

# House Research Act Summary

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**TOPIC:** Legacy

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## Overview

This act appropriates money from the constitutionally-dedicated Legacy funds and modifies a prior appropriation from the Environment and Natural Resource Trust Fund. The four Legacy funds are the result of a constitutional amendment passed by voters in 2008 that raised the statewide sales and use tax by 3/8 of 1% and dedicated the proceeds to certain environmental and cultural purposes. Various policy provisions are also included.

### Article 1: Outdoor Heritage Fund

#### Overview

This article contains the fiscal year 2013 appropriations from the outdoor heritage fund based upon recommendations made by the Lessard-Sams Outdoor Heritage Council (LSOHC), which is required to provide recommendations to the legislature on the use of outdoor heritage funds.

**1 Outdoor heritage appropriation.** Technical

**2 Outdoor heritage.**

**Subd. 1. Total appropriation.** Provides a total appropriation of \$99,920,000 from the outdoor heritage fund in fiscal year 2013.

**Subd. 2. Prairies.** Provides a total appropriation of \$24,640,000 for the following prairie projects:

(a) \$2,090,000 to the Board of Water and Soil Resources (BWSR) in cooperation with Pheasants Forever for expanded conservation easements on clean water fund riparian

buffers;

(b) \$4,610,000 for an agreement with the Nature Conservancy to acquire native prairie and savanna and restore and enhance grasslands and savanna;

(c) \$1,760,000 for an agreement with the Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management area (WMA) or aquatic management area (AMA) purposes;

(d) \$2,900,000 to the Department of Natural Resources (DNR) to acquire WMAs;

(e) \$1,580,000 for an agreement with the Nature Conservancy to acquire land or permanent easements on lands to be added to the Northern Tallgrass Prairie National Wildlife Refuge;

(f) \$3,300,000 for an agreement with Pheasants Forever to acquire land for WMAs;

(g) \$1,730,000 for an agreement with the Redwood Area Development Corporation to acquire land for WMA and AMA purposes;

(h) \$4,300,000 to the DNR to accelerate restoration and enhancement of WMAs, SNAs, and land under native prairie bank easements;

(i) \$1,050,000 for an agreement with various partners to restore and enhance public lands in the Anoka Sand Plain and along the Rum River; and

(j) \$1,320,000 for an agreement with the Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society to restore and enhance habitat on public lands.

**Subd. 3. Forests.** Provides a total appropriation of \$15,300,000 for the following forest projects:

(a) \$480,000 to the BWSR to acquire permanent conservation easements on land adjacent to the Nokasippi River and the boundaries of the Minnesota National Guard Army compatible use buffer (ACUB);

(b) \$11,040,000 for an agreement with Crow Wing County to acquire land along the Mississippi River and allows additional funds from an appropriation for structural deterrents in subdivision 5 to be used, if necessary, to complete the acquisition (requires any plan for a paved trail on the lands acquired to be submitted for approval by the LSOHC);

(c) \$1,340,000 for an agreement with Pheasants Forever, in cooperation with the Minnesota Sharp-Tailed Grouse Society, to acquire and enhance lands for WMA purposes;

(d) \$480,000 for an agreement with Cass County to acquire land for forest wildlife habitat;

(e) \$960,000 for an agreement with the Minnesota Deer Hunters Association to restore and enhance forest habitat in northeastern Minnesota for moose; and

(f) \$1,000,000 to be added to an appropriation from last session for acquisition of land for LaSalle Lake State Recreation Area (an appropriation from the environment and natural resources trust fund for the project is reduced by this amount in article 4).

**Subd. 4. Wetlands.** Provides a total appropriation of \$31,140,000 for the following wetland

projects:

- (a) \$13,810,000 to BWSR for permanent easements and restoration of wetlands and associated uplands through the Reinvest in Minnesota (RIM) Reserve program and Wetlands Reserve Program;
- (b) \$5,400,000 for an agreement with Pheasants Forever to acquire land for waterfowl production areas;
- (c) \$940,000 for an agreement with Anoka county to acquire land to connect wetlands and shallow lakes to the Lamprey Pass WMA;
- (d) \$4,490,000 for an agreement with Ducks Unlimited to assess, restore and enhance shallow lakes and wetlands;
- (e) \$3,870,000 to the DNR to develop engineering designs and complete enhancements of shallow lakes and wetlands; and
- (f) \$2,630,000 to the DNR to complete design and construction to modify the dam at Marsh Lake.

**Subd. 5. Habitat.** Provides a total appropriation of \$28,620,00 for the following habitat projects:

- (a) \$3,480,000 to the DNR to acquire lands, in fee and through conservation easement, for AMAs and to restore and enhance aquatic habitat;
- (b) \$3,680,000 to the DNR for agreements with various partners to acquire interests in land and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers;
- (c) \$480,000 for an agreement with Dakota County to acquire permanent conservation easements and restore and enhance habitats along the Mississippi, Cannon, and Vermillion Rivers;
- (d) \$3,670,000 to the DNR to restore habitat in the lower St. Louis River estuary;
- (e) \$2,120,000 for an agreement with Trout Unlimited to restore and enhance coldwater fish river and stream habitats;
- (f) \$2,320,000 for an agreement with Red Lake Watershed District to restore and enhance stream and related habitat in Grand Marais Creek;
- (g) \$380,000 for an agreement with the Lake Superior Steelhead Association to restore trout habitat in the Upper Knife River Watershed;
- (h) \$7,500,000 to the DNR to design, construct, operate, and evaluate structural deterrents to protect aquatic habitat from Asian carp; and
- (i) \$4,990,000 to the DNR for the Outdoor Heritage Conservation Partners Grant Program, a competitive grant program administered by the DNR. The grants are available to local, regional, state, and national organizations for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife. The grants may be awarded in an amount up to \$400,000 and require a nonstate match of ten percent (either cash or in-kind).

**Subd. 6. Administration.** Provides a total appropriation of \$220,000 for administration, including: \$175,000 for contract management services from the DNR; and \$45,000 for a technical evaluation panel to conduct restoration audits.

**Subd. 7. Availability of appropriation.** States that money appropriated may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan and may not be spent on indirect costs or other institutional overhead charges. States that appropriations are available until June 30, 2015, unless otherwise specified. States that appropriations for restoration or enhancement work are available until June 30, 2017, or four years after acquisition of the land being restored or enhanced, whichever is later. States that appropriations for projects receiving federal funds are extended to equal the availability of federal funding. States that funds for acquisition may be used to restore, enhance, and provide for the public use of lands acquired and that public use facilities must have minimal impact on habitat. Cancels the difference between an appropriation and the actual purchase price for an acquisition (if no other acquisitions are listed in the accomplishment plan) and adds the amount to the structural deterrents project in subdivision 5.

**Subd. 8. Payment conditions and capital equipment expenditures.** Requires all agreements to be administered on a reimbursement basis unless otherwise

provided. Allows reasonable amounts to be advanced in some circumstances if approved as part of an accomplishment plan. Requires capital expenditures that exceed \$10,000 to be itemized and approved as part of an accomplishment plan.

- 3 Accomplishment plans.** Adds § 97A.056, subd. 12. Codifies the accomplishment plan requirement (required as part of a rider in previous outdoor heritage fund appropriation laws) which states that it is a condition of accepting an appropriation from the outdoor heritage fund that the recipient submits an accomplishment plan and periodic accomplishment reports to the LSOHC. Adds a new requirement that lands acquired in fee include a hunting and fishing management plan for the lands acquired in fee in the accomplishment plan. Prohibits money from being spent unless the LSOHC approves the accomplishment plan.
- 4 Project requirements.** Adds § 97A.056, subd. 13. Codifies certain requirements for outdoor heritage fund projects (similar to requirements placed on previous outdoor heritage fund appropriation laws and similar to requirements placed on projects funded by the environment and natural resources trust fund) including: requiring easements to be permanent and have a long-term stewardship plan; requiring restorations to have an ecological restoration and management plan; requiring all restorations to be on public waters or lands permanently protected unless otherwise provided; and requiring consideration of and written contact with the Conservation Corps Minnesota.
- 5 Purchase of recycled and recyclable materials.** Adds § 97A.056, subd. 14. Requires an entity receiving outdoor heritage funds to comply with state recycled materials and paper purchasing requirements (this is a codification of a requirement placed on previous outdoor heritage fund and environment and natural resources trust fund recipients).
- 6 Land acquisition restrictions.** Adds § 97A.056, subd. 15. Requires an interest in real property to be used for the purpose for which the appropriation was made. States that the interest transfers to the state if the holder fails to comply with the terms and conditions of a grant agreement or accomplishment plan; or restrictions are placed on the land that preclude its use for the intended purpose. Requires an alteration in intended use to be approved by the LSOHC and requires certain criteria to be met. Requires a recipient to record a notice of funding restrictions with the appropriate local government office (this is a codification of a similar requirement placed on previous outdoor

heritage fund recipients).

- 7 Real property interest report.** Adds § 97A.056, subd. 16. Requires outdoor heritage fund recipients to file a real property interest report by December 1, each year on the status of the property (this is a codification of a similar requirement placed on previous outdoor heritage fund recipients). Allows the recipient to transfer reporting duties. Adds a new requirement that the report, for lands acquired in fee, include a verification of the status of the hunting and fishing management plan.
- 8 Easement monitoring and enforcement requirements.** Adds § 97A.056, subd. 17. Requires funds appropriated from the outdoor heritage fund for easement monitoring and enforcement to be spent only on those activities and requires the funds to be kept in a special fund held by the organization and requires annual financial reports on the fund to be submitted to the LSOHC. States that the funds revert back to the state if the easement transfers to the state or if the recipient fails to comply with certain requirements (this is a codification of a similar requirement placed on previous outdoor heritage fund recipients).
- 9 Successor organizations.** Adds § 97A.056, subd. 18. Permits the LSOHC to approve the continuation of a project with an organization that has adopted a new name, but requires the LSOHC to notify the legislature and present proposed legislation to the legislature accepting or rejecting involvement with an organization that has undergone a significant change in mission, structure, or purpose (this is similar to what has been allowed for previous outdoor heritage fund appropriations).
- 10 Fee title acquisition; open season.** Adds § 97A.056, subd. 19. Requires lands acquired in fee with an appropriation from the outdoor heritage fund to be open to the public taking of fish and game as follows:
- State owned lands must be open to the public taking of fish and game during the open season unless otherwise provided by state law;
  - Lands owned by the U.S. Fish and Wildlife Service must be open to the public taking of fish and game during the open season according to the National Wildlife Refuge System Improvement Act; and
  - All other lands must be open to the public taking of fish and game during the open season unless otherwise provided by the commissioner.

Provides a retroactive effective date to July 1, 2009.

- 11 Legacy funding requirements apply.** States recipients of money appropriated in this article are subject to the Legacy reporting and other requirements provided in Laws 2011, First Special Session, chapter 6, article 5.

## Article 2: Clean Water Fund

### Overview

This article contains supplemental appropriations for fiscal year 2013 from the clean water fund, including increases to various Board of Water and Soil Resources appropriations and a new appropriation for aquatic invasive species research.

- 1 Terms; compensation; removal.** Allows the Pollution Control Agency to reimburse legislative members of the Clean Water Council for their expenses.
- 2 Pollution Control Agency.** Amends Laws 2009, ch. 172, art. 2, § 4, as amended. Modifies a previous appropriation directed to ethanol plants for projects to reuse storm water (modified from

wastewater last session) to remove a requirement that the project reuse more than 300,000 gallons per day.

- 3 Board of Water and Soil Resources.** Amends Laws 2010, ch. 361, art. 2, § 7. Increases previous appropriations from the clean water fund to BWSR by \$4,200,000 and modifies certain appropriations to require coordination with other state and federal agencies.
- 4 Aquatic invasive species cooperative research center; appropriation.** Appropriates \$1,800,000 to the University of Minnesota for research on aquatic invasive species.
- 5 Legacy funding requirements apply.** States that all appropriations under this article are subject to the Legacy reporting and other requirements provided under the 2011 First Special Session Legacy act.

### **Article 3: Parks and Trails Fund**

- 1 Grant amount.** Amends § 85.535, subd. 3. Removes the match requirement for the parks and trails grant program and prohibits a maximum grant amount from being applied. Requires additional consideration to be given to applicants that provide a non-state cash match. (Under current law, the program requires a non-state cash match of 25 percent; however, some flexibility in the match requirement was authorized by law for the 2012 and 2013 fiscal years, including a ten percent match requirement for 2012. No maximum grant amount is provided in law. The DNR is currently limiting the grant amounts to \$500,000 for the fiscal year 2013 funding cycle.)
- 2 Metropolitan Council.** Extends the availability of a previous parks and trails fund appropriation for metropolitan parks and trails by one year.

### **Article 4: Environment and Natural Resource Trust Fund**

#### **Overview**

This article reduces previous appropriations from the environment and natural resources trust fund and appropriates those funds to the University of Minnesota for research on aquatic invasive species.

- 1 Land, habitat, and recreation.** Amends Laws 2011, First Special Session ch. 2, art. 3, § 2, subd. 4. Reduces the fiscal year 2013 appropriation for the acquisition of land for the LaSalle Lake State Recreation Area by \$1,000,000.
- 2 Emerging issues.** Amends Laws 2011, First Special Session ch. 2, art. 3, § 2, subd. 9. Reduces the fiscal year 2013 appropriation for DNR aquatic invasive species efforts by \$1,000,000.
- 3 Aquatic invasive species cooperative research center; appropriation.** Appropriates \$2,000,000 to the University of Minnesota for research on aquatic invasive species.

### **Article 5: Arts and Cultural Heritage Fund**

#### **Overview**

This article appropriates money from the Arts and Cultural Heritage Fund in fiscal year 2013 for specified purposes. It also modifies laws that govern state grants generally.

- 1 Creation and validity of grant agreements.** Amends § 16B.98, subd. 5. Provides that a state grant

agreement is not valid unless the agreement includes an effective date that references either:

- section 16C.05, subdivision 2 (general requirements for state contracts, including a requirement that work cannot begin on a contract until it is executed); or
- section 16C.98, subdivisions 5 and 7 (general requirements for grant agreements, including a requirement that payments may not be issued until the grant agreement is fully executed).

- 2 Grant payments.** Amends § 16B.98, subd. 7. Modifies the law governing payments to state grantees to provide that encumbrances for grants issued by June 30 may be certified for one year beyond the year in which funds were appropriated (as is specified in current Minnesota Statutes, section 16A.28, subdivision 6).
- 3 Film production jobs program.** Amends § 116U.26. Assigns the commissioner of administration, rather than the director of Explore Minnesota Tourism, authority for administrative oversight and control of the film production jobs program (otherwise known as "Snobate").
- 4 Minnesota Historical Society.** Adds an additional \$900,000 to the fiscal year 2013 Historical Society appropriation for specified purposes.
- 5 Commemoration programming; appropriation.** Appropriates \$80,000 for public broadcasting programming that commemorates the sesquicentennial.
- 6 Film production incentive program; appropriation.** Appropriates \$600,000 for a new film production incentive program administered by the Minnesota Film and TV Board in cooperation with the Independent Feature Project/Minnesota, with oversight provided by the Department of Administration. Eligible producers would be reimbursed for production costs incurred in Minnesota to produce a documentary or film in Minnesota. Authorizes the Department of Administration to use up to \$6,000 of this appropriation for grant administration.
- 7 Historical rulemaking Web site; appropriation.** Appropriates \$35,000 to the Revisor of Statutes to design and implement a Web site that allows the public to search historical state agency rulemaking documents.
- 8 Legacy funding requirements apply.** States that all appropriations under this article are subject to the Legacy reporting and other requirements provided under the 2011 First Special Session Legacy act.

#### **Article 6: General**

- 1 Constitutionally dedicated funding accountability.** States that when a minor is the recipient of money from a constitutionally-dedicated fund, that minor's identifying information must not be provided to the Legislative Coordinating Commission or posted on the legislature's Legacy reporting and accountability Web site [www.legacy.leg.mn](http://www.legacy.leg.mn).