

1.1 moves to amend H.F. No. 846 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1

1.4 ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS

1.5 Section 1. ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the
 1.7 agencies and for the purposes specified in this article. The appropriations are from the
 1.8 general fund, or another named fund, and are available for the fiscal years indicated
 1.9 for each purpose. The figures "2016" and "2017" used in this article mean that the
 1.10 appropriations listed under them are available for the fiscal year ending June 30, 2016, or
 1.11 June 30, 2017, respectively. "The first year" is fiscal year 2016. "The second year" is fiscal
 1.12 year 2017. "The biennium" is fiscal years 2016 and 2017. Appropriations for the fiscal
 1.13 year ending June 30, 2015, are effective the day following final enactment.

1.14 **APPROPRIATIONS**
 1.15 **Available for the Year**
 1.16 **Ending June 30**
 1.17 **2016** **2017**

1.18 Sec. 2. POLLUTION CONTROL AGENCY

1.19	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>92,718,000</u>	<u>\$</u>	<u>91,883,000</u>
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1.20 Appropriations by Fund

	<u>2016</u>	<u>2017</u>
1.21		
1.22	<u>8,265,000</u>	<u>7,827,000</u>
1.23	<u>State Government</u>	
1.24	<u>75,000</u>	<u>75,000</u>
1.25	<u>73,282,000</u>	<u>72,885,000</u>
1.26	<u>11,096,000</u>	<u>11,096,000</u>

2.1 The amounts that may be spent for each
 2.2 purpose are specified in the following
 2.3 subdivisions.

2.4 The commissioner must present the agency's
 2.5 biennial budget for fiscal years 2018 and
 2.6 2019 to the legislature in a transparent way
 2.7 by agency division, including the proposed
 2.8 budget bill and presentations of the budget to
 2.9 committees and divisions with jurisdiction
 2.10 over the agency's budget.

2.11 Subd. 2. **Water** 28,471,000 28,033,000

2.12	<u>Appropriations by Fund</u>	
2.13	<u>2016</u>	<u>2017</u>
2.14	<u>General</u>	<u>6,754,000</u>
2.15	<u>State Government</u>	<u>6,316,000</u>
2.16	<u>Special Revenue</u>	<u>75,000</u>
2.17	<u>Environmental</u>	<u>75,000</u>
		<u>21,642,000</u>

2.18 \$1,959,000 the first year and \$1,959,000
 2.19 the second year are for grants to delegated
 2.20 counties to administer the county feedlot
 2.21 program under Minnesota Statutes, section
 2.22 116.0711, subdivisions 2 and 3. Money
 2.23 remaining after the first year is available for
 2.24 the second year.

2.25 \$740,000 the first year and \$740,000 the
 2.26 second year are from the environmental
 2.27 fund to address the need for continued
 2.28 increased activity in the areas of new
 2.29 technology review, technical assistance
 2.30 for local governments, and enforcement
 2.31 under Minnesota Statutes, sections 115.55
 2.32 to 115.58, and to complete the requirements
 2.33 of Laws 2003, chapter 128, article 1, section
 2.34 165.

3.1 \$664,000 the first year and \$664,000 the
3.2 second year are from the environmental
3.3 fund for subsurface sewage treatment
3.4 system (SSTS) program administration
3.5 and community technical assistance and
3.6 education, including grants and technical
3.7 assistance to communities for water quality
3.8 protection. Of this amount, \$129,000 each
3.9 year is for assistance to counties through
3.10 grants for SSTS program administration.
3.11 A county receiving a grant from this
3.12 appropriation shall submit the results
3.13 achieved with the grant to the commissioner
3.14 as part of its annual SSTS report. Any
3.15 unexpended balance in the first year does not
3.16 cancel but is available in the second year.

3.17 \$105,000 the first year and \$105,000 the
3.18 second year are from the environmental fund
3.19 for registration of wastewater laboratories.

3.20 \$913,000 the first year and \$913,000 the
3.21 second year are from the environmental fund
3.22 to continue perfluorochemical biomonitoring
3.23 in eastern metropolitan communities, as
3.24 recommended by the Environmental Health
3.25 Tracking and Biomonitoring Advisory Panel,
3.26 and address other environmental health
3.27 risks, including air quality. Of this amount,
3.28 \$812,000 the first year and \$812,000 the
3.29 second year are for transfer to the Department
3.30 of Health. The base in fiscal year 2018 and
3.31 thereafter is \$0.

3.32 \$660,000 the first year and \$220,000 the
3.33 second year are for water quality standard
3.34 cost analyses required under this act. The

4.1 base for this appropriation is \$142,000 in
 4.2 fiscal year 2018 and \$0 in fiscal year 2019.

4.3 \$2,657,000 the first year and \$2,659,000 the
 4.4 second year are for independent peer reviews
 4.5 under Minnesota Statutes, section 115.035.

4.6 \$100,000 the first year and \$100,000 the
 4.7 second year are for grants to the Red River
 4.8 Watershed Management Board for water
 4.9 quality and watershed monitoring river watch
 4.10 activities in the schools along the Red River
 4.11 of the North.

4.12 Notwithstanding Minnesota Statutes, section
 4.13 16A.28, the appropriations encumbered on or
 4.14 before June 30, 2017, as grants or contracts
 4.15 for SSTS's, surface water and groundwater
 4.16 assessments, total maximum daily loads,
 4.17 storm water, and water quality protection in
 4.18 this subdivision are available until June 30,
 4.19 2020.

4.20 Subd. 3. **Air** 15,401,000 15,604,000

4.21 \$200,000 the first year and \$200,000 the
 4.22 second year are from the environmental fund
 4.23 for a monitoring program under Minnesota
 4.24 Statutes, section 116.454.

4.25 Up to \$150,000 the first year and \$150,000
 4.26 the second year may be transferred from the
 4.27 environmental fund to the small business
 4.28 environmental improvement loan account
 4.29 established in Minnesota Statutes, section
 4.30 116.993.

4.31 \$335,000 the first year and \$335,000 the
 4.32 second year are from the environmental fund
 4.33 for monitoring ambient air for hazardous
 4.34 pollutants.

5.1 \$690,000 the first year and \$690,000 the
 5.2 second year are from the environmental
 5.3 fund for emission reduction activities and
 5.4 grants to small businesses and other nonpoint
 5.5 emission reduction efforts. Any unexpended
 5.6 balance in the first year does not cancel but is
 5.7 available in the second year.

5.8 Subd. 4. Land 18,012,000 18,012,000

5.9	<u>Appropriations by Fund</u>		
5.10		<u>2016</u>	<u>2017</u>
5.11	<u>Environmental</u>	<u>6,916,000</u>	<u>6,916,000</u>
5.12	<u>Remediation</u>	<u>11,096,000</u>	<u>11,096,000</u>

5.13 All money for environmental response,
 5.14 compensation, and compliance in the
 5.15 remediation fund not otherwise appropriated
 5.16 is appropriated to the commissioners of the
 5.17 Pollution Control Agency and agriculture
 5.18 for purposes of Minnesota Statutes, section
 5.19 115B.20, subdivision 2, clauses (1), (2),
 5.20 (3), (6), and (7). At the beginning of each
 5.21 fiscal year, the two commissioners shall
 5.22 jointly submit an annual spending plan
 5.23 to the commissioner of management and
 5.24 budget that maximizes the utilization of
 5.25 resources and appropriately allocates the
 5.26 money between the two departments. This
 5.27 appropriation is available until June 30, 2017.

5.28 \$4,216,000 the first year and \$4,216,000 the
 5.29 second year are from the remediation fund
 5.30 for purposes of the leaking underground
 5.31 storage tank program to investigate, clean up,
 5.32 and prevent future releases from underground
 5.33 petroleum storage tanks, and to the petroleum
 5.34 remediation program for purposes of vapor
 5.35 assessment and remediation. These same

6.1 annual amounts are transferred from the
 6.2 petroleum tank fund to the remediation fund.

6.3 \$252,000 the first year and \$252,000 the
 6.4 second year are from the remediation fund
 6.5 for transfer to the commissioner of health for
 6.6 private water supply monitoring and health
 6.7 assessment costs in areas contaminated
 6.8 by unpermitted mixed municipal solid
 6.9 waste disposal facilities and drinking water
 6.10 advisories and public information activities
 6.11 for areas contaminated by hazardous releases.

6.12 **Subd. 5. Environmental Assistance and**
 6.13 **Cross-Media** 30,834,000 30,234,000

6.14	<u>Appropriations by Fund</u>	
6.15	<u>2016</u>	<u>2017</u>
6.16	<u>29,323,000</u>	<u>28,723,000</u>
6.17	<u>1,511,000</u>	<u>1,511,000</u>

6.18 \$17,250,000 the first year and \$17,250,000
 6.19 the second year are from the environmental
 6.20 fund for SCORE block grants to counties.

6.21 \$119,000 the first year and \$119,000 the
 6.22 second year are from the environmental
 6.23 fund for environmental assistance grants
 6.24 or loans under Minnesota Statutes, section
 6.25 115A.0716. Any unencumbered grant and
 6.26 loan balances in the first year do not cancel
 6.27 but are available for grants and loans in the
 6.28 second year.

6.29 \$89,000 the first year and \$89,000 the
 6.30 second year are from the environmental fund
 6.31 for duties related to harmful chemicals in
 6.32 products under Minnesota Statutes, sections
 6.33 116.9401 to 116.9407. Of this amount,
 6.34 \$57,000 each year is transferred to the
 6.35 commissioner of health.

- 7.1 \$200,000 the first year and \$200,000 the
7.2 second year are from the environmental
7.3 fund for the costs of implementing general
7.4 operating permits for feedlots over 1,000
7.5 animal units.
- 7.6 \$312,000 the first year and \$312,000 the
7.7 second year are from the general fund and
7.8 \$188,000 the first year and \$188,000 the
7.9 second year are from the environmental fund
7.10 for Environmental Quality Board operations
7.11 and support.
- 7.12 \$50,000 the first year and \$50,000 the second
7.13 year are from the environmental fund for
7.14 transfer to the Office of Administrative
7.15 Hearings to establish sanitary districts.
- 7.16 \$250,000 the first year and \$250,000 the
7.17 second year are from the general fund for
7.18 the Environmental Quality Board to lead
7.19 an interagency team to provide technical
7.20 assistance regarding the mining, processing,
7.21 and transporting of silica sand.
- 7.22 \$450,000 the first year and \$450,000 the
7.23 second year are from the environmental
7.24 fund to develop and maintain systems to
7.25 support permitting and regulatory business
7.26 processes and agency data. This is a onetime
7.27 appropriation.
- 7.28 \$50,000 the first year and \$50,000 the second
7.29 year are from the environmental fund for
7.30 increased meeting costs of the Minnesota
7.31 Pollution Control Agency Citizens' Board
7.32 under this act.
- 7.33 \$50,000 the first year is to study, in
7.34 cooperation with the commissioner of health,

8.1 the impacts related to the use of crumb rubber
8.2 within synthetic turf and review available
8.3 data relating to the potential environmental
8.4 and health risks and effects of synthetic
8.5 turf, with particular attention to the crumb
8.6 rubber content of the synthetic turf. In
8.7 conducting this study, the commissioner
8.8 must examine the health and environmental
8.9 impact of various pathways of exposure
8.10 including, but not limited to, small-fill
8.11 particle inhalation, volatility, leaching into
8.12 groundwater, dermal absorption, and the
8.13 persistence in the environment of the original
8.14 and degraded by-products of crumb rubber.
8.15 By June 30, 2016, the commissioner shall
8.16 report the findings of the study to the chairs
8.17 and ranking minority members of the house
8.18 of representatives and senate committees
8.19 and divisions with jurisdiction over health
8.20 and environment policy. This is a onetime
8.21 appropriation.

8.22 \$685,000 the first year and \$685,000 the
8.23 second year are for competitive recycling
8.24 grants under Minnesota Statutes, section
8.25 115A.565.

8.26 \$50,000 the first year is from the
8.27 environmental fund for the landfill diversion
8.28 task force and study required under this act.
8.29 This is a onetime appropriation.

8.30 \$50,000 the first year and \$50,000 the second
8.31 year are to acquire and co-locate waste and
8.32 recycling receptacles, in cooperation with
8.33 the commissioner of administration, at the
8.34 State Office Building. Any remaining funds
8.35 may be used for these purposes at other

9.1 facilities within the Capitol complex. This is
9.2 a onetime appropriation.

9.3 \$500,000 the first year is for a contract
9.4 with an outside consultant to examine
9.5 the organizational structure, financial
9.6 management, and grant processes of the
9.7 agency and provide recommendations
9.8 to increase the efficiency, outcomes
9.9 and transparency of the agency. The
9.10 commissioner shall report the results of
9.11 the examination and recommendations to
9.12 the chairs and ranking minority members
9.13 of the house of representatives and senate
9.14 committees and divisions with jurisdiction
9.15 over the environment by December 15, 2016.
9.16 This is a onetime appropriation.

9.17 The commissioner must direct any
9.18 operational adjustments necessary to
9.19 accommodate inflationary and other
9.20 operational increases of the agency to solid
9.21 waste activities within the agency and may
9.22 redirect the reductions to other subdivisions
9.23 of this section as necessary to reduce
9.24 nonessential activities of the agency. The
9.25 commissioner shall not allow any reductions
9.26 under this paragraph to impact permitting,
9.27 environmental review, or enforcement
9.28 activities of the agency and no grants may
9.29 be reduced.

9.30 All money deposited in the environmental
9.31 fund for the metropolitan solid waste
9.32 landfill fee in accordance with Minnesota
9.33 Statutes, section 473.843, and not otherwise
9.34 appropriated, is appropriated for the purposes
9.35 of Minnesota Statutes, section 473.844.

10.1 Notwithstanding Minnesota Statutes, section
10.2 16A.28, the appropriations encumbered on
10.3 or before June 30, 2017, as contracts or
10.4 grants for surface water and groundwater
10.5 assessments; environmental assistance
10.6 awarded under Minnesota Statutes, section
10.7 115A.0716; technical and research assistance
10.8 under Minnesota Statutes, section 115A.152;
10.9 technical assistance under Minnesota
10.10 Statutes, section 115A.52; and pollution
10.11 prevention assistance under Minnesota
10.12 Statutes, section 115D.04, are available until
10.13 June 30, 2019.

10.14 Subd. 6. **Transfers**

10.15 The commissioner of management and
10.16 budget shall transfer \$13,276,000 in fiscal
10.17 year 2016 from the closed landfill investment
10.18 fund in Minnesota Statutes, section
10.19 115B.421, to the environment and natural
10.20 resources account in the special revenue fund.

10.21 The commissioner of the Pollution Control
10.22 Agency shall transfer \$8,100,000 in
10.23 fiscal year 2016 from the metropolitan
10.24 landfill contingency action trust account in
10.25 Minnesota Statutes, section 473.845, to the
10.26 commissioner of management and budget for
10.27 cancellation to the environment and natural
10.28 resources account in the special revenue fund.

10.29 Subd. 7. **Remediation Fund**

10.30 The commissioner shall transfer up to
10.31 \$34,600,000 from the environmental fund to
10.32 the remediation fund for the purposes of the
10.33 remediation fund under Minnesota Statutes,
10.34 section 116.155, subdivision 2.

- 12.1 balance from the first year does not cancel
- 12.2 and is available in the second year.
- 12.3 \$2,755,000 the first year and \$2,815,000
- 12.4 the second year are from the minerals
- 12.5 management account in the natural resources
- 12.6 fund for use as provided in Minnesota
- 12.7 Statutes, section 93.2236, paragraph (c),
- 12.8 for mineral resource management, projects
- 12.9 to enhance future mineral income, and
- 12.10 projects to promote new mineral resource
- 12.11 opportunities.
- 12.12 **Subd. 3. Ecological and Water Resources** 32,493,000 32,771,000
- 12.13

Appropriations by Fund
- 12.14

2016 2017
- 12.15 General 16,980,000 17,089,000
- 12.16 Natural Resources 10,502,000 10,576,000
- 12.17 Game and Fish 4,011,000 4,106,000
- 12.18 Remediation 1,000,000 1,000,000
- 12.19 \$3,242,000 the first year and \$3,242,000 the
- 12.20 second year are from the invasive species
- 12.21 account in the natural resources fund and
- 12.22 \$3,206,000 the first year and \$3,206,000 the
- 12.23 second year are from the general fund for
- 12.24 management, public awareness, assessment
- 12.25 and monitoring research, and water access
- 12.26 inspection to prevent the spread of invasive
- 12.27 species; management of invasive plants in
- 12.28 public waters; and management of terrestrial
- 12.29 invasive species on state-administered lands.
- 12.30 \$5,000,000 the first year and \$5,000,000 the
- 12.31 second year are from the water management
- 12.32 account in the natural resources fund for only
- 12.33 the purposes specified in Minnesota Statutes,
- 12.34 section 103G.27, subdivision 2.

- 13.1 \$103,000 the first year and \$103,000 the
13.2 second year are for a grant to the Mississippi
13.3 Headwaters Board for up to 50 percent of
13.4 the cost of implementing the comprehensive
13.5 plan for the upper Mississippi within areas
13.6 under the board's jurisdiction.
- 13.7 \$10,000 the first year and \$10,000 the second
13.8 year are for payment to the Leech Lake Band
13.9 of Chippewa Indians to implement the band's
13.10 portion of the comprehensive plan for the
13.11 upper Mississippi.
- 13.12 \$264,000 the first year and \$264,000 the
13.13 second year are for grants for up to 50
13.14 percent of the cost of implementation of the
13.15 Red River mediation agreement.
- 13.16 \$1,643,000 the first year and \$1,643,000
13.17 the second year are from the heritage
13.18 enhancement account in the game and
13.19 fish fund for only the purposes specified
13.20 in Minnesota Statutes, section 297A.94,
13.21 paragraph (e), clause (1).
- 13.22 \$950,000 the first year and \$950,000 the
13.23 second year are from the nongame wildlife
13.24 management account in the natural resources
13.25 fund for the purpose of nongame wildlife
13.26 management. Notwithstanding Minnesota
13.27 Statutes, section 290.431, of this amount
13.28 \$50,000 the first year and \$50,000 the second
13.29 year may be used for nongame wildlife
13.30 information, education, and promotion.
- 13.31 \$6,000,000 the first year and \$6,000,000 the
13.32 second year are from the general fund for the
13.33 following activities:

- 14.1 (1) financial reimbursement and technical
14.2 support to soil and water conservation
14.3 districts or other local units of government
14.4 for groundwater level monitoring;
- 14.5 (2) surface water monitoring and analysis,
14.6 including installation of monitoring gauges;
- 14.7 (3) groundwater analysis to assist with water
14.8 appropriation permitting decisions;
- 14.9 (4) permit application review incorporating
14.10 surface water and groundwater technical
14.11 analysis;
- 14.12 (5) precipitation data and analysis to improve
14.13 the use of irrigation;
- 14.14 (6) information technology, including
14.15 electronic permitting and integrated data
14.16 systems; and
- 14.17 (7) compliance and monitoring.
- 14.18 \$10,000 the first year and \$64,000 the
14.19 second year are to study, in cooperation
14.20 with the Board of Water and Soil Resources,
14.21 the feasibility of the state assuming
14.22 administration of the section 404 permit
14.23 program of the federal Clean Water Act
14.24 as required in this act. This is a onetime
14.25 appropriation.
- 14.26 \$1,000,000 the first year and \$1,000,000 the
14.27 second year are from the dedicated account
14.28 within the remediation fund for the purposes
14.29 of Minnesota Statutes, section 115B.20,
14.30 subdivision 2, clause (4), and are transferred
14.31 to the commissioner of natural resources for
14.32 grants to soil and water conservation districts
14.33 to establish best management practices to
14.34 improve water quality. This is a onetime

15.1 transfer and the statutory appropriation
 15.2 under Minnesota Statutes, section 116.155,
 15.3 subdivision 2, is canceled.

15.4 \$50,000 the first year is to develop
 15.5 cost estimates, in cooperation with the
 15.6 Metropolitan Council, for the augmentation
 15.7 of White Bear Lake with water from Sucker
 15.8 Lake. The commissioner must submit a
 15.9 report with the cost estimates developed
 15.10 under this paragraph to the chairs and
 15.11 ranking minority members of the house of
 15.12 representatives and senate committees and
 15.13 divisions with jurisdiction over environment
 15.14 and natural resources policy and finance
 15.15 by February 1, 2016. This is a onetime
 15.16 appropriation.

15.17 **Subd. 4. Forest Management** 37,514,000 38,181,000

15.18	<u>Appropriations by Fund</u>	
15.19	<u>2016</u>	<u>2017</u>
15.20	<u>General</u>	<u>24,846,000</u> <u>25,250,000</u>
15.21	<u>Natural Resources</u>	<u>11,381,000</u> <u>11,644,000</u>
15.22	<u>Game and Fish</u>	<u>1,287,000</u> <u>1,287,000</u>

15.23 \$7,145,000 the first year and \$7,145,000
 15.24 the second year are for prevention,
 15.25 presuppression, and suppression costs of
 15.26 emergency firefighting and other costs
 15.27 incurred under Minnesota Statutes, section
 15.28 88.12. The amount necessary to pay for
 15.29 presuppression and suppression costs during
 15.30 the biennium is appropriated from the general
 15.31 fund.

15.32 By January 15 of each year, the commissioner
 15.33 of natural resources shall submit a report to
 15.34 the chairs and ranking minority members
 15.35 of the house and senate committees

16.1 and divisions having jurisdiction over
16.2 environment and natural resources finance,
16.3 identifying all firefighting costs incurred
16.4 and reimbursements received in the prior
16.5 fiscal year. These appropriations may
16.6 not be transferred. Any reimbursement
16.7 of firefighting expenditures made to the
16.8 commissioner from any source other than
16.9 federal mobilizations shall be deposited into
16.10 the general fund.

16.11 \$11,381,000 the first year and \$11,644,000
16.12 the second year are from the forest
16.13 management investment account in the
16.14 natural resources fund for only the purposes
16.15 specified in Minnesota Statutes, section
16.16 89.039, subdivision 2.

16.17 \$1,287,000 the first year and \$1,287,000
16.18 the second year are from the heritage
16.19 enhancement account in the game and fish
16.20 fund to advance ecological classification
16.21 systems (ECS) scientific management tools
16.22 for forest and invasive species management.

16.23 This appropriation is from revenue deposited
16.24 in the game and fish fund under Minnesota
16.25 Statutes, section 297A.94, paragraph (e),
16.26 clause (1).

16.27 \$680,000 the first year and \$680,000 the
16.28 second year are for the Forest Resources
16.29 Council for implementation of the
16.30 Sustainable Forest Resources Act.

16.31 \$250,000 the first year and \$250,000 the
16.32 second year are for the FORIST system.

16.33 Subd. 5. **Parks and Trails Management** 70,797,000 71,249,000

17.1	<u>Appropriations by Fund</u>		
17.2	<u>2016</u>	<u>2017</u>	
17.3	<u>General</u>	<u>19,977,000</u>	<u>21,001,000</u>
17.4	<u>Natural Resources</u>	<u>46,454,000</u>	<u>46,699,000</u>
17.5	<u>Game and Fish</u>	<u>2,266,000</u>	<u>2,273,000</u>
17.6	<u>Special Revenue</u>	<u>2,100,000</u>	<u>1,276,000</u>

17.7 \$1,075,000 the first year and \$1,075,000 the
 17.8 second year are from the water recreation
 17.9 account in the natural resources fund for
 17.10 enhancing public water access facilities.

17.11 \$5,740,000 the first year and \$5,740,000 the
 17.12 second year are from the natural resources
 17.13 fund for state trail, park, and recreation area
 17.14 operations. This appropriation is from the
 17.15 revenue deposited in the natural resources
 17.16 fund under Minnesota Statutes, section
 17.17 297A.94, paragraph (e), clause (2).

17.18 \$1,005,000 the first year and \$1,005,000 the
 17.19 second year are from the natural resources
 17.20 fund for park and trail grants to local units of
 17.21 government on land to be maintained for at
 17.22 least 20 years for the purposes of the grants.
 17.23 This appropriation is from the revenue
 17.24 deposited in the natural resources fund
 17.25 under Minnesota Statutes, section 297A.94,
 17.26 paragraph (e), clause (4). Any unencumbered
 17.27 balance does not cancel at the end of the first
 17.28 year and is available for the second year.

17.29 \$8,424,000 the first year and \$8,424,000
 17.30 the second year are from the snowmobile
 17.31 trails and enforcement account in the
 17.32 natural resources fund for the snowmobile
 17.33 grants-in-aid program. Any unencumbered
 17.34 balance does not cancel at the end of the first
 17.35 year and is available for the second year.

18.1 \$1,360,000 the first year and \$1,360,000
18.2 the second year are from the natural
18.3 resources fund for the off-highway vehicle
18.4 grants-in-aid program. Of this amount,
18.5 \$1,210,000 each year is from the all-terrain
18.6 vehicle account; and \$150,000 each year is
18.7 from the off-highway motorcycle account.
18.8 Any unencumbered balance does not cancel
18.9 at the end of the first year and is available for
18.10 the second year.

18.11 \$75,000 the first year and \$75,000 the second
18.12 year are from the cross-country ski account
18.13 in the natural resources fund for grooming
18.14 and maintaining cross-country ski trails in
18.15 state parks, trails, and recreation areas.

18.16 \$250,000 the first year and \$250,000 the
18.17 second year are from the state land and
18.18 water conservation account (LAWCON)
18.19 in the natural resources fund for priorities
18.20 established by the commissioner for eligible
18.21 state projects and administrative and
18.22 planning activities consistent with Minnesota
18.23 Statutes, section 84.0264, and the federal
18.24 Land and Water Conservation Fund Act.
18.25 Any unencumbered balance does not cancel
18.26 at the end of the first year and is available for
18.27 the second year.

18.28 \$1,265,000 the first year and \$1,265,000
18.29 the second year 2017 are from the off-road
18.30 vehicle account in the natural resources fund.
18.31 Of the first year appropriation: \$718,000 is
18.32 for parks and trails management; \$325,000
18.33 is for the off-highway vehicle grant in aid
18.34 program; \$75,000 is for a new full time
18.35 employee position in northern Minnesota

19.1 to work in conjunction with the Minnesota
 19.2 Four-Wheel Drive Association to address
 19.3 acquisition and development of off-road
 19.4 vehicle use areas and other issues related to
 19.5 off-road vehicle activities; \$98,000 is for
 19.6 transfer to the Division of Enforcement for
 19.7 enforcement activities; \$1,000 is for grants
 19.8 to county law enforcement agencies for
 19.9 off-highway vehicle enforcement and public
 19.10 education activities based on off-highway
 19.11 vehicle use in the county.

19.12 \$2,100,000 the first year and \$1,276,000
 19.13 the second year are from the environment
 19.14 and natural resources account in the
 19.15 special revenue fund. This is a onetime
 19.16 appropriation.

19.17 The base for parks and trails operations in
 19.18 the general fund in fiscal year 2018 and
 19.19 thereafter is \$22,277,000.

19.20 Subd. 6. **Fish and Wildlife Management** 71,677,000 72,213,000

19.21	<u>Appropriations by Fund</u>		
19.22		<u>2016</u>	<u>2017</u>
19.23	<u>Natural Resources</u>	<u>1,908,000</u>	<u>1,912,000</u>
19.24	<u>Game and Fish</u>	<u>69,769,000</u>	<u>70,301,000</u>

19.25 \$8,167,000 the first year and \$8,167,000
 19.26 the second year are from the heritage
 19.27 enhancement account in the game and fish
 19.28 fund only for activities specified in Minnesota
 19.29 Statutes, section 297A.94, paragraph (e),
 19.30 clause (1). Notwithstanding Minnesota
 19.31 Statutes, section 297A.94, five percent of
 19.32 this appropriation may be used for expanding
 19.33 hunter and angler recruitment and retention.

19.34 \$1,000,000 the first year and \$1,000,000
 19.35 the second year are from the game and fish

20.1 fund for shooting sports facility grants under
 20.2 Minnesota Statutes, section 87A.10. Grants
 20.3 must be matched with a nonstate match
 20.4 which may include in-kind contributions.
 20.5 This is a onetime appropriation and is
 20.6 available until June 30, 2019.

20.7 The game and fish fund base for fish and
 20.8 wildlife management in fiscal year 2018 and
 20.9 thereafter is \$66,119,000.

20.10 Subd. 7. Enforcement 46,126,000 47,327,000

<u>Appropriations by Fund</u>		
	<u>2016</u>	<u>2017</u>
20.13 <u>General</u>	<u>4,057,000</u>	<u>4,140,000</u>
20.14 <u>Natural Resources</u>	<u>10,166,000</u>	<u>10,458,000</u>
20.15 <u>Game and Fish</u>	<u>22,803,000</u>	<u>23,629,000</u>
20.16 <u>Remediation</u>	<u>100,000</u>	<u>100,000</u>
20.17 <u>Special Revenue</u>	<u>9,000,000</u>	<u>9,000,000</u>

20.18 \$1,718,000 the first year and \$1,718,000 the
 20.19 second year are from the general fund for
 20.20 enforcement efforts to prevent the spread of
 20.21 aquatic invasive species.

20.22 \$1,537,000 the first year and \$1,580,000
 20.23 the second year are from the heritage
 20.24 enhancement account in the game and
 20.25 fish fund for only the purposes specified
 20.26 in Minnesota Statutes, section 297A.94,
 20.27 paragraph (e), clause (1). The base for these
 20.28 purposes in fiscal year 2018 and thereafter is
 20.29 \$1,590,000.

20.30 \$1,082,000 the first year and \$1,082,000 the
 20.31 second year are from the water recreation
 20.32 account in the natural resources fund for
 20.33 grants to counties for boat and water safety.
 20.34 Any unencumbered balance does not cancel

21.1 at the end of the first year and is available for
21.2 the second year.

21.3 \$315,000 the first year and \$315,000 the
21.4 second year are from the snowmobile
21.5 trails and enforcement account in the
21.6 natural resources fund for grants to local
21.7 law enforcement agencies for snowmobile
21.8 enforcement activities. Any unencumbered
21.9 balance does not cancel at the end of the first
21.10 year and is available for the second year.

21.11 \$250,000 the first year and \$250,000 the
21.12 second year are from the all-terrain vehicle
21.13 account for grants to qualifying organizations
21.14 to assist in safety and environmental
21.15 education and monitoring trails on public
21.16 lands under Minnesota Statutes, section
21.17 84.9011. Grants issued under this paragraph:
21.18 (1) must be issued through a formal
21.19 agreement with the organization; and
21.20 (2) must not be used as a substitute for
21.21 traditional spending by the organization.
21.22 By December 15 each year, an organization
21.23 receiving a grant under this paragraph shall
21.24 report to the commissioner with details on
21.25 expenditures and outcomes from the grant.
21.26 Of this appropriation, \$25,000 each year
21.27 is for administration of these grants. Any
21.28 unencumbered balance does not cancel at the
21.29 end of the first year and is available for the
21.30 second year.

21.31 \$509,000 the first year and \$509,000
21.32 the second year are from the natural
21.33 resources fund for grants to county law
21.34 enforcement agencies for off-highway
21.35 vehicle enforcement and public education

22.1 activities based on off-highway vehicle use
 22.2 in the county. Of this amount, \$498,000
 22.3 each year is from the all-terrain vehicle
 22.4 account; and \$11,000 each year is from
 22.5 the off-highway motorcycle account. The
 22.6 county enforcement agencies may use
 22.7 money received under this appropriation
 22.8 to make grants to other local enforcement
 22.9 agencies within the county that have a high
 22.10 concentration of off-highway vehicle use.
 22.11 Of this appropriation, \$25,000 each year
 22.12 is for administration of these grants. Any
 22.13 unencumbered balance does not cancel at the
 22.14 end of the first year and is available for the
 22.15 second year.

22.16 \$9,000,000 the first year and \$9,000,000
 22.17 the second year are from the environment
 22.18 and natural resources account in the special
 22.19 revenue fund for county aquatic invasive
 22.20 species prevention grants under Minnesota
 22.21 Statutes, section 84D.16. This is a onetime
 22.22 appropriation. The general fund base for this
 22.23 program in fiscal year 2018 and thereafter is
 22.24 \$9,000,000.

22.25 The commissioner may conduct a
 22.26 conservation officer academy in fiscal years
 22.27 2016 and 2017 with available funds.

22.28 The natural resources fund base for
 22.29 enforcement in fiscal year 2018 and
 22.30 thereafter is \$10,585,000. The game and fish
 22.31 fund base for enforcement in fiscal year 2018
 22.32 and thereafter is \$23,988,000.

22.33 Subd. 8. **Operations Support** 320,000 320,000

22.34 \$320,000 the first year and \$320,000 the
 22.35 second year are from the natural resources

23.1 fund for grants to be divided equally between
 23.2 the city of St. Paul for the Como Park Zoo
 23.3 and Conservatory and the city of Duluth
 23.4 for the Duluth Zoo. This appropriation
 23.5 is from the revenue deposited to the fund
 23.6 under Minnesota Statutes, section 297A.94,
 23.7 paragraph (e), clause (5).

23.8 Subd. 9. **Cancellation**

23.9 The general fund appropriation of \$1,000,000
 23.10 in Laws 2014, chapter 312, article 12, section
 23.11 6, subdivision 2, is canceled on June 30,
 23.12 2015.

23.13 Sec. 4. **BOARD OF WATER AND SOIL**
 23.14 **RESOURCES**

\$ 14,237,000 \$ 14,415,000

23.15 \$4,423,000 the first year and \$4,423,000 the
 23.16 second year are for natural resources block
 23.17 grants to local governments. Grants must be
 23.18 matched with a combination of local cash or
 23.19 in-kind contributions. The base grant portion
 23.20 related to water planning must be matched
 23.21 by an amount as specified by Minnesota
 23.22 Statutes, section 103B.3369. The board may
 23.23 reduce the amount of the natural resources
 23.24 block grant to a county by an amount equal to
 23.25 any reduction in the county's general services
 23.26 allocation to a soil and water conservation
 23.27 district from the county's previous year
 23.28 allocation when the board determines that
 23.29 the reduction was disproportionate.

23.30 \$3,116,000 the first year and \$3,116,000 the
 23.31 second year are for grants to soil and water
 23.32 conservation districts for general purposes,
 23.33 nonpoint engineering, and implementation of
 23.34 the reinvest in Minnesota reserve program.

24.1 Expenditures may be made from these
24.2 appropriations for supplies and services
24.3 benefiting soil and water conservation
24.4 districts. Any district receiving a grant under
24.5 this paragraph shall maintain a Web page that
24.6 publishes, at a minimum, its annual report,
24.7 annual audit, annual budget, and meeting
24.8 notices.

24.9 \$1,560,000 the first year and \$1,560,000 the
24.10 second year are for the following cost-share
24.11 programs:

24.12 (1) \$260,000 each year is for feedlot water
24.13 quality grants for feedlots under 300 animal
24.14 units and nutrient and manure management
24.15 projects in watersheds where there are
24.16 impaired waters;

24.17 (2) \$1,200,000 each year is for soil and
24.18 water conservation district cost-sharing
24.19 contracts for perennially vegetated riparian
24.20 buffers, erosion control, water retention
24.21 and treatment, and other high-priority
24.22 conservation practices; and

24.23 (3) \$100,000 each year is for county
24.24 cooperative weed management programs and
24.25 to restore native plants in selected invasive
24.26 species management sites.

24.27 \$800,000 the first year and \$750,000
24.28 the second year are for implementation,
24.29 enforcement, and oversight of the Wetland
24.30 Conservation Act, including administration
24.31 of the wetland banking program and in-lieu
24.32 fee mechanism.

24.33 \$166,000 the first year and \$166,000
24.34 the second year are to provide technical

25.1 assistance to local drainage management
25.2 officials and for the costs of the Drainage
25.3 Work Group.

25.4 \$100,000 the first year and \$100,000
25.5 the second year are for a grant to the
25.6 Red River Basin Commission for water
25.7 quality and floodplain management,
25.8 including administration of programs. This
25.9 appropriation must be matched by nonstate
25.10 funds. If the appropriation in either year is
25.11 insufficient, the appropriation in the other
25.12 year is available for it.

25.13 \$140,000 the first year and \$140,000
25.14 the second year are for grants to Area
25.15 II Minnesota River Basin Projects for
25.16 floodplain management.

25.17 \$8,000 the first year and \$262,000 the
25.18 second year are to study, in cooperation
25.19 with the commissioner of natural resources,
25.20 the feasibility of the state assuming
25.21 administration of the section 404 permit
25.22 program of the federal Clean Water Act
25.23 as required in this act. This is a onetime
25.24 appropriation.

25.25 Notwithstanding Minnesota Statutes, section
25.26 103C.501, the board may shift cost-share
25.27 funds in this section and may adjust the
25.28 technical and administrative assistance
25.29 portion of the grant funds to leverage
25.30 federal or other nonstate funds or to address
25.31 high-priority needs identified in local water
25.32 management plans or comprehensive water
25.33 management plans.

25.34 The appropriations for grants in this
25.35 section are available until expended. If an

27.1 required under Minnesota Statutes, section
 27.2 473.1565. This is a onetime appropriation.

27.3 **Sec. 6. CONSERVATION CORPS**
 27.4 **MINNESOTA** **\$ 945,000 \$ 945,000**

27.5	<u>Appropriations by Fund</u>		
27.6		<u>2016</u>	<u>2017</u>
27.7	<u>General</u>	<u>455,000</u>	<u>455,000</u>
27.8	<u>Natural Resources</u>	<u>490,000</u>	<u>490,000</u>

27.9 Conservation Corps Minnesota may receive
 27.10 money appropriated from the natural
 27.11 resources fund under this section only
 27.12 as provided in an agreement with the
 27.13 commissioner of natural resources.

27.14 **Sec. 7. ZOOLOGICAL BOARD** **\$ 7,335,000 \$ 7,335,000**

27.15	<u>Appropriations by Fund</u>		
27.16		<u>2016</u>	<u>2017</u>
27.17	<u>General</u>	<u>7,175,000</u>	<u>7,175,000</u>
27.18	<u>Natural Resources</u>	<u>160,000</u>	<u>160,000</u>

27.19 \$160,000 the first year and \$160,000 the
 27.20 second year are from the natural resources
 27.21 fund from the revenue deposited under
 27.22 Minnesota Statutes, section 297A.94,
 27.23 paragraph (e), clause (5).

27.24 **Sec. 8. SCIENCE MUSEUM OF**
 27.25 **MINNESOTA** **\$ 1,079,000 \$ 1,079,000**

27.26 **Sec. 9. ADMINISTRATION** **\$ 500,000 \$ 500,000**

27.27 \$500,000 the first year and \$500,000
 27.28 the second year are from the state forest
 27.29 suspense account in the permanent school
 27.30 fund for the school trust lands director to
 27.31 accelerate land exchanges, land sales, and
 27.32 commercial leasing of school trust lands and
 27.33 to identify, evaluate, and lease construction

28.1 aggregate located on school trust lands. This
 28.2 appropriation is to be used for securing
 28.3 long-term economic return from the
 28.4 school trust lands consistent with fiduciary
 28.5 responsibilities and sound natural resources
 28.6 conservation and management principles.

28.7 **Sec. 10. MINNESOTA MANAGEMENT AND**
 28.8 **BUDGET** **\$** **3,228,000** **\$** **3,228,000**

28.9 \$3,228,000 the first year and \$3,228,000 the
 28.10 second year are for cost analyses of water
 28.11 quality standards as required under this act.
 28.12 The general fund base for this appropriation in
 28.13 fiscal year 2018 and thereafter is \$6,411,000.

28.14 Sec. 11. Laws 2014, chapter 312, article 12, section 6, subdivision 5, is amended to read:

28.15 **Subd. 5. Fish and Wildlife**
 28.16 **Management** -0- 2,412,000

28.17 \$3,000 in 2015 is from the heritage
 28.18 enhancement account in the game and fish
 28.19 fund for a report on aquatic plant management
 28.20 permitting policies for the management
 28.21 of narrow-leaved and hybrid cattail in a
 28.22 range of basin types across the state. The
 28.23 report shall be submitted to the chairs and
 28.24 ranking minority members of the house of
 28.25 representatives and senate committees with
 28.26 jurisdiction over environment and natural
 28.27 resources by December 15, 2014, and include
 28.28 recommendations for any necessary changes
 28.29 in statutes, rules, or permitting procedures.
 28.30 This is a onetime appropriation.

28.31 \$9,000 in 2015 is from the game and fish
 28.32 fund for the commissioner, in consultation
 28.33 with interested parties, agencies, and other
 28.34 states, to develop a detailed restoration plan

29.1 to recover the historical native population of
29.2 bobwhite quail in Minnesota for its ecological
29.3 and recreational benefits to the citizens of the
29.4 state. The commissioner shall conduct public
29.5 meetings in developing the plan. No later
29.6 than January 15, 2015, the commissioner
29.7 must report on the plan's progress to the
29.8 legislative committees with jurisdiction over
29.9 environment and natural resources policy
29.10 and finance. This is a onetime appropriation.

29.11 \$2,000,000 in 2015 is from the game and
29.12 fish fund for shooting sports facility grants
29.13 under Minnesota Statutes, section 87A.10.
29.14 The commissioner may spend up to \$50,000
29.15 of this appropriation to administer the grant.

29.16 This is a onetime appropriation and is
29.17 available until June 30, 2017.

29.18 \$400,000 in 2015 is from the heritage
29.19 enhancement account in the game and fish
29.20 fund for hunter and angler recruitment
29.21 and retention activities and grants to local
29.22 chapters of Let's Go Fishing of Minnesota
29.23 to provide community outreach to senior
29.24 citizens, youth, and veterans and for the costs
29.25 associated with establishing and recruiting
29.26 new chapters. The grants must be matched
29.27 with cash or in-kind contributions from
29.28 nonstate sources. Of this amount, \$25,000
29.29 is for Asian Outdoor Heritage for youth
29.30 fishing recruitment efforts and outreach in
29.31 the metropolitan area. The commissioner
29.32 shall establish a grant application process
29.33 that includes a standard for ownership
29.34 of equipment purchased under the grant
29.35 program and contract requirements that
29.36 cover the disposition of purchased equipment

30.1 if the grantee no longer exists. Any
 30.2 equipment purchased with state grant money
 30.3 must be specified on the grant application
 30.4 and approved by the commissioner. The
 30.5 commissioner may spend up to three percent
 30.6 of the appropriation to administer the grant.
 30.7 This is a onetime appropriation and is
 30.8 available until June 30, 2016.

30.9 ARTICLE 2

30.10 ENVIRONMENT AND NATURAL RESOURCES STATUTORY CHANGES

30.11 Section 1. Minnesota Statutes 2014, section 16A.531, subdivision 1a, is amended to
 30.12 read:

30.13 Subd. 1a. **Revenues.** The following revenues must be deposited in the
 30.14 environmental fund:

30.15 (1) revenue from the motor vehicle transfer fee as provided in section 115A.908,
 30.16 subdivision 2;

30.17 (2) all fees collected under section 116.07, subdivision 4d;

30.18 ~~(3) all money collected by the Pollution Control Agency in enforcement matters~~
 30.19 ~~as provided in section 115.073;~~

30.20 ~~(4)~~ (3) all revenues from license fees for subsurface sewage treatment systems
 30.21 under section 115.56;

30.22 ~~(5)~~ (4) all loan repayments deposited under section 115A.0716;

30.23 ~~(6)~~ (5) all revenue from pollution prevention fees imposed under section 115D.12;

30.24 ~~(7)~~ (6) all loan repayments deposited under section 116.994;

30.25 ~~(8)~~ (7) all fees collected under section 116C.834;

30.26 ~~(9)~~ (8) revenue collected from the solid waste management tax pursuant to chapter
 30.27 297H;

30.28 ~~(10)~~ (9) fees collected under section 473.844;

30.29 ~~(11)~~ (10) interest accrued on the fund; and

30.30 ~~(12)~~ (11) money received in the form of gifts, grants, reimbursement, or appropriation
 30.31 from any source for any of the purposes provided in subdivision 2, except federal grants.

30.32 Sec. 2. Minnesota Statutes 2014, section 16C.073, subdivision 2, is amended to read:

30.33 Subd. 2. **Purchases; printing.** (a) Whenever practicable, a public entity shall:

30.34 (1) purchase uncoated copy paper, office paper, and printing paper;

31.1 (2) purchase recycled content copy paper with at least ~~ten~~ 30 percent postconsumer
 31.2 material by weight and purchase printing and office paper with at least ten percent
 31.3 postconsumer material by weight;

31.4 (3) purchase copy, office, and printing paper which has not been dyed with colors,
 31.5 excluding pastel colors;

31.6 (4) purchase recycled content copy, office, and printing paper that is manufactured
 31.7 using little or no chlorine bleach or chlorine derivatives;

31.8 ~~(5) use no more than two colored inks, standard or processed, except in formats~~
 31.9 ~~where they are necessary to convey meaning~~;

31.10 ~~(6)~~ (5) use reusable binding materials or staples and bind documents by methods
 31.11 that do not use glue;

31.12 ~~(7)~~ (6) use soy-based inks;

31.13 ~~(8)~~ (7) produce reports, publications, and periodicals that are readily recyclable
 31.14 ~~within the state resource recovery program~~; and

31.15 ~~(9)~~ (8) purchase paper which has been made on a paper machine located in Minnesota.

31.16 (b) Paragraph (a), clause (1), does not apply to coated paper that is made with at
 31.17 least 50 percent postconsumer material.

31.18 (c) A public entity shall print documents on both sides of the paper where commonly
 31.19 accepted publishing practices allow.

31.20 ~~(d) Notwithstanding paragraph (a), clause (2), and section 16C.0725, copier paper~~
 31.21 ~~purchased by a state agency must contain at least ten percent postconsumer material by~~
 31.22 ~~fiber content.~~

31.23 Sec. 3. Minnesota Statutes 2014, section 84.415, subdivision 7, is amended to read:

31.24 Subd. 7. **Existing road right-of-way; Fee exemption.** (a) A utility license for
 31.25 crossing public lands or public waters is exempt from all application fees specified in this
 31.26 section and in rules adopted under this section ~~when the utility crossing is on an existing~~
 31.27 ~~right-of-way of a public road.~~

31.28 (b) This subdivision applies to telephone lines and to electric power lines, cables,
 31.29 or conduits under 100 kilovolts.

31.30 (c) This subdivision does not apply to electric power lines, cables, or conduits 100
 31.31 kilovolts or greater, or to mains or pipelines for gas, liquids, or solids in suspension.

31.32 **EFFECTIVE DATE.** This section is effective retroactively from July 1, 2014, and
 31.33 does not authorize the retroactive collection of fees.

32.1 Sec. 4. **[84.69] NATURAL RESOURCES CONSERVATION EASEMENT**
32.2 **STEWARDSHIP ACCOUNT.**

32.3 Subdivision 1. **Account established; sources.** The natural resources conservation
32.4 easement stewardship account is created in the special revenue fund. The account consists
32.5 of money credited to the account and interest and other earnings on money in the account.
32.6 The State Board of Investment must manage the account to maximize long-term gain. The
32.7 following revenue must be deposited in the natural resources conservation easement
32.8 stewardship account:

32.9 (1) contributions to the account or specified for any purpose of the account;

32.10 (2) contributions under subdivision 3; section 84.66, subdivision 11; or other
32.11 applicable law;

32.12 (3) money appropriated for any of the purposes described in subdivision 2;

32.13 (4) money appropriated for monitoring and enforcement of easements and earnings
32.14 on the money appropriated that revert to the state under section 97A.056, subdivision
32.15 17, or other applicable law; and

32.16 (5) gifts under section 84.085 for conservation easement stewardship.

32.17 Subd. 2. **Appropriation; purposes of account.** Five percent of the balance on
32.18 July 1 of each year in the natural resources conservation easement stewardship account
32.19 is annually appropriated to the commissioner of natural resources and may be spent
32.20 only to cover the costs of managing conservation easements held by the Department
32.21 of Natural Resources, including costs associated with monitoring, landowner contacts,
32.22 records storage and management, processing landowner notices, requests for approval
32.23 or amendments, enforcement, and legal services associated with conservation easement
32.24 management activities.

32.25 Subd. 3. **Financial contributions.** The commissioner shall seek a financial
32.26 contribution to the natural resources conservation easement stewardship account for each
32.27 conservation easement acquired by or assigned to the Department of Natural Resources.
32.28 Unless otherwise provided by law, the commissioner shall determine the amount of the
32.29 contribution, which must be an amount calculated to earn sufficient money to meet
32.30 the costs of managing the conservation easement at a level that neither significantly
32.31 overrecovers nor underrecovers the costs. In determining the amount of the financial
32.32 contribution, the commissioner shall consider:

32.33 (1) the estimated annual staff hours needed to manage the conservation easement,
32.34 taking into consideration factors such as easement type, size, location, and complexity;

32.35 (2) the average hourly wages for the class or classes of employees expected to
32.36 manage the conservation easement;

- 33.1 (3) the estimated annual travel expenses to manage the conservation easement;
 33.2 (4) the estimated annual miscellaneous costs to manage the conservation easement,
 33.3 including supplies and equipment, information technology support, and aerial flyovers;
 33.4 (5) the estimated annualized cost of legal services, including the cost to enforce the
 33.5 easement in the event of a violation; and
 33.6 (6) the expected rate of return on investments in the account.

33.7 **EFFECTIVE DATE.** Subdivisions 1 and 2 of this section are effective the day
 33.8 following final enactment. Subdivision 3 of this section is effective for conservation
 33.9 easements acquired with money appropriated on or after July 1, 2015, and for acquisitions
 33.10 of conservation easements by gift that are initiated on or after July 1, 2015.

33.11 Sec. 5. Minnesota Statutes 2014, section 84.788, subdivision 5, is amended to read:

33.12 Subd. 5. **Report of ownership transfers; fee.** ~~A person who sells or transfers~~ (a)
 33.13 Application for transfer of ownership of an off-highway motorcycle registered under
 33.14 this section shall report the sale or transfer must be made to the commissioner within
 33.15 15 days of the date of transfer.

33.16 (b) An application for transfer must be executed by the registered owner and the
 33.17 buyer on a form prescribed by the commissioner with the owner's registration certificate,
 33.18 purchaser using a bill of sale, and a \$4 fee that includes the vehicle serial number.

33.19 (c) The purchaser is subject to the penalties imposed by section 84.774 if the
 33.20 purchaser fails to apply for transfer of ownership as provided under this subdivision.

33.21 **EFFECTIVE DATE.** This section is effective January 1, 2016.

33.22 Sec. 6. Minnesota Statutes 2014, section 84.788, is amended by adding a subdivision
 33.23 to read:

33.24 Subd. 5a. **Report of registration transfers.** (a) Application for transfer of
 33.25 registration under this section must be made to the commissioner within 15 days of the
 33.26 date of transfer.

33.27 (b) An application for transfer must be executed by the registered owner and the
 33.28 purchaser using a bill of sale that includes the vehicle serial number.

33.29 (c) The purchaser is subject to the penalties imposed by section 84.774 if the
 33.30 purchaser fails to apply for transfer of registration as provided under this subdivision.

33.31 **EFFECTIVE DATE.** This section is effective January 1, 2016.

33.32 Sec. 7. **[84.8031] GRANT-IN-AID APPLICATIONS; REVIEW PERIOD.**

34.1 The commissioner must review an off-road vehicle grant-in-aid application and, if
34.2 approved, commence public review of the application within 60 days after the application
34.3 has been locally approved and submitted to an area parks and trails office. If the
34.4 commissioner fails to approve or deny the application within 60 days after submission,
34.5 the application is deemed approved and the commissioner must provide for a 30-day
34.6 public review period.

34.7 Sec. 8. Minnesota Statutes 2014, section 84.82, subdivision 2a, is amended to read:

34.8 Subd. 2a. **Nontrail use registration.** A snowmobile may be registered for nontrail
34.9 use. A snowmobile registered under this subdivision may not be operated on a state or
34.10 grant-in-aid snowmobile trail. The fee for a nontrail use registration of a snowmobile
34.11 with an engine displacement that is 125 cubic centimeters or greater is \$45 for three
34.12 years. The fee for a nontrail use registration of a snowmobile with an engine displacement
34.13 that is less than 125 cubic centimeters is \$6 for three years. A nontrail use registration
34.14 is not transferable. In addition to other penalties prescribed by law, the penalty for
34.15 violation of this subdivision is immediate revocation of the nontrail use registration.
34.16 The commissioner shall ensure that the registration sticker provided for limited nontrail
34.17 use is of a different color and is distinguishable from other snowmobile registration and
34.18 state trail stickers provided.

34.19 Sec. 9. Minnesota Statutes 2014, section 84.84, is amended to read:

34.20 **84.84 TRANSFER OR TERMINATION OF SNOWMOBILE OWNERSHIP.**

34.21 (a) Within 15 days after the transfer of ownership, or any part thereof, other than a
34.22 security interest, or the destruction or abandonment of any snowmobile, written notice
34.23 thereof of the transfer or destruction or abandonment shall be given to the commissioner
34.24 in such form as the commissioner shall prescribe.

34.25 (b) An application for transfer must be executed by the registered owner and the
34.26 purchaser using a bill of sale that includes the vehicle serial number.

34.27 (c) The purchaser is subject to the penalties imposed by section 84.88 if the purchaser
34.28 fails to apply for transfer of ownership as provided under this subdivision. Every owner
34.29 or part owner of a snowmobile shall, upon failure to give such notice of destruction or
34.30 abandonment, be subject to the penalties imposed by Laws 1967, chapter 876 section 84.88.

34.31 **EFFECTIVE DATE.** This section is effective July 1, 2016.

34.32 Sec. 10. Minnesota Statutes 2014, section 84.92, subdivision 8, is amended to read:

35.1 Subd. 8. **All-terrain vehicle or vehicle.** "All-terrain vehicle" or "vehicle" means
35.2 a motorized vehicle ~~of~~ with: (1) not less than three, but not more than six low pressure
35.3 or non-pneumatic tires, that is limited in engine displacement of less than 1,000 cubic
35.4 centimeters and; (2) a total dry weight of 2,000 pounds or less; and (3) a total width
35.5 from outside of tire rim to outside of tire rim that is 65 inches or less. All-terrain vehicle
35.6 includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle. All-terrain vehicle does
35.7 not include a golf cart, mini-truck, dune buggy, or go-cart or a vehicle designed and used
35.8 specifically for lawn maintenance, agriculture, logging, or mining purposes.

35.9 Sec. 11. Minnesota Statutes 2014, section 84.92, subdivision 9, is amended to read:

35.10 Subd. 9. **Class 1 all-terrain vehicle.** "Class 1 all-terrain vehicle" means an
35.11 all-terrain vehicle that has a total ~~dry weight of less than 1,200 pounds~~ width from outside
35.12 of tire rim to outside of tire rim that is 50 inches or less.

35.13 Sec. 12. Minnesota Statutes 2014, section 84.92, subdivision 10, is amended to read:

35.14 Subd. 10. **Class 2 all-terrain vehicle.** "Class 2 all-terrain vehicle" means an
35.15 all-terrain vehicle that has a total ~~dry weight of 1,200 to 1,800 pounds~~ width from outside
35.16 of tire rim to outside of tire rim that is greater than 50 inches but not more than 65 inches.

35.17 Sec. 13. Minnesota Statutes 2014, section 84.922, subdivision 4, is amended to read:

35.18 Subd. 4. **Report of transfers.** ~~A person who sells or transfers ownership of a~~
35.19 ~~vehicle registered under this section shall report the sale or~~ (a) Application for transfer of
35.20 ownership must be made to the commissioner within 15 days of the date of transfer.

35.21 (b) An application for transfer must be executed by the registered owner and
35.22 the purchaser on a form prescribed by the commissioner with the owner's registration
35.23 certificate, using a bill of sale and a \$4 fee that includes the vehicle serial number.

35.24 (c) The purchaser is subject to the penalties imposed by section 84.774 if the
35.25 purchaser fails to apply for transfer of ownership as provided under this subdivision.

35.26 **EFFECTIVE DATE.** This section is effective January 1, 2016.

35.27 Sec. 14. Minnesota Statutes 2014, section 84.925, subdivision 5, is amended to read:

35.28 Subd. 5. **Training requirements.** (a) An individual who was born after July 1,
35.29 1987, and who is 16 years of age or older, must successfully complete the independent
35.30 study course component of all-terrain vehicle safety training before operating an all-terrain
35.31 vehicle on public lands or waters, public road rights-of-way, or state or grant-in-aid trails.

36.1 (b) An individual who is convicted of violating a law related to the operation of an
36.2 all-terrain vehicle must successfully complete the independent study course component of
36.3 all-terrain vehicle safety training before continuing operation of an all-terrain vehicle.

36.4 (c) An individual who is convicted for a second or subsequent excess speed, trespass,
36.5 or wetland violation in an all-terrain vehicle season, or any conviction for careless or
36.6 reckless operation of an all-terrain vehicle, must successfully complete the independent
36.7 study and the testing and operating course components of all-terrain vehicle safety training
36.8 before continuing operation of an all-terrain vehicle.

36.9 (d) An individual who receives three or more citations and convictions for violating a
36.10 law related to the operation of an all-terrain vehicle in a two-year period must successfully
36.11 complete the independent study and the testing and operating course components of
36.12 all-terrain vehicle safety training before continuing operation of an all-terrain vehicle.

36.13 (e) An individual must present evidence of compliance with this subdivision before
36.14 an all-terrain vehicle registration is issued or renewed. A person may use the following as
36.15 evidence of meeting all-terrain vehicle safety certificate requirements:

36.16 (1) a valid all-terrain vehicle safety certificate issued by the commissioner;

36.17 (2) a driver's license that has a valid all-terrain vehicle safety certificate indicator
36.18 issued under section 171.07, subdivision 18; or

36.19 (3) an identification card that has a valid all-terrain vehicle safety certificate indicator
36.20 issued under section 171.07, subdivision 18.

36.21 **EFFECTIVE DATE.** This section is effective January 1, 2016, or the date the new
36.22 driver and vehicle services information technology system is implemented, whichever
36.23 comes later.

36.24 Sec. 15. Minnesota Statutes 2014, section 84.9256, subdivision 1, is amended to read:

36.25 Subdivision 1. **Prohibitions on youthful operators.** (a) Except for operation on
36.26 public road rights-of-way that is permitted under section 84.928 and as provided under
36.27 paragraph (j), a driver's license issued by the state or another state is required to operate an
36.28 all-terrain vehicle along or on a public road right-of-way.

36.29 (b) A person under 12 years of age shall not:

36.30 (1) make a direct crossing of a public road right-of-way;

36.31 (2) operate an all-terrain vehicle on a public road right-of-way in the state; or

36.32 (3) operate an all-terrain vehicle on public lands or waters, except as provided in
36.33 paragraph (f).

36.34 (c) Except for public road rights-of-way of interstate highways, a person 12 years
36.35 of age but less than 16 years may make a direct crossing of a public road right-of-way

37.1 of a trunk, county state-aid, or county highway or operate on public lands and waters or
37.2 state or grant-in-aid trails, only if that person possesses a valid all-terrain vehicle safety
37.3 certificate issued by the commissioner and is accompanied by a person 18 years of age or
37.4 older who holds a valid driver's license.

37.5 (d) To be issued an all-terrain vehicle safety certificate, a person at least 12 years
37.6 old, but less than 16 years old, must:

37.7 (1) successfully complete the safety education and training program under section
37.8 84.925, subdivision 1, including a riding component; and

37.9 (2) be able to properly reach and control the handle bars and reach the foot pegs
37.10 while sitting upright on the seat of the all-terrain vehicle.

37.11 (e) A person at least 11 years of age may take the safety education and training
37.12 program and may receive an all-terrain vehicle safety certificate under paragraph (d), but
37.13 the certificate is not valid until the person reaches age 12.

37.14 (f) A person at least ten years of age but under 12 years of age may operate an
37.15 all-terrain vehicle with an engine capacity up to 90cc on public lands or waters if
37.16 accompanied by a parent or legal guardian.

37.17 (g) A person under 15 years of age shall not operate a class 2 all-terrain vehicle.

37.18 (h) A person under the age of 16 may not operate an all-terrain vehicle on public
37.19 lands or waters or on state or grant-in-aid trails if the person cannot properly reach and
37.20 control the handle bars and reach the foot pegs while sitting upright on the seat of the
37.21 all-terrain vehicle.

37.22 (i) Notwithstanding paragraph (c), a nonresident at least 12 years old, but less than
37.23 16 years old, may make a direct crossing of a public road right-of-way of a trunk, county
37.24 state-aid, or county highway or operate an all-terrain vehicle on public lands and waters
37.25 or state or grant-in-aid trails if:

37.26 (1) the nonresident youth has in possession evidence of completing an all-terrain
37.27 safety course offered by the ATV Safety Institute or another state as provided in section
37.28 84.925, subdivision 3; and

37.29 (2) the nonresident youth is accompanied by a person 18 years of age or older who
37.30 holds a valid driver's license.

37.31 (j) A person 12 years of age but less than 16 years of age may operate an all-terrain
37.32 vehicle on the roadway, bank, slope, or ditch of a public road right-of-way as permitted
37.33 under section 84.928 if the person:

37.34 (1) possesses a valid all-terrain vehicle safety certificate issued by the commissioner;
37.35 and

37.36 (2) is accompanied by a parent or legal guardian on a separate all-terrain vehicle.

38.1 Sec. 16. Minnesota Statutes 2014, section 84.928, subdivision 1, is amended to read:

38.2 Subdivision 1. **Operation on roads and rights-of-way.** (a) Unless otherwise
38.3 allowed in sections 84.92 to 84.928 or by local ordinance under paragraph (k), a person shall
38.4 not operate an all-terrain vehicle in this state along or on the roadway, shoulder, or inside
38.5 bank or slope of a public road right-of-way of a trunk, county state-aid, or county highway.

38.6 (b) A person may operate a class 1 all-terrain vehicle in the ditch or the outside
38.7 bank or slope of a trunk, county state-aid, or county highway unless prohibited under
38.8 paragraph (d) or (f).

38.9 (c) A person may operate a class 1 all-terrain vehicle designed by the manufacturer
38.10 for off-road use to be driven by a steering wheel and equipped with operator and passenger
38.11 seat belts and a roll-over protective structure or a class 2 all-terrain vehicle:

38.12 (1) within the public road right-of-way of a county state-aid or county highway on
38.13 the right shoulder or the extreme right-hand side of the road and left turns may be made
38.14 from any part of the road if it is safe to do so under the prevailing conditions, unless
38.15 prohibited under paragraph (d) or (f);

38.16 (2) on the bank, slope, or ditch of a public road right-of-way of a trunk, county
38.17 state-aid, or county highway but only to access businesses or make trail connections, and
38.18 left turns may be made from any part of the road if it is safe to do so under the prevailing
38.19 conditions, unless prohibited under paragraph (d) or (f); and

38.20 (3) on the bank or ditch of a public road right-of-way on a designated class 2
38.21 all-terrain vehicle trail.

38.22 (d) A road authority as defined under section 160.02, subdivision 25, may after a
38.23 public hearing restrict the use of all-terrain vehicles in the public road right-of-way under
38.24 its jurisdiction.

38.25 (e) The restrictions in paragraphs (a), (d), (h), (i), and (j) do not apply to the
38.26 operation of an all-terrain vehicle on the shoulder, inside bank or slope, ditch, or outside
38.27 bank or slope of a trunk, interstate, county state-aid, or county highway:

38.28 (1) that is part of a funded grant-in-aid trail; or

38.29 (2) when the all-terrain vehicle is owned by or operated under contract with:

38.30 (i) a road authority as defined under section 160.02, subdivision 25; or

38.31 (ii) a publicly or privately owned utility or pipeline company and used for work
38.32 on utilities or pipelines.

38.33 (f) The commissioner may limit the use of a right-of-way for a period of time if the
38.34 commissioner determines that use of the right-of-way causes:

38.35 (1) degradation of vegetation on adjacent public property;

38.36 (2) siltation of waters of the state;

39.1 (3) impairment or enhancement to the act of taking game; or

39.2 (4) a threat to safety of the right-of-way users or to individuals on adjacent public
39.3 property.

39.4 The commissioner must notify the road authority as soon as it is known that a closure
39.5 will be ordered. The notice must state the reasons and duration of the closure.

39.6 (g) A person may operate an all-terrain vehicle registered for private use and used
39.7 for agricultural purposes on a public road right-of-way of a trunk, county state-aid, or
39.8 county highway in this state if the all-terrain vehicle is operated on the extreme right-hand
39.9 side of the road, and left turns may be made from any part of the road if it is safe to do so
39.10 under the prevailing conditions.

39.11 (h) A person shall not operate an all-terrain vehicle within the public road
39.12 right-of-way of a trunk, county state-aid, or county highway from April 1 to August 1 in
39.13 the agricultural zone unless the vehicle is being used exclusively as transportation to and
39.14 from work on agricultural lands. This paragraph does not apply to an agent or employee
39.15 of a road authority, as defined in section 160.02, subdivision 25, or the Department of
39.16 Natural Resources when performing or exercising official duties or powers.

39.17 (i) A person shall not operate an all-terrain vehicle within the public road right-of-way
39.18 of a trunk, county state-aid, or county highway between the hours of one-half hour after
39.19 sunset to one-half hour before sunrise, except on the right-hand side of the right-of-way
39.20 and in the same direction as the highway traffic on the nearest lane of the adjacent roadway.

39.21 (j) A person shall not operate an all-terrain vehicle at any time within the
39.22 right-of-way of an interstate highway or freeway within this state.

39.23 (k) A county, city, or town, acting through its governing body, may by ordinance
39.24 allow a person to operate an all-terrain vehicle on a public road or street under its
39.25 jurisdiction to access businesses and residences and to make trail connections.

39.26 **EFFECTIVE DATE.** The changes in paragraph (e) are effective the day following
39.27 final enactment.

39.28 Sec. 17. Minnesota Statutes 2014, section 84D.01, is amended by adding a subdivision
39.29 to read:

39.30 **Subd. 1a. Aquatic invasive species affirmation.** "Aquatic invasive species
39.31 affirmation" means an affirmation of the summary of the aquatic invasive species laws of
39.32 this chapter that is part of watercraft licenses and nonresident fishing licenses, as provided
39.33 in section 84D.106.

39.34 **EFFECTIVE DATE.** This section is effective January 1, 2016.

40.1 Sec. 18. Minnesota Statutes 2014, section 84D.01, subdivision 13, is amended to read:

40.2 Subd. 13. **Prohibited invasive species.** "Prohibited invasive species" means a
40.3 nonnative species that has been ~~listed~~ designated as a prohibited invasive species in a rule
40.4 adopted by the commissioner under section 84D.12.

40.5 Sec. 19. Minnesota Statutes 2014, section 84D.01, subdivision 15, is amended to read:

40.6 Subd. 15. **Regulated invasive species.** "Regulated invasive species" means a
40.7 nonnative species that has been ~~listed~~ designated as a regulated invasive species in a rule
40.8 adopted by the commissioner under section 84D.12.

40.9 Sec. 20. Minnesota Statutes 2014, section 84D.01, subdivision 17, is amended to read:

40.10 Subd. 17. **Unlisted nonnative species.** "Unlisted nonnative species" means a
40.11 nonnative species that has not been ~~listed~~ designated as a prohibited invasive species, a
40.12 regulated invasive species, or an unregulated nonnative species in a rule adopted by the
40.13 commissioner under section 84D.12.

40.14 Sec. 21. Minnesota Statutes 2014, section 84D.01, subdivision 18, is amended to read:

40.15 Subd. 18. **Unregulated nonnative species.** "Unregulated nonnative species" means
40.16 a nonnative species that has been ~~listed~~ designated as an unregulated nonnative species in
40.17 a rule adopted by the commissioner under section 84D.12.

40.18 Sec. 22. Minnesota Statutes 2014, section 84D.03, subdivision 3, is amended to read:

40.19 Subd. 3. **Bait harvest from infested waters.** (a) Taking wild animals from infested
40.20 waters for bait or aquatic farm purposes is prohibited, except as provided in paragraph
40.21 (b) or (c) and section 97C.341.

40.22 (b) In waters that are listed as infested waters, except those listed ~~because they~~
40.23 ~~contain~~ as infested with prohibited invasive species of fish or certifiable diseases of fish, as
40.24 defined under section 17.4982, subdivision 6, taking wild animals may be permitted for:

40.25 (1) commercial taking of wild animals for bait and aquatic farm purposes according
40.26 to a permit issued under section 84D.11, subject to rules adopted by the commissioner; and

40.27 (2) bait purposes for noncommercial personal use in waters that contain Eurasian
40.28 water milfoil, when the infested waters are listed solely because they contain Eurasian
40.29 water milfoil and if the equipment for taking is limited to cylindrical minnow traps not
40.30 exceeding 16 inches in diameter and 32 inches in length; ~~and.~~

40.31 ~~(3)~~ (c) In streams or rivers that are listed as infested waters, except those listed as
40.32 infested with certifiable diseases of fish, as defined under section 17.4982, subdivision 6,

41.1 the harvest of bullheads, goldeyes, mooneyes, sheepshead (freshwater drum), and suckers
 41.2 for bait from streams or rivers listed as infested waters, by hook and line for noncommercial
 41.3 personal use. Other provisions that apply to this clause are is allowed as follows:

41.4 (i) (1) fish taken under this clause paragraph must be used on the same body of water
 41.5 where caught and while still on that water body. Where the river or stream is divided by
 41.6 barriers such as dams, the fish must be caught and used on the same section of the river
 41.7 or stream;

41.8 (ii) (2) fish taken under this clause paragraph may not be transported live from or
 41.9 off the water body;

41.10 (iii) (3) fish harvested under this clause paragraph may only be used in accordance
 41.11 with this section;

41.12 (iv) (4) any other use of wild animals used for bait from infested waters is prohibited;

41.13 (v) (5) fish taken under this clause paragraph must meet all other size restrictions
 41.14 and requirements as established in rules; and

41.15 (vi) (6) all species listed under this clause paragraph shall be included in the person's
 41.16 daily limit as established in rules, if applicable.

41.17 (e) (d) Equipment authorized for minnow harvest in a listed infested water by permit
 41.18 issued under paragraph (b) may not be transported to, or used in, any waters other than
 41.19 waters specified in the permit.

41.20 Sec. 23. Minnesota Statutes 2014, section 84D.06, is amended to read:

41.21 **84D.06 UNLISTED NONNATIVE SPECIES.**

41.22 Subdivision 1. **Process.** A person may not introduce an unlisted nonnative aquatic
 41.23 plant or wild animal species unless:

41.24 (1) the person has notified the commissioner in a manner and form prescribed by
 41.25 the commissioner;

41.26 (2) the commissioner has made the classification determination required in
 41.27 subdivision 2 and ~~listed~~ designated the species as appropriate; and

41.28 (3) the introduction is allowed under the applicable provisions of this chapter.

41.29 Subd. 2. **Classification.** (a) If the commissioner determines that a species for which
 41.30 a notification is received under subdivision 1 should be classified as a prohibited invasive
 41.31 species, the commissioner shall:

41.32 (1) adopt a rule under section 84D.12, subdivision 3, ~~listing~~ designating the species
 41.33 as a prohibited invasive species; and

41.34 (2) notify the person from which the notification was received that the species is
 41.35 subject to section 84D.04.

42.1 (b) If the commissioner determines that a species for which a notification is
42.2 received under subdivision 1 should be classified as an unregulated nonnative species,
42.3 the commissioner shall:

42.4 (1) adopt a rule under section 84D.12, subdivision 3, listing designating the species
42.5 as an unregulated nonnative species; and

42.6 (2) notify the person from which the notification was received that the species is not
42.7 subject to regulation under this chapter.

42.8 (c) If the commissioner determines that a species for which a notification is received
42.9 under subdivision 1 should be classified as a regulated invasive species, the commissioner
42.10 shall notify the applicant that the species is subject to the requirements in section 84D.07.

42.11 Sec. 24. Minnesota Statutes 2014, section 84D.10, subdivision 3, is amended to read:

42.12 Subd. 3. **Removal and confinement.** (a) A conservation officer or other licensed
42.13 peace officer may order:

42.14 (1) the removal of aquatic macrophytes or prohibited invasive species from
42.15 water-related equipment, including decontamination using hot water or high pressure
42.16 equipment when available on site, before ~~it~~ the water-related equipment is transported or
42.17 before it is placed into waters of the state;

42.18 (2) confinement of the water-related equipment at a mooring, dock, or other location
42.19 until the water-related equipment is removed from the water;

42.20 (3) removal of water-related equipment from waters of the state to remove prohibited
42.21 invasive species if the water has not been listed by the commissioner as being infested
42.22 with that species; ~~and~~

42.23 (4) a prohibition on placing water-related equipment into waters of the state when
42.24 the water-related equipment has aquatic macrophytes or prohibited invasive species
42.25 attached in violation of subdivision 1 or when water has not been drained or the drain plug
42.26 has not been removed in violation of subdivision 4-; and

42.27 (5) decontamination of water-related equipment when available on site.

42.28 (b) An order for removal of prohibited invasive species under paragraph (a), clause
42.29 (1), or decontamination of water-related equipment under paragraph (a), clause (5),
42.30 may include tagging the water-related equipment and issuing a notice that specifies
42.31 a time frame for completing the removal or decontamination and reinspection of the
42.32 water-related equipment.

42.33 ~~(b)~~ (c) An inspector who is not a licensed peace officer may issue orders under
42.34 paragraph (a), clauses (1), (3), ~~and~~ (4), and (5).

43.1 Sec. 25. **[84D.106] AQUATIC INVASIVE SPECIES AFFIRMATION.**

43.2 Aquatic invasive species affirmation is required for all:

43.3 (1) watercraft licenses issued under section 86B.401; and

43.4 (2) all nonresident fishing licenses, as provided in section 97C.301, subdivision 2a.

43.5 **EFFECTIVE DATE.** Clause (1) is effective January 1, 2016, and clause (2) is
43.6 effective March 1, 2016.

43.7 Sec. 26. Minnesota Statutes 2014, section 84D.11, subdivision 1, is amended to read:

43.8 Subdivision 1. **Prohibited invasive species.** The commissioner may issue a permit
43.9 for the propagation, possession, importation, purchase, or transport of a prohibited invasive
43.10 species for the purposes of disposal, decontamination, control, research, or education.

43.11 Sec. 27. Minnesota Statutes 2014, section 84D.12, subdivision 1, is amended to read:

43.12 Subdivision 1. **Required rules.** The commissioner shall adopt rules:

43.13 (1) ~~listing~~ designating prohibited invasive species, regulated invasive species, and
43.14 unregulated nonnative species of aquatic plants and wild animals;

43.15 (2) governing the application for and issuance of permits under this chapter, which
43.16 rules may include a fee schedule; and

43.17 (3) governing notification under section 84D.08.

43.18 Sec. 28. Minnesota Statutes 2014, section 84D.12, subdivision 3, is amended to read:

43.19 Subd. 3. **Expedited rules.** The commissioner may adopt rules under section 84.027,
43.20 subdivision 13, that ~~list~~ designate:

43.21 (1) prohibited invasive species of aquatic plants and wild animals;

43.22 (2) regulated invasive species of aquatic plants and wild animals; and

43.23 (3) unregulated nonnative species of aquatic plants and wild animals.

43.24 Sec. 29. Minnesota Statutes 2014, section 84D.13, subdivision 5, is amended to read:

43.25 Subd. 5. **Civil penalties.** (a) A civil citation issued under this section must impose
43.26 the following penalty amounts:

43.27 (1) for transporting aquatic macrophytes in violation of section 84D.09, \$100;

43.28 (2) for placing or attempting to place into waters of the state water-related equipment
43.29 that has aquatic macrophytes attached, \$200;

43.30 (3) for unlawfully possessing or transporting a prohibited invasive species other
43.31 than an aquatic macrophyte, \$500;

44.1 (4) for placing or attempting to place into waters of the state water-related equipment
 44.2 that has prohibited invasive species attached when the waters are not listed by the
 44.3 commissioner as being infested with that invasive species, \$500;

44.4 (5) for intentionally damaging, moving, removing, or sinking a buoy marking, as
 44.5 prescribed by rule, Eurasian water milfoil, \$100;

44.6 (6) for failing to have drain plugs or similar devices removed or opened while
 44.7 transporting water-related equipment or for failing to remove plugs, open valves, and
 44.8 drain water from water-related equipment, other than marine sanitary systems, before
 44.9 leaving waters of the state, \$100; and

44.10 (7) for transporting infested water off riparian property without a permit as required
 44.11 by rule, \$200; and

44.12 (8) for failing to have aquatic invasive species affirmation displayed or available for
 44.13 inspection as provided in sections 86B.401 and 97C.301, subdivision 2a, \$25.

44.14 (b) A civil citation that is issued to a person who has one or more prior convictions
 44.15 or final orders for violations of this chapter is subject to twice the penalty amounts listed
 44.16 in paragraph (a).

44.17 Sec. 30. Minnesota Statutes 2014, section 84D.15, subdivision 3, is amended to read:

44.18 Subd. 3. **Use of money in account.** Money credited to the invasive species account
 44.19 in subdivision 2 shall be used for management of invasive species and implementation of
 44.20 this chapter as it pertains to invasive species, including control, public awareness, law
 44.21 enforcement, assessment and monitoring, management planning, habitat improvements,
 44.22 and research.

44.23 Sec. 31. **[84D.16] COUNTY AQUATIC INVASIVE SPECIES PREVENTION**
 44.24 **GRANTS.**

44.25 Subdivision 1. **Definitions.** (a) When used in this section, the following terms have
 44.26 the meanings given them in this subdivision.

44.27 (b) "Aquatic invasive species" means nonnative aquatic organisms that invade water
 44.28 beyond their natural and historic range.

44.29 (c) "Watercraft trailer launch" means any public water access site designed for
 44.30 launching watercraft.

44.31 (d) "Watercraft trailer parking space" means a parking space designated for a boat
 44.32 trailer at any public water access site designed for launching watercraft.

44.33 Subd. 2. **Grants.** The commissioner shall award aquatic invasive species prevention
 44.34 grants to all counties in the state as follows: 50 percent based on each county's share of

45.1 watercraft trailer launches and 50 percent based on each county's share of watercraft trailer
45.2 parking spaces. The commissioner must compute the amount of each county's aquatic
45.3 invasive species prevention grant under this section based upon available funds by August
45.4 1, each year and notify each county of the amount of the grant. By November 1, each
45.5 county proposed to receive a grant under this section must submit a copy of its guidelines
45.6 for use of the grant to the commissioner or notify the commissioner of the county's intent
45.7 to refuse the grant. Any refused funds are available in the next fiscal year for allocation
45.8 to counties as provided in this subdivision. The commissioner shall award the grants to
45.9 counties by March 1 of the following year.

45.10 Subd. 3. **Use of proceeds.** A county that receives a grant under this section must use
45.11 the proceeds solely to prevent the introduction or limit the spread of aquatic invasive species
45.12 at all access sites within the county. The county must establish, by resolution or through
45.13 adoption of a plan, guidelines for the use of the proceeds. The guidelines set by the county
45.14 board may include, but are not limited to, providing for site-level management, countywide
45.15 awareness, and other procedures that the county finds necessary to achieve compliance.
45.16 The county may appropriate the proceeds directly, or may use any portion of the proceeds
45.17 to provide funding for a joint powers board or cooperative agreement with another political
45.18 subdivision, a soil and water conservation district in the county, a watershed district in the
45.19 county, or a lake association located in the county. Any money appropriated by the county
45.20 to a different entity or political subdivision must be used as required under this section.

45.21 Sec. 32. Minnesota Statutes 2014, section 85.015, is amended by adding a subdivision
45.22 to read:

45.23 Subd. 1e. **Connection to state parks and recreation areas.** Trails designated under
45.24 this section may include connections to state parks or recreation areas that generally lie in
45.25 between or within the vicinity of the waymarks specifically named in the designation.

45.26 Sec. 33. Minnesota Statutes 2014, section 85.015, subdivision 28, is amended to read:

45.27 Subd. 28. **Camp Ripley/Veterans State Trail, Crow Wing, Cass, and Morrison**
45.28 **Counties.** The trail shall originate at Crow Wing State Park in Crow Wing County at
45.29 the southern end of the Paul Bunyan Trail and shall extend from Crow Wing State Park
45.30 westerly to the city of Pillager, then southerly along the west side of Camp Ripley, then
45.31 easterly along the south side of Camp Ripley across to the east side of the Mississippi
45.32 River, and then northerly through Fort Ripley to Crow Wing State Park. A second segment
45.33 of the trail shall be established that shall extend in a southerly direction and in close
45.34 proximity to the Mississippi River from the southeasterly portion of the first segment of

46.1 the trail to the city of Little Falls, and then terminate at the Soo Line Trail in Morrison
46.2 County. Separation of motorized and nonmotorized corridors is acceptable as needed.

46.3 Sec. 34. **[85.0506] LAKE VERMILION-SOUDAN UNDERGROUND MINE**
46.4 **STATE PARK; HOISTS.**

46.5 The Lake Vermilion-Soudan Underground Mine State Park mine tour operation is
46.6 exempt from sections 326B.163 to 326B.191. The federal mine code for hoists that lift
46.7 people under Code of Federal Regulations, title 30, part 57, subpart R, applies to the
46.8 Lake Vermilion-Soudan Underground Mine State Park hoist. The commissioner shall
46.9 employ a hoist safety expert to conduct an annual inspection of the hoist system at the
46.10 Lake Vermilion-Soudan Underground Mine State Park.

46.11 Sec. 35. Minnesota Statutes 2014, section 85.054, subdivision 12, is amended to read:

46.12 Subd. 12. **Lake Vermilion-Soudan Underground Mine State Park.** A state park
46.13 permit is not required and a fee may not be charged for motor vehicle entry or parking
46.14 at the visitor parking area of Soudan Underground Mine ~~State Park~~ and the Stuntz Bay
46.15 boat house area.

46.16 Sec. 36. Minnesota Statutes 2014, section 85.32, subdivision 1, is amended to read:

46.17 Subdivision 1. **Areas marked.** The commissioner of natural resources is authorized
46.18 in cooperation with local units of government and private individuals and groups when
46.19 feasible to mark state water trails on the Little Fork, Big Fork, Minnesota, St. Croix,
46.20 Snake, Mississippi, Red Lake, Cannon, Straight, Des Moines, Crow Wing, St. Louis, Pine,
46.21 Rum, Kettle, Cloquet, Root, Zumbro, Pomme de Terre within Swift County, Watonwan,
46.22 Cottonwood, Whitewater, Chippewa from Benson in Swift County to Montevideo in
46.23 Chippewa County, Long Prairie, Red River of the North, Sauk, Otter Tail, Redwood,
46.24 Blue Earth, Cedar, Shell Rock, and Crow Rivers which have historic and scenic values
46.25 and to mark appropriately points of interest, portages, camp sites, and all dams, rapids,
46.26 waterfalls, whirlpools, and other serious hazards which are dangerous to canoe, kayak,
46.27 and watercraft travelers.

46.28 Sec. 37. Minnesota Statutes 2014, section 86B.401, subdivision 3, is amended to read:

46.29 Subd. 3. **Licensing.** (a) The license agent shall register the watercraft on receiving
46.30 an application and the license fee. A license and registration sticker with a registration
46.31 number shall be issued and must be affixed to the watercraft as prescribed by the
46.32 commissioner of natural resources.

47.1 (b) A license includes aquatic invasive species affirmation as provided in section
47.2 84D.106. The aquatic invasive species affirmation portion of the license must be displayed
47.3 with the signed license certificate. The aquatic invasive species affirmation will be
47.4 provided with an application for a new, transfer, duplicate, or renewal watercraft license.

47.5 (c) The license is not valid unless signed by at least one owner.

47.6 (d) Failure to complete the aquatic invasive species affirmation in this section is
47.7 subject to the penalty prescribed in section 84D.13, subdivision 5.

47.8 **EFFECTIVE DATE.** This section is effective January 1, 2016.

47.9 Sec. 38. Minnesota Statutes 2014, section 88.17, subdivision 3, is amended to read:

47.10 Subd. 3. **Special permits.** The following special permits are required at all times,
47.11 including when the ground is snow-covered:

47.12 (a) **Fire training.** A permit to start a fire for the instruction and training of
47.13 firefighters, including liquid fuels training, may be given by the commissioner or agent of
47.14 the commissioner. Except for owners or operators conducting fire training in specialized
47.15 industrial settings pursuant to applicable federal, state, or local standards, owners
47.16 or operators conducting open burning for the purpose of instruction and training of
47.17 firefighters with regard to structures must ~~follow the techniques described in a document~~
47.18 ~~entitled: Structural Burn Training Procedures for the Minnesota Technical College System~~
47.19 use only fuel materials as outlined in the current edition of National Fire Protection
47.20 Association 1403, Standard on Live Fire Training Evolutions, and obtain the applicable
47.21 live burn documents in accordance with the current edition of the Board of Firefighter
47.22 Training and Education's live burn plan established according to section 299N.02,
47.23 subdivision 3, clause (2).

47.24 (b) **Permanent tree and brush open burning sites.** A permit for the operation of
47.25 a permanent tree and brush burning site may be given by the commissioner or agent of
47.26 the commissioner. Applicants for a permanent open burning site permit shall submit a
47.27 complete application on a form provided by the commissioner. Existing permanent tree
47.28 and brush open burning sites must submit for a permit within 90 days of the passage of
47.29 this statute for a burning permit. New site applications must be submitted at least 90
47.30 days before the date of the proposed operation of the permanent open burning site. The
47.31 application must be submitted to the commissioner and must contain:

47.32 (1) the name, address, and telephone number of all owners of the site proposed for
47.33 use as the permanent open burning site;

47.34 (2) if the operator for the proposed permanent open burning site is different from the
47.35 owner, the name, address, and telephone number of the operator;

48.1 (3) a general description of the materials to be burned, including the source and
48.2 estimated quantity, dimensions of the site and burn pile areas, hours and dates of operation,
48.3 and provisions for smoke management; and

48.4 (4) a topographic or similarly detailed map of the site and surrounding area within
48.5 a one-mile circumference showing all structures that might be affected by the operation
48.6 of the site.

48.7 Only trees, tree trimmings, or brush that cannot be disposed of by an alternative
48.8 method such as chipping, composting, or other method shall be permitted to be burned
48.9 at a permanent open burning site. A permanent tree and brush open burning site must
48.10 be located and operated so as not to create a nuisance or endanger water quality. The
48.11 commissioner shall revoke the permit or order actions to mitigate threats to public health,
48.12 safety, and the environment in the event that permit conditions are violated.

48.13 Sec. 39. Minnesota Statutes 2014, section 88.49, subdivision 3, is amended to read:

48.14 Subd. 3. **Recording Provisions of auxiliary forest contract to run with the land.**

48.15 ~~The commissioner shall submit such contract in recordable form to the owner of the land~~
48.16 ~~covered thereby. If the owner shall indicate to the commissioner an unwillingness to~~
48.17 ~~execute the same, or if the owner or any of the persons having an interest therein or lien~~
48.18 ~~thereon fail to execute it within 60 days from the time of its submission to the owner, all~~
48.19 ~~proceedings relating to the making of this land into an auxiliary forest shall be at an end.~~

48.20 ~~When the contract shall have been executed it shall forthwith be recorded in the~~
48.21 ~~office of the county recorder at the expense of the owner or, if the title to the land be~~
48.22 ~~registered, with the registrar of titles. At the time the contract is recorded with the county~~
48.23 ~~recorder for record the owner, at the owner's expense, shall record with the county recorder~~
48.24 ~~a certificate from the county attorney to the effect that no change in record title thereof has~~
48.25 ~~occurred, that no liens or other encumbrances have been placed thereon, and that no taxes~~
48.26 ~~have accrued thereon since the making of the previous certificate. It shall be the duty of~~
48.27 ~~the county attorney to furnish this certificate without further compensation.~~

48.28 All the provisions of ~~the~~ a recorded contract shall be for an auxiliary forest are deemed
48.29 covenants running with the land from the date of the filing of the contract for record.

48.30 Sec. 40. Minnesota Statutes 2014, section 88.49, subdivision 4, is amended to read:

48.31 Subd. 4. **Effect.** Upon the filing of the contract for record, ~~the land therein described~~
48.32 in the contract shall become, ~~and, during the life of the contract, remain and be,~~ an
48.33 auxiliary forest entitled to all the benefits and subject to all the restrictions of sections
48.34 ~~88.47~~ 88.49 to 88.53, ~~all of which shall be deemed a.~~ These sections are part of the

49.1 obligation of the contract and ~~shall be~~ are inviolate, subject only to the police power of the
 49.2 state, to the power of eminent domain, and to ~~the right of the parties thereto by mutual~~
 49.3 ~~agreement to make applicable to the contract~~ any laws of the state enacted subsequent to its
 49.4 ~~the execution and filing. This provision shall not be so construed as to prevent amendatory~~
 49.5 ~~or supplementary legislation which does~~ of the contract. Laws enacted subsequent to
 49.6 the date of execution of the contract are applicable to the contract, so long as the laws
 49.7 do not impair these the contract rights of the parties thereto, or as to prevent amendatory
 49.8 or supplementary legislation in respect of the culture, care, or management of the lands
 49.9 included in any such contract signatories of the contract or their successors or assigns.

49.10 Sec. 41. Minnesota Statutes 2014, section 88.49, subdivision 5, is amended to read:

49.11 Subd. 5. **Cancellation.** ~~Upon the failure of (a) If the owner fails to faithfully to~~
 49.12 ~~fulfill and perform such the contract or, any provision thereof of the contract, or any~~
 49.13 ~~requirement of sections 88.47 88.49 to 88.53, or any rule adopted by the commissioner~~
 49.14 ~~thereunder adopts under those sections, the commissioner may cancel the contract in~~
 49.15 ~~the manner herein provided. The commissioner shall give to the owner, in the manner~~
 49.16 ~~prescribed in section 88.48, subdivision 4, 60 days' notice of a hearing thereon at which~~
 49.17 ~~the owner may appear and show cause, if any, why the contract should not be canceled.~~
 49.18 ~~The commissioner shall thereupon then determine whether the contract should be canceled~~
 49.19 ~~and make an order to that effect. Notice of the commissioner's determination and the~~
 49.20 ~~making of the order shall be given to The commissioner shall give the owner in the manner~~
 49.21 ~~provided in section 88.48, subdivision 4 notice of the commissioner's determination and~~
 49.22 ~~order. On determining If the commissioner determines that the contract should be canceled~~
 49.23 ~~and no appeal therefrom be taken the owner does not appeal the determination as provided~~
 49.24 ~~in subdivision 7, the commissioner shall send notice thereof of the cancellation to the~~
 49.25 ~~auditor of the county and to the town clerk of the town affected and file with the recorder a~~
 49.26 ~~certified copy of the order, who. The recorder shall forthwith note the cancellation upon~~
 49.27 ~~the record thereof, and thereupon the land therein described in the contract shall cease to~~
 49.28 ~~be an auxiliary forest and, together with the timber thereon on the land, become liable~~
 49.29 ~~to for all taxes and assessments that otherwise would have been levied against it had it~~
 49.30 ~~never been an auxiliary forest the land from the time of the making of the contract, any~~
 49.31 ~~notwithstanding provisions of the statutes of limitation to the contrary notwithstanding,~~
 49.32 ~~less. The amount of taxes paid under the provisions of section 88.51, subdivision 1,~~
 49.33 ~~together with interest on such taxes and assessments at six percent per annum, but without~~
 49.34 ~~penalties, must be subtracted from the tax owed by the owner.~~

50.1 (b) The commissioner may ~~in like manner and with like effect~~ cancel the contract
50.2 upon written application of the owner.

50.3 (c) The commissioner shall cancel ~~any the~~ contract if the owner has ~~made successful~~
50.4 ~~application~~ successfully applied under ~~sections 290C.01 to 290C.11~~, the Sustainable Forest
50.5 Incentive Act, sections 290C.01 to 290C.11, and has paid to the county treasurer the tax
50.6 difference between the amount ~~which that~~ would have been paid had the land under contract
50.7 been subject to the Minnesota Tree Growth Tax Law and the Sustainable Forest Incentive
50.8 Act from the date of the recording of the contract and the amount actually paid under
50.9 section 88.51, ~~subdivisions~~ subdivision 1, and Minnesota Statutes 2014, section 88.51,
50.10 subdivision 2. ~~This tax difference must be calculated based on the years the lands would~~
50.11 ~~have been taxed under the Tree Growth Tax Law and the Sustainable Forest Incentive Act.~~
50.12 The sustainable forest tax difference is net of the incentive payment of section 290C.07.
50.13 If the amount ~~which that~~ would have been paid, ~~had if~~ the land under contract had been
50.14 under the Minnesota Tree Growth Tax Law and the Sustainable Forest Incentive Act from
50.15 the date ~~of the filing of the contract~~, was filed is less than the amount actually paid under
50.16 the contract, the cancellation shall be made without further payment by the owner.

50.17 ~~When~~ (d) If the execution of ~~any the~~ contract creating an auxiliary forest ~~shall have~~
50.18 ~~been~~ is procured through fraud or deception ~~practiced upon~~ on the county board ~~or~~, the
50.19 commissioner, or any other person or body representing the state, it may ~~be canceled~~
50.20 cancel it upon suit brought by the attorney general at the direction of the commissioner.
50.21 This cancellation ~~shall have~~ has the same effect as the cancellation of a contract by the
50.22 commissioner.

50.23 Sec. 42. Minnesota Statutes 2014, section 88.49, subdivision 6, is amended to read:

50.24 Subd. 6. **Assessment after cancellation.** (a) For the purpose of levying ~~such~~ taxes,
50.25 the county auditor shall, immediately upon ~~receipt of~~ receiving notice of the cancellation
50.26 of ~~any a~~ contract creating an auxiliary forest, direct the local assessor to assess the lands
50.27 within the forest, excluding the value of merchantable timber and minerals and other
50.28 things of value taxed under the provisions of Minnesota Statutes 2014, section 88.51,
50.29 subdivision 2, ~~as of~~ for each of the years ~~during which~~ the lands ~~have been~~ were included
50.30 within the auxiliary forest. The local assessor shall ~~forthwith~~ make the assessment and
50.31 certify the same to the county auditor. The county auditor shall ~~thereupon~~ levy a tax on the
50.32 assessable value of the land ~~as~~, fixed by section 273.13, for each of the years ~~during which~~
50.33 the land ~~has been~~ was within an auxiliary forest, at the rate at which other real estate
50.34 within the taxing district was taxed in those years. The tax ~~so assessed and levied against~~
50.35 ~~any land shall be~~ is a first and prior lien upon the land and upon all timber and forest

51.1 products growing, grown, or cut ~~thereon~~ on the land and removed ~~therefrom~~ from the land.
 51.2 These taxes ~~shall~~ must be enforced in the same manner as other taxes on real estate are
 51.3 enforced and, ~~in addition thereto~~, the lien of the tax on forest products cut or removed
 51.4 from this land ~~shall~~ must be enforced by the seizure and sale of the forest products.

51.5 (b) No person shall, after the mailing by the commissioner, as provided in subdivision
 51.6 5, of notice of hearing on the cancellation of a the contract making ~~any~~ lands an auxiliary
 51.7 forest, cut or remove from these lands any timber or forest products growing, grown, or
 51.8 cut thereon until all taxes levied under this subdivision ~~shall have been~~ are paid, or, ~~in the~~
 51.9 ~~event such~~ if the levy ~~shall~~ is not ~~have been~~ completed, until the owner ~~shall have~~ has given
 51.10 a bond payable to the county, with sureties approved by the county auditor, in ~~such~~ the
 51.11 amount ~~as~~ the county auditor ~~shall deem~~ deems ample for the payment of all taxes that may
 51.12 be levied ~~thereon~~ under this subdivision, conditioned for the payment of ~~such~~ the taxes.

51.13 (c) Any person who ~~shall violate any of the provisions of~~ violates this subdivision
 51.14 ~~shall be~~ is guilty of a felony.

51.15 Sec. 43. Minnesota Statutes 2014, section 88.49, subdivision 7, is amended to read:

51.16 Subd. 7. **Appeal.** (a) The owner may appeal from any cancellation order of the
 51.17 commissioner to the district court of the county ~~wherein~~ where the land is ~~situate~~, located
 51.18 by serving notice of appeal on the commissioner and filing the same with the court
 51.19 administrator of the district court within 30 days after the date of mailing ~~of~~ notice
 51.20 of such order.

51.21 (b) The appeal ~~shall~~ must be tried between the state of Minnesota and the owner by
 51.22 the court as a suit for the rescission of a contract is tried, and the judgment of the court
 51.23 ~~shall be~~ is substituted for the cancellation order of the commissioner, and ~~shall be~~ is final.

51.24 Sec. 44. Minnesota Statutes 2014, section 88.49, subdivision 8, is amended to read:

51.25 Subd. 8. **Proceedings in lieu of cancellation.** If cause for the cancellation of ~~any a~~
 51.26 contract ~~shall exist~~ exists, the commissioner may, in lieu of canceling ~~such~~ the contract,
 51.27 perform the terms and conditions, ~~other than the payment of~~ that the owner was required
 51.28 to perform, except that the commissioner may not pay any taxes; that the owner was
 51.29 ~~required, by the contract or by law or by the rules of the commissioner, to be performed by~~
 51.30 ~~the owner, and may for that purpose~~ to have paid by law. The commissioner may use any
 51.31 available moneys appropriated for the maintenance of the commissioner's division and
 51.32 any other lawful means to perform all other terms and conditions required to maintain the
 51.33 auxiliary forest status. The commissioner shall, on December 1 each year, certify to the
 51.34 auditor of each county the amount of moneys ~~thus~~ expended on and the value of services

52.1 ~~thus rendered in respect of any lands therein~~ for land in the county since December 1 of
 52.2 the preceding year. The county auditor shall ~~forthwith~~ assess and levy the amount shown
 52.3 by this certificate against the lands described ~~therein~~. This amount ~~shall bear~~ bears interest
 52.4 at the rate of six percent per annum and ~~shall be~~ is a lien upon the lands described ~~therein~~;
 52.5 ~~and~~. The collection ~~thereof~~ of the tax must be enforced in the same manner as taxes
 52.6 levied under section 88.52, subdivision 1 $\frac{1}{2}$; and, if ~~such~~ the tax be ~~is~~ not sooner paid, it
 52.7 ~~shall~~ must be added to, and the payment ~~thereof~~ enforced with, the yield tax imposed
 52.8 under section 88.52, subdivision 2.

52.9 Sec. 45. Minnesota Statutes 2014, section 88.49, subdivision 9, is amended to read:

52.10 Subd. 9. **Auxiliary forests; withdrawal of land from.** (a) Land needed for other
 52.11 purposes may be withdrawn from an auxiliary forest as herein provided. The owner may
 52.12 submit a verified application therefor in a form prescribed by the commissioner of natural
 52.13 resources may be made by the owner to the county board of the county in which the land is
 52.14 situated, describing the land and stating the purpose of withdrawal. Like proceedings shall
 52.15 be had upon the application as upon an application for the establishment of an auxiliary
 52.16 forest, except that consideration need be given only to the questions to be determined as
 52.17 provided in this subdivision. The county board shall consider the application and hear any
 52.18 matter offered in support of or in opposition to the application. The county board shall
 52.19 make proper record of its action upon the application. If the application is rejected, the
 52.20 county board shall prepare a written statement stating the reasons for the rejection within
 52.21 30 days of the date of rejection. If the application is rejected, the county auditor shall,
 52.22 within 30 days of the rejection, endorse the rejection on the application and return it,
 52.23 together with a copy of the written statement prepared by the county board stating the
 52.24 reasons for rejection to the applicant. The rejected application and written statement must
 52.25 be sent to the owner by certified mail at the address given in the application.

52.26 (b) If the application is disapproved as to only a part of the lands described, the
 52.27 county auditor shall notify the applicant in the same manner as if the application were
 52.28 rejected. The applicant may amend the application within 60 days after the notice is
 52.29 mailed. If it is not amended, the application is deemed rejected.

52.30 (c) If the county board shall determine determines that the land proposed to be
 52.31 withdrawn is needed and is suitable for the purposes set forth in the application, and
 52.32 that the remaining land in the auxiliary forest is suitable and sufficient for the purposes
 52.33 ~~thereof~~ of the auxiliary forest as provided by law, the board may, in its discretion, grant
 52.34 the application, subject to the approval of the commissioner. Upon such approval a
 52.35 ~~supplemental contract evidencing the withdrawal shall be executed, filed, and recorded~~

53.1 ~~or registered as the case may require, in like manner as an original auxiliary forest~~
53.2 ~~contract. Thereupon~~ by both the county board and the commissioner, the county auditor
53.3 shall notify the applicant and the commissioner. Upon notice from the county auditor,
53.4 the commissioner shall cause to be prepared a supplemental contract executed by the
53.5 commissioner on behalf of the state and by the owner of the fee title or the holder of
53.6 a state deed and by all other persons having any liens on the land and witnessed and
53.7 acknowledged as provided by law for the execution of recordable deeds of conveyance.
53.8 Notices sent by certified mail to the owner in fee at the address given in the application
53.9 is deemed notice to all persons executing the supplemental contract. The supplemental
53.10 contract must be prepared by the director of the Division of Forestry on a recordable
53.11 form approved by an attorney appointed by the commissioner. Every supplemental
53.12 contract must be approved by the Executive Council. The commissioner shall submit the
53.13 supplemental contract to the owner of the land. If the owner indicates to the commissioner
53.14 an unwillingness to execute the supplemental contract, or if the owner or any of the
53.15 persons with an interest in the land or a lien upon the land fail to execute the contract
53.16 within 60 days from the time of submission of the contract to the owner for execution, all
53.17 proceedings relating back to the withdrawal of the land from an auxiliary forest shall be at
53.18 an end. When the supplemental contract is executed, it must be recorded in the office of
53.19 the county recorder at the expense of the owner or, if the title to the land is registered, the
53.20 supplemental contract must be recorded with the registrar of titles. At the time the contract
53.21 is recorded with the county recorder, the owner, at the owner's expense, shall record with
53.22 the county recorder a certificate from the county attorney to the effect that no change in
53.23 record title to the land has occurred, that no liens or other encumbrances have been placed
53.24 on the land, and that no taxes have accrued on the land since the making of the previous
53.25 certificate. The county attorney must furnish this certificate without further compensation.
53.26 Upon execution and recording of the supplemental contract, the land described in the
53.27 supplemental contract shall cease that is to be withdrawn from the auxiliary forest ceases
53.28 to be part of the auxiliary forest, and, together with the timber thereon, shall be the owner
53.29 is liable to taxes and assessments of the withdrawn portion together with the timber on the
53.30 withdrawn portion in like manner as upon cancellation of an auxiliary forest contract.

53.31 Sec. 46. Minnesota Statutes 2014, section 88.49, subdivision 11, is amended to read:

53.32 Subd. 11. **Auxiliary forests; transfer of title; procedure on division.** The title to
53.33 the land in an auxiliary forest or any part thereof of an auxiliary forest is subject to transfer
53.34 in the same manner as the title to other real estate, subject to the auxiliary forest contract
53.35 ~~therefor~~ and to applicable provisions of law. ~~In case~~ If the ownership of such a an auxiliary

54.1 forest is divided into two or more parts by any transfer or transfers of title and the owners
 54.2 of all ~~such~~ the parts desire to have the ~~same~~ parts made separate auxiliary forests, ~~they~~ the
 54.3 owners may join in a verified application ~~therefor~~ to the county board of the county in
 54.4 which the forest is situated in a form prescribed by the commissioner of natural resources.
 54.5 If the county board determines that each of the parts into which the forest has been divided
 54.6 is suitable and sufficient for a separate auxiliary forest as provided by law, it may, ~~in~~
 54.7 ~~its discretion~~, grant the application, subject to the approval of the commissioner. Upon
 54.8 ~~such~~ approval, the commissioner shall prepare a new auxiliary forest contract for each
 54.9 part transferred, with like provisions and for the remainder of the same term as the prior
 54.10 contract in force for the entire forest at the time of the transfer, and shall also prepare a
 54.11 modification of ~~such~~ the prior contract, eliminating ~~therefrom~~ the part or parts of the land
 54.12 transferred but otherwise leaving the remaining land subject to all the provisions of ~~such~~
 54.13 the contract. The new contract or contracts and modification of the prior contract ~~shall~~
 54.14 must be executed and otherwise dealt with in like manner as provided for ~~an original~~ a
 54.15 supplemental auxiliary forest contract in subdivision 9, but no such instrument ~~shall~~ must
 54.16 take effect until all of them, ~~covering together all parts of the forest existing before the~~
 54.17 ~~transfer~~, have been executed, filed, and recorded or registered, ~~as the case may require~~.
 54.18 ~~Upon the taking effect of~~ When all ~~such~~ the instruments take effect, the owner of the
 54.19 forest prior to the transfer ~~shall be~~ is divested of all rights and relieved from all liabilities
 54.20 under the contract then in force with respect to the parts transferred except ~~such~~ those as
 54.21 may have existed or accrued at the time of the taking effect of such instruments, and
 54.22 thereafter the several tracts into which the forest has been divided and the respective
 54.23 owners thereof ~~shall be~~ are subject to the new contract or contracts or the modified prior
 54.24 contract relating thereto, as the case may be, as provided for an original auxiliary forest
 54.25 contract. The provisions of this subdivision shall not supersede or affect the application
 54.26 of any other provision of law to any auxiliary forest which is divided by transfer of title
 54.27 unless the procedure herein authorized is fully consummated.

54.28 Sec. 47. Minnesota Statutes 2014, section 88.491, subdivision 2, is amended to read:

54.29 Subd. 2. **Effect of expired contract.** When auxiliary forest contracts expire,
 54.30 or prior to expiration by mutual agreement between the ~~land owner~~ landowner and the
 54.31 appropriate county office, the lands previously covered by an auxiliary forest contract
 54.32 automatically qualify for inclusion under the provisions of the Sustainable Forest Incentive
 54.33 Act; provided that when such lands are included in the Sustainable Forest Incentive Act
 54.34 prior to expiration of the auxiliary forest contract, they will be transferred and a tax paid as
 54.35 provided in section 88.49, subdivision 5, upon application and inclusion in the sustainable

55.1 forest incentive program. The ~~land owner~~ landowner shall pay taxes in an amount equal to
55.2 the difference between:

55.3 (1) the sum of:

55.4 (i) the amount which would have been paid from the date of the recording of the
55.5 contract had the land under contract been subject to the Minnesota Tree Growth Tax
55.6 Law; plus

55.7 (ii) beginning with taxes payable in 2003, the taxes that would have been paid if the
55.8 land had been enrolled in the sustainable forest incentive program; and

55.9 (2) the amount actually paid under section 88.51, ~~subdivisions~~ subdivision 1, and
55.10 Minnesota Statutes 2014, section 88.51, subdivision 2.

55.11 Sec. 48. Minnesota Statutes 2014, section 88.50, is amended to read:

55.12 **88.50 TAXATION.**

55.13 Every auxiliary forest in this state ~~shall~~ must be taxed ~~in the manner and to the extent~~
55.14 ~~hereinafter provided~~ according to sections 88.49 to 88.53 and not otherwise. Except as
55.15 expressly permitted by sections ~~88.47~~ 88.49 to 88.53, no auxiliary forest shall be taxed
55.16 for, or ~~in any manner~~, directly or indirectly made to contribute to, or become liable for
55.17 the payment of, any tax or assessment, general or special, or any bond, certificate of
55.18 indebtedness, or other public obligation of any name or kind, made, issued, or created
55.19 subsequent to the filing of the contract creating the auxiliary forest, provided that
55.20 temporary buildings, structures, or other fixtures ~~of whatsoever kind~~ located upon land
55.21 within an auxiliary forest shall be valued and assessed as personal property and classified
55.22 as class 3 under the general system of ad valorem taxation. In any proceeding for the
55.23 making of a special improvement under the laws of this state by which any auxiliary forest
55.24 will be benefited, the owner ~~thereof~~ may subject the lands ~~therein~~ to assessment ~~therefor~~ in
55.25 the manner provided by law, by filing the owner's written consent ~~in writing~~ to the ~~making~~
55.26 ~~of the~~ assessment in the tribunal in which the proceeding is pending, ~~whereupon~~. The lands
55.27 shall for the purposes of the improvement and assessment not be treated as lands ~~not~~ in an
55.28 auxiliary forest; but the lien of any assessment ~~so~~ levied on lands in any auxiliary forest ~~shall~~
55.29 ~~be~~ is subject to the provisions of the contract creating the auxiliary forest and subordinate
55.30 to the lien of any tax imposed under the provisions of sections ~~88.47~~ 88.49 to 88.53.

55.31 Sec. 49. Minnesota Statutes 2014, section 88.51, subdivision 1, is amended to read:

55.32 Subdivision 1. **Annual tax, ten cents per acre.** (a) From and after the filing of the
55.33 contract creating any tract of land an auxiliary forest under sections ~~88.47~~ 88.49 to 88.53
55.34 and hereafter upon any tract heretofore created as an auxiliary forest, the surface of the

56.1 land ~~therein~~, exclusive of mineral or anything of value thereunder, ~~shall~~ must be taxed
 56.2 annually at the rate of 10 cents per acre. This tax ~~shall~~ must be levied and collected, and
 56.3 the payment ~~thereof~~ of the tax, with penalties and interest, enforced in the same manner as
 56.4 other taxes on real estate, and ~~shall~~ must be credited to the funds of the taxing districts
 56.5 affected in the proportion of their interest in the taxes on this land if it had not been so
 56.6 made an auxiliary forest; provided, that such tax ~~shall be~~ is due in full on or before May
 56.7 31, after the levy thereof. Failure to pay when due any tax so levied ~~shall be~~ is cause
 56.8 for cancellation of the contract.

56.9 (b) The levy upon the land of the taxes provided for by section 88.49, subdivision 5,
 56.10 upon the cancellation of a contract, ~~shall discharge and annul~~ discharges and annuls all
 56.11 unpaid taxes levied or assessed ~~thereon~~ on the land.

56.12 Sec. 50. Minnesota Statutes 2014, section 88.51, subdivision 3, is amended to read:

56.13 Subd. 3. **Determination of estimated market value.** In determining the net tax
 56.14 capacity of property within any taxing district, the value of the surface of lands within any
 56.15 auxiliary forest ~~therein~~ in the taxing district, as determined by the county board ~~under the~~
 56.16 ~~provisions of section 88.48, subdivision 3~~, shall, for all purposes except the levying of
 56.17 taxes on lands within any such forest, be deemed the estimated market value ~~thereof~~ of
 56.18 those surface lands.

56.19 Sec. 51. Minnesota Statutes 2014, section 88.52, subdivision 2, is amended to read:

56.20 Subd. 2. **Examination, report.** When any timber growing or standing in any
 56.21 auxiliary forest ~~shall have become~~ is suitable for merchantable forest products, the
 56.22 commissioner shall, at the written request of the owner, a copy of which shall at the time be
 56.23 filed in the office of the county auditor, make an examination of the timber and designate
 56.24 for the owner the kind and number of trees most suitable to be cut ~~if~~ in the judgment of
 56.25 the commissioner ~~there be any, and~~. The cutting and removal of ~~these~~ designated trees ~~so~~
 56.26 ~~designated~~ shall must be in accordance with the instructions of the commissioner. The
 56.27 commissioner shall inspect the cutting or removal and determine whether it or the manner
 56.28 of its performance constitute a violation of the terms of the contract creating the auxiliary
 56.29 forest or of the ~~laws~~ laws applicable ~~thereto~~ laws, or of the instructions of the commissioner
 56.30 relative to the cutting and removal. Any such violation ~~shall be~~ is ground for cancellation
 56.31 of the contract by the commissioner; otherwise the contract ~~shall continue~~ continues in
 56.32 force for the remainder of the period ~~therein~~ stated in the contract, regardless of the cutting
 56.33 and removal. Within 90 days after the completion of any cutting or removal operation,

57.1 the commissioner shall make a report of findings ~~thereon~~ and transmit copies of ~~such~~ the
57.2 report to the county auditor and the surveyor general.

57.3 Sec. 52. Minnesota Statutes 2014, section 88.52, subdivision 3, is amended to read:

57.4 Subd. 3. **Kinds, permit, scale report, assessment and payment of tax.** (a) Upon
57.5 ~~the~~ filing of the owner's written request of the owner as provided in subdivision 2, the
57.6 director of ~~lands and~~ forestry, with the county board or the county land commissioner,
57.7 shall determine within 30 days the kinds, quantities, and value on the stump of the timber
57.8 proposed to be cut.

57.9 Before the cutting is to begin, the director of ~~lands and~~ forestry shall file with the
57.10 county auditor a report showing the kinds, quantities, and value of the timber proposed to
57.11 be cut or removed and approved by the director of ~~lands and~~ forestry for cutting within
57.12 two years after the date of approval of the report by the director of ~~lands and~~ forestry. The
57.13 county auditor shall assess and levy the estimated yield tax thereon, make proper record
57.14 of this assessment and levy in the auditor's office, and notify the owner of the auxiliary
57.15 forest of the tax amount thereof. The owner shall, before any timber in the forest is cut or
57.16 removed, give a bond payable to the state of Minnesota, or ~~in lieu thereof~~, a deposit in
57.17 cash with the county treasurer, in the amount required by the report, ~~which shall be~~ and not
57.18 less than 150 percent of the amount of the levy, conditioned for the payment of all taxes on
57.19 the timber to be cut or removed. Upon receipt of notification from the county auditor that
57.20 the bond or cash requirement has been deposited, the director of ~~lands and~~ forestry will
57.21 issue a cutting permit in accordance with the report. The owner shall keep an accurate
57.22 count or scale of all timber cut. On or before ~~the fifteenth day of~~ April 15 following
57.23 issuance of ~~such~~ the cutting permit, and on or before ~~the fifteenth day of~~ April 15 of each
57.24 succeeding year in which any merchantable wood products were cut on auxiliary forest
57.25 lands prior to the termination of ~~such~~ the permit, the owner of the timber covered by the
57.26 permit shall file with the director of ~~lands and~~ forestry a sworn statement, submitted in
57.27 duplicate, on a form prepared by the director of ~~lands and~~ forestry, one copy of which
57.28 ~~shall~~ must be transmitted to the county auditor, specifying the quantity and value of each
57.29 variety of timber and kind of product cut during the preceding year ending on March 31,
57.30 as shown by the scale or measurement ~~thereof~~ made on the ground as cut, skidded, or
57.31 loaded as the case may be. If no such scale or measurement ~~shall have been~~ was made on
57.32 the ground, an estimate ~~thereof shall~~ must be made and ~~such estimate~~ corrected by the first
57.33 scale or measurement, made in the due course of business, ~~and such~~. The correction must
57.34 at once be filed with the director of ~~lands and~~ forestry who shall immediately transmit it to
57.35 the county auditor. On or before ~~the fifteenth day of~~ May 15 following the filing of the

58.1 sworn statement covering the quantity and value of timber cut under an authorized permit,
58.2 the auditor shall assess and levy a yield (severance) tax, according to Minnesota Statutes
58.3 2014, section 88.51, subdivision 2, of the timber cut during the year ending on ~~the~~ March
58.4 ~~31st~~ 31 preceding the date of assessing and levying this tax. This tax is payable and must
58.5 be paid to the county treasurer on or before the following May 31 ~~next following~~. Copies
58.6 of the yield (severance) tax assessment and of the yield (severance) tax payment ~~shall~~ must
58.7 be filed with the director of ~~lands and~~ forestry and the county auditor. Except as otherwise
58.8 provided, all yield (severance) taxes herein provided for ~~shall~~ must be levied and collected,
58.9 and payment thereof, with penalties and interest, enforced in the same manner as taxes
58.10 imposed under ~~the provisions of~~ section 88.51, subdivision 1, and ~~shall~~ must be credited to
58.11 the funds of the taxing districts affected in the proportion of their interests in the taxes on
58.12 the land producing the yield (severance) tax. ~~At any time~~ On deeming it necessary, the
58.13 director of ~~lands and~~ forestry may order an inspection of any or all cutting areas within
58.14 an auxiliary forest and ~~also~~ may require the owner of the auxiliary forest to produce for
58.15 inspection by the director of ~~lands and~~ forestry of any or all cutting records pertaining to
58.16 timber cutting operations within an auxiliary forest for the purpose of determining the
58.17 accuracy of scale or measurement reports, and if intentional error in scale or measurement
58.18 reports is found to exist, shall levy and assess a tax triple the yield (severance) tax on the
58.19 stumpage value of the timber cut in excess of the quantity and value reported.

58.20 (b) The following alternative method of assessing and paying annually the yield tax
58.21 on an auxiliary forest is to be available to an auxiliary forest owner upon application and
58.22 upon approval of the county board of the county within which the auxiliary forest is located.

58.23 For auxiliary forests entered under this ~~subdivision~~ paragraph, the county auditor
58.24 shall assess and levy the yield tax by multiplying the acreage of each legal description
58.25 included within the auxiliary forest by the acre quantity of the annual growth by species,
58.26 calculated in cords, or in thousands of feet board measure Minnesota standard log scale
58.27 rule, whichever is more reasonably usable, for the major species found in each type by
58.28 the from year-to-year appraised stumpage prices for each of these species, used by the
58.29 Division of ~~Lands and~~ Forestry, Department of Natural Resources, in selling trust fund
58.30 timber located within the district in which the auxiliary forest is located. The assessed
58.31 value of the annual growth of the auxiliary forest, thus determined, ~~shall be~~ is subject to
58.32 a ten percent of stumpage value yield tax, payable annually on or before May 31. In all
58.33 other respects the assessment, levying and collection of the yield tax, as provided for in
58.34 this subdivision ~~shall~~ must follow the procedures specified in ~~clause~~ paragraph (a).

58.35 Forest owners operating under this ~~subdivision~~ shall be paragraph are subject to all
58.36 other provisions of the auxiliary forest law except ~~such~~ the provisions of ~~clause~~ paragraph

59.1 (a) ~~as that~~ are in conflict with this ~~subdivision~~ paragraph. Penalties for intentional failure
 59.2 by the owner to report properly the quantity and value of the annual growth upon an
 59.3 auxiliary forest entered under this ~~subdivision~~ paragraph and for failure to pay the yield
 59.4 tax when due ~~shall be~~ are the same as the penalties specified in other subdivisions of this
 59.5 law for like failure to abide by its provisions.

59.6 To qualify for the assessment and levying of the yield tax by this method, the
 59.7 owner of the forest requesting this method of taxation must submit a map or maps
 59.8 and a tabulation in acres and in quantity of growth by legal descriptions showing the
 59.9 division of the area covered by the auxiliary forest for which this method of taxation is
 59.10 requested into the following forest types, namely: white and ~~Norway~~ red pine; jack pine;
 59.11 aspen-birch; spruce-balsam fir; ~~swamp~~ black spruce; tamarack; cedar; upland hardwoods;
 59.12 lowland hardwoods; upland brush and grass (temporarily nonproductive); lowland brush
 59.13 (temporarily nonproductive); and permanently nonproductive (open bogs, stagnant
 59.14 swamps, rock outcrops, flowage, etc.). Definition of these types and determination of the
 59.15 average rate or rates of growth (in cords or thousand feet, board measure, Minnesota
 59.16 standard log scale rule, ~~which ever~~ whichever is more logically applicable for each of
 59.17 them) ~~shall~~ must be made by the director of the Division of ~~Lands and~~ Forestry, Minnesota
 59.18 Department of Natural Resources, with the advice and assistance of the land commissioner
 59.19 of the county in which the auxiliary forest is located; the director of the United States
 59.20 Forest Service's North Central Forest Experiment Station; and the director of the School of
 59.21 Forestry, University of Minnesota. Before the approval of the application of the owner of
 59.22 an auxiliary forest to have the auxiliary ~~or proposed auxiliary~~ forest taxed under provisions
 59.23 of this ~~subdivision~~ paragraph is submitted to the county board, the distribution between
 59.24 types of the area as shown on the maps and in the tabulations submitted by the owner of the
 59.25 auxiliary ~~or proposed auxiliary~~ forest ~~shall~~ must be examined and their accuracy determined
 59.26 by the director of the Division of ~~Lands and~~ Forestry, Department of Natural Resources,
 59.27 with the assistance of the county board of the county in which the auxiliary forest is located.

59.28 During the life of the auxiliary forest, contract timber cutting operations within the
 59.29 various types shown upon the type map accepted as a part of the approved auxiliary forest
 59.30 application ~~shall~~ do not bring about a reclassification of the forest types shown upon that
 59.31 map or those maps until after the passage of ten years following the termination of ~~said~~ the
 59.32 timber cutting operations and then only upon proof of a change in type.

59.33 Sec. 53. Minnesota Statutes 2014, section 88.52, subdivision 4, is amended to read:

59.34 Subd. 4. **Hearing, procedure.** The owner of any land or timber upon which a yield
 59.35 tax is assessed and levied as provided in this section may, within 15 days after mailing

60.1 of notice of the amount of the tax, file with the county auditor a demand for hearing
60.2 ~~thereon on the tax~~ before the county board. The county auditor shall thereupon fix a date
60.3 of hearing, which ~~shall~~ must be held within 30 days after the filing of the demand, and
60.4 mail to the owner notice of the time and place of the hearing. The owner may appear at
60.5 the meeting and present evidence and argument as to the amount of the tax and as to any
60.6 related matter relating thereto. The county board shall ~~thereupon~~ determine whether the
60.7 tax as levied is proper in amount and make its order ~~thereon~~. The county auditor shall
60.8 ~~forthwith~~ mail to the owner a notice of the order. If the amount of the tax is increased or
60.9 reduced by the order, the county auditor shall make a supplemental assessment and levy
60.10 ~~thereof~~, as in this subdivision provided.

60.11 Sec. 54. Minnesota Statutes 2014, section 88.52, subdivision 5, is amended to read:

60.12 Subd. 5. **Yield tax, a prior lien.** Throughout the life of any ~~such~~ auxiliary forest,
60.13 the ~~yield tax~~ accruing ~~thereon shall constitute and be~~ yield tax constitutes and is a first and
60.14 prior lien upon all the merchantable timber and forest products growing or grown thereon;
60.15 and, if not paid when due, this yield tax, together with penalties and interest ~~thereon~~ as
60.16 otherwise provided by law and all expenses of collecting same, ~~shall continue~~ continues to
60.17 be a lien upon the timber and forest products ~~and every part and parcel thereof wherever~~
60.18 ~~the same may be or~~ however much changed in form or otherwise improved until the yield
60.19 tax is fully paid. ~~Such~~ The lien may be foreclosed and the property subject ~~thereto to~~
60.20 the lien dealt with by action in the name of the state, brought by the county attorney at
60.21 the request of the county auditor.

60.22 Sec. 55. Minnesota Statutes 2014, section 88.52, subdivision 6, is amended to read:

60.23 Subd. 6. **Timber held exempt from yield tax.** Timber cut from an auxiliary forest
60.24 by an owner and used by the owner for fuel, fencing, or building on land occupied by the
60.25 owner which is within or contiguous to the auxiliary forest where cut ~~shall be~~ is exempt
60.26 from the yield tax, and, as to timber so cut and used, the requirements of subdivisions
60.27 1 and 2 ~~shall do not be applicable and in lieu thereof apply~~. The owner shall, prior to
60.28 cutting, file with the county auditor, on a form prepared by the commissioner, a statement
60.29 showing the quantity of each kind of forest products proposed to be cut and the purposes
60.30 for which the ~~same~~ the products will be used.

60.31 Sec. 56. Minnesota Statutes 2014, section 88.523, is amended to read:

60.32 **88.523 AUXILIARY FOREST CONTRACTS; SUPPLEMENTAL**
60.33 **AGREEMENTS.**

61.1 Upon application of the owner, any auxiliary forest contract ~~heretofore or hereafter~~
 61.2 ~~executed~~ may be made subject to any provisions of law enacted subsequent to the execution
 61.3 of the contract and in force at the time of application, so far as not already applicable, with
 61.4 the approval of the county board and the commissioner of natural resources. ~~As evidence~~
 61.5 ~~thereof~~ A supplemental agreement in a form prescribed by the commissioner and approved
 61.6 by the attorney general ~~shall~~ must be executed by the commissioner in behalf of the state
 61.7 and by the owner. ~~Such~~ The supplemental agreement shall must be filed and recorded in
 61.8 like manner as the ~~original~~ supplemental contract under section 88.49, subdivision 9, and
 61.9 ~~shall thereupon take~~ takes effect upon filing and recording.

61.10 Sec. 57. Minnesota Statutes 2014, section 88.53, subdivision 1, is amended to read:

61.11 Subdivision 1. **Time for disposal.** ~~Any corporation, association, or organization~~
 61.12 ~~may acquire and hold any amount of land without restriction and without limit as to~~
 61.13 ~~acreage or quantity for the purpose of including same within and holding same as an~~
 61.14 ~~auxiliary forest under the provisions of sections 88.47 to 88.53.~~ When the same shall
 61.15 ~~cease~~ land ceases to be an auxiliary forest, the owners shall have five years within which
 61.16 to dispose of the land, any provisions of general law to the contrary notwithstanding.

61.17 Sec. 58. Minnesota Statutes 2014, section 88.53, subdivision 2, is amended to read:

61.18 Subd. 2. **Rules.** The director shall make rules and adopt and prescribe such forms
 61.19 and procedure as ~~shall be~~ is necessary in carrying out the provisions of sections ~~88.47~~
 61.20 88.49 to 88.53; and the director and every county board, county recorder, registrar of titles,
 61.21 assessor, tax collector, and every other person in official authority having any duties to
 61.22 perform under or growing out of sections ~~88.47~~ 88.49 to 88.53 are hereby severally vested
 61.23 with full power and authority to enforce such rules, employ help and assistance, acquire
 61.24 and use equipment and supplies, or do any other act or thing reasonably necessary to the
 61.25 proper performance of duties under or arising from the administration and enforcement of
 61.26 sections ~~88.47~~ 88.49 to 88.53. ~~It shall be the duty of~~ The director ~~to~~ must cause periodic
 61.27 inspections to be made of all auxiliary forests for the purpose of determining whether
 61.28 relative contract and statutory provisions relative thereto are being complied with.

61.29 Sec. 59. Minnesota Statutes 2014, section 88.6435, subdivision 4, is amended to read:

61.30 Subd. 4. **Forest bough account; disposition of fees.** (a) The forest bough account
 61.31 is established in the state treasury within the natural resources fund.

61.32 (b) Fees for permits issued under this section ~~shall~~ must be deposited in the state
 61.33 treasury and credited to the forest bough account and, except for the electronic licensing

62.1 system commission established by the commissioner under section 84.027, subdivision
62.2 15, are annually appropriated to the commissioner of natural resources for costs associated
62.3 with ~~balsam bough educational~~ special forest product information and education programs
62.4 for harvesters and buyers.

62.5 Sec. 60. Minnesota Statutes 2014, section 90.14, is amended to read:

62.6 **90.14 AUCTION SALE PROCEDURE.**

62.7 (a) All state timber shall be offered and sold by the same unit of measurement as it
62.8 was appraised. No tract shall be sold to any person other than the purchaser in whose name
62.9 the bid was made. The commissioner may refuse to approve any and all bids received and
62.10 cancel a sale of state timber for good and sufficient reasons.

62.11 (b) The purchaser at any sale of timber shall, immediately upon the approval of the
62.12 bid, or, if unsold at public auction, at the time of purchase at a subsequent sale under section
62.13 90.101, subdivision 1, pay to the commissioner a down payment of 15 percent of the
62.14 appraised value. In case any purchaser fails to make such payment, the purchaser shall be
62.15 liable therefor to the state in a civil action, and the commissioner may reoffer the timber for
62.16 sale as though no bid or sale under section 90.101, subdivision 1, therefor had been made.

62.17 (c) In lieu of the scaling of state timber required by this chapter, a purchaser of state
62.18 timber may, at the time of payment by the purchaser to the commissioner of 15 percent
62.19 of the appraised value, elect in writing on a form prescribed by the attorney general to
62.20 purchase a permit based solely on the appraiser's estimate of the volume of timber described
62.21 in the permit, provided that the commissioner has expressly designated the availability of
62.22 such option for that tract on the list of tracts available for sale as required under section
62.23 90.101. A purchaser who elects in writing on a form prescribed by the attorney general
62.24 to purchase a permit based solely on the appraiser's estimate of the volume of timber
62.25 described on the permit does not have recourse to the provisions of section 90.281.

62.26 (d) In the case of a public auction sale conducted by a sealed bid process, tracts shall
62.27 be awarded to the high bidder, who shall pay to the commissioner a down payment of 15
62.28 percent of the appraised value that must be received or postmarked within 14 days of
62.29 the date of the sealed bid opening. If a purchaser fails to make the down payment, the
62.30 purchaser is liable for the down payment to the state and the commissioner may offer the
62.31 timber for sale to the next highest bidder as though no higher bid had been made.

62.32 (e) Except as otherwise provided by law, at the time the purchaser signs a permit
62.33 issued under section 90.151, the commissioner shall require the purchaser to make a bid
62.34 guarantee payment to the commissioner in an amount equal to 15 percent of the total
62.35 purchase price of the permit less the down payment amount required by paragraph (b)

63.1 for any bid increase in excess of ~~\$5,000~~ \$10,000 of the appraised value. If a required bid
63.2 guarantee payment is not submitted with the signed permit, no harvesting may occur, the
63.3 permit cancels, and the down payment for timber forfeits to the state. The bid guarantee
63.4 payment forfeits to the state if the purchaser and successors in interest fail to execute
63.5 an effective permit.

63.6 **EFFECTIVE DATE.** This section is effective June 1, 2015, and applies to permits
63.7 sold on or after that date.

63.8 Sec. 61. Minnesota Statutes 2014, section 90.193, is amended to read:

63.9 **90.193 EXTENSION OF TIMBER PERMITS.**

63.10 The commissioner may, in the case of an exceptional circumstance beyond the
63.11 control of the timber permit holder which makes it unreasonable, impractical, and not
63.12 feasible to complete cutting and removal under the permit within the time allowed, grant
63.13 one regular extension for one year. A written request for the regular extension must be
63.14 received by the commissioner before the permit expires. The request must state the reason
63.15 the extension is necessary and be signed by the permit holder. An interest rate of eight
63.16 five percent may be charged for the period of extension.

63.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

63.18 Sec. 62. **[92.83] CONDEMNATION OF SCHOOL TRUST LAND.**

63.19 Subdivision 1. **Purpose.** The purpose of this section is to extinguish the school trust
63.20 interest in school trust lands where long-term economic return is prohibited by designation
63.21 or policy while producing economic benefits for Minnesota's public schools. For the
63.22 purposes of satisfying the Minnesota Constitution, article XI, section 8, which limits the
63.23 sale of school trust lands to a public sale, the commissioner of natural resources shall
63.24 acquire school trust lands through condemnation, as provided in subdivision 2.

63.25 Subd. 2. **Commencement of condemnation proceedings.** When the commissioner
63.26 of natural resources has determined sufficient money is available to acquire any of the
63.27 lands identified under section 84.027, subdivision 18, paragraph (c), the commissioner
63.28 shall proceed to extinguish the school trust interest by condemnation action. When
63.29 requested by the commissioner, the attorney general shall commence condemnation of
63.30 the identified school trust lands.

63.31 Subd. 3. **Payment.** The portion of the payment of the award and judgment that
63.32 is for the value of the land shall be deposited into the permanent school fund. The
63.33 remainder of the award and judgment payment shall first be remitted for reimbursement

64.1 to the accounts from which expenses were paid, with any remainder deposited into the
64.2 permanent school fund.

64.3 Subd. 4. **Account.** The school trust lands account is created in the state treasury.
64.4 Money credited to the account is appropriated to the commissioner of natural resources
64.5 for the purposes of this section.

64.6 Sec. 63. Minnesota Statutes 2014, section 94.10, subdivision 2, is amended to read:

64.7 Subd. 2. **Public sale requirements.** (a) After complying with subdivision 1 and
64.8 before any public sale of surplus state-owned land is made and at least 30 days before
64.9 the sale, the commissioner of natural resources shall publish a notice of the sale in a
64.10 newspaper of general distribution in the county in which the real property to be sold is
64.11 situated. The notice shall specify the time and place at which the sale will commence, a
64.12 general description of the lots or tracts to be offered, and a general statement of the terms
64.13 of sale. The commissioner shall also provide electronic notice of sale.

64.14 (b) The minimum bid for a parcel of land must include the estimated value or
64.15 appraised value of the land and any improvements and, if any of the land is valuable for
64.16 merchantable timber, the value of the merchantable timber. The minimum bid may include
64.17 expenses incurred by the commissioner in rendering the property salable, including
64.18 survey, appraisal, legal, advertising, and other expenses.

64.19 (c) Except as provided under paragraph (d), parcels remaining unsold after the
64.20 offering may be sold to anyone agreeing to pay at least 75 percent of the appraised
64.21 value. The sale shall continue until all parcels are sold or until the commissioner orders a
64.22 reappraisal or withdraws the remaining parcels from sale.

64.23 (d) The commissioner may retain the services of a licensed real estate broker to find
64.24 a buyer for parcels remaining unsold after the offering. The sale price may be negotiated
64.25 by the broker, but must not be less than 90 percent of the appraised value as determined by
64.26 the commissioner. The broker's fee must be established by prior agreement between the
64.27 commissioner and the broker, and must not exceed ten percent of the sale price for sales of
64.28 \$10,000 or more. The broker's fee must be paid to the broker from the proceeds of the sale.

64.29 Sec. 64. Minnesota Statutes 2014, section 94.16, subdivision 2, is amended to read:

64.30 Subd. 2. **Payment of expenses.** A portion of the proceeds from the sale equal
64.31 in amount to the survey, appraisal, legal, advertising, real estate broker fee, and other
64.32 expenses incurred by the commissioner of natural resources in rendering the property
64.33 salable and sold shall be remitted to the account from which the expenses were paid,

65.1 and are appropriated and immediately available for expenditure in the same manner as
65.2 other money in the account.

65.3 Sec. 65. Minnesota Statutes 2014, section 94.16, subdivision 3, is amended to read:

65.4 Subd. 3. **Proceeds from natural resources land.** (a) Except as provided in
65.5 ~~paragraph~~ paragraphs (b) and (c), the remainder of the proceeds from the sale of lands
65.6 classified as a unit of the outdoor recreation system under section 86A.05, that were under
65.7 the control and supervision of the commissioner of natural resources shall be credited to
65.8 the land acquisition account in the natural resources fund.

65.9 (b) The remainder of the proceeds from the sale of administrative sites under the
65.10 control and supervision of the commissioner of natural resources shall be credited to the
65.11 facilities management account established under section 84.0857 and used to acquire
65.12 facilities or renovate existing buildings for administrative use or to acquire land for,
65.13 design, and construct administrative buildings for the Department of Natural Resources.

65.14 (c) The remainder of the proceeds from the sale of land not within a unit of the
65.15 outdoor recreation system under section 86A.05 and not an administrative site, but under
65.16 the control and supervision of the commissioner of natural resources, shall be credited to
65.17 the school trust lands account established under section 92.83.

65.18 Sec. 66. Minnesota Statutes 2014, section 97A.465, is amended by adding a
65.19 subdivision to read:

65.20 Subd. 7. **Residents of veterans homes.** (a) A resident from a Minnesota veterans
65.21 home may obtain a firearm or muzzleloader deer license during the season and take
65.22 antlerless deer without a permit in all areas of the state open during the respective regular
65.23 firearms or muzzleloader deer seasons in any permit area. This subdivision does not
65.24 authorize the taking of an antlerless deer by another member of a party under section
65.25 97B.301, subdivision 3, in an area closed to taking antlerless deer or where the number of
65.26 antlerless deer that may be taken is limited by a quota on the number of permits.

65.27 (b) A person may assist a Minnesota veterans home resident during the firearms or
65.28 muzzleloader deer season without having a deer hunting license, but the person may
65.29 not shoot a deer.

65.30 Sec. 67. Minnesota Statutes 2014, section 97B.301, is amended by adding a
65.31 subdivision to read:

66.1 Subd. 9. Residents age 84 or over may take deer of either sex. A resident age 84
66.2 or over may take a deer of either sex. This subdivision does not authorize the taking of an
66.3 antlerless deer by another member of a party under subdivision 3.

66.4 Sec. 68. Minnesota Statutes 2014, section 97C.005, subdivision 1, is amended to read:

66.5 Subdivision 1. **Definition; designation.** (a) Special management waters are waters
66.6 that:

66.7 (1) have been subject to special regulations that have been evaluated and proven
66.8 effective under an experimental waters designation under section 97C.001; or

66.9 (2) are classified by the commissioner for primary use as trophy lakes, family fishing
66.10 lakes, designated trout lakes, designated trout streams, special species management lakes,
66.11 and other designated uses.

66.12 (b) Except as provided under subdivision 4, the commissioner may designate any
66.13 waters of the state, including experimental waters, as special management waters. The
66.14 commissioner shall by rule establish methods and criteria for public participation in the
66.15 evaluation and designation of waters as special management waters.

66.16 (c) Designation of special management waters under this section is not subject
66.17 to chapter 14.

66.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

66.19 Sec. 69. Minnesota Statutes 2014, section 97C.005, is amended by adding a
66.20 subdivision to read:

66.21 Subd. 4. Trout streams; legislative approval. The commissioner shall not
66.22 designate a man made stream as a trout stream. The commissioner shall not designate a
66.23 stream as a trout stream unless the legislature approves the designation.

66.24 **EFFECTIVE DATE.** This section is effective the day following final enactment
66.25 and applies to designations made on or after that date.

66.26 Sec. 70. Minnesota Statutes 2014, section 97C.301, is amended by adding a
66.27 subdivision to read:

66.28 Subd. 2a. Aquatic invasive species affirmation. (a) A nonresident license to
66.29 take fish issued under section 97A.475, subdivision 7, includes aquatic invasive species
66.30 affirmation as provided in section 84D.106.

66.31 (b) The aquatic invasive species affirmation portion of the license must be displayed
66.32 with the signed nonresident license to take fish issued under section 97A.475, subdivision

67.1 7. The aquatic invasive species affirmation will be provided at the time of purchase of a
67.2 new or duplicate nonresident license.

67.3 (c) If a license is purchased online, the aquatic invasive species affirmation may be
67.4 completed electronically as part of the online sales process, and the electronic record of
67.5 the license sale will be sufficient for documenting the affirmation.

67.6 (d) Failure to complete the aquatic invasive species affirmation in this section is
67.7 subject to the penalty prescribed in section 84D.13, subdivision 5.

67.8 **EFFECTIVE DATE.** This section is effective March 1, 2016.

67.9 Sec. 71. Minnesota Statutes 2014, section 103B.101, is amended by adding a
67.10 subdivision to read:

67.11 Subd. 16. **Wetland stakeholder coordination.** The board shall work with
67.12 wetland stakeholders to foster mutual understanding and provide recommendations for
67.13 improvements to the management of wetlands and related land and water resources,
67.14 including recommendations for updating the Wetland Conservation Act, developing
67.15 an in-lieu fee program as defined in section 103G.005, subdivision 10g, and related
67.16 provisions. The board may convene informal working groups or work teams to provide
67.17 information and education and to develop recommendations.

67.18 Sec. 72. **[103B.103] EASEMENT STEWARDSHIP ACCOUNTS.**

67.19 Subdivision 1. **Accounts established; sources.** (a) The water and soil conservation
67.20 easement stewardship account and the mitigation easement stewardship account are
67.21 created in the special revenue fund. The accounts consist of money credited to the
67.22 accounts and interest and other earnings on money in the accounts. The State Board of
67.23 Investment must manage the accounts to maximize long-term gain.

67.24 (b) Revenue from contributions and money appropriated for any purposes of the
67.25 account as described in subdivision 2 must be deposited in the water and soil conservation
67.26 easement stewardship account. Revenue from contributions, wetland banking fees
67.27 designated for stewardship purposes by the board, easement stewardship payments
67.28 authorized under subdivision 3, and money appropriated for any purposes of the account
67.29 as described in subdivision 2 must be deposited in the mitigation easement stewardship
67.30 account.

67.31 Subd. 2. **Appropriation; purposes of accounts.** Five percent of the balance on
67.32 July 1 each year in the water and soil conservation easement stewardship account and
67.33 five percent of the balance on July 1 each year in the mitigation easement stewardship
67.34 account are annually appropriated to the board and may be spent only to cover the costs

68.1 of managing easements held by the board, including costs associated with monitoring,
68.2 landowner contacts, records storage and management, processing landowner notices,
68.3 requests for approval or amendments, enforcement, and legal services associated with
68.4 easement management activities.

68.5 Subd. 3. **Financial contributions.** The board shall seek a financial contribution
68.6 to the water and soil conservation easement stewardship account for each conservation
68.7 easement acquired by the board. The board shall seek a financial contribution or assess an
68.8 easement stewardship payment to the mitigation easement stewardship account for each
68.9 wetland banking easement acquired by the board. Unless otherwise provided by law,
68.10 the board shall determine the amount of the contribution or payment, which must be an
68.11 amount calculated to earn sufficient money to meet the costs of managing the easement at
68.12 a level that neither significantly overrecovers nor underrecovers the costs. In determining
68.13 the amount of the financial contribution, the board shall consider:

68.14 (1) the estimated annual staff hours needed to manage the conservation easement,
68.15 taking into consideration factors such as easement type, size, location, and complexity;

68.16 (2) the average hourly wages for the class or classes of state and local employees
68.17 expected to manage the easement;

68.18 (3) the estimated annual travel expenses to manage the easement;

68.19 (4) the estimated annual miscellaneous costs to manage the easement, including
68.20 supplies and equipment, information technology support, and aerial flyovers;

68.21 (5) the estimated annualized costs of legal services, including the cost to enforce the
68.22 easement in the event of a violation; and

68.23 (6) the expected rate of return on investments in the account.

68.24 **EFFECTIVE DATE.** Subdivisions 1 and 2 of this section are effective the day
68.25 following final enactment. Subdivision 3 of this section is effective for conservation
68.26 easements acquired with money appropriated on or after July 1, 2015, and for acquisitions
68.27 of conservation easements by gift or as a condition of approval for wetland mitigation as
68.28 provided in Minnesota Rules, chapter 8420, that are initiated on or after July 1, 2015.

68.29 Sec. 73. Minnesota Statutes 2014, section 103B.3355, is amended to read:

68.30 **103B.3355 WETLAND FUNCTIONS FOR DETERMINING PUBLIC**
68.31 **VALUES.**

68.32 (a) The public values of wetlands must be determined based upon the functions of
68.33 wetlands for:

69.1 (1) water quality, including filtering of pollutants to surface and groundwater,
 69.2 utilization of nutrients that would otherwise pollute public waters, trapping of sediments,
 69.3 shoreline protection, and utilization of the wetland as a recharge area for groundwater;

69.4 (2) floodwater and storm water retention, including the potential for flooding in
 69.5 the watershed, the value of property subject to flooding, and the reduction in potential
 69.6 flooding by the wetland;

69.7 (3) public recreation and education, including hunting and fishing areas, wildlife
 69.8 viewing areas, and nature areas;

69.9 (4) commercial uses, including wild rice and cranberry growing and harvesting
 69.10 and aquaculture;

69.11 (5) fish, wildlife, native plant habitats;

69.12 (6) low-flow augmentation;

69.13 (7) carbon sequestration; and

69.14 (8) other public uses.

69.15 (b) The Board of Water and Soil Resources, in consultation with the commissioners of
 69.16 natural resources and agriculture and local government units, shall adopt rules establishing:

69.17 (1) scientific methodologies for determining the functions of wetlands; and

69.18 (2) criteria for determining the resulting public values of wetlands.

69.19 (c) The methodologies and criteria established under this section or other
 69.20 methodologies and criteria that include the functions in paragraph (a) and are approved
 69.21 by the board, in consultation with the commissioners of natural resources and agriculture
 69.22 and local government units, must be used to determine the functions and resulting public
 69.23 values of wetlands in the state. The functions listed in paragraph (a) are not listed in
 69.24 order of priority.

69.25 (d) Public value criteria established or approved by the board under this section do
 69.26 not apply in areas subject to local comprehensive wetland protection and management
 69.27 plans established under section 103G.2243.

69.28 (e) The Board of Water and Soil Resources, in consultation with the commissioners
 69.29 of natural resources and agriculture and local government units, ~~may~~ must identify ~~regions~~
 69.30 areas of the state where preservation, enhancement, restoration, and establishment
 69.31 of wetlands would have high public value. The board, in consultation with the
 69.32 commissioners, ~~may~~ must identify high priority ~~wetland regions~~ areas for wetland
 69.33 replacement using available information relating to the factors listed in paragraph
 69.34 (a), the historic loss and abundance of wetlands, current applicable state and local
 69.35 government water management and natural resource plans, and studies using a watershed
 69.36 approach to identify current and future watershed needs. The board shall notify local

70.1 units of government with water planning authority of these high priority ~~regions~~ areas.
70.2 Designation of high priority areas is exempt from the rulemaking requirements of chapter
70.3 14, and section 14.386 does not apply. Designation of high priority areas is not effective
70.4 until 30 days after publication in the State Register.

70.5 (f) Local units of government, as part of a state-approved comprehensive local
70.6 water management plan as defined in section 103B.3363, subdivision 3, a state-approved
70.7 comprehensive watershed management plan as defined in section 103B.3363, subdivision
70.8 3a, or a state-approved local comprehensive wetland protection and management plan
70.9 under section 103G.2243, may identify priority areas for wetland replacement and provide
70.10 them for consideration under paragraph (e).

70.11 Sec. 74. Minnesota Statutes 2014, section 103F.612, subdivision 2, is amended to read:

70.12 Subd. 2. **Application.** (a) A wetland owner may apply to the county where a
70.13 wetland is located for designation of a wetland preservation area in a high priority wetland
70.14 area ~~identified in a comprehensive local water plan, as defined in section 103B.3363,~~
70.15 ~~subdivision 3, and located within a high priority wetland region~~ designated by the Board
70.16 of Water and Soil Resources, if the county chooses to accept wetland preservation area
70.17 applications. The application must be made on forms provided by the board. If a wetland
70.18 is located in more than one county, the application must be submitted to the county where
70.19 the majority of the wetland is located.

70.20 (b) The application shall be executed and acknowledged in the manner required
70.21 by law to execute and acknowledge a deed and must contain at least the following
70.22 information and other information the Board of Water and Soil Resources requires:

70.23 (1) legal description of the area to be approved, which must include an upland strip
70.24 at least 16-1/2 feet in width around the perimeter of wetlands within the area and may
70.25 include total upland area of up to four acres for each acre of wetland;

70.26 (2) parcel identification numbers where designated by the county auditor;

70.27 (3) name and address of the owner;

70.28 (4) a statement by the owner covenanting that the land will be preserved as a wetland
70.29 and will only be used in accordance with conditions prescribed by the Board of Water and
70.30 Soil Resources and providing that the restrictive covenant will be binding on the owner
70.31 and the owner's successors or assigns, and will run with the land.

70.32 (c) The upland strip required in paragraph (b), clause (1), must be planted with
70.33 permanent vegetation other than a noxious weed.

71.1 Sec. 75. Minnesota Statutes 2014, section 103G.005, is amended by adding a
71.2 subdivision to read:

71.3 Subd. 10g. **In-lieu fee program.** "In-lieu fee program" means a program in which
71.4 wetland replacement requirements of section 103G.222 are satisfied through payment of
71.5 money to the board or a board-approved sponsor to develop replacement credits according
71.6 to section 103G.2242, subdivision 12.

71.7 Sec. 76. Minnesota Statutes 2014, section 103G.222, subdivision 1, is amended to read:

71.8 Subdivision 1. **Requirements.** (a) Wetlands must not be drained or filled, wholly or
71.9 partially, unless replaced by ~~restoring or creating wetland areas of~~ actions that provide
71.10 at least equal public value under a replacement plan approved as provided in section
71.11 103G.2242, a replacement plan under a local governmental unit's comprehensive wetland
71.12 protection and management plan approved by the board under section 103G.2243, or, if a
71.13 permit to mine is required under section 93.481, under a mining reclamation plan approved
71.14 by the commissioner under the permit to mine. For project-specific wetland replacement
71.15 completed prior to wetland impacts authorized or conducted under a permit to mine within
71.16 the Great Lakes and Rainy River watershed basins, those basins shall be considered a single
71.17 watershed for purposes of determining wetland replacement ratios. Mining reclamation
71.18 plans shall apply the same principles and standards for replacing wetlands ~~by restoration~~
71.19 ~~or creation of wetland areas~~ that are applicable to mitigation plans approved as provided
71.20 in section 103G.2242. Public value must be determined in accordance with section
71.21 103B.3355 or a comprehensive wetland protection and management plan established
71.22 under section 103G.2243. Sections 103G.221 to 103G.2372 also apply to excavation in
71.23 permanently and semipermanently flooded areas of types 3, 4, and 5 wetlands.

71.24 (b) Replacement must be guided by the following principles in descending order
71.25 of priority:

71.26 (1) avoiding the direct or indirect impact of the activity that may destroy or diminish
71.27 the wetland;

71.28 (2) minimizing the impact by limiting the degree or magnitude of the wetland
71.29 activity and its implementation;

71.30 (3) rectifying the impact by repairing, rehabilitating, or restoring the affected
71.31 wetland environment;

71.32 (4) reducing or eliminating the impact over time by preservation and maintenance
71.33 operations during the life of the activity;

71.34 (5) compensating for the impact by restoring a wetland; and

72.1 (6) compensating for the impact by replacing or providing substitute wetland
72.2 resources or environments.

72.3 For a project involving the draining or filling of wetlands in an amount not exceeding
72.4 10,000 square feet more than the applicable amount in section 103G.2241, subdivision 9,
72.5 paragraph (a), the local government unit may make an on-site sequencing determination
72.6 without a written alternatives analysis from the applicant.

72.7 (c) If a wetland is located in a cultivated field, then replacement must be accomplished
72.8 through restoration only without regard to the priority order in paragraph (b), provided
72.9 that the altered wetland is not converted to a nonagricultural use for at least ten years.

72.10 (d) If a wetland is replaced under paragraph (c), or drained under section 103G.2241,
72.11 subdivision 2, paragraph (b) or (e), the local government unit may require a deed
72.12 restriction that prohibits nonagricultural use for at least ten years. The local government
72.13 unit may require the deed restriction if it determines the wetland area drained is at risk of
72.14 conversion to a nonagricultural use within ten years based on the zoning classification,
72.15 proximity to a municipality or full service road, or other criteria as determined by the
72.16 local government unit.

72.17 (e) Restoration and replacement of wetlands must be accomplished in accordance
72.18 with the ecology of the landscape area affected and ponds that are created primarily to
72.19 fulfill storm water management, and water quality treatment requirements may not be
72.20 used to satisfy replacement requirements under this chapter unless the design includes
72.21 pretreatment of runoff and the pond is functioning as a wetland.

72.22 (f) Except as provided in paragraph (g), for a wetland or public waters wetland
72.23 located on nonagricultural land, replacement must be in the ratio of two acres of replaced
72.24 wetland for each acre of drained or filled wetland.

72.25 (g) For a wetland or public waters wetland located on agricultural land or in a greater
72.26 than 80 percent area, replacement must be in the ratio of one acre of replaced wetland
72.27 for each acre of drained or filled wetland.

72.28 (h) Wetlands that are restored or created as a result of an approved replacement plan
72.29 are subject to the provisions of this section for any subsequent drainage or filling.

72.30 (i) Except in a greater than 80 percent area, only wetlands that have been
72.31 restored from previously drained or filled wetlands, wetlands created by excavation in
72.32 nonwetlands, wetlands created by dikes or dams along public or private drainage ditches,
72.33 or wetlands created by dikes or dams associated with the restoration of previously
72.34 drained or filled wetlands may be used in a statewide banking program established in for
72.35 wetland replacement according to rules adopted under section 103G.2242, subdivision 1.

73.1 Modification or conversion of nondegraded naturally occurring wetlands from one type to
73.2 another are not eligible for ~~enrollment in a statewide wetlands bank~~ wetland replacement.

73.3 (j) The Technical Evaluation Panel established under section 103G.2242, subdivision
73.4 2, shall ensure that sufficient time has occurred for the wetland to develop wetland
73.5 characteristics of soils, vegetation, and hydrology before recommending that the wetland
73.6 be deposited in the statewide wetland bank. If the Technical Evaluation Panel has reason
73.7 to believe that the wetland characteristics may change substantially, the panel shall
73.8 postpone its recommendation until the wetland has stabilized.

73.9 (k) This section and sections 103G.223 to 103G.2242, 103G.2364, and 103G.2365
73.10 apply to the state and its departments and agencies.

73.11 (l) For projects involving draining or filling of wetlands associated with a new public
73.12 transportation project, and for projects expanded solely for additional traffic capacity,
73.13 public transportation authorities may purchase credits from the board at the cost to the
73.14 board to establish credits. Proceeds from the sale of credits provided under this paragraph
73.15 are appropriated to the board for the purposes of this paragraph. For the purposes of this
73.16 paragraph, "transportation project" does not include an airport project.

73.17 (m) A replacement plan for wetlands is not required for individual projects that
73.18 result in the filling or draining of wetlands for the repair, rehabilitation, reconstruction,
73.19 or replacement of a currently serviceable existing state, city, county, or town public road
73.20 necessary, as determined by the public transportation authority, to meet state or federal
73.21 design or safety standards or requirements, excluding new roads or roads expanded solely
73.22 for additional traffic capacity lanes. This paragraph only applies to authorities for public
73.23 transportation projects that:

73.24 (1) minimize the amount of wetland filling or draining associated with the project
73.25 and consider mitigating important site-specific wetland functions on site;

73.26 (2) except as provided in clause (3), submit project-specific reports to the board, the
73.27 Technical Evaluation Panel, the commissioner of natural resources, and members of the
73.28 public requesting a copy at least 30 days prior to construction that indicate the location,
73.29 amount, and type of wetlands to be filled or drained by the project or, alternatively,
73.30 convene an annual meeting of the parties required to receive notice to review projects to
73.31 be commenced during the upcoming year; and

73.32 (3) for minor and emergency maintenance work impacting less than 10,000 square
73.33 feet, submit project-specific reports, within 30 days of commencing the activity, to the board
73.34 that indicate the location, amount, and type of wetlands that have been filled or drained.

73.35 Those required to receive notice of public transportation projects may appeal
73.36 minimization, delineation, and on-site mitigation decisions made by the public

74.1 transportation authority to the board according to the provisions of section 103G.2242,
74.2 subdivision 9. The Technical Evaluation Panel shall review minimization and delineation
74.3 decisions made by the public transportation authority and provide recommendations
74.4 regarding on-site mitigation if requested to do so by the local government unit, a
74.5 contiguous landowner, or a member of the Technical Evaluation Panel.

74.6 Except for state public transportation projects, for which the state Department of
74.7 Transportation is responsible, the board must replace the wetlands, and wetland areas of
74.8 public waters if authorized by the commissioner or a delegated authority, drained or filled
74.9 by public transportation projects on existing roads.

74.10 Public transportation authorities at their discretion may deviate from federal and
74.11 state design standards on existing road projects when practical and reasonable to avoid
74.12 wetland filling or draining, provided that public safety is not unreasonably compromised.
74.13 The local road authority and its officers and employees are exempt from liability for
74.14 any tort claim for injury to persons or property arising from travel on the highway and
74.15 related to the deviation from the design standards for construction or reconstruction under
74.16 this paragraph. This paragraph does not preclude an action for damages arising from
74.17 negligence in construction or maintenance on a highway.

74.18 (n) If a landowner seeks approval of a replacement plan after the proposed project
74.19 has already affected the wetland, the local government unit may require the landowner to
74.20 replace the affected wetland at a ratio not to exceed twice the replacement ratio otherwise
74.21 required.

74.22 (o) A local government unit may request the board to reclassify a county or
74.23 watershed on the basis of its percentage of presettlement wetlands remaining. After
74.24 receipt of satisfactory documentation from the local government, the board shall change
74.25 the classification of a county or watershed. If requested by the local government unit,
74.26 the board must assist in developing the documentation. Within 30 days of its action to
74.27 approve a change of wetland classifications, the board shall publish a notice of the change
74.28 in the Environmental Quality Board Monitor.

74.29 (p) One hundred citizens who reside within the jurisdiction of the local government
74.30 unit may request the local government unit to reclassify a county or watershed on the basis
74.31 of its percentage of presettlement wetlands remaining. In support of their petition, the
74.32 citizens shall provide satisfactory documentation to the local government unit. The local
74.33 government unit shall consider the petition and forward the request to the board under
74.34 paragraph (o) or provide a reason why the petition is denied.

74.35 Sec. 77. Minnesota Statutes 2014, section 103G.222, subdivision 3, is amended to read:

75.1 Subd. 3. **Wetland replacement siting.** (a) Impacted wetlands in a 50 to 80 percent
75.2 area must be replaced in a 50 to 80 percent area or in a less than 50 percent area. Impacted
75.3 wetlands in a less than 50 percent area must be replaced in a less than 50 percent area.

75.4 All wetland replacement must follow this priority order:

75.5 (1) on site or in the same minor watershed as the impacted wetland;

75.6 (2) in the same watershed as the impacted wetland;

75.7 (3) in the same county or wetland bank service area as the impacted wetland; and

75.8 (4) in another wetland bank service area; and

75.9 ~~(5) statewide for public transportation projects, except that wetlands impacted in~~
75.10 ~~less than 50 percent areas must be replaced in less than 50 percent areas, and wetlands~~
75.11 ~~impacted in the seven-county metropolitan area must be replaced at a ratio of two to one in:~~
75.12 ~~(i) the affected county or, (ii) in another of the seven metropolitan counties, or (iii) in one~~
75.13 ~~of the major watersheds that are wholly or partially within the seven-county metropolitan~~
75.14 ~~area, but at least one to one must be replaced within the seven-county metropolitan area.~~

75.15 ~~(b) The exception in paragraph (a), clause (5), does not apply to replacement~~
75.16 ~~completed using wetland banking credits established by a person who submitted a~~
75.17 ~~complete wetland banking application to a local government unit by April 1, 1996.~~

75.18 (b) Notwithstanding paragraph (a), wetland banking credits approved according to
75.19 a complete wetland banking application submitted to a local government unit by April
75.20 1, 1996, may be used to replace wetland impacts resulting from public transportation
75.21 projects statewide.

75.22 (c) Notwithstanding paragraph (a), clauses (1) and (2), the priority order for
75.23 replacement by wetland banking begins at paragraph (a), clause (3), according to rules
75.24 adopted under section 103G.2242, subdivision 1.

75.25 ~~(e) (d)~~ When reasonable, practicable, and environmentally beneficial replacement
75.26 opportunities are not available in siting priorities listed in paragraph (a), the applicant
75.27 may seek opportunities at the next level.

75.28 ~~(d) (e)~~ For the purposes of this section, "reasonable, practicable, and environmentally
75.29 beneficial replacement opportunities" are defined as opportunities that:

75.30 (1) take advantage of naturally occurring hydrogeomorphological conditions and
75.31 require minimal landscape alteration;

75.32 (2) have a high likelihood of becoming a functional wetland that will continue
75.33 in perpetuity;

75.34 (3) do not adversely affect other habitat types or ecological communities that are
75.35 important in maintaining the overall biological diversity of the area; and

76.1 (4) are available and capable of being done after taking into consideration cost,
76.2 existing technology, and logistics consistent with overall project purposes.

76.3 ~~(e) Applicants and local government units shall rely on board-approved~~
76.4 ~~comprehensive inventories of replacement opportunities and watershed conditions,~~
76.5 ~~including the Northeast Minnesota Wetland Mitigation Inventory and Assessment (January~~
76.6 ~~2010), in determining whether reasonable, practicable, and environmentally beneficial~~
76.7 ~~replacement opportunities are available.~~

76.8 (f) Regulatory agencies, local government units, and other entities involved in
76.9 wetland restoration shall collaborate to identify potential replacement opportunities within
76.10 their jurisdictional areas.

76.11 (g) The board must establish wetland replacement ratios and wetland bank service
76.12 area priorities to implement the siting and targeting of wetland replacement and encourage
76.13 the use of high priority areas for wetland replacement.

76.14 Sec. 78. Minnesota Statutes 2014, section 103G.2242, subdivision 1, is amended to
76.15 read:

76.16 Subdivision 1. **Rules.** (a) The board, in consultation with the commissioner, shall
76.17 adopt rules governing the approval of wetland value replacement plans under this section
76.18 and public waters work permits affecting public waters wetlands under section 103G.245.
76.19 These rules must address the criteria, procedure, timing, and location of acceptable
76.20 replacement of wetland values; and may address the state establishment and administration
76.21 of a wetland banking program for public and private projects, ~~which may include~~ including
76.22 provisions allowing monetary payment to the wetland banking program for alteration of
76.23 wetlands on agricultural land for an in-lieu fee program; the administrative, monitoring, and
76.24 enforcement procedures to be used; and a procedure for the review and appeal of decisions
76.25 under this section. In the case of peatlands, the replacement plan rules must consider the
76.26 impact on carbon balance ~~described in the report required by Laws 1990, chapter 587, and~~
76.27 ~~include the planting of trees or shrubs.~~ Any in-lieu fee program established by the board
76.28 must conform with Code of Federal Regulations, title 33, section 332.8, as amended.

76.29 (b) After the adoption of the rules, a replacement plan must be approved by a
76.30 resolution of the governing body of the local government unit, consistent with the
76.31 provisions of the rules or a comprehensive wetland protection and management plan
76.32 approved under section 103G.2243.

76.33 (c) If the local government unit fails to apply the rules, or fails to implement a
76.34 local comprehensive wetland protection and management plan established under section
76.35 103G.2243, the government unit is subject to penalty as determined by the board.

77.1 Sec. 79. Minnesota Statutes 2014, section 103G.2242, subdivision 2, is amended to
77.2 read:

77.3 Subd. 2. **Evaluation.** (a) Questions concerning the public value, location, size,
77.4 or type of a wetland shall be submitted to and determined by a Technical Evaluation
77.5 Panel after an on-site inspection. The Technical Evaluation Panel shall be composed of
77.6 a technical professional employee of the board, a technical professional employee of
77.7 the local soil and water conservation district or districts, a technical professional with
77.8 expertise in water resources management appointed by the local government unit, and
77.9 a technical professional employee of the Department of Natural Resources for projects
77.10 affecting public waters or wetlands adjacent to public waters. The panel shall use the
77.11 "United States Army Corps of Engineers Wetland Delineation Manual" (January 1987),
77.12 including updates, supplementary guidance, and replacements, if any, "Wetlands of
77.13 the United States" (United States Fish and Wildlife Service Circular 39, 1971 edition),
77.14 and "Classification of Wetlands and Deepwater Habitats of the United States" (1979
77.15 edition). The panel shall provide the wetland determination and recommendations on
77.16 other technical matters to the local government unit that must approve a replacement
77.17 plan, wetland banking plan, exemption determination, no-loss determination, or wetland
77.18 boundary or type determination and may recommend approval or denial of the plan. The
77.19 authority must consider and include the decision of the Technical Evaluation Panel in their
77.20 approval or denial of a plan or determination.

77.21 (b) Persons conducting wetland or public waters boundary delineations or type
77.22 determinations are exempt from the requirements of chapter 326. The board may develop
77.23 a professional wetland delineator certification program.

77.24 (c) The board must establish an interagency team to assist in identifying and
77.25 evaluating potential wetland replacement sites. The team must consist of members
77.26 of the Technical Evaluation Panel and representatives from the Department of Natural
77.27 Resources; the Pollution Control Agency; the United States Army Corps of Engineers, St.
77.28 Paul district; and other organizations as determined by the board.

77.29 Sec. 80. Minnesota Statutes 2014, section 103G.2242, subdivision 3, is amended to
77.30 read:

77.31 Subd. 3. **Replacement completion.** (a) Replacement of wetland values must be
77.32 completed prior to or concurrent with the actual draining or filling of a wetland, unless:

77.33 (1) an irrevocable bank letter of credit or other security financial assurance
77.34 acceptable to the local government unit or the board is given to the local government unit
77.35 or the board to guarantee the successful completion of the replacement; or

78.1 (2) the replacement is approved under an in-lieu fee program according to rules
78.2 adopted under subdivision 1. In the case of an in-lieu fee program established by a
78.3 board-approved sponsor, the board may require that a financial assurance in an amount
78.4 and method acceptable to the board be given to the board to ensure the approved sponsor
78.5 fulfills the sponsor's obligation to complete the required wetland replacement.

78.6 ~~The board may establish, sponsor, or administer a wetland banking program, which~~
78.7 ~~may include provisions allowing monetary payment to the wetland bank for impacts to~~
78.8 ~~wetlands on agricultural land, for impacts that occur in greater than 80 percent areas, and~~
78.9 ~~for public road projects. (b) The board may acquire land in fee title, purchase or accept~~
78.10 ~~easements, enter into agreements, and purchase existing wetland replacement credits to~~
78.11 ~~facilitate the wetland banking program. The board may establish in-lieu fee payment~~
78.12 ~~amounts and hold money in an account in the special revenue fund, which is appropriated~~
78.13 ~~to the board to be used solely for establishing replacement wetlands and administering the~~
78.14 ~~wetland banking program.~~

78.15 (c) The board shall coordinate the establishment and operation of a wetland bank
78.16 with the United States Army Corps of Engineers, the Natural Resources Conservation
78.17 Service of the United States Department of Agriculture, and the commissioners of natural
78.18 resources, agriculture, and the Pollution Control Agency.

78.19 Sec. 81. Minnesota Statutes 2014, section 103G.2242, subdivision 4, is amended to
78.20 read:

78.21 Subd. 4. **Decision.** Upon receiving and considering all required data, the local
78.22 government unit reviewing replacement plan applications, ~~banking plan sequencing~~
78.23 applications, and exemption or no-loss determination requests must act on all replacement
78.24 plan applications, ~~banking plan sequencing~~ applications, and exemption or no-loss
78.25 determination requests in compliance with section 15.99.

78.26 Sec. 82. Minnesota Statutes 2014, section 103G.2242, subdivision 12, is amended to
78.27 read:

78.28 Subd. 12. **Replacement credits.** (a) No public or private wetland restoration,
78.29 enhancement, or construction may be allowed for replacement unless specifically
78.30 designated for replacement and paid for by the individual or organization performing the
78.31 wetland restoration, enhancement, or construction, ~~and is completed prior to any draining~~
78.32 ~~or filling of the wetland.~~

78.33 (b) Paragraph (a) does not apply to a wetland whose owner has paid back with
78.34 interest the individual or organization restoring, enhancing, or constructing the wetland.

79.1 (c) Notwithstanding section 103G.222, subdivision 1, paragraph (i), the following
79.2 actions, and others established in rule, that are consistent with criteria in rules adopted by
79.3 the board in conjunction with the commissioners of natural resources and agriculture, are
79.4 eligible for replacement credit as determined by the local government unit or the board,
79.5 including enrollment in a statewide wetlands bank:

79.6 (1) reestablishment of permanent native, noninvasive vegetative cover on a wetland
79.7 on agricultural land that was planted with annually seeded crops, was in a crop rotation
79.8 seeding of pasture grasses or legumes, or was in a land retirement program during the
79.9 past ten years;

79.10 (2) buffer areas of permanent native, noninvasive vegetative cover established or
79.11 preserved on upland adjacent to replacement wetlands;

79.12 (3) wetlands restored for conservation purposes under terminated easements or
79.13 contracts; ~~and~~

79.14 (4) water quality treatment ponds constructed to pretreat storm water runoff prior
79.15 to discharge to wetlands, public waters, or other water bodies, provided that the water
79.16 quality treatment ponds must be associated with an ongoing or proposed project that
79.17 will impact a wetland and replacement credit for the treatment ponds is based on the
79.18 replacement of wetland functions and on an approved storm water management plan for
79.19 the local government; and

79.20 (5) in a greater than 80 percent area, restoration and protection of streams and
79.21 riparian buffers that are important to the functions and sustainability of aquatic resources.

79.22 (d) Notwithstanding section 103G.222, subdivision 1, paragraphs (f) and (g), the
79.23 board may establish by rule different replacement ratios for restoration projects with
79.24 exceptional natural resource value.

79.25 Sec. 83. Minnesota Statutes 2014, section 103G.2242, subdivision 14, is amended to
79.26 read:

79.27 Subd. 14. **Fees established.** (a) Fees must be assessed for managing wetland bank
79.28 accounts and transactions as follows:

79.29 (1) account maintenance annual fee: one percent of the value of credits not to
79.30 exceed \$500;

79.31 (2) account establishment, deposit, or transfer: 6.5 percent of the value of credits not
79.32 to exceed \$1,000 per establishment, deposit, or transfer; and

79.33 (3) withdrawal fee: 6.5 percent of the value of credits withdrawn.

79.34 (b) The board may establish fees at or below the amounts in paragraph (a) for
79.35 single-user or other dedicated wetland banking accounts.

80.1 (c) Fees for single-user or other dedicated wetland banking accounts established
 80.2 pursuant to section 103G.005, subdivision 10e, clause (4), are limited to establishment
 80.3 of a wetland banking account and are assessed at the rate of 6.5 percent of the value of
 80.4 the credits not to exceed \$1,000.

80.5 (d) The board may assess a fee to pay the costs associated with establishing
 80.6 conservation easements, or other long-term protection mechanisms prescribed in the rules
 80.7 adopted under subdivision 1, on property used for wetland replacement.

80.8 Sec. 84. Minnesota Statutes 2014, section 103G.2251, is amended to read:

80.9 **103G.2251 STATE CONSERVATION EASEMENTS; WETLAND BANK**
 80.10 **CREDIT.**

80.11 In greater than 80 percent areas, preservation of wetlands, riparian buffers, and
 80.12 watershed areas essential to maintaining important functions and sustainability of aquatic
 80.13 resources in the watershed that are protected by a permanent conservation easement
 80.14 as defined under section 84C.01 and held by the board may be eligible for wetland
 80.15 replacement or mitigation credits, according to rules adopted by the board. To be eligible
 80.16 for credit under this section, a conservation easement must be established after May 24,
 80.17 2008, and approved by the board. Wetland areas on private lands preserved under this
 80.18 section are not eligible for replacement or mitigation credit if the area has been protected
 80.19 using public conservation funds.

80.20 Sec. 85. Minnesota Statutes 2014, section 103G.245, subdivision 2, is amended to read:

80.21 Subd. 2. **Exceptions.** A public waters work permit is not required for:

80.22 (1) work in altered natural watercourses that are part of drainage systems established
 80.23 under chapter 103D or 103E if the work in the waters is undertaken according to chapter
 80.24 103D or 103E; ~~or~~

80.25 (2) a drainage project for a drainage system established under chapter 103E that does
 80.26 not substantially affect public waters; or

80.27 (3) culvert restoration or replacement.

80.28 Sec. 86. Minnesota Statutes 2014, section 103G.271, subdivision 5, is amended to read:

80.29 Subd. 5. **Prohibition on once-through water use permits.** (a) Except as provided
 80.30 in paragraph (c), the commissioner may not issue a water use permit to increase the
 80.31 volume of appropriation from a groundwater source for a once-through cooling system.

80.32 (b) Except as provided in paragraph (c), once-through system water use permits
 80.33 using in excess of 5,000,000 gallons annually must be terminated by the commissioner,

81.1 unless the discharge is into a public water basin within a nature preserve approved by the
81.2 commissioner and established prior to January 1, 2001. The commissioner may issue a
81.3 permit for a system in existence prior to January 1, 2015, for up to 5,000,000 gallons
81.4 annually. Existing once-through systems must not be expanded and are required to convert
81.5 to water efficient alternatives within the design life of existing equipment.

81.6 (c) Notwithstanding paragraphs (a) and (b), the commissioner, with the approval of
81.7 the commissioners of health and the Pollution Control Agency, may issue once-through
81.8 system water use permits on an annual basis for groundwater thermal exchange devices
81.9 or aquifer storage and recovery systems that return all once-through system water to the
81.10 source aquifer. Water use permit processing fees in subdivision 6, paragraph (a), apply
81.11 to all water withdrawals under this paragraph, including any reuse of water returned to
81.12 the source aquifer.

81.13 Sec. 87. Minnesota Statutes 2014, section 103G.271, subdivision 6a, is amended to read:

81.14 Subd. 6a. **Payment of fees for past unpermitted appropriations.** An entity that
81.15 appropriates water without a required permit under subdivision 1 must pay the applicable
81.16 water use permit processing fee specified in subdivision 6 for the period during which the
81.17 unpermitted appropriation occurred. The fees for unpermitted appropriations are required
81.18 for the previous seven calendar years after being notified of the need for a permit. This
81.19 fee is in addition to any other fee or penalty assessed. The commissioner may waive
81.20 payment of fees for past unpermitted appropriations for a residential system permitted
81.21 under subdivision 5, paragraph (b).

81.22 Sec. 88. Minnesota Statutes 2014, section 103G.287, subdivision 2, is amended to read:

81.23 Subd. 2. **Relationship to surface water resources.** Groundwater appropriations
81.24 that will have substantial negative impacts to surface waters as determined by the
81.25 commissioner are subject to applicable provisions in section 103G.285. For the purposes
81.26 of this subdivision when applicable to streams, "substantial negative impacts" means a 20
81.27 percent harmful effect in normal levels.

81.28 Sec. 89. Minnesota Statutes 2014, section 103G.291, subdivision 3, is amended to read:

81.29 Subd. 3. **Water supply plans; demand reduction.** (a) Every public water supplier
81.30 serving more than 1,000 people must submit a water supply plan to the commissioner
81.31 for approval by January 1, 1996. In accordance with guidelines developed by the
81.32 commissioner, the plan must address projected demands, adequacy of the water supply
81.33 system and planned improvements, existing and future water sources, natural resource

82.1 impacts or limitations, emergency preparedness, water conservation, supply and demand
82.2 reduction measures, and allocation priorities that are consistent with section 103G.261.
82.3 Public water suppliers must update their plan and, upon notification, submit it to the
82.4 commissioner for approval every ten years.

82.5 (b) The water supply plan in paragraph (a) is required for all communities in the
82.6 metropolitan area, as defined in section 473.121, with a municipal water supply system
82.7 and is a required element of the local comprehensive plan required under section 473.859.
82.8 ~~Water supply plans or updates submitted after December 31, 2008, must be consistent~~
82.9 ~~with the metropolitan area master water supply plan required under section 473.1565,~~
82.10 ~~subdivision 1, paragraph (a), clause (2).~~

82.11 (c) Public water suppliers serving more than 1,000 people must encourage
82.12 water conservation by employing water use demand reduction measures, as defined in
82.13 subdivision 4, paragraph (a), before requesting approval from the commissioner of health
82.14 under section 144.383, paragraph (a), to construct a public water supply well or requesting
82.15 an increase in the authorized volume of appropriation. The commissioner of natural
82.16 resources and the water supplier shall use a collaborative process to achieve demand
82.17 reduction measures as a part of a water supply plan review process.

82.18 (d) Public water suppliers serving more than 1,000 people must submit records
82.19 that indicate the number of connections and amount of use by customer category and
82.20 volume of water unaccounted for with the annual report of water use required under
82.21 section 103G.281, subdivision 3.

82.22 (e) For the purposes of this section, "public water supplier" means an entity that owns,
82.23 manages, or operates a public water supply, as defined in section 144.382, subdivision 4.

82.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

82.25 Sec. 90. Minnesota Statutes 2014, section 115.03, is amended by adding a subdivision
82.26 to read:

82.27 **Subd. 12. Legislative approval.** (a) The commissioner of the Pollution Control
82.28 Agency must submit a water quality standard or other water quality rule change developed
82.29 under this chapter or chapter 116 to the legislature for approval if the standard or rule
82.30 change is estimated to have a financial impact to:

82.31 (1) affected permittees of \$50,000,000 or more, in total, within the first five years of
82.32 implementation; or

82.33 (2) a single affected permittee of \$5,000,000 or more within the first five years
82.34 of implementation.

83.1 (b) The standard or rule change must be approved by the legislature prior to
83.2 implementation.

83.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

83.4 Sec. 91. **[115.035] INDEPENDENT PEER REVIEW OF WATER QUALITY**
83.5 **STUDIES AND STANDARDS; LEGISLATIVE APPROVAL.**

83.6 (a) For the purposes of this section:

83.7 (1) "independent peer review" means a peer review conducted by an expert in an
83.8 area related to the work being reviewed who was not directly or indirectly involved with
83.9 the work conducted or contracted by the agency and who is not currently employed by
83.10 the agency;

83.11 (2) "proposal" means a proposal to change water quality standards or other regulatory
83.12 guidance, including reinterpretations of water quality standards and other changes that will
83.13 impact national pollutant discharge elimination system permits or storm water permits; and

83.14 (3) "study" means a study, an analysis, or other technical or scientific work that was
83.15 conducted, contracted, or otherwise relied upon by the agency and that is or will be used
83.16 to support or otherwise inform a regulatory decision-making process.

83.17 (b) The commissioner of the Pollution Control Agency shall ensure that a water
83.18 quality study or proposal is subject to an independent peer review if the study or proposal:

83.19 (1) supports or proposes a change with an estimated financial impact to affected
83.20 permittees of \$50,000,000 or more, in total, within the first five years of implementation;

83.21 (2) supports or proposes a significant new precedent, model, or methodology;

83.22 (3) addresses a significant controversial issue;

83.23 (4) supports or proposes a change that would significantly impact another state
83.24 agency; or

83.25 (5) has the potential to significantly impact the agency's resources.

83.26 (c) The commissioner shall notify the chairs and ranking minority members of the
83.27 house of representatives and senate committees and divisions with jurisdiction over the
83.28 environment and natural resources when an independent peer review is required under this
83.29 section and the factors listed in paragraph (b) that require the independent peer review.

83.30 (d) The commissioner shall ensure that a study or proposal subject to an independent
83.31 peer review under this section is peer reviewed in accordance with the guidance contained
83.32 in the United States Environmental Protection Agency's Peer Review Handbook. As part
83.33 of the independent peer review process, the commissioner shall allow for public comment,
83.34 including written and oral public comments, on the study or proposal.

84.1 (e) A proposal to change a water quality standard or other water quality rule
 84.2 that is required to be peer reviewed under paragraph (b), clause (1), or that has an
 84.3 estimated impact to a single permittee of \$5,000,000 or more within the first five years of
 84.4 implementation must be approved by the legislature prior to implementation.

84.5 (f) This section applies to proposals and studies developed under the authority and
 84.6 duties prescribed under this chapter and, with respect to the pollution of waters of the
 84.7 state, chapter 116.

84.8 Sec. 92. Minnesota Statutes 2014, section 115.073, is amended to read:

84.9 **115.073 ENFORCEMENT FUNDING.**

84.10 ~~Except as provided in section 115C.05,~~ All money recovered by the state under this
 84.11 chapter and chapters 115A and 116, including civil penalties and money paid under an
 84.12 agreement, stipulation, or settlement, excluding money paid for past due fees or taxes,
 84.13 must be deposited in the state treasury and credited to the environmental general fund.

84.14 Sec. 93. Minnesota Statutes 2014, section 115.55, subdivision 1, is amended to read:

84.15 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to sections
 84.16 115.55 to 115.56.

84.17 (b) "Advisory committee" means the Advisory Committee on Subsurface Sewage
 84.18 Treatment Systems established under the subsurface sewage treatment system rules. The
 84.19 advisory committee must be appointed to ensure geographic representation of the state
 84.20 and include elected public officials.

84.21 (c) "Applicable requirements" means:

84.22 (1) local ordinances that comply with the subsurface sewage treatment system rules,
 84.23 as required in subdivision 2; or

84.24 (2) in areas without compliant ordinances described in clause (1), the subsurface
 84.25 sewage treatment system rules.

84.26 (d) "Building sewer connected to a subsurface sewage treatment system" means the
 84.27 pipe that connects a structure to a subsurface sewage treatment system. Building sewers
 84.28 connected to subsurface sewage treatment systems are codefined as both plumbing and
 84.29 subsurface sewage treatment system components.

84.30 ~~(d)~~ (e) "City" means a statutory or home rule charter city.

84.31 ~~(e)~~ (f) "Commissioner" means the commissioner of the Pollution Control Agency.

84.32 ~~(f)~~ (g) "Dwelling" means a building or place used or intended to be used by human
 84.33 occupants as a single-family or two-family unit.

85.1 ~~(g)~~ (h) "Subsurface sewage treatment system" or "system" means a sewage treatment
85.2 system, or part thereof, that uses subsurface soil treatment and disposal, or a holding tank,
85.3 serving a dwelling, other establishment, or a group thereof, and that does not require a
85.4 state permit. Subsurface sewage treatment system includes a building sewer connected
85.5 to a subsurface sewage treatment system.

85.6 ~~(h)~~ (i) "Subsurface sewage treatment system professional" means an inspector,
85.7 installer, designer, service provider, or maintainer.

85.8 ~~(i)~~ (j) "Subsurface sewage treatment system rules" means rules adopted by the
85.9 agency that establish minimum standards and criteria for the design, location, installation,
85.10 use, maintenance, and closure of subsurface sewage treatment systems.

85.11 ~~(j)~~ (k) "Inspector" means a person who inspects subsurface sewage treatment
85.12 systems for compliance with the applicable requirements.

85.13 ~~(k)~~ (l) "Installer" means a person who constructs or repairs subsurface sewage
85.14 treatment systems.

85.15 ~~(l)~~ (m) "Local unit of government" means a township, city, or county.

85.16 ~~(m)~~ (n) "Performance-based system" means a system that is designed specifically
85.17 for environmental conditions on a site and is designed to adequately protect the public
85.18 health and the environment and provide consistent, reliable, long-term performance. At a
85.19 minimum, a performance based system must ensure that applicable water quality standards
85.20 are met in both ground and surface water that ultimately receive the treated sewage.

85.21 ~~(n)~~ (o) "Maintainer " means a person who removes solids and liquids from and
85.22 maintains and repairs components of subsurface sewage treatment systems including, but
85.23 not limited to, sewage, aerobic, and holding tanks.

85.24 ~~(o)~~ (p) "Seasonal dwelling" means a dwelling that is occupied or used for less than
85.25 180 days per year and less than 120 consecutive days.

85.26 ~~(p)~~ (q) "Septic system tank" means any covered receptacle designed, constructed,
85.27 and installed as part of a subsurface sewage treatment system.

85.28 ~~(q)~~ (r) "Designer" means a person who:

85.29 (1) investigates soils and site characteristics to determine suitability, limitations, and
85.30 sizing requirements; and

85.31 (2) designs subsurface sewage treatment systems.

85.32 ~~(r)~~ (s) "Straight-pipe system" means a sewage disposal system that transports raw or
85.33 partially treated sewage directly to a lake, a stream, a drainage system, or ground surface.

85.34 Sec. 94. Minnesota Statutes 2014, section 115.55, subdivision 3, is amended to read:

86.1 Subd. 3. **Rules.** (a) The agency shall adopt rules containing minimum standards and
86.2 criteria for the design, location, installation, use, maintenance, and closure of subsurface
86.3 sewage treatment systems. The rules must include:

86.4 (1) how the agency will ensure compliance under subdivision 2;

86.5 (2) how local units of government shall enforce ordinances under subdivision 2,
86.6 including requirements for permits and inspection programs;

86.7 (3) how the advisory committee will participate in review and implementation of
86.8 the rules;

86.9 (4) provisions for nonstandard systems and performance-based systems;

86.10 (5) provisions for handling and disposal of effluent;

86.11 (6) provisions for system abandonment; and

86.12 (7) procedures for variances, including the consideration of variances based on cost
86.13 and variances that take into account proximity of a system to other systems.

86.14 (b) The agency shall consult with the advisory committee before adopting rules
86.15 under this subdivision.

86.16 (c) The rules required in paragraph (a) must also address the following:

86.17 (1) a definition of redoximorphic features and other criteria that can be used by
86.18 system designers and inspectors;

86.19 (2) direction on the interpretation of observed soil features that may be
86.20 redoximorphic and their relation to zones of periodic saturation; and

86.21 (3) procedures on how to resolve professional disagreements on periodically
86.22 saturated soils.

86.23 (d) A state disposal system permit is not required for an existing subsurface sewage
86.24 treatment facility at a seasonal campground that is open for 180 days or less each year,
86.25 unless the average maximum seven-day measured flow for the subsurface sewage
86.26 treatment facility at the campground is greater than 10,000 gallons per day.

86.27 Sec. 95. Minnesota Statutes 2014, section 115.56, subdivision 2, is amended to read:

86.28 Subd. 2. **License required.** (a) Except as provided in paragraph (b), a person may
86.29 not design, install, maintain, pump, inspect, or provide service to a subsurface sewage
86.30 treatment system without a license issued by the commissioner. Licenses issued under this
86.31 section allow work on subsurface sewage treatment systems that do not require a state
86.32 permit using prescriptive designs and design guidances provided by the agency. Licensees
86.33 who design systems using these prescriptive designs and design guidances are not subject
86.34 to the additional licensing requirements of section 326.03.

87.1 (b) A license is not required for a person who complies with the applicable
87.2 requirements if the person is:

87.3 (1) a qualified employee of state or local government who is a certified professional;

87.4 (2) an individual who constructs a subsurface sewage treatment system on land that
87.5 is owned or leased by the individual and functions solely as the individual's dwelling or
87.6 seasonal dwelling, unless specifically disallowed in local ordinance. A person constructing
87.7 a subsurface sewage treatment system under this clause must comply with all local
87.8 administrative and technical requirements. In addition, the system must be inspected
87.9 before being covered and a compliance report must be provided to the local unit of
87.10 government after the inspection;

87.11 (3) a farmer who pumps and disposes of sewage waste from subsurface sewage
87.12 treatment systems, holding tanks, and privies on land that is owned or leased by the
87.13 farmer; or

87.14 (4) an individual who performs labor or services for a licensed business under this
87.15 section in connection with the design, installation, operation, pumping, or inspection of a
87.16 subsurface sewage treatment system at the direction and under the personal supervision of
87.17 a person certified under this section.

87.18 (c) The commissioner, in conjunction with the University of Minnesota Extension
87.19 Service or another higher education institution, shall ensure adequate training and design
87.20 guidance exists for subsurface sewage treatment system certified professionals.

87.21 (d) The commissioner shall conduct examinations to test the knowledge of applicants
87.22 for certification and shall issue documentation of certification.

87.23 (e) Licenses may be issued only upon submission of general liability insurance, a
87.24 corporate surety bond in the amount of at least ~~\$10,000~~ \$25,000, and the name of the
87.25 individual who will be the designated certified individual for that business. The bond may
87.26 be for both plumbing work and subsurface sewage treatment work if the bond complies
87.27 with the requirements of this section and satisfies the requirements and references
87.28 identified in section 326B.46, subdivision 2.

87.29 (f) Local units of government may not require additional local licenses for
87.30 subsurface sewage treatment system businesses.

87.31 (g) No other professional license under section 326.03 is required to design, install,
87.32 maintain, inspect, or provide service for a subsurface sewage treatment system that does
87.33 not require a state permit using prescriptive designs and design guidances provided by
87.34 the agency if the system designer, installer, maintainer, inspector, or service provider
87.35 is licensed under this subdivision and the local unit of government has not adopted
87.36 additional requirements.

88.1 Sec. 96. Minnesota Statutes 2014, section 115A.557, subdivision 2, is amended to read:

88.2 Subd. 2. **Purposes for which money may be spent.** (a) A county receiving money
88.3 distributed by the commissioner under this section may use the money only for the
88.4 development and implementation of programs to:

88.5 (1) reduce the amount of solid waste generated;

88.6 (2) recycle the maximum amount of solid waste technically feasible;

88.7 (3) create and support markets for recycled products;

88.8 (4) remove problem materials from the solid waste stream and develop proper
88.9 disposal options for them;

88.10 (5) inform and educate all sectors of the public about proper solid waste management
88.11 procedures;

88.12 (6) provide technical assistance to public and private entities to ensure proper solid
88.13 waste management;

88.14 (7) provide educational, technical, and financial assistance for litter prevention;

88.15 (8) process mixed municipal solid waste generated in the county at a resource
88.16 recovery facility located in Minnesota; ~~and~~

88.17 (9) compost source-separated compostable materials, including the provision of
88.18 receptacles for residential composting;

88.19 (10) prevent food waste or collect and transport food donated to humans or to be
88.20 fed to animals; and

88.21 (11) process source-separated compostable materials that are to be used to produce
88.22 Class I or Class II compost, as defined in Minnesota Rules, part 7035.2836, after being
88.23 processed in an anaerobic digester, but not to construct any buildings or acquire any
88.24 equipment.

88.25 (b) Beginning in fiscal year 2015 and continuing thereafter, of any money distributed
88.26 by the commissioner under this section to a metropolitan county, as defined in section
88.27 473.121, subdivision 4, that exceeds the amount the county was eligible to receive under
88.28 this section in fiscal year 2014: (1) at least 50 percent must be expended on activities in
88.29 paragraph (a), ~~clause~~ clauses (9) to (11); and (2) the remainder must be expended on
88.30 activities in paragraph (a), clauses (1) to (7) and (9) to (11) that advance the county toward
88.31 achieving its recycling goal under section 115A.551.

88.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

88.33 Sec. 97. **[115A.565] RECYCLING COMPETITIVE GRANT PROGRAM.**

88.34 **Subdivision 1. Grant program established.** The commissioner shall make
88.35 competitive grants to political subdivisions to establish curbside recycling or composting,

89.1 increase recycling or composting, reduce the amount of recyclable materials entering
89.2 disposal facilities, or reduce the costs associated with hauling waste by locating collection
89.3 sites as close as possible to the site where the waste is generated. To be eligible for grants
89.4 under this section, a political subdivision must be located outside the seven-county
89.5 metropolitan area and a city must have a population of less than 45,000.

89.6 Subd. 2. **Application.** (a) The commissioner must develop forms and procedures
89.7 for soliciting and reviewing applications for grants under this section.

89.8 (b) The determination of whether to make a grant under this section is within the
89.9 discretion of the commissioner, subject to subdivision 4. The commissioner's decisions
89.10 are not subject to judicial review, except for abuse of discretion.

89.11 Subd. 3. **Priorities; eligible projects.** (a) If applications for grants exceed the
89.12 available appropriations, grants must be made for projects that, in the commissioner's
89.13 judgment, provide the highest return in public benefits.

89.14 (b) To be eligible to receive a grant, a project must:

89.15 (1) be locally administered;

89.16 (2) have an educational component and measurable outcomes;

89.17 (3) request \$250,000 or less;

89.18 (4) demonstrate local direct and indirect matching support of at least a quarter
89.19 amount of the grant request; and

89.20 (5) include at least one of the following elements:

89.21 (i) transition to residential recycling through curbside or centrally located collection
89.22 sites; or

89.23 (ii) development of local recycling systems to support curbside recycling.

89.24 Subd. 4. **Cancellation of grant.** If a grant is awarded under this section and
89.25 funds are not encumbered for the grant within four years after the award date, the grant
89.26 must be canceled.

89.27 Sec. 98. Minnesota Statutes 2014, section 115A.93, subdivision 1, is amended to read:

89.28 Subdivision 1. **License and registration required; reporting.** (a) A person may
89.29 not collect mixed municipal solid waste for hire without a license from the jurisdiction
89.30 where the mixed municipal solid waste is collected. The local licensing entity shall submit
89.31 a list of licensed collectors to the agency.

89.32 (b) A person may not collect recyclable materials for hire unless registered with the
89.33 agency. If a person is licensed under paragraph (a), the person need not register with
89.34 the agency under this paragraph.

90.1 (c) The agency, in consultation with the Solid Waste Management Coordinating
 90.2 Board, the Association of Minnesota Counties, the Minnesota Solid Waste Administrators
 90.3 Association, and representatives from the waste industry shall, by July 1, 2016, develop
 90.4 uniform short and long reporting forms that will reduce duplicative reporting to
 90.5 governmental units by collectors of solid waste and recyclable materials.

90.6 (d) A collector of mixed municipal solid waste or recyclable materials shall separately
 90.7 report to the agency on an annual basis information including, but not limited to, the
 90.8 quantity of mixed municipal solid waste and the quantity of recyclable materials collected:

90.9 (1) from commercial customers;

90.10 (2) from residential customers;

90.11 (3) by county of origin; and

90.12 (4) by destination of the material.

90.13 Sec. 99. Minnesota Statutes 2014, section 115B.34, subdivision 2, is amended to read:

90.14 Subd. 2. **Property damage losses.** (a) Losses compensable by the fund for property
 90.15 damage are limited to the following losses caused by damage to the principal residence of
 90.16 the claimant:

90.17 (1) the reasonable cost of replacing or decontaminating the primary source of
 90.18 drinking water for the property not to exceed the amount actually expended by the
 90.19 claimant or assessed by a local taxing authority, if the Department of Health has confirmed
 90.20 that the remedy provides safe drinking water and advised that the water not be used for
 90.21 drinking or determined that the replacement or decontamination of the source of drinking
 90.22 water was necessary, up to a maximum of \$25,000;

90.23 (2) the reasonable cost to install a mitigation system for the claimant's principal
 90.24 residence, not to exceed the amount actually expended by the claimant, if the agency has
 90.25 recommended such installation to protect human health due to soil vapor intrusion into
 90.26 the residence from releases of harmful substances. Reimbursement of eligible claims
 90.27 shall not exceed \$25,000;

90.28 ~~(2)~~ (3) losses incurred as a result of a bona fide sale of the property at less than
 90.29 the appraised market value under circumstances that constitute a hardship to the owner,
 90.30 limited to 75 percent of the difference between the appraised market value and the selling
 90.31 price, but not to exceed \$25,000; and

90.32 ~~(3)~~ (4) losses incurred as a result of the inability of an owner in hardship circumstances
 90.33 to sell the property due to the presence of harmful substances, limited to the increase in
 90.34 costs associated with the need to maintain two residences, but not to exceed \$25,000.

91.1 (b) In computation of the loss under paragraph (a), clause ~~(3)~~ (4), the agency shall
 91.2 offset the loss by the amount of any income received by the claimant from the rental
 91.3 of the property.

91.4 (c) For purposes of paragraph (a), the following definitions apply:

91.5 (1) "appraised market value" means an appraisal of the market value of the property
 91.6 disregarding any decrease in value caused by the presence of a harmful substance in
 91.7 or on the property; and

91.8 (2) "hardship" means an urgent need to sell the property based on a special
 91.9 circumstance of the owner including catastrophic medical expenses, inability of the owner
 91.10 to physically maintain the property due to a physical or mental condition, and change of
 91.11 employment of the owner or other member of the owner's household requiring the owner
 91.12 to move to a different location.

91.13 (d) Appraisals are subject to agency approval. The agency may adopt rules
 91.14 governing approval of appraisals, criteria for establishing a hardship, and other matters
 91.15 necessary to administer this subdivision.

91.16 Sec. 100. Minnesota Statutes 2014, section 115C.05, is amended to read:

91.17 **115C.05 CIVIL PENALTY.**

91.18 The agency may enforce section 115C.03 using the actions and remedies authorized
 91.19 under sections 115.071, subdivision 3, and 116.072. ~~The civil penalties recovered by the~~
 91.20 ~~state must be credited to the fund.~~

91.21 Sec. 101. Minnesota Statutes 2014, section 116.02, is amended to read:

91.22 **116.02 POLLUTION CONTROL AGENCY, CREATION AND POWERS.**

91.23 Subdivision 1. **Creation.** A pollution control agency, designated as the Minnesota
 91.24 Pollution Control Agency, ~~is~~ and the Minnesota Pollution Control Agency Citizens' Board
 91.25 are hereby created. The agency Minnesota Pollution Control Agency Citizens' Board shall
 91.26 consist of the commissioner and eight members appointed by the governor, by and with the
 91.27 advice and consent of the senate. ~~One of such members shall be a person knowledgeable~~
 91.28 ~~in the field of agriculture and one shall be representative of organized labor.~~

91.29 Subd. 2. **Terms, compensation, removal, vacancies.** The membership terms,
 91.30 compensation, removal of members, and filling of vacancies on the agency Minnesota
 91.31 Pollution Control Agency Citizens' Board shall be as provided in section 15.0575.

91.32 Subd. 3. **Membership.** The membership of the Minnesota Pollution Control Agency
 91.33 Citizens' Board shall be broadly representative of the skills and experience necessary to
 91.34 effectuate the policy of sections 116.01 to 116.075, except that no member other than the

92.1 commissioner shall be an officer or employee of the state or federal government. Only two
 92.2 members at one time may be officials or employees of a municipality or any governmental
 92.3 subdivision, but neither may be a member ex officio or otherwise on the management
 92.4 board of a municipal sanitary sewage disposal system. One of the members shall have
 92.5 expertise in agriculture, one of the members shall have expertise in forestry, one of the
 92.6 members shall have expertise in mining, and one of the members shall be a representative
 92.7 of organized labor. No more than one-half of the Minnesota Pollution Control Agency
 92.8 Citizens' Board membership may reside in the metropolitan area, as defined in section
 92.9 473.121, subdivision 2.

92.10 Subd. 4. **Chair.** The commissioner shall serve as chair of the agency Minnesota
 92.11 Pollution Control Agency Citizens' Board. The agency Minnesota Pollution Control
 92.12 Agency Citizens' Board shall elect ~~such~~ other officers as it deems necessary.

92.13 Subd. 5. **Agency is successor to commission.** The Pollution Control Agency is
 92.14 the successor of the Water Pollution Control Commission, and all powers and duties
 92.15 now vested in or imposed upon said commission by chapter 115, or any act amendatory
 92.16 thereof or supplementary thereto, are hereby transferred to, imposed upon, and vested
 92.17 in the Minnesota Pollution Control Agency, except as to those matters pending before
 92.18 the commission in which hearings have been held and evidence has been adduced. The
 92.19 Water Pollution Commission shall complete its action in such pending matters not later
 92.20 than six months from May 26, 1967. The Water Pollution Control Commission, as
 92.21 heretofore constituted, is hereby abolished, (a) effective upon completion of its action in
 92.22 the pending cases, as hereinbefore provided for; or (b) six months from May 26, 1967,
 92.23 whichever is the earlier.

92.24 Subd. 6. ~~Required decisions~~ **Duties of the board.** The agency Minnesota Pollution
 92.25 Control Agency Citizens' Board shall ~~make final decisions on the following matters:~~

92.26 (1) ~~a petition for the preparation of an environmental assessment worksheet, if the~~
 92.27 ~~project proposer or a person commenting on the proposal requests that the decision be~~
 92.28 ~~made by the agency and the agency requests that it make the decision under subdivision 8;~~

92.29 (2) ~~the need for an environmental impact statement following preparation of an~~
 92.30 ~~environmental assessment worksheet under applicable rules, if:~~

92.31 (i) ~~the agency has received a request for an environmental impact statement;~~

92.32 (ii) ~~the project proposer or a person commenting on the proposal requests that the~~
 92.33 ~~declaration be made by the agency and the agency requests that it make the decision~~
 92.34 ~~under subdivision 8; or~~

92.35 (iii) ~~the commissioner is recommending preparation of an environmental impact~~
 92.36 ~~statement;~~

- 93.1 ~~(3) the scope and adequacy of environmental impact statements;~~
 93.2 ~~(4) issuance, reissuance, modification, or revocation of a permit if:~~
 93.3 ~~(i) a variance is sought in the permit application or a contested case hearing request~~
 93.4 ~~is pending; or~~
 93.5 ~~(ii) the permit applicant, the permittee, or a person commenting on the permit action~~
 93.6 ~~requests that the decision be made by the agency and the agency requests that it make~~
 93.7 ~~the decision under subdivision 8;~~
 93.8 ~~(5) (1) make final decisions on adoption or amendment of agency rules for which a~~
 93.9 ~~public hearing is required under section 14.25 or for which the commissioner decides to~~
 93.10 ~~proceed directly to a public hearing under section 14.14, subdivision 1;~~
 93.11 ~~(6) approval or denial of an application for a variance from an agency rule if:~~
 93.12 ~~(i) granting the variance request would change an air, soil, or water quality standard;~~
 93.13 ~~(ii) the commissioner has determined that granting the variance would have a~~
 93.14 ~~significant environmental impact; or~~
 93.15 ~~(iii) the applicant or a person commenting on the variance request requests that the~~
 93.16 ~~decision be made by the agency and the agency requests that it make the decision under~~
 93.17 ~~subdivision 8 (2) provide advice to the commissioner upon request of the commissioner;~~
 93.18 ~~and~~
 93.19 ~~(7) whether to reopen, rescind, or reverse a decision of the agency (3) conduct public~~
 93.20 ~~meetings and prepare comments as provided under subdivision 11.~~

93.21 ~~Subd. 7. **Additional decisions.** The commissioner may request that the agency~~
 93.22 ~~make additional decisions or provide advice to the commissioner.~~

93.23 ~~Subd. 8. **Other actions.** Any other action not specifically within the authority of the~~
 93.24 ~~commissioner shall be made by the agency if:~~

93.25 ~~(1) prior to the commissioner's final decision on the action, one or more members~~
 93.26 ~~of the agency notify the commissioner of their request that the decision be made by the~~
 93.27 ~~agency; or~~

93.28 ~~(2) any person submits a petition to the commissioner requesting that the decision be~~
 93.29 ~~made by the agency and the commissioner grants the petition.~~

93.30 ~~If the commissioner denies a petition submitted under clause (2), the commissioner~~
 93.31 ~~shall advise the agency and the petitioner of the reasons for the denial.~~

93.32 ~~Subd. 9. **Informing public.** The commissioner shall inform interested persons as~~
 93.33 ~~appropriate in public notices and other public documents of their right to request the~~
 93.34 ~~agency Minnesota Pollution Control Agency Citizens' Board to make decisions in hold~~
 93.35 ~~public information hearings on specific matters as provided in subdivision 6 and the~~
 93.36 ~~right of agency members to request that decisions be made by the agency as provided in~~

94.1 ~~subdivision 8~~ 11. The commissioner shall also regularly inform the agency Minnesota
 94.2 Pollution Control Agency Citizens' Board of activities that have broad policy implications
 94.3 or potential environmental significance and of activities in which the public has exhibited
 94.4 substantial interest.

94.5 ~~Subd. 10. **Changing decisions.** (a) The agency must not reopen, reseind, or reverse~~
 94.6 ~~a decision of the agency except upon:~~

94.7 ~~(1) the affirmative vote of two-thirds of the agency; or~~

94.8 ~~(2) a finding that there was an irregularity in a hearing related to the decision, an~~
 94.9 ~~error of law, or a newly discovered material issue of fact.~~

94.10 ~~(b) The requirements in paragraph (a) are minimum requirements and do not limit~~
 94.11 ~~the agency's authority under sections 14.06 and 116.07, subdivision 3, to adopt rules:~~

94.12 ~~(1) applying the requirement in paragraph (a), clause (1) or (2), to certain decisions~~
 94.13 ~~of the agency; or~~

94.14 ~~(2) establishing additional or more stringent requirements for reopening, reseinding,~~
 94.15 ~~or reversing decisions of the agency.~~

94.16 Subd. 11. **Petition for public hearing.** (a) A person may request that the Minnesota
 94.17 Pollution Control Agency Citizens' Board hold a public hearing by filing a petition that
 94.18 contains the signatures and mailing addresses of at least 25 individuals who reside or own
 94.19 property in the state on the following agency matters:

94.20 (1) a petition for the preparation of an environmental assessment worksheet;

94.21 (2) the need for an environmental impact statement following completion of an
 94.22 environmental assessment worksheet;

94.23 (3) the scope and adequacy of an environmental impact statement;

94.24 (4) issuance, reissuance, modification, or revocation of a permit if a variance is
 94.25 sought in the permit application or a contested case hearing request is pending; and

94.26 (5) approval or denial of an application for a variance from an agency rule if:

94.27 (i) granting the variance request would change an air, soil, or water quality standard;

94.28 or

94.29 (ii) the commissioner has determined that granting the variance would have a
 94.30 significant environmental impact.

94.31 (b) A petition filed under this subdivision must be submitted to the Minnesota
 94.32 Pollution Control Agency Citizens' Board within 30 days of the agency providing public
 94.33 notice of the matter.

94.34 (c) The Minnesota Pollution Control Agency Citizens' Board shall hold a public
 94.35 hearing within 30 days of receiving a petition under this subdivision. The board may
 94.36 address more than one petition at a public hearing. The commissioner shall prepare a

95.1 notice of the public hearing and publish the notice in a newspaper of general circulation in
 95.2 the geographical area or areas affected and notify local governments and other interested
 95.3 parties as determined by the commissioner. Following the hearing, the board shall compile
 95.4 and submit comments received during the hearing to the commissioner for review.

95.5 Sec. 102. Minnesota Statutes 2014, section 116.03, subdivision 1, is amended to read:

95.6 Subdivision 1. **Office.** (a) The Office of Commissioner of the Pollution Control
 95.7 Agency is created and is under the supervision and control of the commissioner, who is
 95.8 appointed by the governor under the provisions of section 15.06.

95.9 (b) The commissioner may appoint a deputy commissioner and assistant
 95.10 commissioners who shall be in the unclassified service.

95.11 (c) The commissioner shall make all decisions on behalf of the agency ~~that are~~
 95.12 ~~not required to be made by the agency~~ except for rulemaking decisions made by the
 95.13 Minnesota Pollution Control Agency Citizens' Board under section 116.02.

95.14 Sec. 103. Minnesota Statutes 2014, section 116.07, subdivision 4d, is amended to read:

95.15 Subd. 4d. **Permit fees.** (a) The agency may collect permit fees in amounts not greater
 95.16 than those necessary to cover the reasonable costs of developing, reviewing, and acting
 95.17 upon applications for agency permits and implementing and enforcing the conditions of
 95.18 the permits pursuant to agency rules. Permit fees shall not include the costs of litigation.
 95.19 The fee schedule must reflect reasonable and routine direct and indirect costs associated
 95.20 with permitting, implementation, and enforcement. The agency may impose an additional
 95.21 enforcement fee to be collected for a period of up to two years to cover the reasonable costs
 95.22 of implementing and enforcing the conditions of a permit under the rules of the agency.
 95.23 Any money collected under this paragraph shall be deposited in the environmental fund.

95.24 (b) Notwithstanding paragraph (a), the agency shall collect an annual fee from
 95.25 the owner or operator of all stationary sources, emission facilities, emissions units, air
 95.26 contaminant treatment facilities, treatment facilities, potential air contaminant storage
 95.27 facilities, or storage facilities ~~subject to the requirement to obtain a permit a notification,~~
 95.28 ~~permit, or license requirement~~ under subchapter this chapter, subchapters I and V of
 95.29 the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or section
 95.30 ~~116.081~~ or rules adopted thereunder. The annual fee shall be used to pay for all direct
 95.31 and indirect reasonable costs, including ~~attorney general~~ legal costs, required to develop
 95.32 and administer the notification, permit, or license program requirements of ~~subchapter~~
 95.33 this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title
 95.34 42, section 7401 et seq., and sections of this chapter and the or rules adopted under

96.1 ~~this chapter related to air contamination and noise~~ thereunder. Those costs include the
96.2 reasonable costs of reviewing and acting upon an application for a permit; implementing
96.3 and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient,
96.4 and deposition monitoring; preparing generally applicable regulations; responding to
96.5 federal guidance; modeling, analyses, and demonstrations; preparing inventories and
96.6 tracking emissions; and providing information to the public about these activities.

96.7 (c) The agency shall set fees that:

96.8 (1) will result in the collection, in the aggregate, from the sources listed in paragraph
96.9 (b), of an amount not less than \$25 per ton of each volatile organic compound; pollutant
96.10 regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112
96.11 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a
96.12 national primary ambient air quality standard has been promulgated;

96.13 (2) may result in the collection, in the aggregate, from the sources listed in paragraph
96.14 (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (1) that is
96.15 regulated under this chapter or air quality rules adopted under this chapter; and

96.16 (3) shall collect, in the aggregate, from the sources listed in paragraph (b), the
96.17 amount needed to match grant funds received by the state under United States Code, title
96.18 42, section 7405 (section 105 of the federal Clean Air Act).

96.19 The agency must not include in the calculation of the aggregate amount to be collected
96.20 under clauses (1) and (2) any amount in excess of 4,000 tons per year of each air pollutant
96.21 from a source. The increase in air permit fees to match federal grant funds shall be a
96.22 surcharge on existing fees. The commissioner may not collect the surcharge after the grant
96.23 funds become unavailable. In addition, the commissioner shall use nonfee funds to the
96.24 extent practical to match the grant funds so that the fee surcharge is minimized.

96.25 (d) To cover the reasonable costs described in paragraph (b), the agency shall provide
96.26 in the rules promulgated under paragraph (c) for an increase in the fee collected in each year
96.27 by the percentage, if any, by which the Consumer Price Index for the most recent calendar
96.28 year ending before the beginning of the year the fee is collected exceeds the Consumer Price
96.29 Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index
96.30 for any calendar year is the average of the Consumer Price Index for all-urban consumers
96.31 published by the United States Department of Labor, as of the close of the 12-month period
96.32 ending on August 31 of each calendar year. The revision of the Consumer Price Index that
96.33 is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

96.34 (e) Any money collected under paragraphs (b) to (d) must be deposited in the
96.35 environmental fund and must be used solely for the activities listed in paragraph (b).

97.1 (f) Permit applicants who wish to construct, reconstruct, or modify a facility may
97.2 offer to reimburse the agency for the costs of staff time or consultant services needed to
97.3 expedite the permit development process, including the analysis of environmental review
97.4 documents. The reimbursement shall be in addition to permit application fees imposed by
97.5 law. When the agency determines that it needs additional resources to develop the permit
97.6 application in an expedited manner, and that expediting the development is consistent with
97.7 permitting program priorities, the agency may accept the reimbursement. Reimbursements
97.8 accepted by the agency are appropriated to the agency for the purpose of developing
97.9 the permit or analyzing environmental review documents. Reimbursement by a permit
97.10 applicant shall precede and not be contingent upon issuance of a permit; shall not affect
97.11 the agency's decision on whether to issue or deny a permit, what conditions are included
97.12 in a permit, or the application of state and federal statutes and rules governing permit
97.13 determinations; and shall not affect final decisions regarding environmental review.

97.14 (g) The fees under this subdivision are exempt from section 16A.1285.

97.15 Sec. 104. Minnesota Statutes 2014, section 116.07, subdivision 4j, is amended to read:

97.16 Subd. 4j. **Permits; solid waste facilities.** (a) The agency may not issue a permit
97.17 for new or additional capacity for a mixed municipal solid waste resource recovery or
97.18 disposal facility as defined in section 115A.03 unless each county using or projected in
97.19 the permit to use the facility has in place a solid waste management plan approved under
97.20 section 115A.46 or 473.803 and amended as required by section 115A.96, subdivision 6.
97.21 The agency shall issue the permit only if the capacity of the facility is consistent with the
97.22 needs for resource recovery or disposal capacity identified in the approved plan or plans.
97.23 Consistency must be determined by the Pollution Control Agency. Plans approved before
97.24 January 1, 1990, need not be revised if the capacity sought in the permit is consistent
97.25 with the approved plan or plans.

97.26 (b) The agency shall require as part of the permit application for a waste incineration
97.27 facility identification of preliminary plans for ash management and ash leachate treatment
97.28 or ash utilization. The permit issued by the agency must include requirements for ash
97.29 management and ash leachate treatment.

97.30 (c) Within 180 days of receipt of a completed application, the agency shall approve,
97.31 disapprove, or delay decision on the application, with reasons for the delay, in writing.

97.32 (d) The agency may not issue a permit for a new disposal facility, as defined in
97.33 section 115A.03, subdivision 10, or a permit to expand an existing disposal facility unless:

97.34 (1) all local units of government in which the facility is to be sited and exercising
97.35 their respective land use and zoning authority pursuant to Minnesota Statutes, chapters

98.1 366, 494, or 462 have granted approval for the new or expanded facility prior to the
 98.2 issuance of the permit;

98.3 (2) all local units of government in which the facility is to be sited and exercising
 98.4 their respective land use and zoning authority pursuant to Minnesota Statutes, chapters
 98.5 366, 494, or 462 have authorized the permit to be issued prior to or concurrent with the
 98.6 required approval by the local unit of government; or

98.7 (3) the new or expanded facility is part of and will be sited on land already identified
 98.8 in an approved solid waste management plan as described in paragraph (a)

98.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

98.10 Sec. 105. Minnesota Statutes 2014, section 116.07, subdivision 7, is amended to read:

98.11 Subd. 7. **Counties; processing of applications for animal lot permits.** Any
 98.12 Minnesota county board may, by resolution, with approval of the Pollution Control
 98.13 Agency, assume responsibility for processing applications for permits required by the
 98.14 Pollution Control Agency under this section for livestock feedlots, poultry lots or other
 98.15 animal lots. The responsibility for permit application processing, if assumed by a county,
 98.16 may be delegated by the county board to any appropriate county officer or employee.

98.17 (a) For the purposes of this subdivision, the term "processing" includes:

98.18 (1) the distribution to applicants of forms provided by the Pollution Control Agency;

98.19 (2) the receipt and examination of completed application forms, and the certification,
 98.20 in writing, to the Pollution Control Agency either that the animal lot facility for which a
 98.21 permit is sought by an applicant will comply with applicable rules and standards, or, if
 98.22 the facility will not comply, the respects in which a variance would be required for the
 98.23 issuance of a permit; and

98.24 (3) rendering to applicants, upon request, assistance necessary for the proper
 98.25 completion of an application.

98.26 (b) For the purposes of this subdivision, the term "processing" may include, at the
 98.27 option of the county board, issuing, denying, modifying, imposing conditions upon, or
 98.28 revoking permits pursuant to the provisions of this section or rules promulgated pursuant
 98.29 to it, subject to review, suspension, and reversal by the Pollution Control Agency. The
 98.30 Pollution Control Agency shall, after written notification, have 15 days to review, suspend,
 98.31 modify, or reverse the issuance of the permit. After this period, the action of the county
 98.32 board is final, subject to appeal as provided in chapter 14. For permit applications filed
 98.33 after October 1, 2001, section 15.99 applies to feedlot permits issued by the agency or a
 98.34 county pursuant to this subdivision.

99.1 (c) For the purpose of administration of rules adopted under this subdivision, the
99.2 commissioner and the agency may provide exceptions for cases where the owner of a
99.3 feedlot has specific written plans to close the feedlot within five years. These exceptions
99.4 include waiving requirements for major capital improvements.

99.5 (d) For purposes of this subdivision, a discharge caused by an extraordinary natural
99.6 event such as a precipitation event of greater magnitude than the 25-year, 24-hour event,
99.7 tornado, or flood in excess of the 100-year flood is not a "direct discharge of pollutants."

99.8 (e) In adopting and enforcing rules under this subdivision, the commissioner shall
99.9 cooperate closely with other governmental agencies.

99.10 (f) The Pollution Control Agency shall work with the Minnesota Extension Service,
99.11 the Department of Agriculture, the Board of Water and Soil Resources, producer groups,
99.12 local units of government, as well as with appropriate federal agencies such as the Natural
99.13 Resources Conservation Service and the Farm Service Agency, to notify and educate
99.14 producers of rules under this subdivision at the time the rules are being developed and
99.15 adopted and at least every two years thereafter.

99.16 (g) The Pollution Control Agency shall adopt rules governing the issuance and
99.17 denial of permits for livestock feedlots, poultry lots or other animal lots pursuant to this
99.18 section. Pastures are exempt from the rules authorized under this paragraph. A feedlot
99.19 permit is not required for livestock feedlots with more than ten but less than 50 animal
99.20 units; provided they are not in shoreland areas. A livestock feedlot permit does not
99.21 become required solely because of a change in the ownership of the buildings, grounds,
99.22 or feedlot. These rules apply both to permits issued by counties and to permits issued
99.23 by the Pollution Control Agency directly.

99.24 (h) The Pollution Control Agency shall exercise supervising authority with respect
99.25 to the processing of animal lot permit applications by a county.

99.26 (i) Any new rules or amendments to existing rules proposed under the authority
99.27 granted in this subdivision, or to implement new fees on animal feedlots, must be
99.28 submitted to the members of legislative policy and finance committees with jurisdiction
99.29 over agriculture and the environment prior to final adoption. The rules must not become
99.30 effective until 90 days after the proposed rules are submitted to the members.

99.31 (j) Until new rules are adopted that provide for plans for manure storage structures,
99.32 any plans for a liquid manure storage structure must be prepared or approved by a
99.33 registered professional engineer or a United States Department of Agriculture, Natural
99.34 Resources Conservation Service employee.

99.35 (k) A county may adopt by ordinance standards for animal feedlots that are more
99.36 stringent than standards in Pollution Control Agency rules.

100.1 (l) After January 1, 2001, a county that has not accepted delegation of the feedlot
100.2 permit program must hold a public meeting prior to the agency issuing a feedlot permit
100.3 for a feedlot facility with 300 or more animal units, unless another public meeting has
100.4 been held with regard to the feedlot facility to be permitted.

100.5 (m) After the proposed rules published in the State Register, volume 24, number 25,
100.6 are finally adopted, the agency may not impose additional conditions as a part of a feedlot
100.7 permit, unless specifically required by law or agreed to by the feedlot operator.

100.8 (n) For the purposes of feedlot permitting, a discharge from land-applied manure
100.9 or a manure stockpile that is managed according to agency rule must not be subject to
100.10 a fine for a discharge violation.

100.11 (o) For the purposes of feedlot permitting, manure that is land applied, or a manure
100.12 stockpile that is managed according to agency rule, must not be considered a discharge
100.13 into waters of the state, unless the discharge is to waters of the state, as defined by
100.14 section 103G.005, subdivision 17, except type 1 or type 2 wetlands, as defined in section
100.15 103G.005, subdivision 17b, and does not meet discharge standards established for feedlots
100.16 under agency rule.

100.17 (p) Unless the upgrade is needed to correct an immediate public health threat under
100.18 section 145A.04, subdivision 8, or the facility is determined to be a concentrated animal
100.19 feeding operation under Code of Federal Regulations, title 40, section 122.23, in effect on
100.20 April 15, 2003, the agency may not require a feedlot operator:

100.21 (1) to spend more than \$3,000 to upgrade an existing feedlot with less than 300
100.22 animal units unless cost-share money is available to the feedlot operator for 75 percent of
100.23 the cost of the upgrade; or

100.24 (2) to spend more than \$10,000 to upgrade an existing feedlot with between 300
100.25 and 500 animal units, unless cost-share money is available to the feedlot operator for 75
100.26 percent of the cost of the upgrade or \$50,000, whichever is less.

100.27 (q) For the purposes of this section, "pastures" means areas, including winter feeding
100.28 areas as part of a grazing area, where grass or other growing plants are used for grazing
100.29 and where the concentration of animals allows a vegetative cover to be maintained during
100.30 the growing season except that vegetative cover is not required:

100.31 (1) in the immediate vicinity of supplemental feeding or watering devices;

100.32 (2) in associated corrals and chutes where livestock are gathered for the purpose of
100.33 sorting, veterinary services, loading and unloading trucks and trailers, and other necessary
100.34 activities related to good animal husbandry practices; and

100.35 (3) in associated livestock access lanes used to convey livestock to and from areas
100.36 of the pasture.

101.1 (r) A feedlot operator who stores and applies up to 100,000 gallons per calendar year
101.2 of private truck wash wastewater resulting from trucks that transport animals or supplies
101.3 to and from the feedlot does not require a permit to land apply industrial byproducts if the
101.4 feedlot operator stores and applies the wastewater in accordance with Pollution Control
101.5 Agency requirements for land applications of industrial byproduct that do not require
101.6 a permit.

101.7 (s) A feedlot operator who holds a permit from the Pollution Control Agency to land
101.8 apply industrial byproducts from a private truck wash is not required to have a certified
101.9 land applicator apply the private truck wash wastewater if the wastewater is applied by the
101.10 feedlot operator to cropland owned or leased by the feedlot operator or by a commercial
101.11 animal waste technician licensed by the commissioner of agriculture under chapter 18C.
101.12 For purposes of this paragraph and paragraph (r), "private truck wash" means a truck
101.13 washing facility owned or leased, operated, and used only by a feedlot operator to wash
101.14 trucks owned or leased by the feedlot operator and used to transport animals or supplies
101.15 to and from the feedlot.

101.16 Sec. 106. Minnesota Statutes 2014, section 116.07, is amended by adding a subdivision
101.17 to read:

101.18 Subd. 13. **Limitation regarding certain policies, guidelines and other nonbinding**
101.19 **interpretive statements.** The commissioner shall not seek to implement or enforce against
101.20 any entity or permittee a policy, guideline, or other nonbinding interpretive statement that
101.21 meets the definition of a rule under chapter 14 if the policy, guideline, or other nonbinding
101.22 interpretive statement has not been adopted as a rule in accordance with chapter 14.

101.23 Sec. 107. Minnesota Statutes 2014, section 116D.04, is amended by adding a
101.24 subdivision to read:

101.25 Subd. 17. **Discretionary review notification.** The commissioners of natural
101.26 resources and the Pollution Control Agency, when ordering the preparation of a
101.27 discretionary environmental impact statement or environmental assessment worksheet
101.28 for a proposed action, must notify the proposer of the action by certified mail at least
101.29 90 days prior to making the order public.

101.30 Sec. 108. Minnesota Statutes 2014, section 144.12, is amended by adding a subdivision
101.31 to read:

102.1 Subd. 4. **Camper cabins and bunk houses.** Camper cabins and bunk houses are
102.2 exempt from floor space, air space, or bed spacing requirements applicable to lodging
102.3 establishments adopted by the commissioner. For the purposes of this section:

102.4 (1) "bunk house" means a building, structure, or enclosure intended to sleep more
102.5 than one person for up to three nights that does not include a kitchen or bathroom; and

102.6 (2) "camper cabin" means a permanent rustic enclosure with walls and a floor
102.7 that does not include a kitchen or bath, is located in a state park administered by the
102.8 commissioner of natural resources, at a resort as defined under section 157.15, subdivision
102.9 11, or at a recreational camping area as defined under section 327.14, subdivision 8, and
102.10 that is intended to be a place where sleeping accommodations are furnished to the public.

102.11 Sec. 109. Minnesota Statutes 2014, section 171.07, is amended by adding a subdivision
102.12 to read:

102.13 Subd. 18. **All-terrain vehicle safety certificate.** (a) The department shall maintain
102.14 in its records information transmitted electronically from the commissioner of natural
102.15 resources identifying each person to whom the commissioner has issued an all-terrain
102.16 vehicle safety certificate. The records transmitted from the Department of Natural
102.17 Resources must contain the full name and date of birth as required for the driver's license
102.18 or identification card. Records that are not matched to a driver's license or identification
102.19 card record may be deleted after seven years.

102.20 (b) After receiving information under paragraph (a) that a person has received an
102.21 all-terrain vehicle safety certificate, the department shall include, on all drivers' licenses
102.22 or Minnesota identification cards subsequently issued to the person, a graphic or written
102.23 indication that the person has received the certificate.

102.24 (c) If a person who has received an all-terrain vehicle safety certificate applies
102.25 for a driver's license or Minnesota identification card before that information has been
102.26 transmitted to the department, the department may accept a copy of the certificate as proof
102.27 of its issuance and shall then follow the procedures in paragraph (b).

102.28 **EFFECTIVE DATE.** This section is effective January 1, 2016, or the date the new
102.29 driver and vehicle services information technology system is implemented, whichever
102.30 comes later.

102.31 Sec. 110. Minnesota Statutes 2014, section 282.011, subdivision 3, is amended to read:

102.32 Subd. 3. **Title examination.** The commissioner of revenue shall, if requested by the
102.33 purchaser or the county attorney of the county where all or a portion of the land is situated,
102.34 deliver the deed to the county attorney for use under Minnesota Statutes 2014, section

103.1 88.48, subdivision 5, but such delivery shall not be considered delivery to the purchaser.
103.2 The county attorney shall be instructed when taking the transferral of the deed that said
103.3 deed shall not be delivered to the purchaser unless the land involved is accepted as and
103.4 placed into an auxiliary forest.

103.5 Sec. 111. **[325E.382] CERTAIN PRODUCTS CONTAINING MICROBEADS**
103.6 **PROHIBITED.**

103.7 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms
103.8 have the meanings given.

103.9 (b) "Over-the-counter drug" means a drug that is a personal care product that
103.10 contains a label that identifies the product as a drug as required by Code of Federal
103.11 Regulations, title 21, section 201.66. An "over-the-counter drug" label includes:

103.12 (1) a drug facts panel; or

103.13 (2) a statement of the active ingredients with a list of those ingredients contained in
103.14 the compound, substance, or preparation.

103.15 (c) "Personal care product" means any article intended to be rubbed, poured,
103.16 sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or
103.17 any part thereof for cleansing, beautifying, promoting attractiveness, or altering the
103.18 appearance, and any article intended for use as a component of any such article. "Personal
103.19 care product" does not include prescription drugs.

103.20 (d) "Plastic" means a synthetic material made from linking monomers through
103.21 a chemical reaction to create an organic polymer chain that can be molded or extruded
103.22 at high heat into various solid forms retaining their defined shapes during life cycle and
103.23 after disposal.

103.24 (e) "Synthetic plastic microbead" means any intentionally added nonbiodegradable
103.25 solid plastic particle measured less than five millimeters in size and used to exfoliate
103.26 or cleanse in a rinse-off product.

103.27 Subd. 2. **Prohibitions.** (a) Effective December 31, 2017, no person shall
103.28 manufacture for sale a personal care product, except for an over-the-counter drug, that
103.29 contains synthetic plastic microbeads.

103.30 (b) Effective December 31, 2018, no person shall accept for sale a personal care
103.31 product, except for an over-the-counter drug, that contains synthetic plastic microbeads.

103.32 (c) Effective December 31, 2018, no person shall manufacture for sale an
103.33 over-the-counter drug that contains synthetic plastic microbeads.

103.34 (d) Effective December 31, 2019, no person shall accept for sale an over-the-counter
103.35 drug that contains synthetic plastic microbeads.

104.1 Subd. 3. **Preemption.** This section preempts any ordinance or resolution of a
104.2 municipality, county, or any other local government entity concerning synthetic plastic
104.3 microbeads.

104.4 Sec. 112. Minnesota Statutes 2014, section 446A.073, subdivision 1, is amended to read:

104.5 Subdivision 1. **Program established.** When money is appropriated for grants
104.6 under this program, the authority shall award grants up to a maximum of \$3,000,000 to
104.7 governmental units to cover up to one-half the cost of ~~wastewater treatment or storm water~~
104.8 infrastructure projects made necessary by:

104.9 (1) a wasteload reduction prescribed under a total maximum daily load plan required
104.10 by section 303(d) of the federal Clean Water Act, United States Code, title 33, section
104.11 1313(d);

104.12 (2) a phosphorus concentration or mass limit which requires discharging one
104.13 milligram per liter or less at permitted design flow which is incorporated into a permit
104.14 issued by the Pollution Control Agency;

104.15 (3) any other water quality-based effluent limit established under section 115.03,
104.16 subdivision 1, paragraph (e), clause (8), and incorporated into a permit issued by the
104.17 Pollution Control Agency that exceeds secondary treatment limits; or

104.18 (4) a total nitrogen limit of ten milligrams per liter or less for a land-based treatment
104.19 system.

104.20 Sec. 113. Minnesota Statutes 2014, section 446A.073, subdivision 3, is amended to read:

104.21 Subd. 3. **Project priorities.** When money is appropriated for grants under this
104.22 program, the authority shall accept applications during the month of July and reserve
104.23 money for projects expected to proceed with construction by the end of the fiscal year in
104.24 the order listed on the Pollution Control Agency's project priority list and in an amount
104.25 based on the cost estimate submitted to the authority in the grant application or the as-bid
104.26 costs, whichever is less. Notwithstanding Minnesota Rules, chapter 7077, the Pollution
104.27 Control Agency may rank a drinking water infrastructure project on its project priority list
104.28 that is necessary to meet the applicable requirement in subdivision 1.

104.29 Sec. 114. Minnesota Statutes 2014, section 446A.073, subdivision 4, is amended to read:

104.30 Subd. 4. **Grant approval.** The authority must make a grant for an eligible project
104.31 only after:

104.32 (1) the applicant has submitted the as-bid cost for the ~~wastewater treatment or storm~~
104.33 water infrastructure project;

105.1 (2) the Pollution Control Agency has approved the as-bid costs and certified the
105.2 grant eligible portion of the project; and

105.3 (3) the authority has determined that the additional financing necessary to complete
105.4 the project has been committed from other sources.

105.5 Sec. 115. Minnesota Statutes 2014, section 473.1565, is amended to read:

105.6 **473.1565 METROPOLITAN AREA WATER SUPPLY PLANNING**
105.7 **ACTIVITIES; ADVISORY ~~COMMITTEE~~ COMMITTEES.**

105.8 Subdivision 1. **Planning activities.** (a) The Metropolitan Council must carry out
105.9 planning activities addressing the water supply needs of the metropolitan area as defined
105.10 in section 473.121, subdivision 2. The planning activities must include, at a minimum:

105.11 (1) development and maintenance of a base of technical information needed for
105.12 sound water supply decisions including surface and groundwater availability analyses,
105.13 water demand projections, water withdrawal and use impact analyses, modeling, and
105.14 similar studies;

105.15 (2) development and periodic update of a metropolitan area master water supply
105.16 plan, prepared in cooperation with and subject to the approval of the ~~commissioner of~~
105.17 ~~natural resources~~ policy advisory committee established in this section, that:

105.18 (i) provides guidance for local water supply systems and future regional investments;

105.19 (ii) emphasizes conservation, interjurisdictional cooperation, and long-term
105.20 sustainability; and

105.21 (iii) addresses the reliability, security, and cost-effectiveness of the metropolitan area
105.22 water supply system and its local and subregional components;

105.23 (3) recommendations for clarifying the appropriate roles and responsibilities of
105.24 local, regional, and state government in metropolitan area water supply;

105.25 (4) recommendations for streamlining and consolidating metropolitan area water
105.26 supply decision-making and approval processes; and

105.27 (5) recommendations for the ongoing and long-term funding of metropolitan area
105.28 water supply planning activities and capital investments.

105.29 (b) The council must carry out the planning activities in this subdivision in
105.30 consultation with the Metropolitan Area Water Supply Policy and Technical Advisory
105.31 Committee Committees established in ~~subdivision 2~~ this section.

105.32 Subd. 2. **Policy advisory committee.** (a) A Metropolitan Area Water Supply
105.33 Policy Advisory Committee is established to assist the council in its planning activities in
105.34 subdivision 1. The policy advisory committee has the following membership:

105.35 (1) the commissioner of agriculture or the commissioner's designee;

106.1 (2) the commissioner of health or the commissioner's designee;
 106.2 (3) the commissioner of natural resources or the commissioner's designee;

106.3 (4) the commissioner of the Pollution Control Agency or the commissioner's
 106.4 designee;

106.5 (5) two officials of counties that are located in the metropolitan area, appointed by
 106.6 the governor, in consultation with the Association of Minnesota Counties;

106.7 (6) five officials of noncounty local governmental units that are located in the
 106.8 metropolitan area, appointed by the governor, in consultation with the Association of
 106.9 Metropolitan Municipalities;

106.10 (7) the chair of the Metropolitan Council or the chair's designee, who is chair of the
 106.11 advisory committee; ~~and~~

106.12 (8) one official each from the counties of Chisago, Isanti, Sherburne, and Wright,
 106.13 appointed by the governor, in consultation with the Association of Minnesota Counties
 106.14 and the League of Minnesota Cities; and

106.15 (9) a member of the Board of Water Commissioners of the Saint Paul Regional Water
 106.16 Services, appointed by and serving at the pleasure of the Board of Water Commissioners,
 106.17 and a representative of the Minneapolis Water Department, appointed by and serving at
 106.18 the pleasure of the mayor of the city of Minneapolis.

106.19 A local government unit in each of the seven counties in the metropolitan area
 106.20 and Chisago, Isanti, Sherburne, and Wright Counties must be represented in the 11
 106.21 appointments made under clauses (5), (6), and (8).

106.22 (b) Members of the advisory committee appointed by the governor serve at the
 106.23 pleasure of the governor. Members of the advisory committee serve without compensation
 106.24 but may be reimbursed for their reasonable expenses as determined by the Metropolitan
 106.25 Council. ~~The advisory committee expires December 31, 2016.~~

106.26 (c) The council must consider the work and recommendations of the policy advisory
 106.27 committee when the council is preparing its regional development framework.

106.28 Subd. 2a. Technical advisory committee. A Metropolitan Area Water Supply
 106.29 Technical Advisory Committee is established to inform the policy advisory committee's
 106.30 work by providing scientific and engineering expertise necessary to provide the region an
 106.31 adequate and sustainable water supply. The technical advisory committee consists of 11
 106.32 members appointed by the policy advisory committee as follows:

106.33 (1) six members to represent operators of single-city and multicity public water
 106.34 supply systems in the metropolitan area;

106.35 (2) a hydrologist with expertise in groundwater analysis and modeling;

106.36 (3) a hydrologist with expertise in surface water analysis and modeling;

107.1 (4) an engineer with expertise in the design and construction of water supply systems;
107.2 (5) a person with expertise in population and demographic forecasting and modeling;
107.3 and
107.4 (6) a person with expertise in water demand forecasting.

107.5 Members of the technical advisory committee serve at the pleasure of the policy advisory
107.6 committee, without compensation, but may be reimbursed for their reasonable expenses as
107.7 determined by the council.

107.8 **Subd. 3. Reports to legislature.** (a) The council must submit reports to the
107.9 legislature regarding its findings, recommendations, and continuing planning activities
107.10 under subdivision 1. These reports shall be included in the "Minnesota Water Plan"
107.11 required in section 103B.151, and five-year interim reports may be provided as necessary.

107.12 (b) By February 15, 2017, and at least every five years thereafter, the policy advisory
107.13 committee shall report to the council and the chairs and ranking minority members of
107.14 the house of representatives and senate committees and divisions with jurisdiction over
107.15 environment and natural resources with the information required under this section. The
107.16 policy advisory committee's report and recommendations must include information
107.17 provided by the technical advisory committee.

107.18 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
107.19 final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
107.20 Scott, and Washington.

107.21 **Sec. 116. SURPLUS STATE LAND SALES.**

107.22 The school trust lands director shall identify at least \$5,000,000 in state-owned
107.23 lands suitable for sale and notify the commissioner of natural resources of the identified
107.24 lands. The lands identified shall not be within a unit of the outdoor recreation system
107.25 under Minnesota Statutes, section 86A.05, an administrative site, or trust land. The
107.26 commissioner shall sell at least \$3,000,000 worth of lands identified by the school trust
107.27 lands director by June 30, 2017. Notwithstanding Minnesota Statutes, section 94.16,
107.28 subdivision 3, or any other law to the contrary, the amount of the proceeds from the sale of
107.29 lands that exceeds the actual expenses of selling the lands must be deposited in the school
107.30 trust lands account and used to extinguish the school trust interest as provided under
107.31 Minnesota Statutes, section 92.83, on school trust lands that have public water access
107.32 sites or old growth forests located on them.

107.33 **Sec. 117. REQUIRED RULEMAKING; SUBSURFACE SEWAGE TREATMENT**
107.34 **SYSTEMS.**

108.1 The commissioner of the Pollution Control Agency shall adopt rules, using the
108.2 expedited rulemaking process in Minnesota Statutes, section 14.389, that set forth
108.3 procedures to conform with the changes to Minnesota Statutes, chapter 115, under this act
108.4 and to streamline the subsurface sewage treatment system (SSTS) license application and
108.5 renewal process in a manner that:

108.6 (1) surety bond and insurance requirements of licensed SSTS businesses meet the
108.7 requirements of Minnesota Statutes, chapter 115 and section 326B.46, subdivision 2; and

108.8 (2) properly trained SSTS installers may complete work on a building sewer with
108.9 respect to the Plumbing Code and plumbing program and SSTS designers and inspectors
108.10 may complete work on a building sewer connected to an SSTS with respect to the
108.11 Plumbing Code and plumbing program.

108.12 Sec. 118. **WETLAND CONSERVATION ACT REPORT.**

108.13 By March 15, 2016, the Board of Water and Soil Resources, in cooperation with the
108.14 Department of Natural Resources, shall report to the committees with jurisdiction over
108.15 environment and natural resources on the proposals to implement high priority areas for
108.16 wetland replacement and in-lieu fees for replacement and modify wetland replacement
108.17 siting and actions eligible for credit. In developing the report, the board and department
108.18 shall consult with stakeholders and agencies.

108.19 Sec. 119. **ALL-TERRAIN VEHICLE REGISTRATION TRANSITION.**

108.20 (a) A person must have an unexpired class 1 or class 2 all-terrain vehicle or off-road
108.21 vehicle registration and may continue to display the unexpired class 1 or class 2 all-terrain
108.22 vehicle or off-road vehicle registration until the electronic licensing system has been
108.23 upgraded to conform with the amendments to Minnesota Statutes, section 84.92, under
108.24 this act.

108.25 (b) When the electronic licensing system has been upgraded, a person who possesses
108.26 an unexpired class 1 or class 2 all-terrain vehicle or off-road vehicle registration may
108.27 continue to display that unexpired class 1 or class 2 all-terrain vehicle or off-road vehicle
108.28 registration until the class 1 or class 2 all-terrain vehicle or off-road vehicle registration is
108.29 renewed, transferred, or replacement registration is applied for.

108.30 Sec. 120. **ANALYSIS OF WATER QUALITY STANDARDS.**

108.31 (a) The commissioner of management and budget shall contract with a nonstate
108.32 entity for an analysis of the costs of recently adopted or proposed changes to water quality
108.33 standards and rules, including:

109.1 (1) recently adopted or proposed changes to total suspended solid, nutrient, chloride,
109.2 nitrate, and sulfate standards;

109.3 (2) proposed nondegradation rulemaking provisions;

109.4 (3) proposed changes to water quality standards to incorporate a tiered aquatic
109.5 life use framework; and

109.6 (4) changes to water quality standards, reinterpretation of water quality standards,
109.7 and water strategies or other regulatory initiatives the commissioner of the Pollution
109.8 Control Agency anticipates will be proposed in the next five years that will impact national
109.9 pollutant discharge elimination system permits.

109.10 (b) The analysis must include a cost analysis for a representative sample of at
109.11 least 15 communities. The sample must include a diverse set of communities based on
109.12 geography, watersheds, community size, wastewater facility types and operators, storm
109.13 water system types, and other factors to ensure the analysis is representative of the state as
109.14 a whole. The analysis must include:

109.15 (1) an estimate of the overall costs to upgrade wastewater and storm water systems,
109.16 including ongoing operating costs and costs associated with disposing of waste that are
109.17 likely to be incurred as a result of the recent, proposed, and anticipated changes; and

109.18 (2) an analysis of the estimated incremental impact to water quality in affected water
109.19 bodies as a direct result of the recent, proposed, and anticipated changes.

109.20 (c) The commissioner shall submit the analysis to the chairs and ranking minority
109.21 members of the committees and divisions of the house of representatives and senate with
109.22 jurisdiction over water quality standards no later than January 1, 2017.

109.23 **EFFECTIVE DATE.** This section is effective the day following final enactment.

109.24 Sec. 121. **SUSPENSION OF NEW WATER QUALITY RULES.**

109.25 Until the analysis is submitted to the legislature as required under section 2 and
109.26 the proposed amendments to Minnesota Rules, chapters 7050 and 7053, regarding total
109.27 suspended solids and eutrophication standards proposed and noticed in the State Register
109.28 on November 18, 2013, have undergone a new rulemaking process and been submitted
109.29 and approved by the legislature, the amendments to Minnesota Rules, chapters 7050 and
109.30 7053, regarding total suspended solids and eutrophication standards, are suspended and
109.31 the rules as they were prior to adoption of the amendments remain in effect.

109.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

109.33 Sec. 122. **LAKE WINNIPEG TMDL.**

110.1 The commissioner of the Pollution Control Agency must coordinate with North
110.2 Dakota and Manitoba to develop a total maximum daily load under section 303(d) of the
110.3 Clean Water Act, United States Code, title 33, section 1313(d), for nutrients and suspended
110.4 solids entering Lake Winnipeg. The total maximum daily load must include phosphorus
110.5 and suspended solids wasteload allocations for point sources and load allocations for
110.6 nonpoint sources for sources discharging these pollutants to the Red River of the North
110.7 and its tributaries. Phosphorus or suspended solids effluent limits on these point sources
110.8 shall be deferred until the total maximum daily load has been subject to public review and
110.9 comment and formally approved by the United States Environmental Protection Agency.

110.10 Sec. 123. **WILD RICE WATER QUALITY STANDARDS.**

110.11 (a) Until the commissioner of the Pollution Control Agency adopts the rules to
110.12 establish criteria for designating waters subject to a wild rice water quality standard as
110.13 required under Laws 2011, First Special Session chapter 2, article 4, section 32, paragraph
110.14 (b), and adopts the rule as required under Laws 2011, First Special Session chapter 2,
110.15 article 4, section 32, paragraph (a), designating waters containing natural beds of wild rice
110.16 that are subject to a wild rice water quality standard and designating the specific times of
110.17 year during which the standard applies, the commissioner shall not:

110.18 (1) apply the wild rice water quality standard for sulfate in class 4A waters to any
110.19 waters, including incorporating the standard or any requirements based on the standard
110.20 within any permits, compliance schedules, orders, or other control documents; or

110.21 (2) list waters containing natural beds of wild rice as impaired for sulfate under
110.22 section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313.

110.23 (b) For the purposes of this section, "waters containing natural beds of wild rice"
110.24 has the meaning given in Laws 2011, First Special Session chapter 2, article 4, section
110.25 32, paragraph (b).

110.26 Sec. 124. **LANDFILL DIVERSION; ADVISORY TASK FORCE; STUDY.**

110.27 (a) The commissioner of the Pollution Control Agency shall convene an advisory
110.28 task force to explore, develop, and analyze the environmental and financial costs
110.29 and benefits of adopting an alternative conceptual framework that fully integrates
110.30 environmentally preferable nonrecycling methods of diverting solid waste from landfills,
110.31 including waste reduction, reuse, composting, and beneficial use of solid waste, into the
110.32 state's solid waste management goals and policies. The advisory task force shall examine,
110.33 at a minimum, the following issues:

111.1 (1) existing barriers to accurately tracking and measuring environmentally preferable
111.2 methods of diversion, and how those barriers might be overcome;

111.3 (2) the implications of supplementing county recycling goals with goals that address
111.4 environmentally preferable methods of diversion or that otherwise give counties credit
111.5 and incentives for diversion via these methods;

111.6 (3) how definitions of the various methods of diversion can be amended to accord
111.7 with an alternative framework;

111.8 (4) the extent to which the state's existing solid waste management policies in
111.9 section 115A.02 are compatible with an alternative framework and what measurements
111.10 should be used to evaluate progress;

111.11 (5) the impacts an alternative framework would have on solid waste and recycling
111.12 programs in counties in and outside of the metropolitan area; and

111.13 (6) examples from other states and countries that utilize such a framework with
111.14 respect to solid waste management.

111.15 (b) By July 1, 2015, the commissioner of the Pollution Control Agency shall
111.16 designate members of the advisory task force that represent a broad array of stakeholders
111.17 with respect to solid waste and recycling issues, including, but not limited to:

111.18 (1) county solid waste officials from both large and small metropolitan and
111.19 nonmetropolitan counties, two of whom will be appointed to serve as co-chairs;

111.20 (2) solid waste officials from the Pollution Control Agency;

111.21 (3) waste haulers and landfill operators;

111.22 (4) recyclers, including recyclers of scrap metal and paper;

111.23 (5) environmental organizations that address solid waste issues;

111.24 (6) facilities or businesses that utilize or promote waste reduction and reuse of
111.25 solid waste;

111.26 (7) facilities or businesses that utilize or promote composting of solid waste;

111.27 (8) waste-to-energy facilities; and

111.28 (9) others active in solid waste issues that the commissioner deems would be helpful
111.29 in this effort.

111.30 The Pollution Control Agency shall serve as staff to the advisory task force.

111.31 (c) The task force may contract with consultants or a facilitator to assist in
111.32 completing the activities described in this section.

111.33 (d) By February 15, 2016, the advisory task force shall submit its findings and
111.34 recommendations in a report to the chairs and ranking minority members of the senate and
111.35 house committees with primary responsibility over solid waste policy.

111.36 **EFFECTIVE DATE.** This section is effective the day following final enactment.

112.1 Sec. 125. **SECTION 404 PERMIT PROGRAM FEASIBILITY STUDY.**

112.2 (a) The Board of Water and Soil Resources, in cooperation with the commissioner
112.3 of natural resources, shall conduct a study on the feasibility of the state assuming
112.4 administration of the section 404 permit program of the federal Clean Water Act. The
112.5 study must:

112.6 (1) include an estimate of the costs to the state and savings to local governments of
112.7 assuming administration of the permit program, including staffing costs;

112.8 (2) identify the potential speed and efficiencies to be gained through state
112.9 administration of the permit program and include a cost-benefit analysis;

112.10 (3) identify administrative changes necessary to permit the assumption;

112.11 (4) identify the administrative simplification that could be accomplished by unifying
112.12 administration of section 404, the Wetlands Conservation Act, and public water wetlands;

112.13 (5) include language to define "wetland;" and

112.14 (6) recommend how to meet federal requirements for state section 404 permit
112.15 assumption.

112.16 (b) A steering committee shall provide oversight of the study and include:

112.17 (1) one representative appointed by the Pollution Control Agency;

112.18 (2) one representative appointed by the United States Army Corps of Engineers;

112.19 (3) two representatives appointed by the Association of Minnesota Counties,
112.20 including one county engineer and one member of a technical evaluation panel

112.21 representing a local government unit;

112.22 (4) one representative appointed by the League of Minnesota Cities;

112.23 (5) one representative of soil and water conservation districts appointed by the
112.24 executive director of the Board of Water and Soil Resources, in consultation with the soil
112.25 and water conservation districts;

112.26 (6) one representative of wetland bank operators appointed by the executive director
112.27 of the Board of Water and Soil Resources in consultation with the operators;

112.28 (7) three representatives of environmental organizations appointed by the executive
112.29 director of the Board of Water and Soil Resources in consultation with the organizations;

112.30 (8) two representatives appointed by the Minnesota Chamber of Commerce,
112.31 including one from the mining industry and one from the forestry industry;

112.32 (9) one representative appointed by the Associated General Contractors of Minnesota;

112.33 (10) one representative appointed by the Builders Association of Minnesota; and

112.34 (11) one representative appointed by the American Council of Engineering

112.35 Companies of Minnesota.

113.1 (c) By January 15, 2017, the Board of Water and Soil Resources must report the
113.2 study to the legislative policy and finance committees and divisions with jurisdiction
113.3 over environment and natural resources.

113.4 Sec. 126. **ANATOMICAL DONATION OPTION ON HUNTING AND FISHING**
113.5 **LICENSES; STUDY.**

113.6 The commissioner of natural resources, in coordination with the commissioner of
113.7 public safety, shall study the feasibility of providing an option on applications for resident
113.8 licenses to hunt and fish that allows the applicant to indicate a desire to make an anatomical
113.9 gift. The commissioner of natural resources shall submit a report with the results of the
113.10 study to the chairs and ranking minority members of the house of representatives and
113.11 senate committees and divisions with jurisdiction over the environment and natural
113.12 resources by December 15, 2015.

113.13 Sec. 127. **METROPOLITAN PARKS; INTEREST EARNINGS.**

113.14 Notwithstanding Laws 1985, First Special Session chapter 15, section 5, subdivision
113.15 2, paragraph (b), and Laws 1987, chapter 384, article 3, section 45, the Metropolitan
113.16 Council shall use the interest earnings in Laws 1985, First Special Session chapter 15,
113.17 section 5, subdivision 2, for the use and betterment of all regional recreational open space
113.18 lands under the jurisdiction of the Metropolitan Council.

113.19 **EFFECTIVE DATE.** This section is effective January 1, 2017.

113.20 Sec. 128. **REFUNDS; YOUTH BEAR LICENSES.**

113.21 The commissioner of natural resources may issue refunds for youth bear licenses
113.22 that were purchased between August 1, 2013, and June 30, 2014, to individuals who were
113.23 10, 11, or 12 years old at the time of purchase until June 30, 2016.

113.24 Sec. 129. **WATER RETENTION DEMONSTRATION PROJECTS.**

113.25 By August 1, 2015, the commissioner of natural resources, in cooperation with the
113.26 commissioners of agriculture and the Pollution Control Agency, the Board of Water and Soil
113.27 Resources, and other interested parties, shall develop proposals for significant large-scale
113.28 demonstration projects that provide flood water retention, water quality improvements,
113.29 nutrient and sediment reduction, and wildlife habitat for submission to the Lessard-Sams
113.30 Outdoor Heritage Council, Clean Water Council, and the Legislative-Citizen Commission
113.31 on Minnesota Resources for funding in fiscal year 2017. Any deadlines established by the

114.1 Lessard-Sams Outdoor Heritage Council, Clean Water Council, or the Legislative-Citizen
114.2 Commission on Minnesota Resources are waived for purposes of the submissions.

114.3 Sec. 130. **WILD TURKEY CRITICAL HABITAT PLATE.**

114.4 The commissioner of natural resources and the commissioner of public safety must
114.5 select a design depicting wild turkey when selecting designs for the next selection of critical
114.6 habitat plates as provided under Minnesota Statutes, section 168.1296, subdivision 2.

114.7 Sec. 131. **BASE BUDGET REPORT.**

114.8 The commissioners of natural resources and the Pollution Control Agency shall each
114.9 submit a report that contains the details of their base budgets, including prior appropriation
114.10 riders, to the chairs and ranking minority members of the house of representatives and
114.11 senate committees and divisions with jurisdiction over the environment and natural
114.12 resources by September 1, 2016.

114.13 Sec. 132. **TRANSFERS.**

114.14 (a) By June 30, 2015, the commissioner of management and budget shall transfer
114.15 to the natural resources conservation easement stewardship account, established in
114.16 Minnesota Statutes, section 84.69, the remaining balance in the forests for the future
114.17 conservation easement account under Minnesota Statutes, section 84.68.

114.18 (b) By June 30, 2015, the commissioner of management and budget shall transfer
114.19 to the natural resources conservation easement stewardship account, established in
114.20 Minnesota Statutes, section 84.69, the following amounts:

114.21 (1) \$114,840 from Laws 2011, First Special Session chapter 6, article 1, section
114.22 2, subdivision 3, paragraph (a);

114.23 (2) \$25,000 from Laws 2012, chapter 264, article 1, section 2, subdivision 5,
114.24 paragraph (a); and

114.25 (3) \$14,000 from Laws 2013, chapter 137, article 1, section 2, subdivisions 2,
114.26 paragraph (c).

114.27 (c) The commissioner of management and budget shall transfer additional
114.28 amounts from Laws 2013, chapter 137, article 1, section 2, subdivision 2, paragraph
114.29 (c), to the natural resources conservation easement stewardship account, established in
114.30 Minnesota Statutes, section 84.69, upon closing on conservation easements funded by the
114.31 appropriation, provided that total transfers to the account shall not exceed \$42,000.

114.32 (d) The commissioner of management and budget shall transfer amounts from
114.33 Laws 2014, chapter 256, article 1, section 2, subdivision 2, paragraph (e), to the natural

115.1 resources conservation easement stewardship account, established in Minnesota Statutes,
115.2 section 84.69, upon closing on conservation easements funded by the appropriation,
115.3 provided that total transfers to the account shall not exceed \$112,000.

115.4 (e) By June 30, 2015, the commissioner of management and budget shall transfer to
115.5 the water and soil conservation easement stewardship account, established in Minnesota
115.6 Statutes, section 103B.103, the following amounts:

115.7 (1) \$191,667 from Laws 2011, First Special Session chapter 6, article 1, section
115.8 2, subdivision 2, paragraph (c);

115.9 (2) \$57,750 from Laws 2011, First Special Session chapter 6, article 1, section
115.10 2, subdivision 4, paragraph (a);

115.11 (3) \$15,750 from Laws 2011, First Special Session chapter 6, article 1, section
115.12 2, subdivision 4, paragraph (c);

115.13 (4) \$48,000 from Laws 2012, chapter 264, article 1, section 2, subdivision 2,
115.14 paragraph (a);

115.15 (5) \$1,821 from Laws 2012, chapter 264, article 1, section 2, subdivision 3,
115.16 paragraph (a);

115.17 (6) \$26,400 from Laws 2013, chapter 137, article 1, section 2, subdivision 3,
115.18 paragraph (b);

115.19 (7) \$26,400 from Laws 2013, chapter 137, article 1, section 2, subdivision 2,
115.20 paragraph (e);

115.21 (8) \$4,800 from Laws 2013, chapter 137, article 1, section 2, subdivision 4,
115.22 paragraph (d); and

115.23 (9) \$4,500 from Laws 2014, chapter 256, article 1, section 2, subdivision 2,
115.24 paragraph (f).

115.25 (f) The commissioner of management and budget shall continue to transfer money,
115.26 appropriated to the Board of Water and Soil Resources on or before June 30, 2015,
115.27 for conservation easement monitoring and enforcement funds to the water and soil
115.28 conservation easement stewardship account, established in Minnesota Statutes, section
115.29 103B.103, upon closing on conservation easements, provided that total transfers to the
115.30 account shall not exceed the up to amount specified in each appropriation.

115.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

115.32 Sec. 133. **REVISOR'S INSTRUCTIONS.**

115.33 (a) The revisor of statutes shall delete the range reference "88.47 to 88.53" wherever
115.34 it appears in Minnesota Statutes and Minnesota Rules and insert "88.49 to 88.53."

116.1 **(b)** The revisor of statutes shall renumber the subdivisions of Minnesota Statutes,
116.2 section 103G.005, to retain alphabetical order and shall correct cross-references to the
116.3 renumbered subdivisions.

116.4 Sec. 134. **REPEALER.**

116.5 **(a)** Minnesota Statutes 2014, sections 84.68; 88.47; 88.48; 88.49, subdivisions 1, 2,
116.6 and 10; 88.491, subdivision 1; 88.51, subdivision 2; 116.02, subdivisions 7, 8, and 10;
116.7 and 282.013, are repealed.

116.8 **(b)** Minnesota Statutes 2014, section 86B.13, subdivisions 2 and 4, are repealed.

116.9 **(c)** Minnesota Statutes 2014, section 477A.19, is repealed.

116.10 **EFFECTIVE DATE.** Paragraph (b) is effective the day following final enactment
116.11 and paragraph (c) is effective beginning with aids payable in 2016."

116.12 Amend the title accordingly