inventory of all wells within 1 and ½ miles to get a groundwater appropriation permit.
- 96 Well interference well sealing.** Allows for well sealing to dismiss a well interference claim.
- 97 Water supply plans; metropolitan area.** Removes a requirement that metropolitan water supply plans must be consistent with the metropolitan area master water supply plan.
- 98 Public waters work permit fee exception; town roads.** Removes the fee for a public waters work permit for organized township roads.
- 99 Voluntary self-reporting of violations.** Provides for the PCA to delay enforcement for 60 days for voluntary self-reporting of violations. If the violation is corrected or is under schedule to be corrected, the PCA must waive any fines. A number of exceptions to this law are provided including criminal enforcement and for violations that cause great harm or provide substantial economic benefit to the regulated entity.
- 100 External peer review of water quality standards.** Provides for notice, public comment, and documentation when external peer review is conducted for proposed changes to the water quality standards.
- 101 PCA annual report.** Requires an annual report by PCA on its discharge permitting program. The report must be posted on the PCA's Web site.
- 102 Building sewer; SSTS.** Adds a definition for "building sewer connected to a subsurface treatment system."
- 103 Corporate surety bond requirements; SSTS installers.** Increases the corporate surety bond amount necessary to obtain a license to install or service a subsurface treatment system (SSTS) from \$10,000 to \$25,000.

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- 104 Recyclable materials.** Allows sole source food waste streams that biodegrade to be counted as recyclable materials.
- 105 Source-separated compostable materials.** Technical change to the definition of “source-separated compostable materials.”
- 106 E-waste registration fee.** Temporary fix to the E-waste registration fee program to continue the program funding at current levels.
- 107 Architectural paint stewardship account; appropriation.** Appropriates the money in the architectural paint stewardship account for fiscal years 2016 and 2017.
- 108 County recycling goals.** Allows any quantified recyclable materials to be counted toward the county recycling goals, including the change in Section 102.
- 109 SCORE grants; purposes.** Expands of the purposes for use of SCORE recycling grants to counties.
- 110 Recycling competitive grant program.** Creates a new competitive recycling grant program for counties outside of the seven-county metropolitan area and municipalities with less than 40,000 in population. The maximum grant amount is \$250,000.
- 111 Recyclable material collectors.** Requires a local unit of government to submit a list of all licensed collectors of municipal solid waste to the PCA. Prohibits a person from collecting recyclable materials without a license issued by a local unit of government or without registering with the PCA. Specifies reporting requirements for collectors and charges the PCA with developing uniform reporting forms in consultation with stakeholders.
- 112 Soil vapor intrusion; reimbursement.** Allows the cost of installing a mitigation system at the principal residence of a claimant to be reimbursed from the remediation fund, up to \$25,000, if recommended by the PCA to protect residents from vapor intrusion resulting from release of a harmful substance.
- 113 Owner or operator.** Defines owner or operator for purposes of dry cleaning facility provisions.
- 114 - 117 PCA Board elimination.** Eliminate the PCA Board.
- 118 Air permit fees.** Makes clarifying amendments to the purposes for which PCA air permit fees may be spent.
- 119 Solid waste facility permits.** Prohibits the PCA from issuing a solid waste disposal facility permit until the local governments have approved or authorized it or the facility has been already authorized in an approved solid waste management plan. This section also directs the DNR and PCA to apply the ferrous mining waste site rules to nonferrous mines.
- 120 Feedlot truck washes.** Allows feedlot operators to store and apply up to 100,000 gallons of wastewater from their private truck washes without a permit from the PCA.
- 121 Silica sand requirements extension.** Allows the temporary requirements for environmental review to continue until the final EQB rules on the issue are adopted.

Section

- 122 Discretionary environmental review notification.** Requires 14-day notification of a proposer of an action before the DNR or PCA order the preparation of discretionary environmental review for the action.
- 123 School trust lands director location.** Eliminates the requirement for the commissioner of administration to provide office space for the school trust lands director.
- 124 Camper cabins and bunk houses; health rules.** Exempts camper cabins and bunk houses from certain space and spacing requirements in Department of Health rules.
- 125 ATV safety certificate; driver's license.** Provides for ATV safety certificate information on driver's licenses.
- 126 Title examination.** Technical change amending a reference to the 2014 Statutes because the referenced statute is being repealed in the bill.
- 127 & 129 Water infrastructure projects.** Modify the point source implementation grants program administered by the Public Facilities Authority to allow water infrastructure projects to be eligible for funding.
- 128 Drinking water infrastructure project priorities.** Allows the PCA to rank drinking water infrastructure projects on its priority list for purposes of the point source implementation grant program.
- 130 Metropolitan water supply advisory committees.** Modifies the Metropolitan Area Water Supply Policy Advisory Committee to include representatives from St. Paul and Minneapolis water agencies and adds a new Metropolitan Area Water Supply Technical Advisory Committee. This section also requires a report every five years from the Metropolitan Area Water Supply Policy Advisory Committee.
- 131 Surplus land sales.** Directs the school trust lands director to identify at least \$5 million in surplus land sales that are not part of the state outdoor recreation system or an administrative site. The DNR must sell at least \$3 million worth of lands identified by June 30, 2017. The money must be used to extinguish the trust on school trust lands.
- 132 SSTS rulemaking.** Requires the PCA to adopt rules to conform with the changes to the subsurface sewage treatment system (SSTS) program requirements and to streamline SSTS license application and renewal process to allow licensed SSTS businesses to meet SSTS and plumbing license requirements pertaining to surety bonds and allow SSTS installers to work on building sewers.
- 133 Report.** Directs BWSR, in cooperation with the DNR, to report, by March 15, 2016, to the committees with jurisdiction over environment and natural resources on the proposals to implement high priority areas for wetland replacement, in lieu fee replacement, wetland replacement siting, and actions eligible for credit.
- 134 ATV registration transition.** Establishes temporary ATV registration requirements applicable until the electronic licensing system is updated to accommodate the change in ATV classifications contained in this bill.
- 135 Cost analysis of water quality standards.** Directs the PCA, after consultation with MMB, to contract for an analysis of the increased cost of PCA water quality rules.

Section

- 136 Wild rice water quality standards.** Provides for requirements that PCA must apply to water quality permits relating to sulfates before the water quality rules related to wild rice waters is completed.
- 137 Section 404 feasibility study.** Directs BWSR and DNR to study the feasibility of assuming the federal section 404 permit program under the federal Clean Water Act. Assumption of the section 404 permit program would allow the state to provide federal permits for draining and filling wetlands that are under federal jurisdiction.
- 138 Metropolitan parks; interest earnings.** Eliminates the dedication of interest earnings from a certain fund for use only for a specific metropolitan park. The change would allow the money to be used more broadly by all metropolitan parks.
- 139 Youth bear license refunds.** Allows the DNR to issue refunds for certain youth bear licenses issued.
- 140 Water retention projects.** Directs DNR, in cooperation with other agencies and interested parties, to develop a proposal to be submitted to the Lessard-Sams Outdoor Heritage Council and the Legislative-Citizens Commission on Minnesota Resources for significant large-scale flood water retention projects.
- 141 Wild turkey critical habitat plates.** Directs the DNR and Department of Public Safety to include a wild turkey habitat plate for the next selection of critical habitat plates.
- 142 Base budget report.** Directs DNR and PCA to submit a report on their base budgets by October 15, 2016.
- 143 Negative surface water impacts; recommendations.** Directs the DNR, after consulting with interested stakeholders, to submit a report to the Legislative Water Commission on recommending standards for negative impacts to surface waters from groundwater use.
- 144 Rulemaking; SSTS; existing campgrounds and resorts.** Directs the PCA to amend their SSTS rules to allow existing campgrounds to use flow monitoring to establish flow rates for permit requirements, instead of requiring permits based on estimated flow rates.
- 145 Rulemaking; SSTS professionals.** Directs the PCA to modify rules relating to SSTS professionals to maintain or re-establish certification eligibility.
- 146 Buffer requirements; initial implementation waivers.** Allows an SWCD to issue a compliance waiver under the new wetland buffer requirements in Section 79 of this article when the landowner has applied for financial assistance or is subject to certain drainage law procedures. The waiver is valid until the financial assistance is available or November 1, 2018, whichever is earlier.
- 147 Conservation stewardship account transfers.** Transfers existing balances for conservation stewardship to the new conservation stewardship accounts in DNR and BWSR.
- 148 Revisor instruction.** Instructs the Revisor of the Statutes to renumber the definition section for Minnesota Statutes, chapter 103G, to retain alphabetical order. This section also instructs the revisor to make changes based on related to repealed auxiliary forest sections.
- 149 Revisor instruction.** Instructs the Revisor of the Statutes to prepare draft legislation to conform to the PCA Board elimination.

Section

- 150** **Repealer.** Repeals Minnesota Statutes, sections 84.68 (forests for the future stewardship account); 88.47; 88.48; 88.49, subdivisions 1, 2, and 10; 88.49, subdivision 1; 88.51, subdivision 2; and 282.013 (statutes that are no longer needed related to auxiliary forests); 86B.13, subdivisions 2 and 4 (aquatic invasive species trailer decal); 116.02, subdivisions 2, 3, 4, 6, 7, 8, 9, and 10 (elimination of the PCA Board); 103F.421, subdivision 5 (penalty for soil loss limits violations); 103F.451 (clarification that soil loss limits laws only apply where a local soil loss ordinance has been adopted); and 114D.50, subdivision 4a (riparian buffer payments restrictions; clean water fund).

Article 5: Game and Fish

- 1** **Expedited rules; game and fish.** Expands the expedited rulemaking authority for all fish and wildlife rulemaking.
- 2 & 3** **Relocation costs; acquired lands.** Clarify that the DNR will not pay relocation costs in a friendly condemnation and may reimburse a land seller up to \$1,500 for appraisal fees.
- 4 & 28** **Gizzard shad harvest.** Allows for the use of cast nets for taking gizzard shad for bait on portions of the Mississippi and St. Croix Rivers infested waters if used for bait on the same water under a permit issued by the DNR. These sections expire on December 1, 2017.
- 5** **Temporary water surface use controls.** Provides authority for the commissioner to adopt temporary water surface use controls at public construction or maintenance sites for a period of time not to exceed the duration of the construction or maintenance project.
- 6 & 7** **Personal flotation devices.** Update references to personal floatation devices to conform to changes in federal regulations.
- 8** **Wake surfing.** Define and regulate wake surfing and fly boarding and operation of a watercraft creating a wake in the same manner as towed sports.
- 9** **Undressed bird requirements; ducks.** Allows a person to transport ducks with only a fully feathered wing attached.
- 10** **Posting accesses; active disease areas.** Allows the DNR to restrict public accesses to active disease areas by posting.
- 11** **Compliance with federal law.** Clarifies that game and fish fund appropriations must be made to the commissioner, including appropriations for information or telecommunications technology projects and assets.
- 12 & 13** **Notice to appear in court.** Updates the notice sections to more closely align with the statewide uniform citation standards and a potential new records management system.
- 14** **Prosecution of aggregated offenses.** Provides that multiple offenses in different counties may be prosecuted in any county in which at least one of the offenses occurred.
- 15** **Deer license purchase and use restrictions.** Allows a person to use a deer license purchased on the same day as long as the license was purchased prior to legal shooting hours.
- 16** **Turkey licenses; landowner selection.** Clarifies that landowners or tenants must live on at least 40 acres in a turkey permit area to qualify for the separate selection process.

Section

- 17 Residents of veterans homes.** Allows a resident of a veterans home to obtain a firearm or muzzleloader deer license and take antlerless deer without an antlerless deer permit.
- 18 Feral swine.** Prohibits the possession, release, hunting, or trapping of feral swine.
- 19 & 20 Scopes age 60 and over.** Allow a person age 60 or over to use a scope on a muzzleloader during the muzzleloader season.
- 21 Possession of firearms around deer season.** Provides that a first violation is punishable by a warning for violating the prohibition on having certain firearms outdoors five days prior to, during, and two days after the firearms deer season.
- 22 Hunter satisfaction survey.** Makes the hunter satisfaction survey annual and requires a report to the legislature.
- 23 Shining law; tracking bears.** Allows the use of handheld artificial lights and firearms to be possessed while tracking bears shot during legal hunting hours.
- 24 Use of radio equipment to take unprotected animals.** Eliminates the need for a permit to use radio equipment to take unprotected wild animals.
- 25 Residents age 84 or over; deer of either sex.** Allows persons age 84 or over to take a deer of either sex.
- 26 Possession of firearms; turkey hunting.** Allows the possession of a firearm not legal for turkey when hunting turkey when the person has a permit to carry for that firearm.
- 27 Beaver season.** Provides for the setting of seasons for beaver.
- 29 Minnow helpers; designation.** Provides that only designated minnow helpers may buy or sell minnows on behalf of the licensed dealer.
- 30 Rulemaking; lifting spearing bans; northern pike regulations.** Directs the DNR to remove the remaining spearing bans on all but one of the remaining lakes, and modify the protected slot limits for northern pike.
- 31 Rulemaking; water surface use restrictions.** Directs the DNR to amend the time period for temporary special controls in situations of local emergency from five days to 30 days.
- 32 Rulemaking; personal flotation devices.** Provides rulemaking to allow DNR to make technical changes to conform to changes in federal regulations.
- 33 Rulemaking; motorized trail environmental review.** Directs the EQB to amend the environmental review rules to provide an exemption from review requirements for motorized trails under certain conditions.
- 34 Repealer.** Repeals Minnesota Statutes, section 97A.475, subdivision 25 (license fees, muskrat farms); and Minnesota Rules, part 6264.0400, subparts 27 and 28 (northern pike experimental and special management waters).