

Subject Clean Water Fund

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Overview

This bill contains the fiscal years 2020 and 2021 appropriations from the clean water fund and updates and modifies the state's Clean Water Legacy Act.

Article 1: Clean Water Fund

This article appropriates \$261,261,000 from the clean water fund for fiscal years 2020 and 2021 for various projects and programs.

The clean water fund is one of the four funds established by the "Legacy Amendment" passed by the voters in 2008 that raised the state's sales tax by three-eighths of one percent and dedicated the revenue for various purposes. The clean water fund receives 33 percent of the revenue and must be spent "only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation." The constitutional amendment also requires that at least five percent of the fund be spent to protect drinking water sources.

Section	Description – Article 1: Clean Water Fund
1	Clean water fund appropriations. Technical.
2	Clean water. Subd. 1. Total Appropriation. Provides a total appropriation of \$126,959,000 from the clean water fund in fiscal year 2020, and \$134,302,000 in fiscal year 2021. Subd. 2. Availability of Appropriation. Requires the money to be used only for activities that are directly related to and necessary for a specific appropriation and makes the funds available for two years or, when federal funds are involved, for the time period equal to the federal funding availability. Subd. 3. Disability Access. Requires recipients of the money, where appropriate, to make progress toward providing people with disabilities with greater access to the programs funded.

Section	Description – Article 1: Clean Water Fund
3	<p data-bbox="355 275 683 302">Department of Agriculture.</p> <p data-bbox="355 317 1390 384">Appropriates \$12,445,000 in fiscal year 2020 and \$12,445,000 in fiscal year 2021 to the Department of Agriculture for various purposes, including money for:</p> <ul data-bbox="404 422 1425 1073" style="list-style-type: none"><li data-bbox="404 422 1425 489">• increased monitoring for pesticides and pesticide degradates in surface water and groundwater;<li data-bbox="404 527 1182 554">• activities to protect groundwater from nitrate contamination;<li data-bbox="404 592 1325 659">• technical assistance, research, and demonstration projects regarding best management practice implementation<li data-bbox="404 697 1378 724">• research to quantify and reduce agricultural contributions to impaired waters;<li data-bbox="404 762 818 789">• a research inventory database;<li data-bbox="404 827 1195 854">• the Minnesota agricultural water quality certification program;<li data-bbox="404 892 971 919">• a regional irrigation water quality specialist;<li data-bbox="404 957 976 984">• the Forever Green Agriculture Initiative; and<li data-bbox="404 1022 1200 1073">• testing private wells for pesticides where nitrates are detected.
4	<p data-bbox="355 1125 672 1152">Public Facilities Authority.</p> <p data-bbox="355 1167 1382 1304">Appropriates \$9,125,000 in fiscal year 2020 and \$9,125,000 in fiscal year 2021 to the Public Facilities Authority (PFA), including a total of \$18,000,000 for the point source implementation grants program, and a total of \$250,000 for grants and loans for small community wastewater treatment.</p>
5	<p data-bbox="355 1356 667 1383">Pollution Control Agency.</p> <p data-bbox="355 1398 1390 1465">Appropriates \$24,823,000 in fiscal year 2020 and \$22,623,000 in fiscal year 2021 to the Pollution Control Agency (PCA), including money for:</p> <ul data-bbox="404 1503 1390 1810" style="list-style-type: none"><li data-bbox="404 1503 1073 1530">• completion of statewide surface water assessments;<li data-bbox="404 1568 1378 1635">• the development of watershed restoration and protection strategies (WRAPS) which include TMDL studies and TMDL implementation plans;<li data-bbox="404 1673 760 1701">• groundwater assessment;<li data-bbox="404 1738 1390 1810">• implementation of the St. Louis River System Area of Concern Remedial Action Plan;

Section	Description – Article 1: Clean Water Fund
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- national pollutant discharge elimination system (NPDES) wastewater and storm water TMDL implementation;
- grants to counties for subsurface sewage treatment systems (SSTS);
- grants for sanitary sewer projects in Voyageurs National Park;
- activities, training, and grants to reduce chloride pollution; and
- administration of the Clean Water Council.

6 Department of Natural Resources.

Appropriates \$11,076,000 in fiscal year 2020 and \$11,076,000 in fiscal year 2021 to the Department of Natural Resources (DNR), including money for:

- stream flow monitoring;
- lake Index of Biological Integrity (IBI) assessments;
- assessing mercury contamination of fish;
- development of targeted, science-based WRAPS;
- water supply planning, aquifer protection, and monitoring activities;
- technical assistance to support local implementation of nonpoint source restoration and protection activities;
- applied research and tools;
- county geologic atlases;
- maintenance and updates to buffer maps and technical guidance; and
- the Minnesota forests for the future program.

7 Board of Water and Soil Resources.

Appropriates \$56,269,000 in fiscal year 2020 and \$62,269,000 in fiscal year 2021 to the Board of Water and Soil Resources (BWSR), including money for:

- performance based grants to local units of government to implement projects identified as part of the One Watershed, One Plan, or other plans;
- grants to local units of government for various water quality projects consistent with TMDL and WRAPS;

Section	Description – Article 1: Clean Water Fund
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- acceleration of implementation, including technical assistance;
- state oversight and accountability of local implementation efforts;
- grants to local units of government to ensure compliance with buffer and soil loss requirements;
- acquisition, restoration, and preservation of riparian land adjacent to water by easement or contracts;
- permanent conservation easements on wellhead protection areas and grants to local governments to acquire land to protect groundwater on wellhead protection areas;
- restoration evaluations;
- assistance to local governments to transition to a watershed approach;
- conservation easements to treat and store water and to protect threatened public waters with good water quality;
- data collection and estimates of soil erosion;
- increasing citizen participation in implementing water quality projects/programs; and
- enhanced cover crop adoption efforts.

8 **Department of Health.**

Appropriates \$8,882,000 in fiscal year 2020 and \$12,764,000 in fiscal year 2021 to the Department of Health, including money for:

- addressing public health concerns related to unregulated drinking water contaminants;
- drinking water source protection;
- cost-share assistance to seal unused wells;
- development and delivery of groundwater restoration and protection strategies;
- study of the occurrence and magnitude of contaminants in private wells;
- evaluating and addressing risks from certain pathogens in groundwater supplies;

Section	Description – Article 1: Clean Water Fund
	<ul style="list-style-type: none">• development of public health policies and an action plan to address threats to safe drinking water; and• creation of a road map for water reuse implementation and addressing related research gaps.
9	<p>Metropolitan Council. Appropriates \$2,890,000 in fiscal year 2020 and \$1,500,000 in fiscal year 2021 to the Metropolitan Council for:</p> <ul style="list-style-type: none">• projects that address emerging drinking water supply threats;• the water demand reduction grant program; and• inflow and infiltration reduction programs.
10	<p>University of Minnesota. Appropriates \$1,500,000 in fiscal year 2020 and \$1,500,000 in fiscal year 2021 to the University of Minnesota for:</p> <ul style="list-style-type: none">• developing county geologic atlases;• storm water performance evaluation and technology transfer program; and• development of a comprehensive carp management program.
11	<p>Legislature. Appropriates \$9,000 in fiscal year 2020 to the Legislative Coordinating Commission (LCC) for the Legacy Web site.</p>
12	<p>Legislative oversight. Requires the chairs of the legislative committees with jurisdiction over the clean water fund to convene a joint hearing by June 30, 2020, and every four years thereafter to review and evaluate the effectiveness of the Clean Water Council.</p>

Article 2: Clean Water Legacy Act Modifications

This article updates and modifies the state’s Clean Water Legacy Act and related provisions. The Clean Water Legacy Act was originally passed in 2006 and established a framework for assessing and improving the state’s waters as required under the federal Clean Water Act.

Section	Description – Article 2: Clean Water Legacy Act Modifications
1	<p>Financial assistance.</p> <p>Expands the types of financial assistance the Board of Water and Soil Resource (BWSR) can provide by allowing watershed-based, program-based, or other financial assistance in addition to performance-based as provided under current law. Allows the board to establish local match requirements and enter into certain intergovernmental agreements. Requires performance measures to be included in grant work plans.</p>
2	<p>Criteria.</p> <p>Allows BWSR to develop and use eligibility criteria to award base amounts of state funding to local governments.</p>
3	<p>Program purposes.</p> <p>Adds protecting sensitive groundwater areas and providing wellhead protection to the list of purposes of the comprehensive watershed management plan program.</p>
4	<p>Plan content.</p> <p>Adds drinking water source restoration, protection, and preservation to the list of items to be included in a comprehensive local watershed management plan.</p>
5	<p>Timelines; administration.</p> <p>Restricts BWSR from amending its transition plan for watershed-based planning to no more than once every two years.</p>
6	<p>Comprehensive local water management plan.</p> <p>Defines “comprehensive local water management plan” for purposes of the Clean Water Legacy Act.</p>
7	<p>Comprehensive watershed management plan.</p> <p>Defines “comprehensive watershed management plan” for purposes of the Clean Water Legacy Act.</p>
8	<p>Restoration.</p> <p>Modifies the definition of “restoration” for purposes of the Clean Water Legacy Act.</p>

Section	Description – Article 2: Clean Water Legacy Act Modifications
9	<p>TMDL implementation plan.</p> <p>Modifies the definition of "TMDL implementation plan" to allow certain plans or strategies, including comprehensive watershed management plans and watershed restoration and protection strategies (WRAPS), to serve as the implementation plan for a TMDL when the Pollution Control Agency (PCA) determines the plan or strategy is sufficient.</p>
10	<p>Watershed restoration and protection strategy or WRAPS.</p> <p>Modifies the definition of "watershed restoration and protection strategy" or "WRAPS" to allow the strategy to apply to a more flexible area and narrows the definition to include only strategies, not strategies and actions as stated under current law.</p>
11	<p>Goals for implementation.</p> <p>Modifies the Clean Water Legacy Act goals.</p>
12	<p>Implementation policies.</p> <p>Modifies the Clean Water Legacy Act implementation policies.</p>
13	<p>Priorities for scheduling and preparing WRAPS and TMDLs.</p> <p>Requires the PCA to seek recommendations from the Clean Water Council (CWC), DNR, Department of Health (MDH), Department of Agriculture (MDA), and BWSR regarding priorities for scheduling and preparing TMDLs and WRAPSs, and adds surface water and groundwater interactions and other items to the list of considerations that must be made when setting priorities.</p>
14	<p>Priorities for funding protection actions.</p> <p>Expands the types of waters the CWC may provide recommendations for funding for to include waters that have an approved TMDL.</p>
15	<p>Alternatives; TMDL, TMDL implementation plan, or WRAPS.</p> <p>Allows the PCA to submit a comprehensive watershed management plan or comprehensive local water management plan as an alternative to a TMDL in certain circumstances. States that a TMDL implementation plan or WRAPS is not needed if the PCA determines that a comprehensive watershed management plan, comprehensive local water management plan, or statewide/regional plan published by the agency is sufficient and allows the PCA to request BWSR to evaluate the implementation of these plans and to revoke or amend a determination after the evaluation is conducted.</p>
16	<p>Coordinating municipal and local water quality activities.</p> <p>States that certain projects, practices, and programs for water quality improvement or protection may be considered as contributing to the requirements of a storm water pollution prevention program for purposes of municipal separate storm sewer system</p>

Section	Description – Article 2: Clean Water Legacy Act Modifications
	(MS4) permits unless already documented as contributing. Allows the commissioner of health to determine that a comprehensive watershed management plan or comprehensive local watershed management plan is sufficient to meet wellhead protection plan requirements.
17	Watershed restoration and protection strategies. Updates WRAPS requirements, including requiring the PCA, in consultation with BWSR, to coordinate the schedule, budget, scope, and use of WRAPS, and requiring completion of WRAPS for the state’s major watersheds by June 30, 2023, unless a comprehensive watershed management plan or comprehensive local water management plan is determined to be sufficient.
18	Public and stakeholder participation. Requires public agencies and private entities implementing restoration and protection activities identified in comprehensive watershed management plans or comprehensive local water management plans to make efforts to inform, consult, and involve the public and requires the PCA and BWSR to coordinate public and stakeholder participation.
19	Education. Expands the requirement of the CWC to develop education and engagement strategies to strategies regarding the entire Clean Water Legacy Act.
20	Nonpoint funding alternative. Allows BWSR to establish alternative timelines or content for the priority funding plan for nonpoint sources and use the information from comprehensive watershed management plans or comprehensive local water management plans to estimate and summarize costs.



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