



- for an agreement with Pheasants Forever to acquire and restore land for wildlife management areas (WMAs);
- to the DNR to acquire WMAs with prairie or grassland habitat;
- for an agreement with U.S. Fish and Wildlife Service to acquire land or permanent easements within the Northern Tall Grass Prairie Habitat Preservation Area;
- for an agreement with the Minnesota Land Trust to acquire permanent easements protecting critical prairie and grassland habitats in the blufflands in southeastern Minnesota; and
- for an agreement with Anoka county to acquire land at the confluence of the Rum River and Cedar Creek.

**Subd. 3. Forests.** Appropriates money to the DNR to acquire land and permanent working forest easements on private forests. The appropriation is intended as the first of two planned appropriations for the Forests for the Future program for the Upper Mississippi Forest Project.

**Subd. 4. Wetlands.** Appropriates money for the wetland projects, including money:

- to the DNR to acquire WMAs;
- for an agreement with Ducks Unlimited to restore and enhance shallow lake habitats;
- for an agreement with Pheasants Forever, in cooperation with the U.S. Fish and Wildlife Service, to acquire and restore wetlands for waterfowl production areas.
- to the Board of Water and Soil Resources for permanent easements and restoration of wetlands through the Reinvest in Minnesota (RIM) Reserve program.
- for an agreement with Ducks Unlimited to acquire land associated with shallow lakes.

**Subd. 5. Fish, Game, and Wildlife Habitat.** Appropriates money for a competitive grant program to be 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 match of \$1 nonstate dollar to \$10 state funds. Specifies criteria for the grants.

- Appropriates money for additional fish, game, and wildlife habitat projects, including money:
- to the DNR to acquire aquatic management areas.
- for an agreement with Trout Unlimited to restore, enhance, and protect cold water river and stream habitats.
- for an agreement with Dakota County for acquisition of permanent easements.

- for an agreement with the Three Rivers Park District to improve water quality in Lake Rebecca.
- for an agreement with the Shell Rock River Watershed District to construct fish barriers.

**Subd. 6. Administration and other.** Appropriates money for OHC administration, including money for contract management services from the DNR and money for the Legislative Coordinating Commission for the administrative expenses of the OHC and expense reimbursement of council members.

**Subd. 7. Availability of Appropriation.** States that appropriations are available until June 30, 2011, unless otherwise specified. States that appropriations for projects receiving federal funds are extended to equal the availability of federal funding.

**Subd. 8. Cash Advances.** Allows the commissioner of finance to transfer funds from the general fund to the outdoor heritage fund in order to cover any cash deficiencies for purposes of the forest project under subdivision 3.

**Subd. 9. Accomplishment Plans.** States that it is a condition of accepting an appropriation under this section that the recipient submit an accomplishment plan and periodic accomplishment reports to the OHC (the process is similar to the existing work program process established by the Legislative-Citizen Commission on Minnesota Resources (LCCMR)).

**Subd. 10. Project Requirements.** Establishes certain requirements for projects (similar to requirements placed on LCCMR projects), including vegetation and seed requirements, requiring easements to be permanent and have a long-term stewardship plan, requiring restorations to have an ecological restoration and management plans, and requiring all restorations to be on lands permanently protected.

**Subds. 11 to 15** provide additional criteria and requirements for the appropriations and are standard subdivisions used by the LCCMR as part of their recommendations.

**Subd. 16. Reports to finance.** Requires reports submitted to the OHC to also be submitted to the commissioner of finance and requires the commissioner to maintain a Web site with a searchable database providing information on expenditures from the outdoor heritage fund.

- 3** **Legislature.** Appropriates money to the legislature for the Legislative Coordinating Commission (LCC) for its oversight duties established in article 5 and the legislative auditor to conduct restoration audits.
- 4** **Revisor's instruction.** Instructs the Revisor to change "Lessard Outdoor Heritage Council" to "Outdoor Heritage Council" where it appears in Minnesota Statutes.

## Article 2

### Clean Water Fund

This article includes appropriations from the clean water fund and related policy changes.

- 1 **Clean water fund appropriations.** Technical.
- 2 **Department of Agriculture.** Appropriates money to the Department of Agriculture, including money:
  - for monitoring and analysis of agricultural land management practices in the Root River watershed;
  - to monitor pesticides and pesticide degradates in ground and surface waters;
  - to increase drinking water protection from agricultural chemicals;
  - for research, pilot projects, and technical assistance related to ways agricultural practices can contribute to restoring impaired water;
  - for the agricultural best management loan program;
  - for a transfer to the Board of Water and Soil Resources (BWSR) for feedlot water quality improvement grants.
- 3 **Public Facilities Authority.** Appropriates money to the Public Facilities Authority for: grants for wastewater treatment or storm water projects necessary under total maximum daily load (TMDL) plans; the clean water legacy phosphorus reduction grant program; and technical assistance grants, reconstruction loans, and grants for the small community wastewater treatment program.
- 4 **Pollution Control Agency.** Appropriates money to the Pollution Control Agency, including money:
  - for the development of TMDL studies and TMDL implementation plans;
  - for the development of an enhanced TMDL database and rules;
  - for grants under the beneficial reuse of wastewater grants program;
  - for groundwater assessment and drinking water protection;
  - to retest the lower Minnesota River that was tested under the Minnesota River Assessment Project;
  - for the clean water partnership program;
  - establish a network of monitoring sites adjacent to wastewater treatment facilities to assess the levels of endocrine disruptors and other compounds as required under a later section of this article;
  - for coal tar notification and the development of best management practices as required under a later section of this article, and to develop a model coal tar ordinance and provide grants to local governments to help clean up storm water

ponds; and

- for a restoration project in the lower St. Louis River and Duluth harbor.

**5 Department of Natural Resources.** Appropriates money to the Department of Natural Resources, including:

- a number of appropriations for water quality assessment, TMDL studies and implementation of TMDL plans, and watershed restoration and protection;
- funding for drinking water planning and protection;
- funding for high-resolution digital elevation data (LIDAR) to be used in mapping;
- funding for rulemaking for the Mississippi River corridor critical area (as required under this article); and
- funding for the county geologic atlas program.

**6 Board of Water and Soil Resources.** Appropriates money to the Board of Water and Soil Resources, including money:

- to acquire and restore permanent conservation easements on riparian buffers;
- for grants to watershed districts and watershed management organizations for water retention, including rain gardens;
- for nonpoint source pollution reduction and restoration grants for additional projects to keep water on the land;
- for permanent conservation easements on wellhead protection areas under the Reinvest in Minnesota (RIM) reserve program (modified to add wellhead protection areas in this article);
- for feedlot water quality improvement grants; and
- for grants to implement stream bank, stream channel, and lakeshore, line protection and restoration projects.

Requires the board to contract with the Minnesota Conservation Corps for at least \$1,000,000 over the biennium.

Requires, to the extent possible, restorations funded under this section to plant vegetation or sow seed only of ecotypes native to Minnesota and preferably of the local ecotype.

**7 Department of Health.** Appropriates money to the Department of Health for drinking water source protection activities and for addressing public health concerns related to contaminants found in drinking water.

**8 University of Minnesota.** Appropriates money to the University of Minnesota to develop a 25 year framework for sustainable water resources, and for the county geologic atlas program.

**9 Legislature.** Appropriates money to the legislature for the LCC for its oversight duties established in article 5 and the legislative auditor to conduct restoration audits.

**10 Eligible projects.** Amends § 17.117, subd. 11a. For purposes of the agriculture best management practices loan program, adds the purchase of variable rate fertilizer application

machinery or equipment as an eligible project under specified conditions.

- 11 Eligible land.** Amends § 103F.515, subd. 2. Adds wellhead protection areas that have a wellhead protection plan approved by the commissioner of health to the list of lands eligible for the RIM reserve program and makes changes to the RIM reserve program also proposed in H.F. 1237 (the Environment and Natural Resources Policy bill).
- 12 Nature of property rights required.** Amends § 103F.515, subd. 4. Permits the harvest of native grasses for use in seed production of bioenergy on wellhead protection area lands in the RIM reserve program and makes changes to the RIM reserve program.
- 13 Coal tar.** Adds § 116.201. Prohibits a state agency from purchasing undiluted coal tar sealant.
- 14 Mississippi River Corridor Critical Area.** Amends § 116G.15. Makes a number of changes to the Mississippi River Corridor Critical Areas program by codifying existing requirements, and requiring the Department of Natural Resources (DNR) to adopt new rules for the program, including new districts within the area and the development of new guidelines and standards within each district. The program is currently administered by the DNR and provides coordinated planning and management for a portion of the Mississippi River corridor (from Ramsey and Dayton, to the southern boundary of Dakota County) in order to protect and preserve the corridor. Executive Order 79-19 provides the guidelines and standards currently being used for planning and managing the area.

**Subd. 1. Establishment; purpose.** Removes obsolete language and codifies the purpose of the Mississippi River Corridor Critical Area as originally detailed in Executive Order 79-19.

**Subd. 2. Administration; rules.** Allows the commissioner of natural resources to adopt rules necessary to administer the Mississippi River Corridor Critical Area program and codifies the reorganization order that transferred administration of the program from the Environmental Quality Board to the DNR. Requires the commissioner to work in consultation with the U.S. Army Corps of Engineers, the National Park Service, the Metropolitan Council, and others. (The program was originally administered by the Environmental Quality Board but was changed by the executive order to the DNR.) Establishes the general management guidelines of the program established in Executive Order 79-19 as management duties of the commissioner and adds “protects and preserves the biological and ecological functions of the corridor” to the list of duties. Requires the Metropolitan Council to incorporate standards established under the program into its planning, and work with local units of government and the commissioner to insure adoption and implementation of the standards.

**Subd. 3. Districts.** Requires the commissioner to establish districts with the Mississippi River Corridor Critical Area and provides direction on what the commissioner shall consider when establishing the districts. (Currently there are four districts for the program, rural open space, urban diversified, urban developed, and urban open space.) Requires the commissioner to minimize the number of districts within any one municipality and take into account existing ordinances.

**Subd. 4. Standards.** Requires the commissioner to establish minimum guidelines

and standards for each of the districts established in subdivision 3, including the key resources to be protected and the land uses to be allowed in the district. Requires the commissioner to take into account existing ordinances in developing the guidelines and standards. Allows the commissioner to provide certain exceptions. Requires the guidelines and standards to protect or enhance certain key resources and features, such as wetlands, bluffs, shorelines and riverbanks, scenic views, and water quality. Requires the commissioner to map the bluffs and bluff related features and provide a preliminary map based on definitions provided for bluff face/bluff, bluff line, base of bluff, steep slopes, and very steep slopes. Requires the rulemaking process to allow the preliminary map to be refined and requires the adoption of a final map.

**Subd. 5. Application.** Requires the program's standards to be used by local units of government, state and regional agencies, the Metropolitan Council, and the commissioner.

**Subd. 6. Notification; fees.** Requires local units of government or regional or state agencies to notify the DNR of all developments in the corridor that require discretionary action (defined as all actions that require a public hearing, including variances, conditional use permits, and zoning amendments) at least ten days before taking action on the application. Allows the commissioner to exempt certain types of applications from the notification requirement. Requires the commissioner to recover the costs of reviewing the notification information.

**Subd. 7. Rules.** Requires the commissioner to adopt rules to meet the requirements of this section and start the rulemaking process no later than January 15, 2010. States that the program shall be administered in accordance with Executive Order 79-19 until the rules are adopted.

- 15 Coal tar; notification, inventory, and best management practices.** Requires the commissioner of the Pollution Control Agency to notify state agencies and local units of government of the potential for contamination of storm water ponds with polycyclic aromatic hydrocarbons from the use of coal tar pavement products by January 15, 2010. Defines storm water ponds for purposes of the section. Requires the commissioner to establish a schedule, by January 15, 2010, that requires state agencies and local units of government regulated under NPDES/SDS permits to report the total number of storm water ponds under their jurisdiction. Requires the commissioner to develop best management practices for state agencies and local units of government to use in cleaning up contaminated storm water ponds, make those best management practices available on the agency's Web site, and incorporate them into their next permitting cycle.
- 16 Endocrine disruptor monitoring.** Requires the commissioner of the Pollution Control Agency to establish a network of water monitoring sites near wastewater treatment facilities to assess levels of endocrine disrupting compounds, antibiotic compounds, and pharmaceuticals. Requires the sites to provide enhanced monitoring of the effluent at the discharge point, and above and below the discharge point. Requires the sites to be located throughout the state and represent a variety of wastewater treatment facilities. Requires the commissioner to consult with the commissioners of health and natural resources and others and requires the initial monitoring network to include at least ten sites. Specifies requirements for the monitoring and requires the monitoring to begin no later than November 1, 2009. Requires the information collected to be made available on the agency's

Web site and requires the commissioner to submit a preliminary and final report to the legislature.

### Article 3

#### Parks and Trails Fund

This article provides appropriations from the parks and trails fund. The article provides appropriations to the Department of Natural Resources (DNR) for state parks and trails, and to the Metropolitan Council for metropolitan regional parks and trails. The article establishes a grant program to be administered by the DNR, to provide grants to parks and trails of regional or statewide significance and provides funding for the program. The article also establishes the Minnesota Naturalist Corps.

- 1 **Parks and trails fund appropriations.** Technical.
- 2 **Natural resources.** Appropriates money to the DNR as follows:
  - (a) Money to:
    - (1) connect people to the outdoors by providing access, conservation education, and interpretative services through a number of activities, including enhanced marketing, increasing the number of park naturalists and interns (through the new Minnesota Naturalist Corps established in this article), and expanding access to visitor centers;
    - (2) accelerate natural resource management, restoration, and protection activities, including: restoring state park lands; managing invasive species; and conducting prescribed burns;
    - (3) accelerate facility maintenance and rehabilitation, and energy conservation, including upgrading facilities; improving access for visitors of all ability levels; and enhancing trail surfaces; and
    - (4) accelerate facility energy conservation, including installing solar energy equipment at various locations.

Requires the commissioner to contract with the Minnesota Conservation Corps in completing these activities for at least \$1,600,000 in the biennium.
  - (b) Money for grants for solar energy projects in metropolitan and other regional parks and trails meeting certain criteria. Establishes priorities to be used in evaluating projects, including placing priority on projects that would be visible to park or trail visitors and demonstrate the use of solar energy.
  - (c) Money for grants to metropolitan and other regional parks and trails meeting certain criteria for acquisition, restoration, maintenance, and development under the parks and trails grant program established in this article.
  - (d) Requires the commissioner to undertake a ten year strategic state parks and trails.

(e) Requires the commissioner to develop a logo to be used in signage required of projects and programs receiving funds from the outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds.

(f) Requires the commissioner to submit a report on the expenditure and use of the money appropriated to the legislature by March 1 of each year and establishes criteria for the report.

(g) Requires grant agreements to ensure that funds are used to supplement and not substitute for traditional sources of funding.

**3 Metropolitan Council.** Appropriates money for metropolitan regional parks and trails to be distributed under the metropolitan area distribution formula established in this bill.

**4 Legislature.** Appropriates money to the legislature for the LCC for its oversight duties established in article 5 and the legislative auditor to conduct restoration audits.

**5 Availability of appropriations.** Specifies periods for which appropriations in this article are available.

**6 Minnesota Naturalist Corps.** Adds § 84.992.

**Subd. 1. Establishment.** Establishes the Minnesota Naturalist Corps under the control of the commissioner of natural resources.

**Subd. 2. Program.** Requires the commissioner to develop a program for the corps and specifies requirements for the program.

**Subd. 3. Training and mentoring.** Requires the commissioner to develop and implement a training program for corps members and requires that each corps member be assigned a state park naturalist as a mentor.

**Subd. 4. Uniform patch.** Requires uniforms worn by members to have a patch identifying them as corps members and that the program was funded by the clean water, land, and legacy amendment.

**Subd. 5. Eligibility.** Requires corps members to be permanent residents of the state, be participating in an approved college internship program, and have completed at least one year of postsecondary education.

**Subd. 6. Corps member status.** States that corps members are not employees of the state and exempts them from employment benefits and unemployment benefits under certain circumstances.

**Subd. 7. Employee displacement.** Requires the commissioner to certify that the assignment of corps members will not result in the displacement of currently employed or seasonal employees and prohibits the department from terminating, laying off, or reducing hours for any employee for the purpose of using corps members.

**7 Parks and trails grant program.** Adds § 85.535.

**Subd. 1. Establishment.** Requires the commissioner of natural resources to

administer a grant program to provide grants from the parks and trails fund to support parks and trails of regional or statewide significance.

**Subd. 2. Eligibility.** Requires a park or trail to meet certain requirements in order to be eligible for grants under this section.

**Subd. 3. Priorities.** Establishes priorities for trails projects, including connectivity, opportunities for commuters, and safety.

**Subd. 4. Match.** Requires a nonstate match of 25 percent of the total eligible project costs.

**Subd. 5. Rule exemption.** Provides an exemption from rulemaking in implementing the section.

## Article 4

### Arts and Cultural Heritage Fund

This article includes appropriations from the arts and cultural heritage fund.

**1 Appropriation.** Technical.

**2 Minnesota arts and cultural heritage fund.**

**Subd. 1. Total appropriations.**

**Subd. 2. Minnesota Board of the Arts.** Requires that funds be used to supplement, not substitute for, traditional sources of funding. Provides that no more than 2.5 percent of each appropriation may be used by the Board of the Arts for administrative expenses. Requires annual reports.

Appropriates money for: regional arts boards; statewide arts access; artist's economic development fund; a census of Minnesota artists and artistic organizations.

**Subd. 3. Minnesota Historical Society.** Requires that funds be used to supplement, not substitute for, traditional sources of funding. Provides that no more than 2.5 percent of each appropriation may be used by the Minnesota Historical Society for administrative expenses. Requires annual reports.

Appropriates money for: Minnesota history educational network; statewide historic and cultural grants (with advice from a historic resources advisory committee); collections; history education learning program grants; an analysis of historical programs in the state; an exhibit on regional, local and cultural diversity.

**Subd. 4. Statewide survey of historical, archaeological sites.** Appropriates money for a general statewide survey of Minnesota's sites of historical, archaeological or cultural significance. Requires publication of the survey in a searchable form, available to the public for free.

**Subd. 5. Programs of artistic, educational, historic or cultural significance.** Appropriates money to the commissioner of administration for grants. Requires that

funds be used to supplement, not substitute for, traditional sources of funding. Provides that no more than 2.5 percent of each appropriation may be used by the Department of Administration for administrative expenses. Requires annual reports. Authorizes establishment of an advisory board.

Appropriates money for: public television and radio; civics education; children's museums; the Science Museum of Minnesota; Minnesota digital library; Minnesota Center for the Humanities, including grants to organizations celebrating ethnic identities of Minnesotans; zoos; councils of color; and the film board.

**Subd. 6. Minnesota State Capitol.** Requires a report on possible use of dedicated funds for restoration, renovation and repair of the State Capitol.

**3 Department of Education.**

**Subd. 1. Arts education.** Appropriates money for grants to school districts to provide materials or resources to teachers, students, and parents to promote achievement of K-12 academic standards in the arts, and for a census of specified arts education offerings and opportunities.

**Subd. 2. Arts access.** Appropriates money for grants to provide access to arts and arts education. Authorizes grants to school districts, including community education programs, to libraries, or to other community organizations. Provides that the grants may be used to pay attendance fees and travel costs for youth to visit art museums, arts performances, or other arts activities, and to bring artists to schools, libraries, or other community centers or organizations.

**Subd. 3. Libraries.** Appropriates money for grants to the regional library systems to provide educational opportunities in the arts, history and cultural heritage.

**Subd. 4. Reporting of outcomes.** Requires reporting of outcomes.

**4 Legislature.** Appropriates money to the Legislative Coordinating Commission and to the Legislative Auditor for program and financial audits.

**5 Indian language preservation.** Appropriates money for the working group on Dakota and Ojibwe Language Revitalization and Preservation, and for grants for programs to preserve Native languages.

**6 Appropriations.** Appropriates money for grants to the Niigaane Ojibwe Immersion School and the Wicoie Nandagikendan Urban Immersion Project.

## Article 5

### Governance

This article establishes oversight and standards for the use of the new outdoor heritage, parks and trails, clean water, and arts and cultural heritage funds.

**1 Accountability.** Requires the Legislative Coordinating Commission to develop and maintain a website containing specified information relating to projects funded or proposed

to be funded from the constitutionally-dedicated funds. Provides that the LCC is responsible for receiving specified plans and frameworks for each of the constitutionally dedicated funds. Requires the LCC to provide assistance and oversight to these planning efforts and to coordinate public access to hearings and meetings.

- 2 Principles for spending legacy funds.** Specifies principles for appropriations from the constitutionally-dedicated funds. Provides legal principles; governance, process, and administrative principles; and outcome principles. These principles are the result of a process conducted by the Cultural and Outdoor Resources Finance Division.
- 3 Restoration audits.** Adds § 3.971, subdivision 9. Requires the legislative auditor to conduct “restoration audits” (defined as scientific evaluations of an area of land that has been restored in order to determine whether the restoration meets applicable requirements for the restoration) on a portion of lands restored with state funds and provides criteria for the audits. Requires the legislative auditor to hire or contract with scientists and other appropriate people to meet the requirements.
- 4 Parks and trails fund.** Amends § 85.53.

**Subd. 1. Establishment.** Technical.

**Subd. 2. Expenditures; accountability.** Requires projects or programs funded by the parks and trails fund to meet or exceed the constitutional requirement to “support parks and trails of regional or statewide significance” and include measurable outcomes and a plan for measuring and evaluating the results. Requires a project or program to be consistent with current science and incorporate state of the art technology when appropriate. Establishes additional funding requirements including: requiring that expenditures from the fund be balanced across all regions and residents of the state biennially; requiring grants to meet existing state grant requirements; and requiring a sign on lands and capital improvements funded with parks and trails funds that identify the projects as projects funded with money from the vote of the people of Minnesota on November 4, 2008.

**Subd. 3. Metropolitan area distribution formula.** Establishes a formula for disbursing funds appropriated from the parks and trails fund to the Metropolitan Council as grants to the system’s implementing agencies as follows:

- (1) 45 percent according to an existing formula (40 percent based on use; 40 percent based on operation and maintenance expenditures; 20 percent based on acreage);
- (2) 31.5 percent based upon the relative share of the most recent metropolitan area population estimates;
- (3) 13.5 percent based upon the relative share of nonlocal visits according to the most recent user survey; and
- (4) ten percent as grants for land acquisitions within the approved master plan boundaries (the Metropolitan Council is required to provide \$2 of park bonds for every \$3 of state funds granted).

**Subd. 4. Data availability.** Requires certain data that is collected through projects funded with money from the parks and trails fund to meet standards and be

available on the Internet (this requirement has also been applied to LCCMR projects in the past through an appropriation rider).

**Subd. 5. Special review.** Provides that for a project receiving an appropriation of more than \$10 million in a biennium from the parks and trails fund, the Attorney General must approve contracts and real estate transactions, including conservation easements, and must determine whether the agreements are in the best interests of the state and meet applicable requirements. For projects over \$10 million also requires a second appraisal be conducted and approved by the commissioner of natural resources.

- 5 Outdoor Heritage Council.** Amends § 97A.056, subdivision 2. Changes the staffing of the OHC from the DNR to the LCC and allows money from the account to be used to cover the costs of the restoration audits conducted by the legislative auditor and the website established and maintained by the LCC. Strikes the name “Lessard” from the name of the OHC.
- 6 Council recommendations.** Amends § 97A.056, subdivision 3. Requires the recommendations developed by the OHC to achieve the outcomes of existing natural resource plans, including the Minnesota Statewide Conservation and Preservation Plan (currently they are required to take the plan into consideration). Allows the OHC to work with others, including the Clean Water Council and the LCCMR, in developing its recommendations. Requires the OHC to develop a process for developing its recommendations that is fair and ensures public participation. Requires the OHC to use the DNR’s ecological regions and subregions and identify objectives for each. Requires the OHC to develop plans for 10 years of funding and a framework for 25 years of funding.
- 7 Audit.** Amends § 97A.056, subdivision 6. Modifies the existing audit requirement for the OHC by requiring the legislative auditor to conduct the audit (rather than an independent auditor selected by the OHC, which is required in current law).
- 8 Legislative oversight.** Amends § 97A.056, subdivision 7. Eliminates existing oversight requirements related to the staffing of the OHC by the DNR.
- 9 Priorities and expenditure requirements.** Adds § 97A.056, subdivision 8. Requires expenditures from the outdoor heritage fund to meet or exceed the constitutional requirements to “restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife” and establishes funding priorities. Requires projects to be consistent with current science and incorporate state of the art technology when appropriate. Establishes additional funding requirements including requiring that expenditures from the fund be balanced across all regions and residents of the state biennially. Provides that money from the fund may be spent only on projects located in Minnesota.
- 10 Proposal and project requirements.** Adds § 97A.056, subdivision 9. Establishes criteria and requirements of funding from the outdoor heritage fund.

Paragraph (a) establishes requirements for requests for funding.

Paragraph (b) restates the constitutional requirement that the lands acquired by fee be open for hunting and fishing during the open seasons.

Paragraph (c) provides a number of criteria for land acquisitions, easements, and

restorations, including requiring that lands meet certain biological and ecological requirements.

Paragraph (d) requires lands acquired or protected by easements to have an ecological restoration plan and establishes requirements for the plans.

Paragraph (e) requires restorations to be done using vegetation of native ecotypes to the state and protect existing native prairies from genetic contamination.

Paragraph (f) prohibits lands purchased, restored, or protected by easements from being used for wetland replacement or mitigation credits.

Paragraph (g) requires recipients of funds to post a sign on lands acquired, protected, or restored with funds that identifies it as a project funded with money from the vote of the people of Minnesota on November 4, 2008.

Paragraph (h) requires documentation and information on the land selection process and certain appraisal information and other pieces of land transactions to be provided to the OHC (this requirement has also been applied to LCCMR recommended projects through an appropriation rider).

Paragraph (i) requires an owner of an interest in real property purchased with funds from the outdoor heritage fund to notify the OHC, in writing, of any alteration in the intended use of the property or conveyance of any interest in the property.

Paragraph (j) prevents a recipient of funds from using the funds to cover any organizational or operational costs not related to the project being funded.

Paragraph (k) requires information regarding proposed and funded projects to be made available on the website established by the LCC.

- 11 Data availability.** Adds § 97A.056, subdivision 10. Requires certain data that is collected through projects funded with money from the outdoor heritage fund to meet standards and be available on the Internet (this requirement has also been applied to LCCMR recommended projects in the past through an appropriation rider).
- 12 Report required.** Adds § 97A.056, subdivision 11. Requires the OHC to submit an annual report to the legislature and the governor similar to the report required to be submitted by the LCCMR.
- 13 Special review.** Adds § 97A.056, subdivision 12. Provides that for a project receiving an appropriation of more than \$10 million in a biennium from the outdoor heritage fund, the Attorney General must approve contracts and real estate transactions, including conservation easements, and must determine whether the agreements are in the best interests of the state and meet applicable requirements. For projects over \$10 million also requires a second appraisal be conducted and approved by the commissioner of natural resources.
- 14 Clean water fund.** Adds subdivisions to § 114D.50.

**Subd. 1. Establishment.** Technical.

**Subd. 2. Sustainable drinking water account.** Creates the sustainable drinking

water account in the clean water fund.

**Subd. 3. Purpose.** States purposes for which money in the clean water fund may be spent. Requires the fund to supplement traditional sources of funding and not to be used as a substitute.

**Subd. 4. Expenditures; accountability.** Requires projects or programs funded by the clean water fund to meet or exceed the constitutional requirement to “protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation” and include measurable outcomes and a plan for measuring and evaluating the results. Requires a project to be consistent with current science and incorporate state of the art technology when appropriate. Establishes additional funding requirements including: requiring that expenditures from the fund be balanced across all regions and residents of the state biennially; requiring grants to meet existing state grant requirements; and requiring a sign on lands and capital improvements that identify projects as projects funded with money from the vote of the people of Minnesota on November 4, 2008. Provides that money from the fund may be spent only on projects in Minnesota.

**Subd. 5. Data availability.** Requires certain data that is collected through projects funded with money from the fund to meet standards and be available on the Internet (this requirement has also been applied to LCCMR recommended projects in the past through an appropriation rider).

**Subd. 6. Special review.** Provides that for a project receiving an appropriation of more than \$10 million in a biennium from the clean water fund, the Attorney General must approve contracts and real estate transactions, including conservation easements, and must determine whether the agreements are in the best interests of the state and meet applicable requirements. For projects over \$10 million also requires a second appraisal be conducted and approved by the commissioner of natural resources.

- 15 Duties.** Amends § 116P.05, subdivision 2. Requires environment and natural resources trust fund project recipients to include, within the work programs and semiannual progress reports submitted to the LCCMR, a list of measurable outcomes and a plan for measuring and evaluating the results, as well information on who will hold any titles or easements acquired.

**16 Arts and Cultural Heritage fund.**

**Subd. 1. Technical.**

**Subd. 2. Expenditures; accountability.** States purposes for which money in the arts and cultural heritage fund may be spent. Requires the fund to supplement traditional sources of funding and not to be used as a substitute.

**Subd. 3. Special review.** Provides that for a project receiving an appropriation of more than \$10 million in a biennium from the arts and cultural heritage fund, the Attorney General must approve contracts and real estate transactions, including conservation easements, and must determine whether the agreements are in the best interests of the state and meet applicable requirements. For projects over \$10 million

also requires a second appraisal be conducted and approved by the commissioner of natural resources.

- 17 State and regional parks and trails framework.** Appropriates money to the DNR for a collaborative project to develop a 25-year framework for use of money in the parks and trails fund and from other traditional sources of funding. Requires development of a 10-year strategic plan. Specifies processes and criteria to be followed in developing the plan and framework. Requires a report to the LCC by November, 2010.
- 18 Arts and cultural heritage framework.** Requires a legislative joint committee to conduct public meetings to gather public stakeholder input and provide recommendations on a one-year plan establishing criteria, priorities, and parameters for awarding grants and resources. Appropriates money to the LCC for a collaborative project to develop a 25-year framework for use of money in the arts and cultural heritage fund and from other traditional sources of funding. Requires development of a 10-year strategic plan. Specifies processes and criteria to be followed in developing the plan and framework. Requires a report to the LCC by October 1, 2010, with a preliminary report by December 15, 2009.
- 19 Comprehensive statewide sustainable water resources detailed framework.** Requires the University of Minnesota Water Resource Center, in cooperation with others, to develop a long-range, 25-year, comprehensive statewide sustainable water resources framework. Specifies the contents of the framework, including an implementation schedule and benchmarks, and provides a definition of sustainable water use for purposes of the framework. Requires the framework to identify infrastructure needs, water needs for various purposes, and the effects of climate change, development, land use, and demographics, and identify best management practices and methods for determining their effectiveness. Requires the framework to be submitted to the legislature by January 1, 2011, and that the University of Minnesota work through the LCCMR's work program process..
- 20 Limit on appropriations.** Specifies that all appropriations from the four constitutionally-dedicated funds are one-time only and are not part of a budget base.
- 21 Legislative guide.** Requires creation of a legislative guide stating principles for use and expected outcomes of funds from the constitutionally-dedicated sales tax. Requires the guide to be created jointly by the House Cultural and Outdoor Resources Division and the appropriate Senate committee. States provisions to be include. Requires the guide to be completed by December 15, 2009.

## Article 6

### Management

This article would establish a long-term land management account and require holders of new conservation easements or new lands purchased with state funds to contribute to the account unless otherwise exempted. The account would be used to cover the costs of managing, monitoring, and enforcing the conservation easements and managing the lands acquired. It also establishes a onetime payment to counties in lieu of the existing payment in lieu of tax (PILT) payment for certain new state land acquisitions.

- 1      **Conservation easement purpose statement.** Adds § 84C.021. Requires a conservation easement executed on or after July 1, 2009, that is purchased in whole or in part with state funds to have a statement of the conservation purposes of the easement.
  
- 2      **Long-term land management account.** Adds § 84C.06.
  - Subd. 1. Account established.** Establishes a long-term land management account.
  
  - Subd. 2. Contribution required.** (a) Requires the holder of a conservation easement executed on or after July 1, 2009, purchased with state funds, to contribute the greater of \$10,000 or five percent of the appraised value of the land to the conservation easement management account within 30 days.
    - (b) Requires a holder of a conservation easement that transfers the easement to the state to contribute the greater of \$10,000 or five percent of the appraised value of the land to the conservation easement management account within 30 days unless the requirement has been met by the state.
    - (c) Requires the owner of land purchased on or after July 1, 2009, with state funds, to contribute the greater of \$10,000 or five percent of the appraised value of the land to the conservation easement management account within 30 days.
    - (d) Requires the owner of land that transfers the land to the state to contribute the greater of \$10,000 or five percent of the appraised value of the land to the conservation easement management account within 30 days unless the requirement has been met by the state. Exempts land acquired by a local unit of governments used for parks, trails, open space, conservation and agricultural preservation from this requirement if there is an approved plan for managing the land.
    - (e) States that nothing prohibits a holder of an easement from accepting gifts or other funds to be used in meeting the requirements or prohibits contributions from being made on behalf of a holder of a conservation easement.
    - (f) Defines “appraised value” for purposes of the section.
    - (g) States that the state’s easement costs determined by BWSR will be the basis for determining the five percent contribution amount under this section for easements acquired under chapters 103B-103H or when federal funds are used.

**Subd. 3. Exemption.** Permits the commissioner of natural resources and the Board of Water and Soil Resources to waive the contribution requirement if a holder or owner: has a history of providing long-term conservation easement or land management; demonstrates the ability to fund long-term conservation easement or land management; and has or will have set aside funds for long-term conservation easement or land management.

**Subd. 4. Expenditures.** States that money in the account must only be spent on the management, monitoring, and enforcement of conservation easements and on land management. Requires appropriations from the account to be made by law and prohibits appropriations until July 1, 2017.

**3 Procedure.** Amends § 477A.12, subd. 2. Exempts land receiving the new onetime payment under section 4 from eligibility for existing payments in lieu of tax payments paid for lands acquired for public hunting and natural resource purposes.

**4 Natural resources land one time payment.** Adds § 477A.121.

**Subd. 1. Onetime payments.** Requires a onetime payment to be made to counties for acquired natural resources land purchased with funds from the outdoor heritage fund appropriated on or after July 1, 2010 in lieu of the existing payment in lieu of tax (PILT) payment made annually to counties. The payment is 25 percent of the appraised value (as calculated under subdivision 2) of the acquired natural resources land and would be paid in one lump sum to counties each year for all lands acquired in the previous calendar year.

**Subd. 2. Determination of appraised value.** Outlines the procedure for determining appraised value for purposes of calculating the payment.

**Subd. 3. Transfer; source of funds.** Establishes a statutory transfer and appropriation of funds from the outdoor heritage fund for making the onetime payment and requires the commissioner of revenue to make the payment to counties.

**Subd. 4. Use of funds.** Establishes a mechanism for counties to reimburse towns and requires the county to use the remaining funds to establish an account to fund future expenses incurred by the county in support of natural resources lands.

**5 Effective dates.** States that the sections in this article are effective July 1, 2009, but do not apply to the Board of Water and Soil Resources until September 30, 2010 and that they do not apply to any appropriation in this bill.

## Article 7

### Miscellaneous

This article contains miscellaneous provisions.

**1 Enhance.** Defines “enhance”, for purposes of Minnesota Statutes, chapter 84, governing the DNR.

- 2        **Protect.** Defines “protect”, for purposes of Minnesota Statutes, chapter 84, governing the DNR.
- 3        **Restore.** Defines “restore”, for purposes of Minnesota Statutes, chapter 84, governing the DNR.
- 4        **Application.** States that the definitions of enhance, protect, and restore found in Minnesota Statutes, section 84.02 apply to all funds appropriated and purposes authorized under the clean water fund, parks and trails fund, and outdoor heritage fund.
- 5        **Language working group.** Establishes a volunteer working group to develop a unified strategy to revitalize and preserve indigenous languages of the 11 federally recognized tribes in Minnesota. Specifies membership and duties of the working group, and requires a report by February 15, 2011.
- 6        **Public television cultural and heritage production and acquisition grants.** Provides that money in the arts and cultural heritage fund may be designated for the commissioner of administration to make grants to public stations for purposes of programs that relate to items of artistic, cultural, or historic significance. Specifies conditions for public stations receiving funds under this section and requires reporting.
- 7        **History Education Learning Program Grants.** Establishes the history education learning program (HELP). Specifies criteria for HELP funding. Requires the Minnesota Historical Society to submit a prioritization plan to the legislature.

## Article 8

### Invasive Species

This article appropriates money for the control of invasive species and requires the commissioner of agriculture to prevent the importation certain firewood.

- 1        **Appropriation; forest protection reserve.** Appropriates \$2,000,000 from the outdoor heritage fund to the commissioner of agriculture to respond to the threat or presence of invasive species, including tree pests. Provides immediate access to \$125,000 to update the state’s tree pest of this appropriation plans consultation with certain stakeholders. Authorizes the commissioner to transfer all or part of this appropriation to the DNR and to award grants to local units of government or other entities.
- 2        **State external firewood quarantine.** Requires the commissioner of agriculture to immediately issue and enforce an emergency state exterior quarantine to prevent the entry of firewood into the state unless the firewood was aged at least two years, heated sufficiently to kill pests and disease, or transported or received by a person who entered into a compliance agreement with the commissioner. Authorizes the commissioner to modify or repeal the quarantine.