

STATE OF MINNESOTA

EIGHTY-SEVENTH SESSION — 2011

 FIFTY-SIXTH DAY

SAINT PAUL, MINNESOTA, SATURDAY, MAY 14, 2011

The House of Representatives convened at 1:00 p.m. and was called to order by Greg Davids, Speaker pro tempore.

Prayer was offered by the Reverend John Mann, Gloria Dei Lutheran Church, St. Paul, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dean	Hansen	Lanning	Murphy, E.	Simon
Anderson, B.	Dettmer	Hausman	Leidiger	Murphy, M.	Slawik
Anderson, D.	Dill	Hayden	LeMieur	Murray	Slocum
Anderson, P.	Dittrich	Hilstrom	Lenczewski	Myhra	Smith
Anderson, S.	Doepke	Hilty	Lesch	Nelson	Stensrud
Anzelc	Downey	Holberg	Liebling	Nornes	Swedzinski
Atkins	Drazkowski	Hoppe	Lillie	Norton	Thissen
Banaian	Eken	Hornstein	Loeffler	O'Driscoll	Tillberry
Barrett	Erickson	Hortman	Lohmer	Paymar	Torkelson
Beard	Fabian	Hosch	Loon	Pelowski	Urdahl
Benson, J.	Falk	Howes	Mack	Peppin	Vogel
Benson, M.	Franson	Huntley	Mahoney	Persell	Wagenius
Bills	Fritz	Johnson	Mariani	Petersen, B.	Ward
Brynaert	Garofalo	Kahn	Marquart	Peterson, S.	Wardlow
Buesgens	Gauthier	Kath	Mazorol	Poppe	Westrom
Carlson	Gottwalt	Kelly	McDonald	Quam	Winkler
Champion	Greene	Kieffer	McFarlane	Rukavina	Woodard
Clark	Greiling	Kiel	McNamara	Runbeck	Spk. Zellers
Cornish	Gruenhagen	Kiffmeyer	Melin	Sanders	
Crawford	Gunther	Knuth	Moran	Scalze	
Daudt	Hackbarth	Koenen	Morrow	Schomacker	
Davids	Hamilton	Kriesel	Mullery	Scott	
Davnie	Hancock	Laine	Murdock	Shimanski	

A quorum was present.

McElpatrick was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. There being no objection, further reading of the Journal was dispensed with and the Journal was approved as corrected by the Chief Clerk.

REPORTS OF CHIEF CLERK

S. F. No. 1044 and H. F. No. 1088, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

SUSPENSION OF RULES

Drazkowski moved that the rules be so far suspended that S. F. No. 1044 be substituted for H. F. No. 1088 and that the House File be indefinitely postponed. The motion prevailed.

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Holberg from the Committee on Ways and Means to which was referred:

H. F. No. 104, A bill for an act relating to claims against the state; providing for settlement of certain claims; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **DEPARTMENT OF CORRECTIONS.**

The amounts in this section are appropriated from the general fund to the commissioner of corrections in fiscal year 2012 for full and final payment under Minnesota Statutes, sections 3.738 and 3.739, of claims against the state for losses suffered while incarcerated in a state correctional facility or for injuries suffered by and medical services provided to persons injured while performing community service or sentence-to-service work for correctional purposes or while incarcerated in a state correctional facility. This appropriation is available until June 30, 2012.

(a) For sentence-to-service and community work service claims under \$500 and other claims already paid by the department, \$3,472.27.

(b) For payment to MCF-Rush City, as reimbursement for paying Walter S. Rudd for the cost of custom orthotic inserts for his shoes to replace those inadvertently disposed of by staff while he was incarcerated at MCF-Rush City, \$350.

(c) For payment to Mario A. Burciaga for permanent injuries to his right hand suffered while performing sentence-to-service work in Rice County and to refund his filing fee, \$3,755, and for payment to medical providers for treatment of Mr. Burciaga, \$8,653.99.

(d) For payment to medical providers for treatment of Natalie C. Clark, who was injured while performing sentence-to-service work in Hennepin County, \$1,403.18.

(e) For payment to medical providers for treatment of Mary L. Hatcher, who was injured while performing sentence-to-service work in Olmsted County, \$1,035.34.

(f) For payment to medical providers for treatment of Shawn M. Norring, who was injured while performing sentence-to-service work in Aitkin County, \$3,675.10.

(g) For payment to medical providers for treatment of Aaron W. Osten, for permanent injuries to his left forearm suffered while performing assigned duties at MCF-Faribault, \$3,375.

(h) For payment to medical providers for treatment of Christopher A. Pearson, who was injured while performing sentence-to-service work in Isanti County, \$1,139.74.

(i) For payment to medical providers for treatment of Michael J. Proell, who was injured while performing sentence-to-service work in Todd County, \$1,039.85.

(j) For payment to medical providers for treatment of Anthony T. Reller, who was injured while performing sentence-to-service work in Carlton County, \$1,901.17.

(k) For payment to S. B., a minor, for permanent injuries to his left foot suffered while performing sentence-to-service work in Hennepin County, \$3,000, and for payment to medical providers for treatment of S. B., \$1,009.83.

(l) For payment to Nicholas Tobin, for permanent injuries to his left hand suffered while performing assigned duties at MCF-Faribault, \$4,875.

(m) For payment to Deleon C. Walker, for permanent injuries to his left hand suffered while performing assigned duties while incarcerated at MCF-Moose Lake, \$11,050.

(n) For payment to Nancy Wescott, for permanent injuries suffered while performing sentence-to-service work in Watonwan County and to reimburse her for medical expenses she already paid, \$1,550.41, and for payment to medical providers for treatment of Ms. Wescott, \$8,397.41.

Sec. 2. **DEPARTMENT OF REVENUE.**

\$1,123 is appropriated from the general fund to the commissioner of revenue in fiscal year 2011 for full and final payment of the claim by Renee S. Johnson, of Brooklyn Park, Minnesota, for the amount of an expired property tax refund check she failed to cash for medical reasons and to refund her filing fee.

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

With the recommendation that when so amended the bill pass.

The report was adopted.

Holberg from the Committee on Ways and Means to which was referred:

H. F. No. 250, A bill for an act relating to claims against the state; changing and updating certain provisions; amending Minnesota Statutes 2010, sections 3.736, subdivision 3; 3.738; 3.739, subdivision 2; 3.749.

Reported the same back with the following amendments:

Page 3, line 21, delete "\$1,000" and insert "\$1,250"

Page 4, line 1, delete "\$1,000" and insert "\$1,250"

Page 4, line 11, delete "\$10" and insert "\$20"

With the recommendation that when so amended the bill pass.

The report was adopted.

Holberg from the Committee on Ways and Means to which was referred:

H. F. No. 556, A bill for an act relating to public safety; amending provisions for juvenile prostitutes found in need of protection or services; defining sexually exploited youth; increasing penalty assessments imposed in certain prostitution crimes and amending distribution of the assessment; clarifying and recodifying certain provisions and modifying certain definitions in the prostitution laws; appropriating money to the commissioner of public safety to develop a statewide victim services model; requiring a report to the legislature; amending Minnesota Statutes 2010, sections 260B.007, subdivisions 6, 16; 260C.007, subdivisions 6, 11, by adding a subdivision; 609.321, subdivisions 4, 8, 9; 609.324, subdivisions 2, 3, by adding subdivisions; 609.3241; 626.558, subdivision 2a; repealing Minnesota Statutes 2010, sections 260B.141, subdivision 5; 260C.141, subdivision 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Peppin from the Committee on Government Operations and Elections to which was referred:

H. F. No. 650, A bill for an act relating to transportation; regulating driver education and driver examination related to carbon monoxide poisoning; making technical changes; amending Minnesota Statutes 2010, sections 171.0701; 171.13, subdivision 1, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Holberg from the Committee on Ways and Means to which was referred:

H. F. No. 988, A bill for an act relating to public defenders; modifying provisions providing for representation by a public defender; amending Minnesota Statutes 2010, sections 609.131, subdivision 1; 611.16; 611.17; 611.18; 611.20, subdivisions 3, 4; 611.27, subdivisions 1, 5; repealing Minnesota Statutes 2010, section 611.20, subdivision 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Hoppe from the Committee on Commerce and Regulatory Reform to which was referred:

H. F. No. 997, A bill for an act relating to civil actions; regulating the imposition of certain civil penalties by state agencies; awarding fees and expenses to prevailing parties in certain actions involving state agencies; amending Minnesota Statutes 2010, sections 15.471, subdivision 6, by adding a subdivision; 15.472; proposing coding for new law in Minnesota Statutes, chapter 15.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 2010, section 14.045, subdivision 3, is amended to read:

Subd. 3. **Factors.** (a) If a statute or rule gives an agency discretion over the amount of a fine or civil penalty, the agency must take the following factors into account in determining the amount of the fine or penalty:

- (1) the willfulness of the violation;
- (2) the gravity of the violation, including damage to humans, animals, and the natural resources of the state;
- (3) the history of past violations;
- (4) the number of violations;
- (5) the economic benefit gained by the person by allowing or committing the violation; ~~and~~
- (6) fines or penalties that similarly situated persons have been assessed for similar violations;
- (7) the cooperation and responsiveness of the person, provided that a fine or penalty shall not be imposed or enhanced because a person has contested an alleged violation or asserted a right or defense provided for in law; and
- ~~(8)~~ (8) other factors that justice may require.

(b) For a violation after an initial violation, the following factors must be considered in addition to the factors in paragraph (a):

- (1) similarity of recent previous violations to the current violation to be penalized;
- (2) time elapsed since the last violation;
- (3) number of previous violations; and
- (4) response of the person to the most recent previous violation identified.

(c) In addition to stating the factual and legal basis for a violation, a state agency shall, in its notice, demand, order, or complaint in an administrative or civil proceeding, document the application of these considerations in determining the amount of any proposed fine or penalty. The agency shall provide this documentation to the party subject to the administrative or civil action at least 30 days prior to initiating the action, unless the alleged violation imminently and substantially endangers public safety, public health, or the environment. Nothing in this paragraph limits the ability of an agency, at any time, to seek injunctive relief related to an alleged violation.

(d) A penalty or stipulation agreement may not include expenditures by the party alleged to have committed a violation for purposes that are not reasonably related to efforts to mitigate or remediate the specific violation, unless otherwise agreed to by the party.

(e) A party subject to a proposed fine or penalty under this section is entitled to offer affirmative defenses including, but not limited to:

- (1) the number of prior contacts where a state agency offered reasonable corrective measures prior to issuing a fine or penalty;
- (2) the ability of the party to pay the proposed fine or penalty; and
- (3) other economic factors affecting the feasibility or practicality of compliance by the party.

(f) As used in paragraphs (c) to (e), "party" has the meaning given in section 15.471, subdivision 6.

(g) Paragraphs (c) to (e) do not apply to civil penalties assessed under chapter 10A or 211B."

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Holberg from the Committee on Ways and Means to which was referred:

H. F. No. 1478, A bill for an act relating to human services; modifying certain provisions regarding the Minnesota sex offender program; amending Minnesota Statutes 2010, sections 253B.141, subdivision 2; 253B.185, subdivisions 1, 16, by adding subdivisions; 253B.19, subdivision 2; 609.485, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 104, 250, 556, 988 and 1478 were read for the second time.

SECOND READING OF SENATE BILLS

S. F. No. 1044 was read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Mullery introduced:

H. F. No. 1706, A bill for an act relating to religious societies; requiring congregational approval of certain actions; amending Minnesota Statutes 2010, section 315.15; proposing coding for new law in Minnesota Statutes, chapter 315.

The bill was read for the first time and referred to the Committee on Civil Law.

Marquart introduced:

H. F. No. 1707, A bill for an act relating to state government; creating the Minnesota Civic Compact, the Minnesota Youth Council, the Volunteer Capacity Building Partnership, and the civic innovation fund; requiring establishment of a state strategic plan, public policy goals, and performance measures; establishing a process for evaluating achievement of performance measures; creating an Office of Ombudsman; requiring reports; appropriating money; amending Minnesota Statutes 2010, sections 4A.01, subdivision 1; 16A.28, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16C; proposing coding for new law as Minnesota Statutes, chapters 4B; 16F.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Marquart and Woodard introduced:

H. F. No. 1708, A bill for an act relating to youth; establishing the Minnesota Youth Council; proposing coding for new law as Minnesota Statutes, chapter 16F.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Gruenhagen introduced:

H. F. No. 1709, A bill for an act relating to insurance; permitting a small employer to retain small employer health coverage when its workforce is reduced to one covered employee; amending Minnesota Statutes 2010, section 62L.03, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform.

Kahn; Loeffler; Murphy, E.; Laine; Greiling; Liebling; Hayden; Winkler; Hornstein; Lesch; Mariani; Paymar; Davnie; Hilty; Champion; Huntley; Hausman; Gauthier; Moran; Johnson; Wagenius; Slocum and Greene introduced:

H. F. No. 1710, A bill for an act relating to marriage; providing for gender-neutral marriage laws; enacting the Marriage and Family Protection Act; amending Minnesota Statutes 2010, sections 363A.27; 517.01; 517.03, subdivision 1; 517.08, subdivision 1a; 517.09.

The bill was read for the first time and referred to the Committee on Civil Law.

Daudt and Cornish introduced:

H. F. No. 1711, A bill for an act relating to public safety; modifying certain provisions regarding the Forensic Laboratory Advisory Board; amending Minnesota Statutes 2010, section 299C.156.

The bill was read for the first time and referred to the Committee on Public Safety and Crime Prevention Policy and Finance.

Hortman introduced:

H. F. No. 1712, A bill for an act relating to retirement; Teachers Retirement Association; authorizing an Anoka-Hennepin school district teacher to purchase service credit for a voluntary layoff and extended leave of absence despite a failure to make timely payments.

The bill was read for the first time and referred to the Committee on Government Operations and Elections.

Barrett; Nornes; Drazkowski; Benson, M.; Fabian; Woodard; Westrom; Runbeck; Anderson, B.; Dettmer; McDonald; Wardlow; Leidiger; Bills; Kiffmeyer; Swedzinski and Gunther introduced:

H. F. No. 1713, A bill for an act relating to transportation; prohibiting use of state resources for potential mileage-based user fee.

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance.

Clark, Hayden, Greiling, Champion and Moran introduced:

H. F. No. 1714, A bill for an act relating to judiciary finance; establishing an alcohol judicial and health impact fund to provide property tax relief; imposing an alcohol judicial and health impact fee; amending Minnesota Statutes 2010, sections 295.75, subdivisions 2, 11; 297G.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 16A; 297G.

The bill was read for the first time and referred to the Committee on Judiciary Policy and Finance.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 664, A bill for an act relating to elevators; modifying certain compliance provisions; amending Minnesota Statutes 2010, section 326B.175; proposing coding for new law in Minnesota Statutes, chapter 326B.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 447, A bill for an act relating to vulnerable adults; modifying provisions governing investigations, reviews, and hearings; making the crime of criminal abuse of a vulnerable adult a registrable offense under the predatory offender registration law; changing terminology; increasing the criminal penalty for assaulting a

vulnerable adult; providing criminal penalties; amending Minnesota Statutes 2010, sections 144.7065, subdivision 10; 243.166, subdivision 1b; 256.021; 256.045, subdivision 4; 518.165, subdivision 5; 524.5-118, subdivision 2; 609.2231, by adding a subdivision; 609.224, subdivision 2; 626.557, subdivisions 9, 9a, 9c, 9d, 12b, by adding a subdivision; 626.5571, subdivision 1; 626.5572, subdivision 13.

H. F. No. 1092, A bill for an act relating to education; allowing teachers taking early retirement to continue coaching; modifying the application deadline for certain charter school authorizers; amending Minnesota Statutes 2010, sections 122A.48, subdivision 3; 124D.10, subdivision 3.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 86, A bill for an act relating to energy; removing ban on increased carbon dioxide emissions by utilities; amending Minnesota Statutes 2010, section 216H.02, subdivision 4; repealing Minnesota Statutes 2010, section 216H.03.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Rosen, Stumpf and Magnus.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

CAL R. LUDEMAN, Secretary of the Senate

Beard moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 86. The motion prevailed.

Mr. Speaker:

I hereby announce the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1115, A bill for an act relating to natural resources; modifying nonnative species provisions; modifying certain requirements for public waters work permits; modifying requirements for permits to control or harvest aquatic plants; providing criminal penalties and civil penalties; amending Minnesota Statutes 2010, sections 84D.01, subdivisions 8a, 16, 21, by adding subdivisions; 84D.02, subdivision 6; 84D.03, subdivisions 3, 4; 84D.08; 84D.09; 84D.10, subdivisions 1, 3, 4; 84D.11, subdivision 2a; 84D.13, subdivisions 3, 4, 5, 6, 7; 84D.15, subdivision 2; 97C.081, subdivision 4; 103G.311, subdivision 5; 103G.615, subdivision 1, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 84D; 86B; repealing Minnesota Statutes 2010, section 84D.02, subdivision 4.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Ingebrigtsen, Dahms, Skoe, Gazelka and Carlson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

CAL R. LUDEMAN, Secretary of the Senate

McNamara moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 1115. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 186, A bill for an act relating to drivers' licenses; extending expiration period for driver's license while person is serving in active military service; amending Minnesota Statutes 2010, section 171.27.

The Senate has appointed as such committee:

Senators Daley, Chamberlain and Reinert.

Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 742, 955, 1197, 247, 508, 768, 799, 946, 1045, 1208 and 1280.

CAL R. LUDEMAN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 742, A bill for an act relating to health; providing an exception to the hospital moratorium; amending Minnesota Statutes 2010, section 144.551, subdivision 1.

The bill was read for the first time.

Zellers moved that S. F. No. 742 and H. F. No. 1018, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 955, A bill for an act relating to commerce; regulating return of pledged goods and location restrictions of pawnbrokers; amending Minnesota Statutes 2010, sections 325J.08; 325J.13; repealing Minnesota Statutes 2010, section 325J.10.

The bill was read for the first time.

Sanders moved that S. F. No. 955 and H. F. No. 1152, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1197, A bill for an act relating to energy; modifying provisions related to utility report filings, weatherization programs, and public utility commission assessments; removing obsolete and redundant language; providing for nuclear power plant decommissioning and storage of used nuclear fuel; providing for certain reporting requirements; defining certain terms; requiring utility rates be based primarily on cost of service between and among consumer classes; exempting certain gas customers from the conservation improvement program; making clarifying and technical changes; authorizing the Public Utilities Commission to approve a multiyear rate plan for certain utilities; providing for cost recovery for certain pollution control products; requiring certain rate impact information related to compliance with renewable energy standard; modifying conservation improvement program; modifying provision relating to transmission projects reports; regulating charitable contributions and securities issuance by utilities; relieving Energy Conservation Information Center from certain data-gathering responsibilities; amending Minnesota Statutes 2010, sections 16E.15, subdivision 2; 216B.02, by adding a subdivision; 216B.026, subdivision 1; 216B.03; 216B.07; 216B.16, subdivisions 6b, 7, 9, 15, by adding subdivisions; 216B.1636, subdivision 1; 216B.1691, subdivision 1, by adding a subdivision; 216B.2401; 216B.241, subdivisions 1, 1a, 1c, 2; 216B.2425, subdivision 2; 216B.49, subdivision 3; 216C.11; 216C.264; 216E.18, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 2010, section 216B.242.

The bill was read for the first time and referred to the Committee on Environment, Energy and Natural Resources Policy and Finance.

S. F. No. 247, A bill for an act relating to insurance; regulating service cooperative refunds; requiring local government employees to approve participation in or withdrawal from the public employees insurance program; amending Minnesota Statutes 2010, sections 43A.316, subdivision 5; 123A.21, by adding a subdivision; 471.611, subdivision 2.

The bill was read for the first time.

Hoppe moved that S. F. No. 247 and H. F. No. 371, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 508, A bill for an act relating to insurance; requiring auto insurers to inform certain insureds of the right to select any rental vehicle company; requiring an advisory; amending Minnesota Statutes 2010, section 72A.201, subdivision 6.

The bill was read for the first time.

Atkins moved that S. F. No. 508 and H. F. No. 859, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 768, A bill for an act relating to education; clarifying requirements governing probationary teacher and principal status; amending Minnesota Statutes 2010, sections 122A.40, subdivisions 5, 11, by adding a subdivision; 122A.41, subdivisions 1, 2, 5a, 10, 14.

The bill was read for the first time.

Erickson moved that S. F. No. 768 and H. F. No. 575, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 799, A bill for an act relating to higher education; providing for the use of student data; proposing coding for new law in Minnesota Statutes, chapter 136A.

The bill was read for the first time.

Nornes moved that S. F. No. 799 and H. F. No. 1130, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 946, A bill for an act relating to education; establishing a pilot project to examine how school districts might operate jointly to provide innovative delivery of programs and activities and share resources.

The bill was read for the first time and referred to the Committee on Education Reform.

S. F. No. 1045, A bill for an act relating to commerce; regulating continuing education requirements, insurance coverages, adjusters, and appraisers; amending Minnesota Statutes 2010, sections 45.011, subdivision 1; 45.25, by adding subdivisions; 45.30, subdivision 7, by adding a subdivision; 45.35; 60K.56, subdivision 6; 62A.095, subdivision 1; 62A.318, subdivision 17; 62E.14, subdivision 3, by adding a subdivision; 62L.03, subdivision 3; 72B.041, subdivision 5; 79A.06, subdivision 5; 79A.24, by adding subdivisions; 82.641, subdivision 1; 82B.11, subdivision 6; 82B.13, by adding a subdivision; 82B.14; 82C.08, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 45; 72B; repealing Minnesota Statutes 2010, section 45.25, subdivision 3.

The bill was read for the first time.

Hoppe moved that S. F. No. 1045 and H. F. No. 1394, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1208, A bill for an act relating to commerce; providing notice to a mortgagor under certain circumstances; modifying a definition; regulating life insurance and title insurance reserves; regulating certain accounts and funding agreements; repealing obsolete and conflicting provisions; making conforming changes; repealing a bank rule; amending Minnesota Statutes 2010, sections 60A.60, subdivision 9; 60C.03, subdivision 6; 61A.25, subdivision 4; 61A.282, subdivision 2; 68A.03, subdivision 3; 72A.31, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 58; repealing Minnesota Statutes 2010, sections 61A.275; 61A.276, subdivision 4; 67A.27; 67A.28; 67A.29; 67A.30, subdivisions 1, 3; 67A.31; 67A.32; 67A.34; 67A.35; 67A.36; 67A.37; 67A.38; 67A.39; Minnesota Rules, part 2675.2170, item F.

The bill was read for the first time.

Hoppe moved that S. F. No. 1208 and H. F. No. 1473, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1280, A bill for an act relating to employment; providing notice of sharing of gratuities and authorizing employers to safeguard and disburse shared gratuities; amending Minnesota Statutes 2010, section 177.24, subdivision 3.

The bill was read for the first time.

Anderson, S., moved that S. F. No. 1280 and H. F. No. 809, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1115:

McNamara, Doepke, Hancock, LeMieur and Dill.

REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Dean from the Committee on Rules and Legislative Administration, pursuant to rule 1.21, designated the following bills to be placed on the Calendar for the Day for Saturday, May 14, 2011:

H. F. Nos. 642, 611, 1473, 1394, 1467 and 984; S. F. No. 1130; and H. F. Nos. 1023, 1544, 808 and 955.

CALENDAR FOR THE DAY

S. F. No. 1363 was reported to the House.

Urdahl moved to amend S. F. No. 1363, the second engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 1061, the fourth engrossment:

"ARTICLE 1 OUTDOOR HERITAGE FUND

Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund and are available for the fiscal years indicated for each purpose. The figures "2012" and "2013" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2012, or June 30, 2013, respectively. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. The appropriations in this article are onetime.

APPROPRIATIONS
Available for the Year
Ending June 30
2012 **2013**

Sec. 2. **OUTDOOR HERITAGE**

Subdivision 1. **Total Appropriation**

\$92,126,000

\$471,000

This appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Prairies and Grasslands**

35,324,000

-0-

(a) Wildlife Management Area, Scientific and Natural Areas, and Prairie Bank Easement Acquisition - Phase III

\$4,690,000 the first year is to the commissioner of natural resources to:

(1) acquire land in fee for wildlife management area purposes under Minnesota Statutes, sections 86A.05, subdivision 8, and 97A.145;

(2) acquire land in fee for scientific and natural area purposes under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; and

(3) acquire native prairie bank easements under Minnesota Statutes, section 84.96.

Of this amount, \$759,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a.

A list of proposed land or permanent conservation easement acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan, and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

(b) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase III

\$1,652,000 the first year is to the commissioner of natural resources to accelerate the restoration and enhancement on wildlife management areas, scientific and natural areas, and land under native prairie bank easements.

(c) Minnesota Buffers for Wildlife and Water

\$2,249,000 the first year is to the Board of Water and Soil Resources in cooperation with Pheasants Forever to acquire permanent conservation easements to enhance habitat by expanding riparian wildlife buffers on private land. A list of proposed easement acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

(d) Northern Tallgrass Prairie National Wildlife Refuge Land Acquisition - Phase III

\$1,720,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land or permanent easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan.

(e) Minnesota Prairie Recovery Project - Phase II

\$4,500,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire native prairie and savanna and restore and enhance grasslands and savanna. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. Acquisitions, restorations, and enhancements must be within the two existing and two additional pilot focus areas contained in the accomplishment plan. Annual income statements and balance sheets for income and expenses from land acquired with appropriations from the outdoor heritage fund must be submitted to the Lessard-Sams Outdoor Heritage Council.

(f) Cannon River Headwaters Habitat Complex - Phase I

\$1,877,000 the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. Of this amount, \$344,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(g) Accelerating the Wildlife Management Area Program - Phase III

\$6,691,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire prairie and other habitat areas for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Of this amount, \$1,191,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Accelerating the Waterfowl Production Area Program - Phase III

\$9,815,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to accelerate the acquisition of wetlands and grasslands to be added to the waterfowl production area system in Minnesota in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) The Green Corridor Legacy Program - Phase III

\$2,130,000 the first year is to the commissioner of natural resources for an agreement with the Redwood Area Development Corporation to acquire land for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8, or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. Of this amount, \$359,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(j) Native Prairie Report

By January 15, 2012, the Lessard-Sams Outdoor Heritage Council shall submit a report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the outdoor heritage fund and environment and natural resources finance and policy that details the amount of native prairie protected, enhanced, and restored with outdoor heritage fund appropriations for fiscal years 2010, 2011, and 2012. The report must include:

(1) the total number of acres of native prairie that have been protected; and

(2) the total number of acres of native prairie that have been restored.

Subd. 3. Forests16,039,000-0-**(a) Minnesota Forests for the Future - Phase III**

\$5,409,000 the first year is to the commissioner of natural resources to acquire forest and wetland habitat through working forest easements and fee acquisition under the Minnesota forests for the future program pursuant to Minnesota Statutes, section 84.66. A conservation easement acquired with money appropriated under this paragraph must comply with subdivision 13. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

(b) LaSalle Lake: Protecting Critical Mississippi Headwaters Habitat

\$5,709,000 the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire land adjacent to LaSalle Lake in Hubbard County. Of this amount, \$1,077,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. If the acquisition is not completed by July 15, 2012, or if a balance remains after acquisition of land, the money under this paragraph is available for acquisition under subdivision 2, paragraph (a).

(c) Accelerated Forest Habitat Enhancement - Phase II

\$826,000 the first year is to the commissioner of natural resources to restore and enhance lands in state forests, pursuant to Minnesota Statutes, section 89.021.

(d) Northeastern Minnesota Sharp-Tailed Grouse Habitat Partnership - Phase II

\$1,199,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Sharp-Tailed Grouse Society to acquire and enhance lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Of this amount, \$211,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(e) Lower Mississippi River Habitat Partnership - Phase II

\$863,000 the first year is to the commissioner of natural resources to acquire and enhance habitat in the lower Root River and lower Zumbro River watersheds, pursuant to Minnesota Statutes, section 86A.05, subdivisions 7 and 8. Of this amount, \$156,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Protect Key Forest Habitat Lands in Cass County - Phase II

\$604,000 the first year is to the commissioner of natural resources for an agreement with Cass County to acquire land in fee for forest wildlife habitat. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(g) State Forest Acquisition

\$1,429,000 the first year is to the commissioner of natural resources to acquire land in fee and permanent management access easements for state forests under Minnesota Statutes, section 86A.05, subdivision 7. Of this amount, \$224,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

Subd. 4. Wetlands15,934,000-0-**(a) Reinvest in Minnesota Wetlands Reserve Acquisition and Restoration Program Partnership - Phase III**

\$13,000,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore wetlands and associated upland habitat in cooperation with the United States Department of Agriculture Wetlands Reserve Program. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of monitoring and enforcement activities.

(b) Accelerated Shallow Lakes and Wetlands Restoration and Enhancement - Phase III

\$936,000 the first year is to the commissioner of natural resources to develop engineering designs for shallow lakes and wetlands and restore and enhance shallow lakes.

(c) Shallow Lake Shoreland Protection: Wild Rice Lakes

\$1,998,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited and the Board of Water and Soil Resources to acquire wild rice lake shoreland habitat in fee and as permanent conservation easements as follows: \$500,000 to the Department of Natural Resources; \$1,100,000 to the Board of Water and Soil Resources; \$291,000 to Ducks Unlimited; and \$107,000 for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

Subd. 5. Habitat24,086,000-0-

(a) Accelerated Aquatic Management Area Habitat Program - Phase III

\$7,061,000 the first year is to the commissioner of natural resources to acquire interests in land in fee or permanent conservation easements for aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, to restore and enhance aquatic habitat. Of this amount, \$561,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed acquisitions and stream and lake habitat restorations and enhancements must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

(b) Coldwater Fish Habitat Enhancement Program - Phase III

\$1,533,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore, enhance, and protect cold water river and stream habitats in Minnesota. A list of proposed projects, describing types and locations of restorations and enhancements, must be provided as part of the required accomplishment plan.

(c) Land Addition to the Janet Johnson Memorial Wildlife Management Area

\$707,000 the first year is to the commissioner of natural resources for an agreement with Chisago County to acquire land in fee to be added to the Janet Johnson Memorial Wildlife Management Area under Minnesota Statutes, section 86A.05, subdivision 8. Of this amount, \$130,000 is for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Metro Big Rivers Habitat - Phase II

\$5,481,000 the first year is to the commissioner of natural resources for agreements to acquire interests in land in fee or permanent conservation easements and to restore and enhance natural systems associated with the Mississippi, Minnesota, and St. Croix Rivers as follows: \$960,000 to the Minnesota Valley National Wildlife Refuge Trust, Inc.; \$150,000 to Great River

Greening; \$840,000 to Minnesota Land Trust; \$150,000 to Friends of the Mississippi River; \$2,900,000 to The Trust for Public Land; and \$481,000 for transfer to the outdoor heritage land management account in the special revenue fund for the purposes specified in Minnesota Statutes, section 97A.056, subdivision 1a. A list of proposed projects, describing types and locations of acquisitions, restorations, and enhancements, must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

(e) Protecting Sensitive Shorelands in North Central Minnesota

\$1,098,000 the first year is to the commissioner of natural resources for agreements with the Leech Lake Watershed Foundation and the Minnesota Land Trust as follows: \$339,000 to the Leech Lake Watershed Foundation; \$741,000 to the Minnesota Land Trust; and \$18,000 to the Department of Natural Resources to pay for acquisition-related expenses and monitoring costs of donated permanent conservation easements on sensitive shorelands in north central Minnesota. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement monitoring and enforcement plan. Money appropriated from the outdoor heritage fund for easement acquisition may be used to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to subdivision 15. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund.

(f) Restoring Native Habitat and Water Quality to Shell Rock River - Phase II

\$2,577,000 the first year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire land in fee at the headwaters of the Shell Rock River for aquatic management area purposes under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02, to restore and enhance aquatic habitat. The leases for gravel mining existing at the time of acquisition may not be extended and all gross income generated from mining operations must be transferred to the commissioner of management and budget and credited to the outdoor heritage fund. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(g) Outdoor Heritage Conservation Partners Grant Program - Phase III

\$5,629,000 the first year is to the commissioner of natural resources for a program to provide competitive, matching grants of up to \$400,000 to local, regional, state, and national organizations for enhancement, restoration, or protection of forests, wetlands, prairies, and habitat for fish, game, or wildlife in Minnesota. Grants shall not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants shall not be made from appropriations in this paragraph for projects that have a total project cost exceeding \$475,000. \$319,000 of this appropriation may be spent for personnel costs and other administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by state law. The program shall require a match of at least ten percent from nonstate sources for grants of \$100,000 or less and a match of at least 15 percent from nonstate sources for grants over \$100,000. Up to one-third of the match may be in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. The criteria for evaluating grant applications over \$25,000 must include the amount of habitat restored, enhanced, or protected; local support; encouragement of a local conservation culture; urgency; capacity to achieve multiple benefits; habitat benefits provided; consistency with current conservation science; adjacency to protected lands; full funding of the project; supplementing existing funding; public access for hunting and fishing during the open season; sustainability; degree of collaboration; and use of native plant materials. All projects must conform to the Minnesota statewide conservation and preservation plan. Wildlife habitat projects must also conform to the Minnesota wildlife action plan. Subject to the evaluation criteria and requirements of this paragraph and Minnesota Statutes, the commissioner of natural resources shall give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects when evaluating projects of equal value. If acquiring land or a conservation easement, priority shall be given to projects associated with existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; and aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority shall be given to restoration and enhancement projects on public lands. Subdivision 9 applies to grants awarded under this paragraph. This

appropriation is available until June 30, 2015. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner shall provide notice of the grant program in the 2011 game and fish law summaries that are prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. Administration

743,000

471,000

(a) Contract Management

\$175,000 the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner shall provide documentation to the Legislative Coordinating Commission on the expenditure of these funds.

(b) Legislative Coordinating Commission

(1) \$471,000 the first year and \$471,000 the second year are to the Legislative Coordinating Commission for two years of administrative expenses of the Lessard-Sams Outdoor Heritage Council and for two years of compensation and expense reimbursement of council members.

(2) \$13,000 the first year is to the Legislative Coordinating Commission for the Web site required under Minnesota Statutes, section 3.303, subdivision 10.

(c) Technical Assistance Panel

\$84,000 the first year is to the commissioner of natural resources for a technical assistance panel to conduct up to ten restoration audits under Minnesota Statutes, section 97A.056, subdivision 10.

Subd. 7. Availability of Appropriation

Money appropriated in this section 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. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise provided, the amounts in this section are available until June 30, 2014, when projects must be completed and final accomplishments reported. Funds for restoration or enhancement are available until June 30, 2016, or four years after acquisition, whichever is later, in order to complete restoration or enhancement work. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal

funding. Funds appropriated for fee title acquisition of land may be used to restore, enhance, and provide for the public use of land acquired with the appropriation. Public use facilities must have a minimal impact on habitat on acquired lands.

Subd. 8. Accomplishment Plans

It is a condition of acceptance of the appropriations made under this section that the agency or entity using the appropriation submit to the Lessard-Sams Outdoor Heritage Council an accomplishment plan and periodic accomplishment reports in the form determined by the council. The accomplishment plan must identify the project manager responsible for expending the appropriation and the final product. The accomplishment plan must account for the use of the appropriation and outcomes of the expenditure in measures of wetlands, prairies, forests, and fish, game, and wildlife habitat restored, protected, and enhanced. The plan must include an evaluation of results. None of the money provided in this section may be expended unless the council has approved the pertinent accomplishment plan.

Subd. 9. Project Requirements

(a) As a condition of accepting an appropriation made under this section, an agency or entity receiving an appropriation must comply with this subdivision for any project funded in whole or in part with funds from the appropriation.

(b) All conservation easements acquired with money appropriated under this section must: (1) be permanent; (2) specify the parties to the easement; (3) specify all of the provisions of an agreement that are permanent; (4) specify the habitat types and location being protected; (5) where appropriate for conservation or water protection outcomes, require the grantor to employ practices retaining water on the eased land as long as practicable; (6) specify the responsibilities of the parties for habitat enhancement and restoration and the associated costs of these activities; (7) be sent to the office of the Lessard-Sams Outdoor Heritage Council; (8) include a long-term stewardship plan and identify the sources and amount of funding for monitoring and enforcing the easement agreement; and (9) identify the parties responsible for monitoring and enforcing the easement agreement.

(c) For all restorations, a recipient must prepare and retain an ecological restoration and management plan that, to the degree practicable, is consistent with current conservation science and ecological goals for the restoration site. Consideration should be given to soil, geology, topography, and other relevant factors that would provide the best chance for long-term success and durability of the restoration projects. The plan must include the proposed timetable for implementing the restoration, including, but not

limited to, site preparation, establishment of diverse plant species, maintenance, and additional enhancement to establish the restoration; identify long-term maintenance and management needs of the restoration and how the maintenance, management, and enhancement will be financed; and use current conservation science to achieve the best restoration.

(d) For new lands acquired, a recipient must prepare a restoration and management plan in compliance with paragraph (c), including identification of sufficient funding for implementation.

(e) To ensure public accountability for the use of public funds, a recipient must provide to the Lessard-Sams Outdoor Heritage Council documentation of the process used to select parcels acquired in fee or as permanent conservation easements and must provide the council with documentation of all related transaction costs, including, but not limited to, appraisals, legal fees, recording fees, commissions, other similar costs, and donations. This information must be provided for all parties involved in the transaction. The recipient must also report to the Lessard-Sams Outdoor Heritage Council any difference between the acquisition amount paid to the seller and the state-certified or state-reviewed appraisal, if a state-certified or state-reviewed appraisal was conducted. Acquisition data such as appraisals may remain private during negotiations but must ultimately be made public according to Minnesota Statutes, chapter 13.

(f) Except as otherwise provided in this section, all restoration and enhancement projects funded with money appropriated under this section must be on land permanently protected by a conservation easement or public ownership or in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15.

(g) To the extent an appropriation is used to acquire an interest in real property, a recipient of an appropriation under this section must provide to the Lessard-Sams Outdoor Heritage Council and the commissioner of management and budget an analysis of increased operations and maintenance costs likely to be incurred by public entities as a result of the acquisition and of how these costs are to be paid.

(h) A recipient of money under this section must erect signage according to Laws 2009, chapter 172, article 5, section 10.

Subd. 10. Payment Conditions and Capital Equipment Expenditures

All agreements, grants, or contracts referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each

appropriation's purpose made on or after July 1, 2011, are eligible for reimbursement unless otherwise provided in this section. Periodic reimbursement must be made upon receiving documentation that the deliverable items articulated in the approved accomplishment plan have been achieved, including partial achievements as evidenced by approved progress reports. Reasonable amounts may be advanced to projects to accommodate cash flow needs, support future management of acquired lands, or match a federal share. The advances must be approved as part of the accomplishment plan. Capital equipment expenditures for specific items in excess of \$10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 11. Purchase of Recycled and Recyclable Materials

A political subdivision, public or private corporation, or other entity that receives an appropriation under this section must use the appropriation in compliance with Minnesota Statutes, sections 16B.121, regarding purchase of recycled, repairable, and durable materials, and 16B.122, regarding purchase and use of paper stock and printing.

Subd. 12. Accessibility

Structural and nonstructural facilities must meet the design standards in the Americans with Disabilities Act (ADA) accessibility guidelines.

Subd. 13. Land Acquisition Restrictions

(a) An interest in real property, including, but not limited to, an easement or fee title that is acquired with money appropriated under this section must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made.

(b) A recipient of funding who acquires an interest in real property subject to this subdivision may not alter the intended use of the interest in real property or convey any interest in the real property acquired with the appropriation without the prior review and approval of the Lessard-Sams Outdoor Heritage Council or its successor. The council shall notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the outdoor heritage fund at least 15 business days before approval under this paragraph. The council shall establish procedures to review requests from recipients to alter the use of or convey an interest in real property. These procedures shall allow for the replacement of the interest in real property with another interest in real property meeting the following criteria: (1) the interest must be at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being

replaced; and (2) the interest must be in a reasonably equivalent location and have a reasonably equivalent useful conservation purpose compared to the interest being replaced, taking into consideration all effects from fragmentation of the whole habitat.

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain: (1) a legal description of the interest in real property covered by the funding agreement; (2) a reference to the underlying funding agreement; (3) a reference to this section; and (4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor Heritage Council or its successor. The ownership of the interest in real property shall transfer to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or accomplishment plan; or (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation."

Subd. 14. Real Property Interest Report

By December 1 each year, a recipient of money appropriated under this section that is used for the acquisition of an interest in real property, including, but not limited to, an easement or fee title, must submit annual reports on the status of the real property to the Lessard-Sams Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must: (1) inform the person to whom the responsibility is transferred of that person's reporting responsibility; (2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 13; and (3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred. After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section.

Subd. 15. Easement Monitoring and Enforcement Requirements

Money appropriated under this section for easement monitoring and enforcement may be spent only on activities included in an easement monitoring and enforcement plan contained within the accomplishment plan. Money received for monitoring and enforcement, including earnings on the money received, shall be kept in a monitoring and enforcement fund held by the organization and dedicated to monitoring and enforcing conservation easements within Minnesota. Within 120 days after the close of the entity's fiscal year, an entity receiving appropriations for easement monitoring and enforcement must provide an annual financial report to the Lessard-Sams Outdoor Heritage Council on the easement monitoring and enforcement fund as specified in the accomplishment plan. Money appropriated under this section for monitoring and enforcement of easements and earnings on the money appropriated shall revert to the state if: (1) the easement transfers to the state under subdivision 13; (2) the holder of the easement fails to file an annual report and then fails to cure that default within 30 days of notification of the default by the state; or (3) the holder of the easement fails to comply with the terms of the monitoring and enforcement plan contained within the accomplishment plan and fails to cure that default within 90 days of notification of the default by the state.

Subd. 16. Successor Organizations

The Lessard-Sams Outdoor Heritage Council may approve the continuation of a project with an organization that has adopted a new name. Continuation of a project with an organization that has undergone a significant change in mission, structure, or purpose requires: (1) notice to the chairs of the legislative committees with relevant jurisdiction; and (2) presentation by the council of proposed legislation either ratifying or rejecting continued involvement with the new organization.

Subd. 17. Appropriations Adjustment

(a) Mississippi River Bluffland Prairie Protection Initiative

Of the amount appropriated in Laws 2009, chapter 172, article 1, section 2, subdivision 2, paragraph (f), \$65,000 is for deposit in a monitoring and enforcement account as authorized in subdivision 15.

(b) Critical Shoreline Habitat Protection Program

Of the amount appropriated in Laws 2010, chapter 361, article 1, section 2, subdivision 3, paragraph (a), \$187,000 is for deposit in a monitoring and enforcement account as authorized in subdivision 15.

(c) Riparian and Lakeshore Protection in Dakota County

Of the amount appropriated in Laws 2010, chapter 361, article 1, section 2, subdivision 5, paragraph (d), \$80,000 is for deposit in a monitoring and enforcement account as authorized in subdivision 15.

(d) Valley Creek Protection Partnership

Of the amount appropriated in Laws 2010, chapter 361, article 1, section 2, subdivision 5, paragraph (e), \$12,000 is for deposit in a monitoring and enforcement account as authorized in subdivision 15.

Sec. 3. **[84.68] FORESTS FOR THE FUTURE CONSERVATION EASEMENT ACCOUNT.**

Subdivision 1. **Account established; sources.** The forests for the future conservation easement account is created in the natural resources fund in the state treasury. The following revenue shall be deposited in the account:

- (1) contributions to the account or specified for any purposes of the account;
- (2) financial contributions required under section 84.66, subdivision 11, or other applicable law; and
- (3) money appropriated or transferred for the purposes described in subdivision 2.

Interest earned on money in the account accrues to the account.

Subd. 2. **Appropriation; purposes of account.** Money in the forests for the future conservation easement account is appropriated annually to the commissioner of natural resources and may be spent only to cover the costs of managing forests for the future conservation easements held by the Department of Natural Resources, including costs incurred from monitoring, landowner contracts, record keeping, processing landowner notices, requests for approval or amendments, and enforcement.

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

Sec. 4. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 1a. **Outdoor heritage land management account.** An outdoor heritage land management account is created as an account in the special revenue fund. The State Board of Investment shall ensure the account is invested under section 11A.24. The commissioner of management and budget shall credit to the account all money appropriated to the account and all money earned by the account. The principal of the account and any unexpended earnings must be invested and reinvested by the State Board of Investment. Nothing in this section limits the source of contributions to the account. No more than five and one-half percent of the market value of the account as of June 30 of the prior fiscal year is appropriated to the commissioner of natural resources to pay for future restoration and enhancement of lands purchased in fee with monies from the outdoor heritage fund and held by the state.

Sec. 5. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 1b. **Definitions.** For the purpose of appropriations from the outdoor heritage fund, "recipient" means the entity responsible for deliverables financed by the outdoor heritage fund.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2009.

Sec. 6. Minnesota Statutes 2010, section 97A.056, subdivision 2, is amended to read:

Subd. 2. **Lessard-Sams Outdoor Heritage Council.** (a) The Lessard-Sams Outdoor Heritage Council of 12 members is created in the legislative branch, consisting of:

(1) two public members appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration;

(2) two public members appointed by the speaker of the house;

(3) four public members appointed by the governor;

(4) two members of the senate appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration; and

(5) two members of the house of representatives appointed by the speaker of the house.

(b) Members appointed under paragraph (a) must not be registered lobbyists. In making appointments, the governor, senate Subcommittee on Committees of the Committee on Rules and Administration, and the speaker of the house shall consider geographic balance, gender, age, ethnicity, and varying interests including hunting and fishing. The governor's appointments to the council are subject to the advice and consent of the senate.

(c) Public members appointed under paragraph (a) shall have practical experience or expertise or demonstrated knowledge in the science, policy, or practice of restoring, protecting, and enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife.

(d) Legislative members appointed under paragraph (a) shall include the chairs of the legislative committees with jurisdiction over environment and natural resources finance or their designee, one member from the minority party of the senate, and one member from the minority party of the house of representatives.

(e) Public members serve four-year terms and. Appointed legislative members serve at the pleasure of the appointing authority. Public and legislative members continue to serve until their successors are appointed. Public members shall be initially appointed according to the following schedule of terms:

(1) two public members appointed by the governor for a term ending the first Monday in January 2011;

(2) one public member appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2011;

(3) one public member appointed by the speaker of the house for a term ending the first Monday in January 2011;

(4) two public members appointed by the governor for a term ending the first Monday in January 2013;

(5) one public member appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2013; and

(6) one public member appointed by the speaker of the house for a term ending the first Monday in January 2013; ~~and.~~

~~(7) two members of the senate appointed by the senate Subcommittee on Committees of the Committee on Rules and Administration for a term ending the first Monday in January 2013, and two members of the house of representatives appointed by the speaker of the house for a term ending the first Monday in January 2013.~~

(f) Compensation and removal of public members are as provided in section 15.0575. A vacancy on the council may be filled by the appointing authority for the remainder of the unexpired term.

(g) The first meeting of the council shall be convened by the chair of the Legislative Coordinating Commission no later than December 1, 2008. Members shall elect a chair, vice-chair, secretary, and other officers as determined by the council. The chair may convene meetings as necessary to conduct the duties prescribed by this section.

(h) Upon coordination with and approval by the Legislative Coordinating Commission, the council may appoint nonpartisan staff and contract with consultants as necessary to carry out the functions of the council. Up to one percent of the money appropriated from the fund may be used to pay for administrative expenses of the council and for compensation and expense reimbursement of council members.

Sec. 7. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 11. **Commissioner approval; acquisitions.** The commissioner must agree in writing to each proposed acquisition of land or interest in land purchased with an appropriation from the outdoor heritage fund that is intended to be transferred to the commissioner. Prior to signing the written agreement, the commissioner must determine that the acquisition meets the Department of Natural Resources' precision acquisition goals.

Sec. 8. Laws 2009, chapter 172, article 1, section 2, subdivision 3, is amended to read:

Subd. 3. Forests	18,000,000	18,000,000
-------------------------	------------	------------

\$18,000,000 in fiscal year 2010 and \$18,000,000 in fiscal year 2011 are to the commissioner of natural resources to acquire land or permanent working forest easements on private forests in areas identified through the Minnesota forests for the future program under Minnesota Statutes, section 84.66. Up to \$750,000 in fiscal year 2011 may be transferred to the forests for the future conservation easement account and used for the purposes specified under Minnesota Statutes, section 84.68, subdivision 2. Priority must be given to acquiring land or interests in private lands within existing Minnesota state forest boundaries. Any easements acquired must have a forest management plan as defined in Minnesota Statutes, section 290C.02, subdivision 7. A list of proposed fee title and easement acquisitions must be provided as part of the required accomplishment plan. ~~The fiscal year 2011 appropriation is available only for acquisitions that, by August 15, 2009, are:~~

~~(1) subject to a binding agreement with the commissioner; and~~

~~(2) matched by at least \$9,000,000 in private donations.~~

Sec. 9. Laws 2009, chapter 172, article 1, section 2, subdivision 15, is amended to read:

Subd. 15. Real Property Interest Report

By December 1 each year, a recipient of money appropriated under this section that is used for the acquisition of an interest in real property, including but not limited to an easement or fee title, must submit annual reports on the status of the real property to the Lessard Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must:

- (1) inform the person to whom the responsibility is transferred of that person's reporting responsibility;
- (2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 14; and
- (3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to whom the responsibility is transferred. ~~Before the transfer, the entity receiving the transfer of property must certify to the Lessard Outdoor Heritage Council, or its successor, acceptance of all obligations and responsibilities held by the prior owner.~~

After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section.

Sec. 10. Laws 2010, chapter 361, article 1, section 2, subdivision 14, is amended to read:

Subd. 14. Real Property Interest Report

By December 1 each year, a recipient of money appropriated under this section that is used for the acquisition of an interest in real property, including, but not limited to, an easement or fee title, must submit annual reports on the status of the real property to the Lessard-Sams Outdoor Heritage Council or its successor in a form determined by the council. The responsibility for reporting under this section may be transferred by the recipient of the appropriation to another person or entity that holds the interest in the real property. To complete the transfer of reporting responsibility, the recipient of the appropriation must: (1) inform the person to whom the responsibility is transferred of that person's reporting responsibility; (2) inform the person to whom the responsibility is transferred of the property restrictions under subdivision 13; and (3) provide written notice to the council of the transfer of reporting responsibility, including contact information for the person to

whom the responsibility is transferred; and (4) provide the ~~Lessard Sams Outdoor Heritage Council or its successor written documentation from the person or entity holding the interest in real property certifying its acceptance of all reporting obligations and responsibilities previously held by the recipient of the appropriation.~~ After the transfer, the person or entity that holds the interest in the real property is responsible for reporting requirements under this section.

Sec. 11. **REPEALER.**

Minnesota Statutes 2010, section 84.02, subdivisions 1, 2, 3, 4, 6, 7, and 8, are repealed.

ARTICLE 2
CLEAN WATER FUND

Section 1. **CLEAN WATER FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund, and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. The appropriations in this article are onetime.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2012</u>	<u>2013</u>
Sec. 2. <u>CLEAN WATER</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$89,906,000</u>	<u>\$88,454,000</u>

The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2012 appropriations are available until June 30, 2013, and fiscal year 2013 appropriations are available until June 30, 2014. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Sec. 3. **DEPARTMENT OF AGRICULTURE****\$8,200,000****\$8,200,000**

(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface water and groundwater and to use data collected to assess pesticide use practices.

(b) \$850,000 the first year and \$850,000 the second year are to increase monitoring and evaluate trends in the concentration of nitrates in groundwater in high-risk areas and regionally and to promote and evaluate regional and crop-specific nutrient best management practices. This appropriation is available until spent.

(c) \$5,000,000 the first year and \$5,000,000 the second year are for the agriculture best management practices loan program. At least \$4,000,000 the first year and at least \$4,400,000 the second year are for transfer to the clean water agricultural best management practices loan account and are available for pass-through to local governments and lenders for low-interest loans. Any unencumbered balance that is not used for pass-through to local governments does not cancel at the end of the first year and is available for the second year.

(d) \$700,000 the first year and \$700,000 the second year are for pilot projects and technical assistance on proper implementation of best management practices for nonpoint contributions to impaired waters. This appropriation is available until spent.

(e) \$1,050,000 the first year and \$1,050,000 the second year are for research to quantify agricultural contributions to impaired waters and for development and evaluation of best management practices to protect and restore water resources while maintaining productivity. This appropriation is available until spent.

(f) \$250,000 the first year and \$250,000 the second year are for a research inventory database containing water-related research activities that have been publicly funded.

Sec. 4. **PUBLIC FACILITIES AUTHORITY****\$16,710,000****\$16,710,000**

(a) \$11,185,000 the first year and \$11,185,000 the second year are for the total maximum daily load (TMDL) grant program under Minnesota Statutes, section 446A.073. This appropriation is available until spent.

(b) \$4,275,000 the first year and \$4,275,000 the second year are for the clean water legacy phosphorus reduction grant program under Minnesota Statutes, section 446A.074. This appropriation is available until spent.

(c) \$1,250,000 the first year and \$1,250,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until spent.

(d) If there are any uncommitted funds at the end of each fiscal year under paragraph (a), (b), or (c), the Public Facilities Authority may transfer the remaining funds to eligible projects under any of the programs listed under this section, based on their priority rank on the Pollution Control Agency's project priority list.

Sec. 5. **POLLUTION CONTROL AGENCY**

\$23,100,000

\$22,600,000

(a) \$7,500,000 the first year and \$7,500,000 the second year are for completion of 20 percent of the needed statewide assessments of surface water quality and trends. Of this amount, \$100,000 the first year and \$100,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand the existing water quality and watershed monitoring river watch activities in the schools in the Red River of the North. The Red River Watershed Management Board shall provide a report to the commissioner of the Pollution Control Agency and the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund by February 15, 2013, on the expenditure of these funds.

(b) \$9,400,000 the first year and \$9,400,000 the second year are to develop total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDL's each year over the biennium.

(c) \$1,125,000 the first year and \$1,125,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, and continuing to monitor for and assess contaminants of emerging concern.

(d) \$750,000 the first year and \$750,000 the second year are for water quality improvement in the lower St. Louis River and Duluth harbor. This appropriation must be matched by a rate of 65 percent nonstate funds to 35 percent state funds.

(e) \$1,250,000 the first year and \$1,250,000 the second year are for the clean water partnership program to provide grants to protect and improve the basins and watersheds of the state and provide financial and technical assistance to study waters with nonpoint source pollution problems. Priority shall be given to projects preventing impairments and degradation of lakes, rivers, streams, and groundwater in accordance with Minnesota Statutes, section 114D.20, subdivision 2, clause (4). Any balance remaining in the first year does not cancel and is available for the second year.

(f) \$400,000 the first year and \$400,000 the second year are for storm water research and guidance.

(g) \$1,150,000 the first year and \$1,150,000 the second year are for TMDL research and database development.

(h) \$800,000 the first year and \$800,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts.

(i) \$225,000 the first year and \$225,000 the second year are transferred to the commissioner of administration for the Environmental Quality Board in cooperation with the United States Geological Survey to characterize groundwater flow and aquifer properties in the I-94 corridor in cooperation with local units of government. This appropriation is available until June 30, 2014.

(j) \$500,000 the first year is for a wild rice standards study.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2013, as grants or contracts in this section are available until June 30, 2016.

Sec. 6. **DEPARTMENT OF NATURAL RESOURCES**

\$11,160,000

\$10,160,000

(a) \$1,825,000 the first year and \$1,825,000 the second year are for the continuation and expansion of stream flow monitoring.

(b) \$1,150,000 the first year and \$1,150,000 the second year are for lake Index of Biological Integrity (IBI) assessments, including assessment of 400 additional lakes and technical analysis to develop an aquatic plant IBI analysis. The commissioner shall work with the commissioner of the Pollution Control Agency on the development of an assessment tool.

(c) \$130,000 the first year and \$130,000 the second year are for assessing mercury contamination of fish, including monitoring to track the status of waters impaired by mercury and mercury reduction efforts over time.

(d) \$1,730,000 the first year and \$1,730,000 the second year are for TMDL development and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D, and for development of a watershed assessment tool.

(e) \$1,500,000 the first year and \$1,500,000 the second year are for water supply planning, aquifer protection, and monitoring activities.

(f) \$450,000 the first year and \$450,000 the second year are for establishing a Web-based electronic permitting system to capture water appropriation use information.

(g) \$1,725,000 the first year and \$1,725,000 the second year are for shoreland stewardship, TMDL implementation coordination, providing technical assistance to the Drainage Work Group and Drainage Management Team, and maintaining and updating data. Of this amount, \$235,000 each year is for maintaining and updating watershed boundaries and integrating high-resolution digital elevation data with watershed modeling and \$40,000 each year is for a biomonitoring database. TMDL implementation coordination efforts shall be focused on major watersheds with TMDL implementation plans, including forested watersheds.

(h) \$1,350,000 the first year and \$1,350,000 the second year are to acquire and distribute high-resolution digital elevation data using light detection and ranging to aid with impaired waters modeling and TMDL implementation under Minnesota Statutes, chapter 114D. The money shall be used to collect data for areas of the state that have not acquired such data prior to January 1, 2007, or to complete acquisition and distribution of the data for those areas of the state that have not previously received state funds for acquiring and distributing the data. The distribution of data acquired under this paragraph must be conducted under the auspices of the Minnesota Geospatial Information Office, which shall receive up to 2.5 percent of the appropriation in this paragraph to support coordination of data acquisition and distribution. Mapping and data set distribution under this paragraph must be completed within three years of funds availability. The commissioner shall utilize department staff whenever possible. The commissioner may contract for services only if the services cannot otherwise be provided by the department.

(i) \$300,000 the first year and \$300,000 the second year are for delivery of decision support tools through outreach, education, and citizen engagement.

(j) \$1,000,000 the first year is for implementation of the metropolitan groundwater monitoring and protection activities under Minnesota Laws 2010, chapter 361, article 2, section 4, subdivision 2.

Sec. 7. **BOARD OF WATER AND SOIL RESOURCES**

\$27,234,000

\$27,234,000

(a) \$13,750,000 the first year and \$13,750,000 the second year are for pollution reduction and restoration grants to local government units and joint powers organizations of local government units to protect surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers,

and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system (SSTS) projects and stream bank, stream channel, and shoreline restoration projects. The projects must be of long-lasting public benefit, include a match, and be consistent with TMDL implementation plans or local water management plans.

(b) \$3,000,000 the first year and \$3,000,000 the second year are for targeted local resource protection and enhancement grants. The board shall give priority consideration to projects and practices that complement, supplement, or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, and streams or that protect groundwater from degradation. Of this amount, at least \$1,500,000 each year is for SSTS county implementation.

(c) \$900,000 the first year and \$900,000 the second year are to provide state oversight and accountability, evaluate results, and measure the value of conservation program implementation by local governments, including submission to the legislature by March 1 each year an annual report prepared by the board, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, detailing the recipients and projects funded under this section. The board shall require grantees to specify the outcomes that will be achieved by the grants prior to any grant awards.

(d) \$1,000,000 the first year and \$1,000,000 the second year are for technical assistance and grants for the conservation drainage program in consultation with the Drainage Work Group that consists of projects to retrofit existing drainage systems with water quality improvement practices, evaluate outcomes, and provide outreach to landowners, public drainage authorities, drainage engineers and contractors, and others.

(e) \$6,000,000 the first year and \$6,000,000 the second year are to purchase and restore permanent conservation easements on riparian buffers adjacent to public waters, excluding wetlands, to keep water on the land in order to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. The riparian buffers must be at least 50 feet unless there is a natural impediment, a road, or other impediment beyond the control of the landowner. This appropriation may be used for restoration of riparian buffers protected by easements purchased with this appropriation and for stream bank restorations when the riparian buffers have been restored.

(f) \$1,000,000 the first year and \$1,000,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2.

paragraph (d). Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health.

(g) \$1,500,000 the first year and \$1,500,000 the second year are for community partners grants to local units of government for: (1) structural or vegetative management practices that reduce storm water runoff from developed or disturbed lands to reduce the movement of sediment, nutrients, and pollutants for restoration, protection, or enhancement of water quality in lakes, rivers, and streams and to protect groundwater and drinking water; and (2) installation of proven and effective water retention practices including, but not limited to, rain gardens and other vegetated infiltration basins and sediment control basins in order to keep water on the land. The projects must be of long-lasting public benefit, include a local match, and be consistent with TMDL implementation plans or local water management plans. Local government unit staff and administration costs may be used as a match.

(h) \$84,000 the first year and \$84,000 the second year are for a technical assistance panel to conduct up to ten restoration audits under Minnesota Statutes, section 114D.50, subdivision 6.

(i) The board shall contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for \$500,000 the first year and \$500,000 the second year.

(j) The board may shift grant or cost-share funds in this section and may adjust the technical and administrative assistance portion of the funds to leverage federal or other nonstate funds or to address oversight responsibilities or high-priority needs identified in local water management plans.

(k) The appropriations in this section are available until spent.

Sec. 8. **DEPARTMENT OF HEALTH**

\$2,988,000

\$3,050,000

(a) \$1,020,000 the first year and \$1,020,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standard exists.

(b) \$1,415,000 the first year and \$1,415,000 the second year are for protection of drinking water sources.

(c) \$250,000 the first year and \$250,000 the second year are for cost-share assistance to public and private well owners for up to 50 percent of the cost of sealing unused wells.

(d) \$303,000 the first year and \$365,000 the second year are to expand the county well index.

Sec. 9. **METROPOLITAN COUNCIL****\$500,000****\$500,000**

\$500,000 the first year and \$500,000 the second year are for implementation of the master water supply plan developed under Minnesota Statutes, section 473.1565.

Sec. 10. **LEGISLATURE****\$14,000****\$-0-**

\$14,000 the first year is for the Legislative Coordinating Commission for the costs of developing and implementing a Web site to contain information on projects receiving appropriations from the clean water fund and other constitutionally dedicated funds.

Sec. 11. **CARRYFORWARD**

(a) The appropriations in Laws 2009, chapter 172, article 2, section 4, paragraph (g), as amended by Laws 2010, chapter 361, article 2, section 2, are available until June 30, 2013, and may be spent to continue research and testing on the potential for coal tar contamination of waters, on the study of treatment and disposal options, and for grants to local units of government.

(b) The appropriation in Laws 2010, chapter 361, article 2, section 4, subdivision 1, for nitrogen and nitrate water quality standards rulemaking is available until June 30, 2012.

(c) The appropriations in Laws 2009, chapter 172, article 2, section 4, paragraph (a), as amended by Laws 2010, chapter 361, article 2, section 2, for total maximum daily load (TMDL) study development and implementation are available until June 30, 2014.

(d) The appropriations in Laws 2009, chapter 172, article 2, section 2, paragraph (d), for research and pilot projects related to ways agricultural practices contribute to restoring impaired waters and assist with the development of TMDL plans, are available until spent.

Sec. 12. Minnesota Statutes 2010, section 114D.10, is amended to read:

114D.10 LEGISLATIVE PURPOSE AND FINDINGS.

Subdivision 1. **Purpose.** The purpose of the Clean Water Legacy Act is to protect, enhance, and restore,~~and preserve the water quality of Minnesota's surface waters~~ in lakes, rivers, and streams and to protect groundwater from degradation, by providing authority, direction, and resources to achieve and maintain water quality standards for groundwater and surface waters as, including the standards required by section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313(d), and other applicable state and federal regulations.

Subd. 2. **Findings.** The legislature finds that:

(1) there is a close link between protecting, enhancing, and restoring,~~and preserving~~ the quality of Minnesota's groundwater and surface waters and the ability to develop the state's economy, enhance its quality of life, and protect its human and natural resources;

(2) achieving the state's water quality goals will require long-term commitment and cooperation by all state and local agencies, and other public and private organizations and individuals, with responsibility and authority for water management, planning, and protection; and

(3) all persons and organizations whose activities affect the quality of waters, including point and nonpoint sources of pollution, have a responsibility to participate in and support efforts to achieve the state's water quality goals.

Sec. 13. Minnesota Statutes 2010, section 114D.20, subdivision 1, is amended to read:

Subdivision 1. **Coordination and cooperation.** In implementing this chapter, public agencies and private entities shall take into consideration the relevant provisions of local and other applicable water management, conservation, land use, land management, and development plans and programs. Public agencies with authority for local water management, conservation, land use, land management, and development plans shall take into consideration the manner in which their plans affect the implementation of this chapter. Public agencies shall identify opportunities to participate and assist in the successful implementation of this chapter, including the funding or technical assistance needs, if any, that may be necessary. In implementing this chapter, public agencies shall endeavor to engage the cooperation of organizations and individuals whose activities affect the quality of groundwater or surface waters, including point and nonpoint sources of pollution, and who have authority and responsibility for water management, planning, and protection. To the extent practicable, public agencies shall endeavor to enter into formal and informal agreements and arrangements with federal agencies and departments to jointly utilize staff and educational, technical, and financial resources to deliver programs or conduct activities to achieve the intent of this chapter, including efforts under the federal Clean Water Act and other federal farm and soil and water conservation programs. Nothing in this chapter affects the application of silvicultural exemptions under any federal, state, or local law or requires silvicultural practices more stringent than those recommended in the timber harvesting and forest management guidelines adopted by the Minnesota Forest Resources Council under section 89A.05.

Sec. 14. Minnesota Statutes 2010, section 114D.20, subdivision 2, is amended to read:

Subd. 2. **Goals for implementation.** The following goals must guide the implementation of this chapter:

(1) to identify impaired waters in accordance with federal TMDL requirements within ten years after the effective date of this section and thereafter to ensure continuing evaluation of surface waters for impairments;

(2) to submit TMDL's to the United States Environmental Protection Agency for all impaired waters in a timely manner in accordance with federal TMDL requirements;

(3) to set a reasonable time for implementing restoration of each identified impaired water;

(4) to provide assistance and incentives to prevent waters from becoming impaired and to improve the quality of waters that are listed as impaired but do not have an approved TMDL addressing the impairment;

(5) to promptly seek the delisting of waters from the impaired waters list when those waters are shown to achieve the designated uses applicable to the waters; ~~and~~

(6) to achieve compliance with federal Clean Water Act requirements in Minnesota-;

(7) to support effective measures to prevent the degradation of groundwater according to the groundwater degradation prevention goal under section 103H.001; and

(8) to support effective measures to restore degraded groundwater.

Sec. 15. Minnesota Statutes 2010, section 114D.20, subdivision 3, is amended to read:

Subd. 3. **Implementation policies.** The following policies must guide the implementation of this chapter:

(1) develop regional and watershed TMDL's and TMDL implementation plans, and TMDL's and TMDL implementation plans for multiple pollutants, where reasonable and feasible;

(2) maximize use of available organizational, technical, and financial resources to perform sampling, monitoring, and other activities to identify degraded groundwater and impaired waters, including use of citizen monitoring and citizen monitoring data used by the Pollution Control Agency in assessing water quality ~~must meet~~ that meets the requirements in Appendix D of the Volunteer Surface Water Monitoring Guide, Minnesota Pollution Control Agency (2003);

(3) maximize opportunities for restoration of degraded groundwater and impaired waters, by prioritizing and targeting of available programmatic, financial, and technical resources and by providing additional state resources to complement and leverage available resources;

(4) use existing regulatory authorities to achieve restoration for point and nonpoint sources of pollution where applicable, and promote the development and use of effective nonregulatory measures to address pollution sources for which regulations are not applicable;

(5) use restoration methods that have a demonstrated effectiveness in reducing impairments and provide the greatest long-term positive impact on water quality protection and improvement and related conservation benefits while incorporating innovative approaches on a case-by-case basis;

(6) identify for the legislature any innovative approaches that may strengthen or complement existing programs;

(7) identify and encourage implementation of measures to prevent surface waters from becoming impaired and to improve the quality of waters that are listed as impaired but have no approved TMDL addressing the impairment using the best available data and technology, and establish and report outcome-based performance measures that monitor the progress and effectiveness of protection and restoration measures; ~~and~~

(8) monitor and enforce cost-sharing contracts and impose monetary damages in an amount up to 150 percent of the financial assistance received for failure to comply; and

(9) identify and encourage implementation of measures to prevent groundwater from becoming degraded and measures that restore groundwater resources.

Sec. 16. Minnesota Statutes 2010, section 114D.20, subdivision 6, is amended to read:

Subd. 6. **Priorities for restoration of impaired waters.** In implementing restoration of impaired waters, in addition to the priority considerations in subdivision 5, the Clean Water Council shall give priority in its recommendations for restoration funding from the clean water ~~legacy account~~ fund to restoration projects that:

(1) coordinate with and utilize existing local authorities and infrastructure for implementation;

(2) can be implemented in whole or in part by providing support for existing or ongoing restoration efforts;

(3) most effectively leverage other sources of restoration funding, including federal, state, local, and private sources of funds;

(4) show a high potential for early restoration and delisting based upon scientific data developed through public agency or citizen monitoring or other means; and

(5) show a high potential for long-term water quality and related conservation benefits.

Sec. 17. Minnesota Statutes 2010, section 114D.20, subdivision 7, is amended to read:

Subd. 7. **Priorities for funding prevention actions.** The Clean Water Council shall apply the priorities applicable under subdivision 6, as far as practicable, when recommending priorities for funding actions to prevent groundwater and surface waters from becoming degraded or impaired and to improve the quality of surface waters that are listed as impaired but do not have an approved TMDL.

Sec. 18. Minnesota Statutes 2010, section 114D.30, is amended to read:

114D.30 CLEAN WATER COUNCIL.

Subdivision 1. **Creation; duties.** A Clean Water Council is created to advise on the administration and implementation of this chapter, and foster coordination and cooperation as described in section 114D.20, subdivision 1. The council may also advise on the development of appropriate processes for expert scientific review as described in section 114D.35, subdivision 2. The Pollution Control Agency shall provide administrative support for the council with the support of other member agencies. The members of the council shall elect a chair from the ~~nonagency voting~~ members of the council.

Subd. 2. **Membership; appointment.** (a) The commissioners of natural resources, agriculture, health, and the Pollution Control Agency, and the executive director of the Board of Water and Soil Resources shall each appoint one person from their respective agency to serve as a nonvoting member of the council. ~~Agency members serve as nonvoting members of the council.~~ Two members of the house of representatives, including one member from the majority party and one member from the minority party, appointed by the speaker and two senators, including one member from the majority party and one member from the minority party, appointed according to the rules of the senate shall serve at the pleasure of the appointing authority as nonvoting members of the council. Agency and legislative members appointed under this paragraph serve as nonvoting members of the council.

(b) Nineteen ~~additional nonagency voting~~ members of the council shall be appointed by the governor as follows:

- (1) two members representing statewide farm organizations;
- (2) two members representing business organizations;
- (3) two members representing environmental organizations;
- (4) one member representing soil and water conservation districts;
- (5) one member representing watershed districts;
- (6) one member representing nonprofit organizations focused on improvement of Minnesota lakes or streams;
- (7) two members representing organizations of county governments, one member representing the interests of rural counties and one member representing the interests of counties in the seven-county metropolitan area;
- (8) two members representing organizations of city governments;

- (9) one member representing the Metropolitan Council established under section 473.123;
- (10) one member representing township officer officers;
- (11) one member representing the interests of tribal governments;
- (12) one member representing statewide hunting organizations;
- (13) one member representing the University of Minnesota or a Minnesota state university; and
- (14) one member representing statewide fishing organizations.

Members appointed under ~~clauses (1) to (14)~~ this paragraph must not be registered lobbyists or legislators. In making appointments, the governor must attempt to provide for geographic balance. The members of the council appointed by the governor are subject to the advice and consent of the senate.

Subd. 3. **Conflict of interest.** A Clean Water Council member may not participate in or vote on a decision of the council relating to an organization in which the member has either a direct or indirect personal financial interest. While serving on the Clean Water Council, a member shall avoid any potential conflict of interest.

Subd. 4. **Terms; compensation; removal.** ~~The initial terms of members representing state agencies and the Metropolitan Council expire on the first Monday in January 2007. Thereafter,~~ The terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor. The terms of other nonlegislative members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of nonlegislative council members is as provided in section 15.059, subdivisions 3 and 4. Compensation of legislative members is as determined by the appointing authority. A vacancy on the council may be filled by the appointing authority provided in subdivision 1 for the remainder of the unexpired term.

Subd. 5. **Implementation plan.** The Clean Water Council shall recommend a plan for implementation of this chapter and the provisions of article XI, section 15, of the Minnesota Constitution relating to clean water. The recommended plan shall address general procedures and time frames for implementing this chapter, and shall include a more specific implementation work plan for the next fiscal biennium and a framework for setting priorities to address impaired waters consistent with section 114D.20, subdivisions 2 to 7. The council shall issue ~~the first recommended plan under this subdivision by December 1, 2005, and shall issue~~ a revised plan by December 1 of each even-numbered year ~~thereafter~~.

Subd. 6. **Recommendations on appropriation of funds.** (a) The Clean Water Council shall recommend to the governor and the legislature the manner in which money from the clean water ~~legacy account~~ fund should be appropriated for the purposes ~~identified in section 114D.45, subdivision 3~~ stated in article XI, section 15, of the Minnesota Constitution and section 114D.50.

(b) The council's recommendations must:

(1) be to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation and ensure that at least five percent of the clean water fund is spent only to protect drinking water sources;

(2) be consistent with the purposes, policies, goals, and priorities in sections 114D.05 to 114D.35, this chapter; and shall

(3) allocate adequate support and resources to identify degraded groundwater and impaired waters, develop TMDL's, implement restoration of groundwater and impaired waters, and provide assistance and incentives to prevent groundwater and surface waters from becoming degraded or impaired and improve the quality of surface waters which are listed as impaired but have no approved TMDL.

(c) The council must recommend methods of ensuring that awards of grants, loans, or other funds from the clean water ~~legacy account~~ fund specify the outcomes to be achieved as a result of the funding and specify standards to hold the recipient accountable for achieving the desired outcomes. Expenditures from the ~~account~~ fund must be appropriated by law.

Subd. 7. **Biennial report to legislature.** By December 1 of each even-numbered year, the council shall submit a report to the legislature on the activities for which money has been or will be spent for the current biennium, the activities for which money is recommended to be spent in the next biennium, and the impact on economic development of the implementation of efforts to protect and restore groundwater and the impaired waters program. The report due on December 1, 2014, must include an evaluation of the progress made through June 30, 2014, in implementing this chapter and the provisions of article XI, section 15, of the Minnesota Constitution relating to clean water, the need for funding of future implementation ~~of those sections,~~ and recommendations for the sources of funding.

Sec. 19. Minnesota Statutes 2010, section 114D.35, is amended to read:

114D.35 PUBLIC AND STAKEHOLDER PARTICIPATION; SCIENTIFIC REVIEW; EDUCATION.

Subdivision 1. **Public and stakeholder participation.** Public agencies and private entities involved in the implementation of this chapter shall encourage participation by the public and stakeholders, including local citizens, landowners and managers, and public and private organizations, in ~~the identification of~~ identifying impaired waters, in developing TMDL's, ~~and~~ in planning, priority setting, and implementing restoration of impaired waters, in identifying degraded groundwater, and in protecting and restoring groundwater resources. In particular, the Pollution Control Agency shall make reasonable efforts to provide timely information to the public and to stakeholders about impaired waters that have been identified by the agency. The agency shall seek broad and early public and stakeholder participation in scoping the activities necessary to develop a TMDL, including the scientific models, methods, and approaches to be used in TMDL development, and to implement restoration pursuant to section 114D.15, subdivision 7.

Subd. 2. **Expert scientific advice.** The Clean Water Council and public agencies and private entities shall make use of available public and private expertise from educational, research, and technical organizations, including the University of Minnesota and other higher education institutions, to provide appropriate independent expert advice on models, methods, and approaches used in identifying degraded ground water and impaired waters, developing TMDL's, and implementing prevention and restoration.

Subd. 3. **Education.** The Clean Water Council shall develop strategies for informing, educating, and encouraging the participation of citizens, stakeholders, and others regarding the identification of impaired waters, development of TMDL's, development of TMDL implementation plans, ~~and~~ implementation of restoration for impaired waters, identification of degraded groundwater, and protection and restoration of groundwater resources. Public agencies shall be responsible for implementing the strategies.

Sec. 20. Minnesota Statutes 2010, section 116.195, is amended to read:

116.195 BENEFICIAL USE OF WASTEWATER AND STORM WATER; CAPITAL GRANTS FOR DEMONSTRATION PROJECTS.

Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given them.

(b) "Agency" means the Pollution Control Agency.

(c) "Beneficial use of wastewater or storm water" means:

(1) use of the effluent from a wastewater treatment plant that replaces use of groundwater; or

(2) use of storm water that replaces the use of groundwater.

(d) "Capital project" means the acquisition or betterment of public land, buildings, and other public improvements of a capital nature for the treatment of wastewater intended for beneficial use or for the use of storm water to replace groundwater use. Capital project includes projects to retrofit, expand, or construct new treatment facilities.

Subd. 2. **Grants for capital project design.** The agency shall make grant awards to political subdivisions for up to 50 percent of the costs to predesign and design capital projects that demonstrate the beneficial use of wastewater or storm water. ~~The maximum amount for a grant under this subdivision is \$500,000.~~ The grant agreement must provide that the predesign and design work being funded is public information and available to anyone without charge. The agency must make the predesign and design work available on its Web site.

Subd. 3. **Grants for capital project implementation.** The agency shall make grant awards to political subdivisions for up to 50 percent of the costs to acquire, construct, install, furnish, and equip capital projects that demonstrate the beneficial use of wastewater or storm water. The political subdivision must submit design plans and specifications to the agency as part of the application.

The agency must consult with the Public Facilities Authority and the commissioner of natural resources in reviewing and ranking applications for grants under this section.

The application must identify the uses of the treated wastewater or storm water and greater weight will be given to applications that include a binding commitment to participate by the user or users.

The agency must give preference to projects that will reduce use of the greatest volume of groundwater from aquifers with the slowest rate of recharge.

Subd. 4. **Application form; procedures.** The agency shall develop an application form and procedures.

Subd. 5. **Reports.** The agency shall report by February 1 of each year to the chairs of the house of representatives and senate committees with jurisdiction over environment policy and finance and capital investment on the grants made and projects funded under this section. For each demonstration project funded, the report must include information on the scale of water constraints for the area, the volume of treated wastewater ~~supply~~ supplied or storm water available, the quality of the storm water or treated wastewater supplied and treatment implications for the industrial user, impacts to stream flow and downstream users, and any considerations related to water appropriation and discharge permits.

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

Sec. 21. Laws 2009, chapter 172, article 2, section 4, as amended by Laws 2010, chapter 361, article 2, section 2, is amended to read:

Sec. 4. POLLUTION CONTROL AGENCY

\$24,076,000

\$27,630,000

(a) \$9,000,000 the first year and \$9,000,000 the second year are to develop total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDLs each year over the biennium. Of this amount, \$348,000 the first year is to retest the comprehensive assessment of the biological conditions of the lower Minnesota River and its tributaries within the Lower Minnesota River Major Watershed, as previously assessed from 1976 to 1992 under the Minnesota River Assessment Project (MRAP). The assessment must include the same fish species sampling at the same 116 locations and the same macroinvertebrate sampling at the same 41 locations as the MRAP assessment. The assessment must:

- (1) include an analysis of the findings; and
- (2) identify factors that limit aquatic life in the Minnesota River.

Of this amount, \$250,000 the first year is for a pilot project for the development of total maximum daily load (TMDL) studies conducted on a watershed basis within the Buffalo River watershed in order to protect, enhance, and restore water quality in lakes, rivers, and streams. The pilot project shall include all necessary field work to develop TMDL studies for all impaired subwatersheds within the Buffalo River watershed and provide information necessary to complete reports for most of the remaining watersheds, including analysis of water quality data, identification of sources of water quality degradation and stressors, load allocation development, development of reports that provide protection plans for subwatersheds that meet water quality standards, and development of reports that provide information necessary to complete TMDL studies for subwatersheds that do not meet water quality standards, but are not listed as impaired.

(b) \$500,000 the first year is for development of an enhanced TMDL database to manage and track progress. Of this amount, \$63,000 the first year is to promulgate rules. By November 1, 2010, the commissioner shall submit a report to the chairs of the house of representatives and senate committees with jurisdiction over environment and natural resources finance on the outcomes achieved with this appropriation.

(c) \$1,500,000 the first year and \$3,169,000 the second year are for grants under Minnesota Statutes, section 116.195, to political subdivisions for up to 50 percent of the costs to predesign, design, and implement capital projects that use storm water or treated

municipal wastewater instead of groundwater from drinking water aquifers, in order to demonstrate the beneficial use of wastewater or storm water, including the conservation and protection of water resources. Of this amount, \$1,000,000 the first year is for grants to ethanol plants that are within one and one-half miles of a city for improvements that use storm water or reuse greater than 300,000 gallons of wastewater per day. This appropriation is available until spent.

(d) \$1,125,000 the first year and \$1,125,000 the second year are for groundwater assessment and drinking water protection to include:

(1) the installation and sampling of at least 30 new monitoring wells;

(2) the analysis of samples from at least 40 shallow monitoring wells each year for the presence of endocrine disrupting compounds; and

(3) the completion of at least four to five groundwater models for TMDL and watershed plans.

(e) \$2,500,000 the first year is for the clean water partnership program. Priority shall be given to projects preventing impairments and degradation of lakes, rivers, streams, and groundwater in accordance with Minnesota Statutes, section 114D.20, subdivision 2, clause (4). Any balance remaining in the first year does not cancel and is available for the second year.

(f) \$896,000 the first year is to establish a network of water monitoring sites, to include at least 20 additional sites, in public waters adjacent to wastewater treatment facilities across the state to assess levels of endocrine-disrupting compounds, antibiotic compounds, and pharmaceuticals as required in this article. The data must be placed on the agency's Web site.

(g) \$155,000 the first year is to provide notification of the potential for coal tar contamination, establish a storm water pond inventory schedule, and develop best management practices for treating and cleaning up contaminated sediments as required in this article. \$490,000 the second year is to provide grants to local units of government for up to 50 percent of the costs to implement best management practices to treat or clean up contaminated sediments in storm water ponds and other waters as defined under this article. Local governments must have adopted an ordinance for the restricted use of undiluted coal tar sealants in order to be eligible for a grant, unless a statewide restriction has been implemented. A grant awarded under this paragraph must not exceed \$100,000. Up to \$145,000 of the appropriation in the second year may be used to complete work required under section 28, paragraph (c).

(h) \$350,000 the first year and \$600,000 the second year are for a restoration project in the lower St. Louis River and Duluth harbor in order to improve water quality. This appropriation must be matched by nonstate money at a rate of at least \$2 for every \$1 of state money.

(i) \$150,000 the first year and \$196,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand existing river watch activities in the Red River of the North. The Red River Watershed Management Board shall provide a report that includes formal evaluation results from the river watch program to the commissioners of education and the Pollution Control Agency and to the legislative natural resources finance and policy committees and K-12 finance and policy committees by February 15, 2011.

(j) \$200,000 the first year and \$300,000 the second year are for coordination with the state of Wisconsin and the National Park Service on comprehensive water monitoring and phosphorus reduction activities in the Lake St. Croix portion of the St. Croix River. The Pollution Control Agency shall work with the St. Croix Basin Water Resources Planning Team and the St. Croix River Association in implementing the water monitoring and phosphorus reduction activities. This appropriation is available to the extent matched by nonstate sources. Money not matched by November 15, 2010, cancels for this purpose and is available for the purposes of paragraph (a).

(k) \$7,500,000 the first year and \$7,500,000 the second year are for completion of 20 percent of the needed statewide assessments of surface water quality and trends. Of this amount, \$175,000 the first year and \$200,000 the second year are for monitoring and analyzing endocrine disruptors in surface waters.

(l) \$100,000 the first year and \$150,000 the second year are for civic engagement in TMDL development. The agency shall develop a plan for expenditures under this paragraph. The agency shall give consideration to civic engagement proposals from basin or sub-basin organizations, including the Mississippi Headwaters Board, the Minnesota River Joint Powers Board, Area II Minnesota River Basin Projects, and the Red River Basin Commission. By November 15, 2009, the plan shall be submitted to the house and senate chairs and ranking minority members of the environmental finance divisions.

(m) \$5,000,000 the second year is for groundwater protection or prevention of groundwater degradation activities. By January 15, 2010, the commissioner, in consultation with the commissioner of natural resources, the Board of Water and Soil Resources, and other agencies, shall submit a report to the chairs of the house of representatives and senate committees with jurisdiction over the clean water fund on the intended use of these funds. The legislature must approve expenditure of these funds by law.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2011, as grants or contracts in this section are available until June 30, 2013.

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

Sec. 22. Laws 2010, chapter 361, article 2, section 3, is amended to read:

Sec. 3. **CLEAN WATER FUND; 2009 APPROPRIATION ADJUSTMENTS.**

The appropriations in fiscal years ~~2011~~ 2010 and ~~2012~~ 2011 to the Department of Natural Resources for high-resolution digital elevation data in Laws 2009, chapter 172, article 2, section 5, paragraph (d), are available until June 30, 2012.

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

Sec. 23. **CIVIC ENGAGEMENT AND PUBLIC EDUCATION.**

A recipient of funds appropriated in this article shall incorporate civic engagement and public education when implementing projects and programs funded under this article.

Sec. 24. **REPEALER.**

Minnesota Statutes 2010, section 114D.45, is repealed.

ARTICLE 3 PARKS AND TRAILS FUND

Section 1. **PARKS AND TRAILS FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the parks and trails fund, or another named fund, and are available for the fiscal years indicated for each purpose. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. Appropriations for the fiscal year ending June 30, 2012, are effective the day following final enactment. All appropriations in this article are onetime.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2012</u>	<u>2013</u>
Sec. 2. <u>PARKS AND TRAILS</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$38,637,000</u>	<u>\$38,630,000</u>

The amounts that may be spent for each purpose are specified in the following sections.

Subd. 2. Availability of Appropriation

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2012 appropriations are available until June 30, 2014, and fiscal year 2013 appropriations are available until June 30, 2015. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Sec. 3. DEPARTMENT OF NATURAL RESOURCES**\$23,668,000****\$23,193,000**

(a) \$14,962,000 the first year and \$15,437,000 the second year are for state parks, recreation areas, and trails to:

(1) connect people to the outdoors;

(2) acquire land and create opportunities;

(3) maintain existing holdings, including developing and redeveloping facilities, and improving accessibility and energy efficiency; and

(4) improve cooperation by coordinating with partners to implement the 25-year long-range parks and trails legacy plan.

(b) \$2,100,000 the first year is for acquisition of land adjacent to LaSalle Lake in Hubbard County for a state recreation area. If the acquisition is not completed by July 15, 2012, or if a balance remains after the acquisition of the land, the money under this paragraph is available for acquisitions under paragraph (a), clause (2).

(c) \$6,568,000 the first year and \$7,718,000 the second year are for parks and trails of regional or statewide significance as follows:

(1) \$6,393,000 the first year and \$7,718,000 the second year are for grants under Minnesota Statutes, section 85.535, to acquire, develop, improve, and restore parks and trails of regional or statewide significance; and

(2) \$175,000 the first year is for a grant to the Greater Minnesota Regional Park and Trail Coalition to: define and develop information, including the number of users and potential users of greater Minnesota regional parks and trails; collect and compile details on the facilities within the greater Minnesota regional park system; and develop a plan for high priority park and trail acquisition and development opportunities. No local match is required for this grant.

Up to 2.5 percent of the total appropriation may be used for administering the grants.

(d) \$38,000 the first year and \$38,000 the second year are for a technical assistance panel to conduct up to ten restoration audits under Minnesota Statutes, section 85.53, subdivision 5.

(e) The commissioner shall contract for services with Conservation Corps Minnesota for restoration, maintenance, and other activities under this section for at least \$1,000,000 the first year and \$1,000,000 the second year.

(f) The commissioner of natural resources shall convene and facilitate a working group of nine members to develop recommendations for the allocation of the parks and trails fund. The working group shall have representatives from metropolitan parks and trails, greater Minnesota parks and trails, and the Department of Natural Resources Parks and Trails Division. The recommendations shall be submitted no later than November 15, 2012, and presented to the governor for consideration in the budget for fiscal years 2014 and 2015.

Sec. 4. **METROPOLITAN COUNCIL**

\$14,962,000

\$15,437,000

(a) \$14,962,000 the first year and \$15,437,000 the second year are to be distributed as required under Minnesota Statutes, section 85.53, subdivision 3.

(b) Grant agreements entered into by the Metropolitan Council and recipients of money appropriated under this section shall ensure that the funds are used to supplement and not substitute for traditional sources of funding.

Sec. 5. **LEGISLATURE**

\$7,000

\$-0-

\$7,000 the first year is for the Legislative Coordinating Commission for the costs of developing and implementing a Web site to contain information on projects receiving appropriations from the parks and trails fund and other constitutionally dedicated funds.

Sec. 6. Minnesota Statutes 2010, section 85.013, is amended by adding a subdivision to read:

Subd. 15a. LaSalle Lake State Recreation Area, Hubbard County.

Sec. 7. **LASALLE LAKE STATE RECREATION AREA.**

Subdivision 1. **LaSalle Lake State Recreation Area, Hubbard County.** The LaSalle Lake State Recreation Area is established in Hubbard County.

Subd. 2. **Boundaries.** The following described lands are located within the boundaries of the LaSalle Lake State Recreation Area, all in Hubbard County:

(1) the Southwest Quarter of the Southwest Quarter and the Northwest Quarter of the Southwest Quarter, except the East 10 acres thereof, of Section 29; the Northeast Quarter of the Northeast Quarter, the Northwest Quarter of the Northeast Quarter, the Southwest Quarter of the Northeast Quarter, the Northeast Quarter of the Southwest Quarter, the Southeast Quarter of the Northwest Quarter, the Southeast Quarter of the Northeast Quarter, and Government Lots 2, 3, 4, 5, 6, 7, 8, and 9, of Section 30; Government Lots 1, 2, 5, 6, 7, 8, 9, and 10, of Section 31; and Government Lots 1 and 4 of Section 32; all in Township 145 North, Range 35 West; and

(2) Government Lot 12, Section 19, Township 145 North, Range 35.

Subd. 3. **Administration.** The commissioner of natural resources shall administer the area according to Minnesota Statutes, section 86A.05, subdivision 3, subject to existing rules and regulations for state recreation areas. LaSalle Lake State Recreation Area shall be administered as a satellite unit of Itasca State Park.

Sec. 8. **LASALLE LAKE STATE RECREATION AREA MANAGEMENT OPTIONS.**

By March 1, 2012, the commissioner of natural resources shall submit a report to the senate and house of representatives committees and divisions with jurisdiction over natural resources policy and finance evaluating options for the management of the resort within the LaSalle Lake State Recreation Area, including an evaluation of the option to lease the resort to a nonstate entity. The evaluation shall include potential financial arrangements or mechanisms that would make the equivalent of local taxes or payments in lieu of taxes the responsibility of the nonstate entity.

ARTICLE 4
ARTS AND CULTURAL HERITAGE FUND

Section 1. **ARTS AND CULTURAL HERITAGE FUND APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage fund, and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. "The first year" is fiscal year 2012. "The second year" is fiscal year 2013. "The biennium" is fiscal years 2012 and 2013. All appropriations in this article are onetime.

	<u>APPROPRIATIONS</u>	
	<u>Available for the Year</u>	
	<u>Ending June 30</u>	
	<u>2012</u>	<u>2013</u>
Sec. 2. <u>ARTS AND CULTURAL HERITAGE</u>		
Subdivision 1. <u>Total Appropriation</u>	<u>\$51,137,000</u>	<u>\$50,129,000</u>

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

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be

spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2012 appropriations are available until June 30, 2013, and fiscal year 2013 appropriations are available until June 30, 2014. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. Minnesota State Arts Board

21,824,000

21,824,000

These amounts are appropriated to the Minnesota State Arts Board for arts, arts education, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision shall ensure that these funds are used to supplement and not substitute for traditional sources of funding. Appropriations made directly to the Minnesota State Arts Board shall supplement, and shall not substitute for, traditional sources of funding. Each grant program established within this appropriation shall be separately administered from other state appropriations for program planning and outcome measurements, but may take into consideration other state resources awarded in the selection of applicants and grant award size.

Arts and Arts Access Initiatives. \$16,660,000 the first year and \$16,660,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

A portion of these funds may be used to:

(1) pay attendance fees and travel costs for youth to visit art museums, arts performances, or other arts activities; or

(2) bring artists to schools, libraries, or other community centers or organizations for teaching, training, or performance purposes.

Arts Education. \$3,450,000 the first year and \$3,450,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

A portion of this appropriation may be used 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.

Arts and Cultural Heritage. \$1,080,000 the first year and \$1,080,000 the second year are for events and activities that represent the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

Administration, Fiscal Oversight, and Accountability.

\$634,000 the first year and \$634,000 the second year are for administration of grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability for these state resources.

Census. The Minnesota State Arts Board, in partnership with regional arts councils, shall maintain a census of Minnesota artists and artistic organizations.

Thirty percent of the total appropriated to each of the categories established in this subdivision is for grants to the regional arts councils. This percentage does not apply to administrative costs.

Subd. 4. Department of Education3,455,0003,455,000

These amounts are appropriated to the commissioner of education for grants allocated using existing formulas under Minnesota Statutes, section 134.355, to the 12 Minnesota regional library systems, to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. These funds may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries.

Subd. 5. Minnesota Historical Society12,250,00012,250,000

These amounts are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision shall ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society shall be used to supplement, and not substitute for, traditional sources of funding. Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2015.

Statewide Historic and Cultural Grants. \$5,250,000 the first year and \$5,250,000 the second year are for history programs and projects operated or conducted by or through local, county, regional, or other historical or cultural organizations; or for activities to preserve significant historic and cultural resources. Funds are to be distributed through a competitive grants process. The Minnesota Historical Society shall administer these funds using established grants mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

Programs. \$5,000,000 the first year and \$5,000,000 the second year are for programs and purposes related to the historical and cultural heritage of the state of Minnesota, conducted by the Minnesota Historical Society.

History Partnerships. \$1,500,000 the first year and \$1,500,000 the second year are for partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

Statewide Survey of Historical and Archaeological Sites. \$250,000 the first year and \$250,000 the second year are for a contract or contracts to be let on a competitive basis to conduct statewide surveys of Minnesota's sites of historical, archaeological, and cultural significance. Results of this survey must be published in a searchable form, available to the public on a cost-free basis. The Minnesota Historical Society, the Office of the State Archaeologist, and the Indian Affairs Council shall each appoint a representative to an oversight board to select contractors and direct the conduct of these surveys. The oversight board shall consult with the Departments of Transportation and Natural Resources.

Digital Library. \$250,000 the first year and \$250,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society shall cooperate with the Minitex interlibrary loan system and shall jointly share this appropriation for these purposes.

Subd. 6. Department of Administration

7,400,000

6,400,000

These amounts are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. Up to one percent of funds may be used by the commissioner for grants administration.

Grant agreements entered into by the commissioner and recipients of appropriations in this subdivision must ensure that money appropriated in this subdivision is used to supplement and not substitute for traditional sources of funding.

Public Broadcasting Grants. \$6,400,000 the first year and \$6,400,000 the second year are for a competitive Arts and Cultural Heritage Grants Program-Public Broadcasting.

The commissioner shall solicit proposals and award grants to entities that create, produce, acquire, or distribute programs that educate, enhance, or promote local, regional, or statewide items of artistic, cultural, or historic significance. The commissioner shall give preference to projects that expand Minnesotans' access to knowledge, information, arts, state history, or cultural heritage.

Veterans Camps. \$450,000 the first year is for grants of \$400,000 to the Disabled Veterans Rest Camp located on Big Marine Lake in Washington County and \$50,000 to the Veterans on the Lake Resort located on Fall Lake in St. Louis County.

State Capitol Preservation Commission. \$550,000 the first year is for the purposes of Minnesota Statutes, section 16B.2405. This appropriation is available until spent.

Subd. 7. **Department of Natural Resources**

1,100,000

1,100,000

These amounts are appropriated to the commissioner of natural resources for a competitive Arts and Cultural Heritage Grants Program-Zoos.

The commissioner shall solicit proposals and award grants to zoos for projects and programs that promote the arts or preserve Minnesota's history and cultural heritage. The commissioner shall give preference to projects and programs that incorporate arts, culture, and history into zoo programming or that increase knowledge and awareness of the way that history and culture affect people's lives and that illustrate how that knowledge can help Minnesotans make informed decisions for the future.

Subd. 8. **Minnesota Humanities Center**

3,700,000

3,700,000

These amounts are appropriated to the board of directors of the Minnesota Humanities Center for the purposes specified in this subdivision.

Programs and Purposes. \$325,000 the first year and \$325,000 the second year are for programs and purposes of the Minnesota Humanities Center.

The Minnesota Humanities Center may consider museums and organizations celebrating the identities of Minnesotans for grants from these funds. The Minnesota Humanities Center may develop a written plan for the competitive issuance of these grants and, if developed, shall submit that plan for review and approval by the Department of Administration.

Humanities Grants. \$3,375,000 the first year and \$3,375,000 the second year are for a competitive Arts and Cultural Heritage Grants Program-Humanities.

The board of directors shall solicit proposals and award grants to entities for projects and programs that maintain or promote our cultural heritage. The board shall fund programs and projects that collectively preserve both our tangible and intangible cultural heritage as well as those that recognize museums as venues for arts and cultural experiences.

Subd. 9. Perpich Center For Arts Education

.....

.....

These amounts are appropriated to the board of directors of the Perpich Center for Arts Education for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2013, as grants or contracts in this subdivision are available until June 30, 2015.

Subd. 10. Department of Agriculture

1,400,000

1,400,000

These amounts are appropriated to the commissioner of agriculture for a competitive Arts and Cultural Heritage Grants Program-County Arts, Education, History, and Cultural Preservation.

The commissioner shall solicit proposals and award grants to counties for programs and projects that promote the arts, arts education, history, or cultural heritage. The commissioner shall give preference to programs and projects that: provide lifelong educational activities meant to impart knowledge, teach a new creative skill, or further develop an existing skill in any arts discipline; preserve both tangible and intangible cultural heritage; or ensure that culturally significant structures and resources will be preserved for future generations.

Subd. 11. Legislature

8,000

0

These amounts are appropriated to the Legislative Coordinating Commission to operate the Web site for dedicated funds required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 3. [15B.32] STATE CAPITOL PRESERVATION COMMISSION.

Subdivision 1. **Definitions.** (a) As used in this section, the terms defined in this subdivision have the following meanings.

(b) "Commission" means the State Capitol Preservation Commission created under this section.

(c) "Capitol Area" means the geographic area defined in section 15B.02.

(d) "Board" means the Capitol Area Architectural and Planning Board created under section 15B.03.

(e) "Predesign" has the meaning given in section 16B.335, subdivision 3, paragraph (a).

Subd. 2. **Membership.** The State Capitol Preservation Commission consists of 22 members, appointed as follows:

(1) the governor;

(2) the lieutenant governor;

(3) the attorney general;

(4) the chief justice of the Supreme Court, or the chief justice's designee, who shall be a member of the Supreme Court;

(5) the majority leader of the senate or the majority leader's designee, who shall be a member of the senate;

(6) the speaker of the house or the speaker's designee, who shall be a member of the house of representatives;

(7) two members of the senate, including one member from the majority party appointed by the majority leader and one member from the minority party appointed by the minority leader;

(8) two members of the house of representatives, including one member appointed by the speaker of the house and one member from the minority party appointed by the minority leader;

(9) the chair and ranking minority member of the house of representatives committee with jurisdiction over capital investment and the chair and ranking minority member of the senate committee with jurisdiction over capital investment;

(10) the commissioner of administration or the commissioner's designee;

(11) the commissioner of public safety or the commissioner's designee;

(12) the executive director of the Minnesota Historical Society or the executive director's designee;

(13) the executive secretary of the Capitol Area Architectural and Planning Board; and

(14) four public members appointed by the governor.

Subd. 3. Terms and compensation. (a) A member serving on the commission because the member or the appointing authority for the member holds an elected or appointed office shall serve on the commission as long as the member or the appointing authority holds the office.

(b) Public members of the commission shall serve two-year terms. The public members may not serve for more than three consecutive terms.

(c) The removal of members and filling of vacancies on the commission are as provided in section 15.059. Public members may receive compensation and expenses as provided under section 15.059, subdivision 3.

Subd. 4. Officers and meetings. (a) The governor is the chair of the commission. The lieutenant governor is the vice-chair of the commission and may act as the chair of the commission in the absence of the governor. The governor may designate a staff member to attend commission meetings and vote on the governor's behalf in the absence of the governor.

(b) The commission shall meet at least quarterly and at other times at the call of the chair. Meetings of the commission are subject to chapter 13D.

Subd. 5. Administrative support. The commission may designate an executive secretary and obtain administrative support through a contract with a state agency or other means.

Subd. 6. **Duties.** (a) The commission:

(1) shall exercise ongoing coordination of the restoration, protection, risk management, and preservation of the Capitol building;

(2) shall consult with and advise the commissioner of administration, the board, and the Minnesota Historical Society regarding their applicable statutory responsibilities for and in the Capitol building;

(3) may assist in the selection of an architectural firm to assist in the preparation of the predesign plan for the restoration of the Capitol building;

(4) shall develop a comprehensive, multiyear, predesign plan for the restoration of the Capitol building, review the plan periodically, and, as appropriate, amend and modify the plan. The predesign plan shall identify appropriate and required functions of the Capitol building; identify and address space requirements for legislative, executive, and judicial branch functions; and identify and address the long-term maintenance and preservation requirements of the Capitol building. In developing the predesign plan, the commission shall take into account the comprehensive plan for the Minnesota State Capitol Area, as amended in 2010, the rules governing zoning and design for the Capitol Area, parking, mass transit, citizen access including public access to the Capitol balcony, the tunnel system, information technology needs, energy efficiency, security, educational programs including public and school tours, and any additional space needs for the efficient operation of state government;

(5) shall develop and implement a comprehensive financial plan to fund the preservation and restoration of the Capitol building;

(6) shall provide annual reports about the condition of the Capitol building and its needs, as well as all activities related to the restoration of the Capitol building;

(7) shall for all capital infrastructure projects taking place in close proximity to the Capitol building and prior to commencement of actual construction work:

(i) review the preliminary and final design plans and construction practices of the project;

(ii) identify whether the actual construction work of the project or subsequent operations resulting from the project pose:

(A) risk to the structural integrity of the Capitol building; or

(B) a reasonable likelihood of other adverse physical impacts to the Capitol building, including but not limited to increased costs for building maintenance and preservation; and

(iii) submit a recommendation to the commissioner of administration identifying whether or not the commissioner should approve the project for commencement of construction as provided under section 16B.2405; and

(8) may solicit gifts, grants, or donations of any kind from any private or public source to carry out the purposes of this section. All gifts, grants, or donations received by the commission shall be deposited in a State Capitol preservation account established in the special revenue fund. Money in the account is appropriated to the commissioner of administration for the activities of the commission and implementation of the predesign plan under this section.

(b) By January 15 of each year, the commission shall report to the chairs and ranking minority members of the legislative committees with jurisdiction over the commission regarding the activities and efforts of the commission in the preceding calendar year, including recommendations adopted by the commission, the comprehensive financial plan required under paragraph (a), clause (5), and any proposed draft legislation necessary to implement the recommendations of the commission.

Subd. 7. **Expiration.** Notwithstanding section 15.059, subdivision 5, the State Capitol Preservation Commission does not expire.

Sec. 4. **[15B.34] CAPITOL BUILDING POWERS AND DUTIES.**

The board shall:

(1) jointly, with the commissioner of administration and the Minnesota Historical Society, establish standards and policies for the repair, furnishing, appearance, and cleanliness of and change to the public and ceremonial areas of the Capitol building;

(2) review and approve plans and specifications and any changes to approved plans and specifications involving the alteration of the public and ceremonial areas and the exterior of the Capitol building;

(3) jointly, with the Minnesota Historical Society, review and approve the design, structural composition, and location of all monuments, memorials, or works of art presently located in the public and ceremonial areas of the State Capitol, or that will be placed in the public or ceremonial areas, according to section 138.68; and

(4) assist the State Capitol Preservation Commission with performance of its duties as needed.

Sec. 5. **[16B.2405] CAPITOL BUILDING POWERS AND DUTIES.**

The commissioner, upon receipt of funding for these purposes, shall:

(1) maintain and operate the Capitol building and grounds according to section 16B.24 and other applicable law;

(2) designate a project manager to oversee and manage predesign, design, and construction contracts and funding for all modifications to the Capitol building;

(3) manage design and construction projects and funding for the Capitol building according to section 16B.31 and other applicable law;

(4) lease space in the Capitol building, as provided in section 16B.24, to state agencies, constitutional officers, and the court administrator on behalf of the judicial branch and allocate space in the Capitol building to the legislative branch as determined by the commission;

(5) provide information about the Capitol building to the commission, legislative bodies, and others as needed regarding maintenance, operation, leasing, condition assessments, design, and construction projects;

(6) for each project for which a recommendation by the State Capitol Preservation Commission is submitted under section 15B.32, subdivision 6, paragraph (a), clause (7), evaluate the recommendation and, notwithstanding any other law to the contrary, either (i) approve the project where such approval is a prerequisite for commencement of actual construction work or (ii) identify specific remediation requirements necessary to approve the project upon subsequent review by the commissioner; and

(7) assist the State Capitol Preservation Commission with performance of its duties as needed.

Sec. 6. Minnesota Statutes 2010, section 129D.18, subdivision 3, is amended to read:

Subd. 3. **Conditions.** (a) A public station receiving funds appropriated under this section must:

(1) make programs produced with these funds available for broadcast to all other public stations eligible to receive grants under this section;

(2) offer free ~~public performance rights for~~ classroom use of programs produced with these funds to public educational institutions, excluding those materials for which public television stations do not have rights to distribute;

(3) archive programs produced with these funds and make the programs available for future use through encore broadcast or other distribution, including online; and

(4) ensure that underwriting credit is given to the Minnesota arts and cultural heritage fund.

(b) Programs produced in partnership with other mission-centered nonprofit organizations may be used by the partnering organization for their own educational or promotional purposes.

Sec. 7. Minnesota Statutes 2010, section 129D.18, subdivision 4, is amended to read:

Subd. 4. **Reporting.** A public station receiving funds appropriated under this section must report annually by January 15 to the commissioner, the Legislative Coordinating Commission, and the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over arts and cultural heritage policy and finance regarding how the previous year's grant funds were expended. ~~This~~ In addition to all information required of each recipient of money from the arts and cultural heritage fund under section 3.303, subdivision 10, the report must contain specific information for each program produced and broadcast, including the cost of production, the number of stations broadcasting the program, estimated viewership, the number of hours of legacy program content available for streaming on Web site downloads sites, and other related measures. If the programs produced include educational material, the public station must report on these efforts.

Sec. 8. Minnesota Statutes 2010, section 129D.19, subdivision 5, is amended to read:

Subd. 5. **Reporting.** A noncommercial radio station receiving funds appropriated under this section must report annually by January 15 to the commissioner, the Legislative Coordinating Commission, and the chairs and ranking minority members of the senate and house of representatives committees and divisions having jurisdiction over arts and cultural heritage policy and finance regarding how the previous year's grant funds were expended. ~~This~~ In addition to all information required of each recipient of money from the arts and cultural heritage fund under section 3.303, subdivision 10, the report must contain specific information for each program produced and broadcast, including the cost of production, the number of stations broadcasting the program, estimated number of listeners, and other related measures. If the programs produced include educational material, the noncommercial radio station must report on these efforts.

Sec. 9. **[138.70] CAPITOL BUILDING POWERS AND DUTIES.**

The Minnesota Historical Society shall:

(1) assist and advise in research and preservation of historical features of the Capitol building, appropriate custodial policies, and maintaining and repairing works of art according to section 138.69;

(2) jointly, with the Capitol Area Architectural and Planning Board, review and approve the design, structural composition, and location of all monuments, memorials, or works of art presently located in the public and ceremonial areas of the Capitol building, or proposed for placement in the public or ceremonial areas, according to section 138.68;

(3) assist with planning and design of restoration and renovations of the Capitol building in order to provide public access and education through public interpretive programs according to the society's statutory responsibilities under section 138.69; and

(4) assist the State Capitol Preservation Commission with performance of its duties as needed.

Sec. 10. Laws 2009, chapter 172, article 4, section 9, subdivision 5, is amended to read:

Subd. 5. **Report.** The working group must report its findings and recommendations, including draft legislation, if necessary, to the Indian Affairs Council and the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over early childhood through grade 12 education ~~and~~ higher education, ~~and arts and cultural heritage policy or finance~~ by February 15, 2011, ~~and again by February 15, 2012.~~ The ~~committee~~ working group expires on February 16, ~~2011~~ 2013.

Sec. 11. **STATE CAPITOL PRESERVATION COMMISSION APPOINTMENTS AND FIRST MEETING.**

The appointing authorities designated in Minnesota Statutes, section 15B.32, subdivision 2, must complete their initial appointments to the commission no later than August 1, 2011. The governor, or the governor's designee, shall convene the first meeting of the commission within 30 days after the appointments required under this section have been completed.

ARTICLE 5 GENERAL PROVISIONS; ALL LEGACY FUNDS

Section 1. Minnesota Statutes 2010, section 3.303, subdivision 10, is amended to read:

Subd. 10. **Constitutionally dedicated funding accountability.** (a) The Legislative Coordinating Commission shall develop and maintain a user-friendly, public-oriented Web site that informs, educates, and demonstrates to the public how the constitutionally dedicated funds in the arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and trails fund, and environment and natural resources trust fund are being expended to meet the requirements established for each fund in the state constitution. Information provided on the Web site must include, but is not limited to:

(1) information on all project proposals received by the Outdoor Heritage Council and the Legislative-Citizen Commission on Minnesota Resources;

(2) information on all projects receiving funding, including:

(i) the name of the project and a project description;

(ii) the name, telephone number, members of the board or equivalent governing body, and e-mail address of the funding recipient and, when applicable, the Web site address where the public can directly access detailed information on the recipient's receipt and use of money for the project;

(iii) the amount and source of funding, including the fiscal year of the appropriation;

(iv) the amount and source of any additional funding or leverage;

(v) the duration of the project;

(vi) the number of full-time equivalents funded under the project. For the purposes of this item, "full-time equivalent" means a position directly attributed to the receipt of money from one or more of the funds covered under this section, calculated as the total number of hours planned for the position divided by 2,088;

(vii) the direct expenses and administration costs of the project;

(viii) proposed measurable outcomes and the plan for measuring and evaluating the results;

(ix) for pass-through, noncompetitive grants, the entity acting as the fiscal agent or administering agency and a point of contact for additional information; and

(x) for competitive grants, the name and a brief description of the qualifications of all board members or members of an equivalent governing body ultimately responsible for awarding the grants, as well as any grantmaking advisory group. In addition, an entity that awards competitive grants, including but not limited to a state agency or any statewide, regional, or local organization, must report whether an employee, decision maker, advisory group member, or other person involved in the grant process disclosed a conflict of interest or potential conflict of interest. If the entity reports that a conflict of interest or potential conflict of interest was disclosed, the entity must provide the Legislative Coordinating Commission with a contact person for additional information and the Legislative Coordinating Commission must post this information on the Web site. An entity that awards competitive grants must obtain and apply the conflict of interest policies developed by the commissioner of administration under section 16B.98, subdivision 3, unless the entity maintains and applies its own documented conflict of interest policies which are substantially similar to the commissioner of administration's policies;

(3) actual measured outcomes and evaluation of projects as required under sections 85.53, subdivision 2; 114D.50, subdivision 2 4; and 129D.17, subdivision 2;

(4) education about the areas and issues the projects address, including, when feasible, maps of where projects have been undertaken;

(5) all frameworks developed for future uses of each fund; and

(6) methods by which members of the public may apply for project funds under any of the constitutionally dedicated funds.

(b) As soon as practicable or by the deadline specified in the enabling law, whichever comes first, a state agency or other recipient of a direct appropriation from a fund covered under this section shall submit the information required under paragraph (a) and, when applicable, compile and submit the same information for any grant recipient or other subrecipient of funding. All information for proposed and funded projects, including the proposed measurable outcomes, must be made available on the Web site as soon as practicable. Information on the measured outcomes and evaluation must be posted as soon as it becomes available. The costs of these activities shall be paid out of the arts and cultural heritage fund, outdoor heritage fund, clean water fund, parks and trails fund, and the environment and natural resources trust fund proportionately. For purposes of this section, "measurable outcomes" means outcomes, indicators, or other performance measures that may be quantified or otherwise measured in order to measure the effectiveness of a project or program in meeting its intended goal or purpose.

(c) The Legislative Coordinating Commission shall be responsible for receiving all ten-year plans and 25-year frameworks for each of the constitutionally dedicated funds. To the extent practicable, staff for the commission shall provide assistance and oversight to these planning efforts and shall coordinate public access to hearings and public meetings for all planning efforts.

Sec. 2. Minnesota Statutes 2010, section 85.53, subdivision 2, is amended to read:

Subd. 2. **Expenditures; accountability.** (a) A project or program receiving funding from the parks and trails fund must meet or exceed the constitutional requirement to support parks and trails of regional or statewide significance. A project or program receiving funding from the parks and trails fund must include measurable outcomes, as defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the results. A project or program must be consistent with current science and incorporate state-of-the-art technology, except when the project or program is a portrayal or restoration of historical significance.

(b) Money from the parks and trails fund shall be expended to balance the benefits across all regions and residents of the state.

(c) ~~All~~ A state agency or other recipient of a direct appropriation from the parks and trails fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, must be made available on to the Legislative Coordinating Commission as soon as practicable or by the deadline specified in the enabling law, whichever comes first. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as practicable. Information on the measured outcomes and evaluation must be posted as soon as it becomes available.

(d) Grants funded by the parks and trails fund must be implemented according to section 16B.98 and must account for all expenditures. Proposals must specify a process for any regranting envisioned. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(e) Money from the parks and trails fund may only be spent on projects located in Minnesota.

(f) A state agency or other recipient of money from the parks and trails fund shall prominently display on the state agency's or other recipient's Web site home page, when applicable, the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(g) Future eligibility for money from the parks and trails fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law.

Sec. 3. Minnesota Statutes 2010, section 97A.056, is amended by adding a subdivision to read:

Subd. 12. **Recipient requirements.** (a) A state agency or other recipient of a direct appropriation from the outdoor heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by the deadline specified in the enabling law, whichever comes first. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available.

(b) A state agency or other recipient of money from the outdoor heritage fund shall prominently display on the state agency's or other recipient's Web site home page, when applicable, the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the

phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(c) Future eligibility for money from the outdoor heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law.

Sec. 4. Minnesota Statutes 2010, section 114D.50, subdivision 4, is amended to read:

Subd. 4. **Expenditures; accountability.** (a) A project receiving funding from the clean water fund must meet or exceed the constitutional requirements to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater and drinking water from degradation. Priority may be given to projects that meet more than one of these requirements. A project receiving funding from the clean water fund shall include measurable outcomes, as defined in section 3.303, subdivision 10, and a plan for measuring and evaluating the results. A project must be consistent with current science and incorporate state-of-the-art technology.

(b) Money from the clean water fund shall be expended to balance the benefits across all regions and residents of the state.

(c) ~~All~~ A state agency or other recipient of a direct appropriation from the clean water fund must compile and submit all information for proposed and funded projects or programs, including the proposed measurable outcomes, must be made available on the Web site and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by the deadline specified in the enabling law, whichever comes first. Information on the measured outcomes and evaluation must be posted. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available. Information classified as not public under section 13D.05, subdivision 3, paragraph (d), is not required to be placed on the Web site.

(d) Grants funded by the clean water fund must be implemented according to section 16B.98 and must account for all expenditures. Proposals must specify a process for any regrants envisioned. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(e) Money from the clean water fund may only be spent on projects that benefit Minnesota waters.

(f) A state agency or other recipient of money from the clean water fund shall prominently display on the state agency's or other recipient's Web site home page, when applicable, the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(g) Future eligibility for money from the clean water fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law.

Sec. 5. Minnesota Statutes 2010, section 129D.17, subdivision 2, is amended to read:

Subd. 2. **Expenditures; accountability.** (a) Funding from the arts and cultural heritage fund may be spent only for arts, arts education, and arts access, and to preserve Minnesota's history and cultural heritage. A project or program receiving funding from the arts and cultural heritage fund must include measurable outcomes, and a plan for measuring and evaluating the results. A project or program must be consistent with current scholarship, or best practices, when appropriate and must incorporate state-of-the-art technology when appropriate.

(b) Funding from the arts and cultural heritage fund may be granted for an entire project or for part of a project so long as the recipient provides a description and cost for the entire project and can demonstrate that it has adequate resources to ensure that the entire project will be completed.

(c) Money from the arts and cultural heritage fund shall be expended for benefits across all regions and residents of the state.

(d) ~~All~~ A state agency or other recipient of a direct appropriation from the arts and cultural heritage fund must compile and submit all information for funded projects or programs, including the proposed measurable outcomes and all other items required under section 3.303, subdivision 10, must be made available on to the Legislative Coordinating Commission Web site, as soon as practicable or by the deadline specified in the enabling law, whichever comes first. Information on the measured outcomes and evaluation must be posted. The Legislative Coordinating Commission must post submitted information on the Web site required under section 3.303, subdivision 10, as soon as it becomes available.

(e) Grants funded by the arts and cultural heritage fund must be implemented according to section 16B.98 and must account for all expenditures of funds. Priority for grant proposals must be given to proposals involving grants that will be competitively awarded.

(f) All money from the arts and cultural heritage fund must be for projects located in Minnesota.

(g) A state agency or other recipient of money from the arts and cultural heritage fund shall prominently display on the state agency's or other recipient's Web site home page, when applicable, the legacy logo required under Laws 2009, chapter 172, article 5, section 10, as amended by Laws 2010, chapter 361, article 3, section 5, accompanied by the phrase "Click here for more information." When a person clicks on the legacy logo image, the Web site must direct the person to a dedicated legacy page on the state agency's or other recipient's Web site. The dedicated legacy page must prominently display both the contact information for the state agency or other recipient that a person may use to obtain additional information, as well as a link to the Legislative Coordinating Commission Web site required under section 3.303, subdivision 10.

(h) Future eligibility for money from the arts and cultural heritage fund is contingent upon a state agency or other recipient satisfying all applicable requirements in this section, as well as any additional requirements contained in applicable session law.

Sec. 6. **APPLICABILITY.**

Sections 7 to 10 apply to any appropriation for fiscal year 2012 or 2013 from a legacy fund. For the purposes of sections 7 to 10, "legacy fund" means the outdoor heritage fund, the clean water fund, the parks and trails fund, or the arts and cultural heritage fund

Sec. 7. **GENERAL PROVISIONS.**

Subdivision. 1. Grants. Grants funded by a legacy fund must be implemented according to Minnesota Statutes, section 16B.98, and the responsible entity must account for all expenditures of funds.

Subd. 2. Constitution. A recipient of money from a legacy fund must comply with the Minnesota Constitution, article XI, section 15, and may not substitute money received from a legacy fund for a traditional source of funding.

Sec. 8. **LEGACY FUNDS RECIPIENT REPORT.**

(a) A state agency or other recipient of a direct appropriation from a legacy fund shall submit a report to the Legislative Reference Library as provided under Minnesota Statutes, section 3.195, and to the Legislative Coordinating Commission that contains all of the information required under Minnesota Statutes, section 3.303, subdivision 10.

(b) A state agency or other recipient of a direct appropriation from a legacy fund must submit a report containing all available and required information by January 15, 2012, for appropriations in fiscal year 2012, and January 15, 2013, for appropriations in fiscal year 2013. If the nature of a funded project is such that all required information is not yet available by the applicable reporting deadline, a state agency or other recipient of a direct appropriation must submit any additional information required under Minnesota Statutes, section 3.303, subdivision 10, as soon as practicable.

Sec. 9. **IN THE EVENT OF A LAWSUIT.**

(a) An appropriation or portion of an appropriation from a legacy fund is canceled to the extent that a court determines that the appropriation unconstitutionally substitutes for a traditional source of funding.

(b) Any grant contract or similar agreement that awards money from a legacy fund must contain the information in paragraph (a).

Sec. 10. **LEGACY ACCOUNTING; TECHNICAL ASSISTANCE.**

No later than January 1, 2012, the commissioner of management and budget shall finalize guidance and best practices to assist state agencies in uniformly accounting for their expenditure of legacy funds. The commissioner shall make this information available to all state agencies identified in this act."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money from the outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; modifying certain outdoor heritage provisions; establishing accounts; modifying the Clean Water Legacy Act; revising membership and duties of the Clean Water Council; establishing State Capitol Preservation Commission; providing appointments; establishing reporting and other requirements for legacy fund recipients; amending Minnesota Statutes 2010, sections 3.303, subdivision 10; 85.013, by adding a subdivision; 85.53, subdivision 2; 97A.056, subdivision 2, by adding subdivisions; 114D.10; 114D.20, subdivisions 1, 2, 3, 6, 7; 114D.30; 114D.35; 114D.50, subdivision 4; 116.195; 129D.17, subdivision 2; 129D.18, subdivisions 3, 4; 129D.19, subdivision 5; Laws 2009, chapter 172, article 1, section 2, subdivisions 3, 15; article 2, section 4, as amended; article 4, section 9, subdivision 5; Laws 2010, chapter 361, article 1, section 2, subdivision 14; article 2, section 3; proposing coding for new law in Minnesota Statutes, chapters 15B; 16B; 84; 138; repealing Minnesota Statutes 2010, sections 84.02, subdivisions 1, 2, 3, 4, 6, 7, 8; 114D.45."

The motion prevailed and the amendment was adopted.

Champion, Hayden, Gauthier, Slocum, Hornstein, Davnie, Hansen, Mariani, Moran and Clark moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 75, after line 23, insert:

"Councils of Color. \$500,000 the first year and \$500,000 the second year are for competitive grants to the Council on Asian Pacific Minnesotans, the Council on Black Minnesotans, the Indian Affairs Council, and the Chicano Latino Affairs Council. Grants are for programs and cooperation between the Minnesota Humanities Center and the grant recipients for community events and programs that celebrate and preserve artistic, historical, and cultural heritage."

Page 75, lines 24 and 25, delete "\$3,375,000" and insert "\$2,875,000"

Adjust amounts accordingly

The motion prevailed and the amendment was adopted.

Scalze and Runbeck moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 64, line 25, delete "\$14,962,000" and insert "\$16,163,000" and delete "\$15,437,000" and insert "\$16,163,000"

Page 65, delete lines 4 to 11

Reletter the paragraphs in sequence

Page 65, line 12, delete "\$6,568,000" and insert "\$6,165,000" and delete "\$7,718,000" and insert "\$6,165,000"

Page 65, line 15, delete "\$6,393,000" and insert "\$5,990,000" and delete "\$7,718,000" and insert "\$6,165,000"

Page 66, line 24, delete "\$14,962,000" and insert "\$16,163,000" and delete "\$15,437,000" and insert "\$16,163,000"

Adjust amounts accordingly

A roll call was requested and properly seconded.

CALL OF THE HOUSE

On the motion of Scalze and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Anderson, P.	Atkins	Beard	Bills	Carlson
Anderson, B.	Anderson, S.	Banaian	Benson, J.	Brynaert	Champion
Anderson, D.	Anzelc	Barrett	Benson, M.	Buesgens	Clark

Cornish	Gauthier	Huntley	Loeffler	Myhra	Shimanski
Crawford	Gottwalt	Johnson	Lohmer	Nelson	Simon
Daudt	Greene	Kahn	Loon	Nornes	Slawik
Davids	Greiling	Kath	Mack	Norton	Slocum
Davnie	Gruenhagen	Kelly	Mahoney	O'Driscoll	Smith
Dean	Gunther	Kieffer	Mariani	Paymar	Stensrud
Dettmer	Hackbarth	Kiel	Marquart	Pelowski	Swedzinski
Dill	Hamilton	Kiffmeyer	Mazorol	Peppin	Thissen
Dittrich	Hancock	Knuth	McDonald	Persell	Tillberry
Doepke	Hansen	Koenen	McFarlane	Petersen, B.	Torkelson
Downey	Hausman	Kriesel	McNamara	Peterson, S.	Urdahl
Drazkowski	Hayden	Laine	Melin	Poppe	Vogel
Eken	Hilstrom	Lanning	Moran	Quam	Wagenius
Erickson	Hilty	Leidiger	Morrow	Rukavina	Ward
Fabian	Holberg	LeMieur	Mullery	Runbeck	Wardlow
Falk	Hornstein	Lenczewski	Murdock	Sanders	Westrom
Franson	Hortman	Lesch	Murphy, E.	Scalze	Winkler
Fritz	Hosch	Liebling	Murphy, M.	Schomacker	Woodard
Garofalo	Howes	Lillie	Murray	Scott	Spk. Zellers

Dean moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Scalze and Runbeck amendment and the roll was called.

Dean moved that those not voting be excused from voting. The motion prevailed.

There were 54 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Anderson, D.	Dittrich	Hilstrom	Lenczewski	Nelson	Scott
Anderson, S.	Doepke	Hornstein	Loeffler	Norton	Simon
Atkins	Garofalo	Hortman	Lohmer	Paymar	Slawik
Benson, J.	Greene	Huntley	Loon	Peppin	Slocum
Buesgens	Greiling	Johnson	Mahoney	Petersen, B.	Stensrud
Carlson	Hackbarth	Kahn	Mariani	Peterson, S.	Thissen
Champion	Hansen	Knuth	Moran	Runbeck	Tillberry
Clark	Hausman	Kriesel	Mullery	Sanders	Wagenius
Davnie	Hayden	Laine	Murphy, E.	Scalze	Winkler

Those who voted in the negative were:

Abeler	Dean	Gunther	Lanning	Murdock	Swedzinski
Anderson, B.	Dettmer	Hamilton	Leidiger	Murphy, M.	Torkelson
Anderson, P.	Dill	Hancock	LeMieur	Murray	Urdahl
Anzelc	Downey	Hilty	Lesch	Myhra	Vogel
Banaian	Drazkowski	Holberg	Liebling	Nornes	Ward
Barrett	Eken	Hoppe	Lillie	O'Driscoll	Wardlow
Beard	Erickson	Hosch	Mack	Pelowski	Westrom
Benson, M.	Fabian	Howes	Marquart	Persell	Woodard
Bills	Falk	Kath	Mazorol	Poppe	Spk. Zellers
Brynaert	Franson	Kelly	McDonald	Quam	
Cornish	Fritz	Kieffer	McFarlane	Rukavina	
Crawford	Gauthier	Kiel	McNamara	Schomacker	
Daudt	Gottwalt	Kiffmeyer	Melin	Shimanski	
Davids	Gruenhagen	Koenen	Morrow	Smith	

The motion did not prevail and the amendment was not adopted.

Hilstrom was excused between the hours of 3:10 p.m. and 7:05 p.m.

Wagenius moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 32, line 6, after the second "land" insert ", including an easement,"

The motion prevailed and the amendment was adopted.

CALL OF THE HOUSE LIFTED

Hoppe moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Drazkowski moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 18, after line 9, insert:

"(h) Protecting Fish Habitat - Coon Rapids Dam

(1) \$17,000,000 the second year is for predesign, design, construction, and renovation of the Coon Rapids Dam to serve as a barrier to invasive fish to protect habitat for fish.

(2) Notwithstanding clause (1), if an appropriation from the bond proceeds fund for the Coon Rapids Dam is made in calendar year 2011 or 2012, the appropriation in clause (1) is to the commissioner of management and budget to pay the debt service on the bonds."

Reletter the paragraphs in sequence

Adjust totals accordingly

A roll call was requested and properly seconded.

The question was taken on the Drazkowski amendment and the roll was called. There were 38 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Holberg	Lohmer	Quam	Tillberry
Anderson, B.	Doepke	Hoppe	Loon	Rukavina	Vogel
Anderson, P.	Downey	Hortman	Mack	Runbeck	Woodard
Benson, M.	Drazkowski	Kath	Melin	Sanders	
Bills	Erickson	Kelly	Nelson	Schomacker	
Buesgens	Gruenhagen	Kieffer	Peppin	Slocum	
Crawford	Hackbarth	Lenczewski	Petersen, B.	Swedzinski	

Those who voted in the negative were:

Anderson, D.	Dean	Hansen	Lanning	Mullery	Shimanski
Anderson, S.	Dettmer	Hausman	Leidiger	Murdock	Simon
Anzelc	Dill	Hayden	LeMieur	Murphy, E.	Slawik
Atkins	Eken	Hilty	Lesch	Murphy, M.	Smith
Banaian	Fabian	Hornstein	Liebling	Murray	Stensrud
Barrett	Falk	Hosch	Lillie	Myhra	Thissen
Beard	Franson	Howes	Loeffler	Nornes	Torkelson
Benson, J.	Fritz	Huntley	Mahoney	Norton	Urdahl
Brynaert	Garofalo	Johnson	Mariani	O'Driscoll	Wagenius
Carlson	Gauthier	Kahn	Marquart	Paymar	Ward
Champion	Gottwalt	Kiel	Mazorol	Pelowski	Wardlow
Clark	Greene	Kiffmeyer	McDonald	Persell	Westrom
Cornish	Greiling	Knuth	McFarlane	Peterson, S.	Winkler
Daudt	Gunther	Koenen	McNamara	Poppe	Spk. Zellers
Davids	Hamilton	Kriesel	Moran	Scalze	
Davnie	Hancock	Laine	Morrow	Scott	

The motion did not prevail and the amendment was not adopted.

Drazkowski moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 90, after line 16, insert:

"Sec. 11. **LAND PURCHASES OUTSIDE SEVEN-COUNTY METROPOLITAN AREA; MORATORIUM.**

Notwithstanding any law to the contrary, for a period of ten years from the effective date of this section, the Lessard-Sams Outdoor Heritage Council may not recommend the purchase of any land outside the seven-county metropolitan area, except they may purchase school trust lands to enhance the value of the trust."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Hansen moved to amend the Drazkowski amendment to S. F. No. 1363, the second engrossment, as amended, as follows:

Page 1, line 5, delete "ten years" and insert "one year"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Drazkowski amendment, as amended, and the roll was called. There were 74 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Atkins	Bills	Crawford	Dittrich	Eken
Anderson, P.	Barrett	Buesgens	Daudt	Downey	Erickson
Anzelc	Benson, M.	Champion	Dill	Drazkowski	Fabian

Garofalo	Johnson	Lenczewski	Melin	Rukavina	Swedzinski
Greiling	Kahn	Lesch	Moran	Runbeck	Tillberry
Gruenhagen	Kath	Lillie	Mullery	Sanders	Vogel
Gunther	Kelly	Loeffler	Murray	Scalze	Ward
Hackbarth	Kieffer	Lohmer	Nelson	Scott	Winkler
Hansen	Kiel	Mahoney	Norton	Simon	Woodard
Hayden	Kiffmeyer	Mariani	Peppin	Slawik	
Hilty	Koenen	Marquart	Persell	Slocum	
Holberg	Lanning	Mazorol	Peterson, S.	Smith	
Hortman	Leidiger	McDonald	Quam	Stensrud	

Those who voted in the negative were:

Abeler	Davids	Hamilton	LeMieur	Nornes	Urdahl
Anderson, D.	Davnie	Hancock	Liebling	O'Driscoll	Wagenius
Anderson, S.	Dean	Hoppe	Loon	Paymar	Wardlow
Banaian	Dettmer	Hornstein	Mack	Pelowski	Westrom
Beard	Doepke	Hosch	McFarlane	Petersen, B.	Spk. Zellers
Benson, J.	Falk	Howes	McNamara	Poppe	
Brynaert	Fritz	Huntley	Morrow	Schomacker	
Carlson	Gauthier	Knuth	Murdock	Shimanski	
Clark	Gottwalt	Kriesel	Murphy, E.	Thissen	
Cornish	Greene	Laine	Myhra	Torkelson	

The motion prevailed and the amendment, as amended, was adopted.

The Speaker assumed the Chair.

Hansen moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 10, line 18, delete "\$13,000,000" and insert "\$15,000,000"

Adjust amounts accordingly

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment and the roll was called. There were 63 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Anzelc	Drazkowski	Hornstein	Lesch	Murphy, E.	Simon
Atkins	Eken	Hortman	Liebling	Murphy, M.	Slawik
Benson, J.	Falk	Hosch	Lillie	Nelson	Slocum
Benson, M.	Fritz	Huntley	Loeffler	Norton	Tillberry
Brynaert	Gauthier	Johnson	Mahoney	Paymar	Wagenius
Carlson	Greene	Kahn	Mariani	Pelowski	Ward
Champion	Greiling	Kath	Marquart	Persell	Winkler
Clark	Hansen	Knuth	Melin	Peterson, S.	
Davnie	Hausman	Koenen	Moran	Poppe	
Dill	Hayden	Laine	Morrow	Rukavina	
Dittrich	Hilty	Lenczewski	Mullery	Scalze	

Those who voted in the negative were:

Abeler	Daudt	Gunther	Lanning	Myhra	Stensrud
Anderson, B.	Davids	Hackbarth	Leidiger	Nornes	Swedzinski
Anderson, D.	Dean	Hamilton	LeMieur	O'Driscoll	Torkelson
Anderson, P.	Dettmer	Hancock	Lohmer	Peppin	Urdahl
Anderson, S.	Doepke	Holberg	Loon	Petersen, B.	Vogel
Banaian	Downey	Hoppe	Mack	Quam	Wardlow
Barrett	Erickson	Howes	Mazorol	Runbeck	Westrom
Beard	Fabian	Kelly	McDonald	Sanders	Woodard
Bills	Franson	Kieffer	McFarlane	Schomacker	Spk. Zellers
Buesgens	Garofalo	Kiel	McNamara	Scott	
Cornish	Gottwalt	Kiffmeyer	Murdock	Shimanski	
Crawford	Gruenhagen	Kriesel	Murray	Smith	

The motion did not prevail and the amendment was not adopted.

Hayden was excused between the hours of 4:05 p.m. and 6:40 p.m.

Hansen moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 43, delete lines 8 to 11

Page 45, line 23, delete "\$1,000,000" and insert "\$1,300,000" and delete "\$1,000,000" and insert "\$1,300,000"

Reletter the paragraphs in sequence

Adjust amounts accordingly

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment and the roll was called. There were 124 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abeler	Carlson	Eken	Hamilton	Kieffer	Lohmer
Anderson, B.	Champion	Erickson	Hancock	Kiel	Loon
Anderson, D.	Clark	Fabian	Hansen	Kiffmeyer	Mack
Anderson, P.	Cornish	Falk	Hausman	Koenen	Mahoney
Anderson, S.	Crawford	Franson	Hilty	Kriesel	Mariani
Anzelc	Daudt	Fritz	Holberg	Laine	Marquart
Atkins	Davnie	Garofalo	Hoppe	Lanning	Mazorol
Banaian	Dean	Gauthier	Hornstein	Leidiger	McDonald
Barrett	Dettmer	Gottwalt	Hosch	LeMieur	McFarlane
Beard	Dill	Greene	Howes	Lenczewski	McNamara
Benson, J.	Dittrich	Greiling	Huntley	Lesch	Melin
Benson, M.	Doepke	Gruenhagen	Johnson	Liebling	Moran
Bills	Downey	Gunther	Kath	Lillie	Morrow
Brynaert	Drazkowski	Hackbarth	Kelly	Loeffler	Mullery

Murdock	O'Driscoll	Poppe	Scott	Swedzinski	Ward
Murphy, E.	Paymar	Quam	Shimanski	Thissen	Wardlow
Murray	Pelowski	Rukavina	Simon	Tillberry	Westrom
Myhra	Peppin	Runbeck	Slawik	Torkelson	Woodard
Nelson	Persell	Sanders	Slocum	Urdahl	Spk. Zellers
Nornes	Petersen, B.	Scalze	Smith	Vogel	
Norton	Peterson, S.	Schomacker	Stensrud	Wagenius	

Those who voted in the negative were:

Davids	Hortman	Kahn	Knuth	Murphy, M.	Winkler
--------	---------	------	-------	------------	---------

The motion prevailed and the amendment was adopted.

Loeffler and Lanning moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 74, after line 23, insert:

"Effective the day following final enactment, the commissioner of administration must do an exterior and interior structural risk assessment of the preservation needs of the State Capitol historic site. The analysis must include (1) a review of design plans and construction practices of all capital infrastructure projects taking place in close proximity to the State Capitol building in the next three fiscal years, to identify whether the construction work or subsequent operations pose (i) risk to the structural integrity of the State Capitol building, or (ii) a reasonable likelihood of other adverse physical impacts, including increased costs for building preservation; and (2) an examination of what would be needed to reopen the balcony viewing area on the second floor overlooking the Capitol grounds. By August 1, 2011, the commissioner must provide a prioritized list of restoration projects with rough cost estimates to the governor, the Capitol Area Architectural and Planning Board, and the chairs of the legislative committees with responsibility for those agencies and capital investment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Hansen moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 52, delete section 18 and insert:

"Sec. 18. Minnesota Statutes 2010, section 114D.30, is amended to read:

114D.30 CLEAN WATER COUNCIL.

Subdivision 1. **Creation; duties.** A Clean Water Council is created to advise on the administration and implementation of this chapter, and foster coordination and cooperation as described in section 114D.20, subdivision 1. The council may also advise on the development of appropriate processes for expert scientific review as described in section 114D.35, subdivision 2. The Pollution Control Agency shall provide administrative support for the council with the support of other ~~member~~ agencies. The members of the council shall elect a chair from the ~~nonagency~~ members of the council.

Subd. 2. **Membership; appointment.** ~~The commissioners of natural resources, agriculture, and the Pollution Control Agency, and the executive director of the Board of Water and Soil Resources shall appoint one person from their respective agency to serve as a member of the council. Agency members serve as nonvoting members of the council. Nineteen additional nonagency~~ Sixteen members of the council shall be appointed by the governor, as follows: The governor shall appoint two members from each congressional district. Members shall have expertise in water-related areas.

- ~~(1) two members representing statewide farm organizations;~~
- ~~(2) two members representing business organizations;~~
- ~~(3) two members representing environmental organizations;~~
- ~~(4) one member representing soil and water conservation districts;~~
- ~~(5) one member representing watershed districts;~~
- ~~(6) one member representing nonprofit organizations focused on improvement of Minnesota lakes or streams;~~
- ~~(7) two members representing organizations of county governments, one member representing the interests of rural counties and one member representing the interests of counties in the seven-county metropolitan area;~~
- ~~(8) two members representing organizations of city governments;~~
- ~~(9) one member representing the Metropolitan Council established under section 473.123;~~
- ~~(10) one township officer;~~
- ~~(11) one member representing the interests of tribal governments;~~
- ~~(12) one member representing statewide hunting organizations;~~
- ~~(13) one member representing the University of Minnesota or a Minnesota state university; and~~
- ~~(14) one member representing statewide fishing organizations.~~

Members ~~appointed under clauses (1) to (14)~~ must not be registered lobbyists. ~~In making appointments, the governor must attempt to provide for geographic balance.~~ The members of the council appointed by the governor are subject to the advice and consent of the senate.

Subd. 3. **Conflict of interest.** A Clean Water Council member may not participate in or vote on a decision of the council relating to an organization in which the member has either a direct or indirect personal financial interest. While serving on the Clean Water Council, a member shall avoid any potential conflict of interest.

Subd. 4. **Terms; compensation; removal.** ~~The initial terms of members representing state agencies and the Metropolitan Council expire on the first Monday in January 2007. Thereafter, the terms of members representing the state agencies and the Metropolitan Council are four years and are coterminous with the governor.~~ The terms of ~~other~~ members of the council shall be as provided in section 15.059, subdivision 2. Members may serve until their successors are appointed and qualify. Compensation and removal of council members is as provided in section 15.059, subdivisions 3 and 4. A vacancy on the council may be filled by the ~~appointing authority provided in governor as provided in~~ subdivision 1 for the remainder of the unexpired term.

Subd. 5. **Implementation plan.** The Clean Water Council shall recommend a plan for implementation of this chapter and the provisions of article XI, section 15, of the Minnesota Constitution relating to clean water. The recommended plan shall address general procedures and time frames for implementing this chapter, and shall include a more specific implementation work plan for the next fiscal biennium and a framework for setting priorities to address impaired waters consistent with section 114D.20, subdivisions 2 to 7. The council shall issue the first recommended plan under this subdivision by December 1, ~~2005~~ 2012, and shall issue a revised plan by December 1 of each even-numbered year thereafter.

Subd. 6. **Recommendations on appropriation of funds.** The Clean Water Council shall recommend to the governor the manner in which money from the clean water legacy ~~account~~ fund should be appropriated for the purposes identified in section 114D.45, subdivision 3. The council's recommendations must be consistent with the purposes, policies, goals, and priorities in sections 114D.05 to 114D.35, and shall allocate adequate support and resources to identify impaired waters, develop TMDL's, implement restoration of impaired waters, and provide assistance and incentives to prevent waters from becoming impaired and improve the quality of waters which are listed as impaired but have no approved TMDL. The council must recommend methods of ensuring that awards of grants, loans, or other funds from the clean water legacy account specify the outcomes to be achieved as a result of the funding and specify standards to hold the recipient accountable for achieving the desired outcomes. Expenditures from the account must be appropriated by law.

Subd. 7. **Biennial report to legislature.** By December 1 of each even-numbered year, the council shall submit a report to the legislature on the activities for which money has been or will be spent for the current biennium, the activities for which money is recommended to be spent in the next biennium, and the impact on economic development of the implementation of the impaired waters program. The report due on December 1, 2014, must include an evaluation of the progress made through June 30, 2014, in implementing this chapter, the need for funding of future implementation of those sections, and recommendations for the sources of funding."

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment and the roll was called. There were 49 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Anzelc	Clark	Greene	Hornstein	Kahn	Liebling
Atkins	Davnie	Greiling	Hortman	Knuth	Lillie
Benson, J.	Falk	Hansen	Hosch	Laine	Loeffler
Carlson	Fritz	Hausman	Huntley	Lenczewski	Mahoney
Champion	Gauthier	Hilty	Johnson	Lesch	Mariani

Melin	Murphy, E.	Persell	Simon	Tillberry
Moran	Nelson	Peterson, S.	Slawik	Wagenius
Morrow	Norton	Rukavina	Slocum	Winkler
Mullery	Paymar	Scalze	Thissen	

Those who voted in the negative were:

Abeler	Davids	Gruenhagen	Kriesel	Murray	Smith
Anderson, B.	Dean	Gunther	Lanning	Myhra	Stensrud
Anderson, D.	Dettmer	Hackbarth	Leidiger	Nornes	Swedzinski
Anderson, P.	Dill	Hamilton	LeMieur	O'Driscoll	Torkelson
Anderson, S.	Dittrich	Hancock	Lohmer	Pelowski	Urdahl
Banaian	Doepke	Holberg	Loon	Peppin	Vogel
Barrett	Downey	Hoppe	Mack	Petersen, B.	Ward
Beard	Drazkowski	Howes	Marquart	Poppe	Wardlow
Benson, M.	Eken	Kath	Mazorol	Quam	Westrom
Bills	Erickson	Kelly	McDonald	Runbeck	Woodard
Buesgens	Fabian	Kieffer	McFarlane	Sanders	Spk. Zellers
Cornish	Franson	Kiel	McNamara	Schomacker	
Crawford	Garofalo	Kiffmeyer	Murdock	Scott	
Daudt	Gottwalt	Koenen	Murphy, M.	Shimanski	

The motion did not prevail and the amendment was not adopted.

Hansen moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 36, delete section 3 and insert:

Sec. 3. **DEPARTMENT OF AGRICULTURE**

\$6,575,000

\$8,575,000

(a) \$350,000 the first year and \$350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface water and groundwater and to use data collected to assess pesticide use practices.

(b) \$850,000 the first year and \$850,000 the second year are to increase monitoring and evaluate trends in the concentration of nitrates in groundwater in high-risk areas and regionally and to promote and evaluate regional and crop-specific nutrient best management practices. This appropriation is available until spent.

(c) \$3,625,000 the first year and \$5,625,000 the second year are for the agriculture best management practices loan program. At least \$3,000,000 the first year and at least \$4,800,000 the second year are for transfer to the clean water agricultural best management practices loan account and are available for pass-through to local governments and lenders for low-interest loans. Any unencumbered balance that is not used for pass-through to local governments does not cancel at the end of the first year and is available for the second year.

(d) \$1,750,000 the first year and \$1,750,000 the second year are for research to quantify agricultural contributions to impaired waters, development and evaluation of best management practices to protect and restore water resources while maintaining productivity, and pilot projects and technical assistance on proper implementation of best management practices for nonpoint contributions to impaired waters. This appropriation is available until spent."

Page 47, after line 24, insert:

"\$1,250,000 the first year is for grants to cities within the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, for capital improvements in municipal wastewater collection systems to reduce the amount of inflow and infiltration to the Metropolitan Council's metropolitan sanitary sewer disposal system. To be eligible for a grant, a city must be identified by the Metropolitan Council as a contributor of excessive inflow or infiltration and must be subject to the council's inflow and infiltration surcharge. Grants from this appropriation are for up to 50 percent of the cost to mitigate inflow and infiltration in the publicly owned municipal wastewater collection systems. The council must award grants based on applications from eligible cities that identify eligible capital costs and include a timeline for inflow and infiltration mitigation construction, pursuant to guidelines established by the council."

Adjust amounts accordingly

A roll call was requested and properly seconded.

The question was taken on the Hansen amendment and the roll was called. There were 49 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anzelc	Fritz	Huntley	Loeffler	Paymar	Thissen
Atkins	Gauthier	Johnson	Mahoney	Pelowski	Tillberry
Benson, J.	Greene	Kahn	Mariani	Persell	Wagenius
Brynaert	Greiling	Knuth	Moran	Peterson, S.	Winkler
Carlson	Hansen	Laine	Mullery	Rukavina	
Champion	Hausman	Lenczewski	Murphy, E.	Scalze	
Clark	Hilty	Lesch	Murphy, M.	Simon	
Davnie	Hornstein	Liebling	Nelson	Slawik	
Falk	Hortman	Lillie	Norton	Slocum	

Those who voted in the negative were:

Abeler	Anderson, P.	Barrett	Bills	Crawford	Dean
Anderson, B.	Anderson, S.	Beard	Buesgens	Daudt	Dettmer
Anderson, D.	Banaian	Benson, M.	Cornish	Davids	Dill

Dittrich	Gunther	Kiel	Mazorol	Peppin	Swedzinski
Doepke	Hackbarth	Kiffmeyer	McDonald	Petersen, B.	Torkelson
Downey	Hamilton	Koenen	McFarlane	Poppe	Urdahl
Drazkowski	Hancock	Kriesel	McNamara	Quam	Vogel
Eken	Holberg	Lanning	Melin	Runbeck	Ward
Erickson	Hoppe	Leidiger	Morrow	Sanders	Wardlow
Fabian	Hosch	LeMieur	Murdock	Schomacker	Westrom
Franson	Howes	Lohmer	Murray	Scott	Woodard
Garofalo	Kath	Loon	Myhra	Shimanski	Spk. Zellers
Gottwalt	Kelly	Mack	Nornes	Smith	
Gruenhagen	Kieffer	Marquart	O'Driscoll	Stensrud	

The motion did not prevail and the amendment was not adopted.

Ward moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 32, after line 2, insert:

"Sec. 7. Minnesota Statutes 2010, section 97A.056, subdivision 3, is amended to read:

Subd. 3. **Council recommendations.** (a) The council shall make recommendations to the legislature on appropriations of money from the outdoor heritage fund that are consistent with the Constitution and state law and that will achieve the outcomes of existing natural resource plans, including, but not limited to, the Minnesota Statewide Conservation and Preservation Plan, that directly relate to the restoration, protection, and enhancement of wetlands, prairies, forests, and habitat for fish, game, and wildlife, and that prevent forest fragmentation, encourage forest consolidation, and expand restored native prairie. In making recommendations, the council shall consider a range of options that would best restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife, and shall not adopt definitions of "restore", "protect", or "enhance" that would limit the council from considering options that are consistent with the Constitution. The council shall consider prevention measures to protect fish from aquatic invasive species consistent with the Constitution, in order to protect habitat for fish. The council shall submit its ~~initial~~ recommendations to the legislature no later than ~~April 1, 2009.~~ ~~Subsequent recommendations shall be submitted no later than~~ January 15 each year. The council shall present its recommendations to the senate and house of representatives committees with jurisdiction over the environment and natural resources budget by February 15 in odd-numbered years, and within the first four weeks of the legislative session in even-numbered years. The council's budget recommendations to the legislature shall be separate from the Department of Natural Resource's budget recommendations.

(b) To encourage and support local conservation efforts, the council shall establish a conservation partners program. Local, regional, state, or national organizations may apply for matching grants for restoration, protection, and enhancement of wetlands, prairies, forests, and habitat for fish, game, and wildlife, prevention of forest fragmentation, encouragement of forest consolidation, and expansion of restored native prairie.

(c) The council may work with the Clean Water Council to identify projects that are consistent with both the purpose of the outdoor heritage fund and the purpose of the clean water fund.

(d) The council may make recommendations to the Legislative-Citizen Commission on Minnesota Resources on scientific research that will assist in restoring, protecting, and enhancing wetlands, prairies, forests, and habitat for fish, game, and wildlife, preventing forest fragmentation, encouraging forest consolidation, and expanding restored native prairie.

(e) Recommendations of the council, including approval of recommendations for the outdoor heritage fund, require an affirmative vote of at least nine members of the council.

(f) The council may work with the Clean Water Council, the Legislative-Citizen Commission on Minnesota Resources, the Board of Water and Soil Resources, soil and water conservation districts, and experts from Minnesota State Colleges and Universities and the University of Minnesota in developing the council's recommendations.

(g) The council shall develop and implement a process that ensures that citizens and potential recipients of funds are included throughout the process, including the development and finalization of the council's recommendations. The process must include a fair, equitable, and thorough process for reviewing requests for funding and a clear and easily understood process for ranking projects.

(h) The council shall use the regions of the state based upon the ecological regions and subregions developed by the Department of Natural Resources and establish objectives for each region and subregion to achieve the purposes of the fund outlined in the state constitution.

(i) The council shall develop and submit to the Legislative Coordinating Commission plans for the first ten years of funding, and a framework for 25 years of funding, consistent with statutory and constitutional requirements. The council may use existing plans from other legislative, state, and federal sources, as applicable."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Falk moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 89, after line 26, insert:

"Subd. 3. **Trusts and similar instruments.** A recipient of money from a legacy fund must not use the money to fund a trust, endowment, or similar instrument unless:

(1) the entity reports no later than February 1 each year to the commissioner of management and budget and the legislative committees with jurisdiction over legacy funds regarding the recipient's use and fiduciary stewardship of legacy funds during the period; and

(2) the entity submits to regular audits of the trust, endowment, or similar instrument by the Office of the Legislative Auditor."

The motion prevailed and the amendment was adopted.

Winkler moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 68, line 18, delete "51,137,000" and insert "52,537,000" and delete "50,129,000" and insert "48,729,000"

Page 73, line 21, delete "7,400,000" and insert "10,200,000"

Page 74, line 14, delete "\$450,000" and insert "\$3,250,000"

Page 74, line 15, delete "\$400,000" and insert "\$2,400,000"

Page 74, line 17, delete "\$50,000" and insert "\$850,000"

Page 76, delete subdivision 10

Renumber the subdivisions in sequence

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Winkler amendment and the roll was called. There were 119 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Abeler	Davnie	Hausman	LeMieur	Murphy, E.	Scott
Anderson, B.	Dean	Hilty	Lenczewski	Murphy, M.	Shimanski
Anderson, D.	Dettmer	Holberg	Lesch	Murray	Simon
Anderson, P.	Dill	Hoppe	Liebling	Myhra	Slawik
Anderson, S.	Dittrich	Hornstein	Lillie	Nelson	Slocum
Anzelc	Doepke	Hortman	Loeffler	Nornes	Smith
Atkins	Downey	Hosch	Lohmer	Norton	Stensrud
Banaian	Eken	Howes	Loon	O'Driscoll	Swedzinski
Barrett	Fabian	Huntley	Mack	Paymar	Tillberry
Benson, J.	Falk	Johnson	Mahoney	Pelowski	Torkelson
Benson, M.	Franson	Kahn	Mariani	Persell	Urdahl
Bills	Fritz	Kath	Mazorol	Petersen, B.	Vogel
Brynaert	Garofalo	Kelly	McDonald	Peterson, S.	Wagenius
Carlson	Gauthier	Kieffer	McFarlane	Poppe	Ward
Champion	Gottwalt	Kiel	McNamara	Quam	Wardlow
Clark	Greene	Knuth	Melin	Rukavina	Westrom
Cornish	Greiling	Koenen	Moran	Runbeck	Winkler
Crawford	Hamilton	Kriesel	Morrow	Sanders	Woodard
Daudt	Hancock	Laine	Mullery	Scalze	Spk. Zellers
Davids	Hansen	Leidiger	Murdock	Schomacker	

Those who voted in the negative were:

Beard	Drazkowski	Gruenhagen	Hackbarth	Lanning	Peppin
Buesgens	Erickson	Gunther	Kiffmeyer	Marquart	Thissen

The motion prevailed and the amendment was adopted.

Wagenius moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 43, line 20, delete "\$13,750,000" and insert "\$9,165,000"

Page 43, line 21, delete "\$13,750,000" and insert "\$9,165,000"

Page 46, after line 23, insert:

"(i) \$4,585,000 the first year and \$4,585,000 the second year are for grants to watershed districts and watershed management organizations for: (1) structural or vegetative management practices that reduce storm water runoff from developed or disturbed lands to reduce the movement of sediment, nutrients, and pollutants or to leverage federal funds for restoration, protection, or enhancement of water quality in lakes, rivers, and streams and to protect groundwater and drinking water; and (2) the installation of proven and effective water retention practices including, but not limited to, rain gardens and other vegetated infiltration basins and sediment control basins in order to keep water on the land. The projects must be of long-lasting public benefit, include a local match, and be consistent with TMDL implementation plans or local water management plans. Watershed district and watershed management organization staff and administration may be used for local match."

Reletter the paragraphs in sequence

A roll call was requested and properly seconded.

The question was taken on the Wagenius amendment and the roll was called. There were 52 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Anzelc	Fritz	Hosch	Liebling	Murphy, E.	Simon
Benson, J.	Gauthier	Huntley	Lillie	Murphy, M.	Slawik
Brynaert	Greene	Johnson	Loeffler	Nelson	Slocum
Carlson	Greiling	Kahn	Mahoney	Norton	Thissen
Champion	Hansen	Kath	Mariani	Paymar	Tillberry
Clark	Hausman	Knuth	Melin	Persell	Wagenius
Davnie	Hilty	Laine	Moran	Peterson, S.	Winkler
Dill	Hornstein	Lenczewski	Morrow	Rukavina	
Falk	Hortman	Lesch	Mullery	Scalze	

Those who voted in the negative were:

Abeler	Banaian	Cornish	Dittrich	Fabian	Hackbarth
Anderson, B.	Barrett	Crawford	Doepke	Franson	Hamilton
Anderson, D.	Beard	Daudt	Downey	Garofalo	Hancock
Anderson, P.	Benson, M.	Davids	Drazkowski	Gottwalt	Holberg
Anderson, S.	Bills	Dean	Eken	Gruenhagen	Hoppe
Atkins	Buesgens	Dettmer	Erickson	Gunther	Howes

Kelly	LeMieur	McNamara	Petersen, B.	Smith	Westrom
Kieffer	Lohmer	Murdock	Poppe	Stensrud	Woodard
Kiel	Loon	Murray	Quam	Swedzinski	Spk. Zellers
Kiffmeyer	Mack	Myhra	Runbeck	Torkelson	
Koenen	Marquart	Nornes	Sanders	Urdahl	
Kriesel	Mazorol	O'Driscoll	Schomacker	Vogel	
Lanning	McDonald	Pelowski	Scott	Ward	
Leidiger	McFarlane	Peppin	Shimanski	Wardlow	

The motion did not prevail and the amendment was not adopted.

Wagenius moved to amend S. F. No. 1363, the second engrossment, as amended, as follows:

Page 43, delete lines 20 to 34 and insert:

"(a) \$13,750,000 the first year and \$13,750,000 the second year are for grants to local governments and joint powers organizations of local governments for projects and practices to keep water on the land in order to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. Projects and practices shall be prioritized based on the benefits to protect and restore surface waters; to protect, enhance, and restore water quality in lakes, rivers, wetlands, and streams; and to protect groundwater and drinking water. Projects and practices may include feedlot water quality, erosion control, and stream bank, stream channel, and shoreline restoration projects and must be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans or local water management plans."

Page 44, delete lines 1 and 2

Page 47, after line 2, insert:

"(l) The board shall develop and utilize performance-based criteria for local water resources restoration, protection, and management program and project grants. The criteria may include, but are not limited to, science-based assessments, organizational capacity, priority resource issues, community outreach and support, partnership potential, and program and project delivery efficiency and effectiveness. The board shall, to the extent practical, utilize a watershed approach when developing criteria for project proposals."

A roll call was requested and properly seconded.

The question was taken on the Wagenius amendment and the roll was called. There were 60 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Hosch	Lesch	Morrow	Rukavina
Anderson, S.	Falk	Huntley	Liebling	Mullery	Scalze
Anzelc	Fritz	Johnson	Lillie	Murphy, E.	Simon
Atkins	Gauthier	Kahn	Loeffler	Murphy, M.	Slawik
Benson, J.	Greiling	Kath	Lohmer	Nelson	Slocum
Brynaert	Hansen	Kieffer	Loon	Norton	Smith
Carlson	Hausman	Knuth	Mahoney	Paymar	Thissen
Champion	Hilty	Kriesel	Mariani	Persell	Tillberry
Clark	Hornstein	Laine	Melin	Peterson, S.	Wagenius
Davnie	Hortman	Lenczewski	Moran	Poppe	Winkler

Those who voted in the negative were:

Anderson, B.	Davids	Gottwalt	Koenen	Myhra	Stensrud
Anderson, D.	Dean	Gruenhagen	Lanning	Nornes	Swedzinski
Anderson, P.	Dettmer	Gunther	Leidiger	O'Driscoll	Torkelson
Banaian	Dittrich	Hackbarth	LeMieur	Pelowski	Urdahl
Barrett	Doepke	Hamilton	Mack	Peppin	Vogel
Bard	Downey	Hancock	Marquart	Petersen, B.	Ward
Benson, M.	Drazkowski	Holberg	Mazorol	Quam	Wardlow
Bills	Eken	Hoppe	McDonald	Runbeck	Westrom
Buesgens	Erickson	Howes	McFarlane	Sanders	Woodard
Cornish	Fabian	Kelly	McNamara	Schomacker	Spk. Zellers
Crawford	Franson	Kiel	Murdock	Scott	
Daudt	Garofalo	Kiffmeyer	Murray	Shimanski	

The motion did not prevail and the amendment was not adopted.

The Speaker called Davids to the Chair.

S. F. No. 1363, A bill for an act relating to state government; appropriating money from the outdoor heritage fund; appropriating money from the clean water fund; appropriating money from the parks and trails fund; appropriating money from the arts and cultural heritage fund; modifying certain outdoor heritage provisions; modifying the Clean Water Legacy Act; revising the Clean Water Council; providing appointments; amending Minnesota Statutes 2010, sections 10A.01, subdivision 35; 85.013, by adding a subdivision; 85.53, subdivisions 1, 5; 85.535, subdivision 1; 97A.056, subdivisions 2, 3, 5, 6, 9, 10, by adding a subdivision; 114D.10; 114D.20, subdivisions 1, 2, 3, 6, 7; 114D.35; 114D.50, subdivision 6; 116.195; 129D.18, subdivision 4; 129D.19, subdivision 5; Laws 2009, chapter 172, article 1, section 2, subdivisions 3, 15; Laws 2010, chapter 361, article 1, section 2, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 114D; repealing Minnesota Statutes 2010, sections 84.02, subdivisions 1, 2, 3, 4, 5, 6, 7, 8; 114D.30; 114D.45.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 86 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Gruenhagen	Lanning	Murphy, M.	Smith
Anderson, D.	Dean	Gunther	Leidiger	Murray	Stensrud
Anderson, P.	Dettmer	Hamilton	LeMieur	Myhra	Swedzinski
Anderson, S.	Dill	Hancock	Lillie	Nornes	Torkelson
Anzelc	Dittrich	Hoppe	Lohmer	O'Driscoll	Urdahl
Atkins	Doepke	Hosch	Loon	Pelowski	Vogel
Banaian	Downey	Howes	Mack	Persell	Ward
Barrett	Eken	Kahn	Marquart	Petersen, B.	Wardlow
Beard	Erickson	Kath	Mazorol	Poppe	Westrom
Benson, M.	Fabian	Kelly	McDonald	Quam	Woodard
Bills	Falk	Kieffer	McFarlane	Runbeck	Spk. Zellers
Brynaert	Franson	Kiel	McNamara	Sanders	
Cornish	Fritz	Kiffmeyer	Melin	Schomacker	
Crawford	Garofalo	Koenen	Morrow	Scott	
Daudt	Gottwalt	Kriesel	Murdock	Shimanski	

Those who voted in the negative were:

Anderson, B.	Gauthier	Hornstein	Liebling	Norton	Slocum
Benson, J.	Greene	Hortman	Loeffler	Paymar	Thissen
Buesgens	Greiling	Huntley	Mahoney	Peppin	Tillberry
Carlson	Hackbarth	Johnson	Mariani	Peterson, S.	Wagenius
Champion	Hansen	Knuth	Moran	Rukavina	Winkler
Clark	Hausman	Laine	Mullery	Scalze	
Davnie	Hilty	Lenczewski	Murphy, E.	Simon	
Drazkowski	Holberg	Lesch	Nelson	Slawik	

The bill was passed, as amended, and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 1326, A bill for an act relating to liquor; authorizing brewer taproom licenses; allowing a bed and breakfast to serve Minnesota beer; making clarifying, technical, and other changes to certain license provisions; authorizing the issuance of certain on-sale and off-sale licenses; amending Minnesota Statutes 2010, sections 340A.301, by adding a subdivision; 340A.4011, subdivision 2; 340A.404, subdivision 7, by adding subdivisions; 340A.412, subdivisions 4, 14.

CAL R. LUDEMAN, Secretary of the Senate

Atkins moved that the House refuse to concur in the Senate amendments to H. F. No. 1326, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 943.

CAL R. LUDEMAN, Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 943, A bill for an act relating to game and fish; modifying aquaculture provisions; modifying compensation and assistance provisions for crop damage by elk; modifying requirements for fish and wildlife management plans; modifying provisions for taking, possessing, and transporting wild animals; modifying penalty and license provisions; modifying duties of the Board of Water and Soil Resources; limiting landowner liability for state walk-in access program; requiring rulemaking; providing criminal penalties; amending Minnesota Statutes 2010, sections 3.7371; 16C.055, subdivision 2; 17.4982, subdivisions 8, 12, 13, by adding a subdivision; 17.4991, subdivision 3; 17.4992, subdivision 4; 17.4994; 84.942, subdivision 1; 84.95, subdivision 2; 84D.11, subdivision 2a; 97A.015, subdivisions 24, 45, 49, 52, 55; 97A.028, subdivision 3; 97A.075, subdivision 6; 97A.101, subdivision 3; 97A.311, subdivision 5; 97A.321, subdivision 1; 97A.331, by adding a subdivision; 97A.405, subdivision 2; 97A.415, subdivision 2; 97A.425, subdivision 3; 97A.433, by adding a subdivision; 97A.435, subdivision 1; 97A.445, subdivision 1a; 97A.465, subdivision 5; 97A.475, subdivision 7; 97A.505, subdivision 2; 97A.545, subdivision 5; 97B.022, subdivision 2; 97B.041; 97B.055, subdivision 3; 97B.075; 97B.106, subdivision 1; 97B.211, subdivision 1; 97B.425; 97B.515, by adding a subdivision; 97B.645, subdivision 9; 97B.711, by adding a subdivision; 97B.803; 97C.005, subdivision 3; 97C.081, subdivisions 3, 4, by adding a subdivision; 97C.087, subdivision 2; 97C.205; 97C.211, subdivision 5; 97C.341; 103B.101, subdivision 9; 604A.24; proposing coding for new law in Minnesota Statutes, chapters 17; 97B; 348; repealing Minnesota Statutes 2010, sections 84.942, subdivisions 2, 3, 4; 97A.015, subdivisions 26b, 27b, 27c; 97A.435, subdivision 5; 97C.081, subdivision 2.

The bill was read for the first time.

Hackbarth moved that S. F. No. 943 and H. F. No. 984, now on the Calendar for the Day, be referred to the Chief Clerk for comparison. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 86:

Beard, O'Driscoll and Koenen.

Liebling and Rukavina were excused for the remainder of today's session.

Dean moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1326:

Atkins, Hoppe and Loon.

CALENDAR FOR THE DAY

H. F. No. 1467 was reported to the House.

Cornish moved to amend H. F. No. 1467, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1
PERMIT TO PURCHASE RENEWAL

Section 1. Minnesota Statutes 2010, section 624.7131, subdivision 2, is amended to read:

Subd. 2. **Investigation.** The chief of police or sheriff shall check criminal histories, records and warrant information relating to the applicant through the Minnesota Crime Information System, the national criminal record repository, and the National Instant Criminal Background Check System. The chief of police or sheriff ~~shall~~ may also make a reasonable effort to check other available state and local record-keeping systems. The chief of police or sheriff shall obtain commitment information from the commissioner of human services as provided in section 245.041.

EFFECTIVE DATE. This section is effective August 1, 2011.

Sec. 2. Minnesota Statutes 2010, section 624.7131, subdivision 7, is amended to read:

Subd. 7. **Change of address; permit voided.** (a) Within 30 days after changing permanent address, the holder of a transferee permit must notify the issuing authority of the change of address. Failure to provide notification as required by this subdivision is a petty misdemeanor. The fine for a first offense must not exceed \$25.

(b) The transferee permit shall be void at the time that the holder becomes prohibited from possessing a pistol under section 624.713, in which event the holder shall return the permit within five days to the issuing authority. Failure of the holder to return the permit within the five days is a misdemeanor unless the court finds that the circumstances or the physical or mental condition of the permit holder prevented the holder from complying with the return requirement.

EFFECTIVE DATE. This section is effective August 1, 2011.

Sec. 3. Minnesota Statutes 2010, section 624.7131, subdivision 8, is amended to read:

Subd. 8. ~~Hearing upon denial~~ **Petition for relief.** Any person aggrieved by a violation of this section or by denial of a transferee permit may appeal the denial petition for relief to the district court having jurisdiction over the county or municipality in which the ~~denial~~ act occurred. The court shall grant an appeal if the applicant is not a person prohibited from possessing a pistol or semiautomatic military-style assault weapon by section 624.713. If the court grants relief under this subdivision, the court must award the petitioner reasonable costs and expenses including attorney fees.

EFFECTIVE DATE. This section is effective August 1, 2011, and applies to appeals brought on or after that date.

ARTICLE 2 AUTHORITY TO SEIZE WEAPONS

Section 1. **[624.7192] AUTHORITY TO SEIZE AND CONFISCATE FIREARMS.**

(a) This section applies only during the effective period of a state of emergency proclaimed by the governor relating to a public disorder or disaster.

(b) A peace officer who is acting in the lawful discharge of the officer's official duties without a warrant may disarm a lawfully detained individual only temporarily and only if the officer reasonably believes it is immediately necessary for the protection of the officer or another individual. Before releasing the individual, the peace officer must return to the individual any seized firearms and ammunition, and components thereof, any firearms accessories and ammunition reloading equipment and supplies, and any other personal weapons taken from the individual, unless the officer takes the individual into physical custody for engaging in criminal activity, or for observation pursuant to section 253B.05, subdivision 2; or seizes the items as evidence pursuant to an investigation for the commission of the crime for which the individual was arrested.

(c) Except as expressly provided in statute, no governmental unit, government official, government employee, peace officer, or other person or body acting under governmental authority or color of law may undertake any of the following actions with regard to any firearms and ammunition, and components thereof; any firearms accessories and ammunition reloading equipment and supplies; and any other personal weapons:

(1) prohibit, regulate, or curtail the otherwise lawful possession, carrying, transportation, transfer, defensive use, or other lawful use of any of these items;

(2) seize, commandeer, or confiscate any of these items in any manner, except as expressly authorized in paragraph (b);

(3) suspend or revoke a valid permit issued pursuant to section 624.7131 or 624.714, except as expressly authorized in those sections; or

(4) close or limit the operating hours of businesses that lawfully sell or service any of these items, unless such closing or limitation of hours applies equally to all forms of commerce.

(d) No provision of law relating to a public disorder or disaster emergency proclamation by the governor or any other governmental or quasi-governmental official, including but not limited to emergency management powers pursuant to chapters 9 and 12, shall be construed as authorizing the governor or any other governmental or quasi-governmental official of this state or any of its political subdivisions acting at the direction of the governor or another official to act in violation of this paragraph or paragraphs (b) and (c).

EFFECTIVE DATE. This section is effective August 1, 2011.

ARTICLE 3
SELF-DEFENSE: USE OF FORCE

Section 1. Minnesota Statutes 2010, section 609.065, is amended to read:

609.065 JUSTIFIABLE TAKING OF LIFE USE OF DEADLY FORCE IN DEFENSE OF HOME AND PERSON.

Subdivision 1. Definitions. The intentional taking of the life of another is not authorized by section 609.06, except when necessary in resisting or preventing an offense which the actor reasonably believes exposes the actor or another to great bodily harm or death, or preventing the commission of a felony in the actor's place of abode. (a) For purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Court order" means an order for protection issued under section 518B.01, a restraining order issued under section 609.748, a no contact order issued under section 518B.01 or 629.75, or a substantively similar order issued by any court in this state, another state, the United States, or any subordinate jurisdiction of the United States.

(c) "Deadly force" means force used by an individual with the purpose of causing, or which the individual should reasonably know creates a substantial risk of causing, great bodily harm or death. The intentional discharge of a firearm by an individual at another person, or at a vehicle in which another person is believed to be, constitutes deadly force. A threat to cause great bodily harm or death, by the production of a weapon or otherwise, constitutes reasonable force and not deadly force, when the individual's objective is limited to creating an expectation that the individual will use deadly force only if authorized by law.

(d) "Dwelling" means a building defined under section 609.556, subdivision 3, an overnight stopping accommodation of any kind, or a place of abode, that an individual temporarily or permanently is occupying or intending to occupy as a habitation or home. A dwelling includes, but is not limited to, a building or conveyance and that building's or conveyance's curtilage and any attached or adjacent deck, porch, appurtenance, or other structure, whether the building or conveyance is used temporarily or permanently for these purposes, is mobile or immobile, or is a motor vehicle, watercraft, motor home, tent, or the equivalent.

(e) "Forcible felony" means any crime punishable by imprisonment exceeding one year the elements of which include the use or threatened use of physical force or a dangerous weapon against the person of another, including but not limited to: murder in the first and second degrees; manslaughter in the first degree; assault in the first, second, and third degrees; criminal sexual conduct in the first and second degrees; arson in the first degree; burglary in the first, second, and third degrees; robbery; and kidnapping.

(f) "Good faith" includes honesty in fact in the conduct of the act concerned.

(g) "Great bodily harm" has the meaning given in section 609.02, subdivision 7a.

(h) "Imminent" means the actor infers from all the facts and circumstances that the course of conduct has commenced.

(i) "Substantial bodily harm" has the meaning given in section 609.02, subdivision 8.

(j) "Vehicle" means a conveyance of any type.

Subd. 2. Circumstances when authorized. (a) The use of deadly force by an individual is justified under this section when the act is undertaken:

(1) to resist or prevent the commission of a felony in the individual's dwelling;

(2) to resist or prevent what the individual reasonably believes is an offense or attempted offense that imminently exposes the individual or another person to substantial bodily harm, great bodily harm, or death; or

(3) to resist or prevent what the individual reasonably believes is the commission or imminent commission of a forcible felony.

(b) The use of deadly force is not authorized under this section if the individual knows that the person against whom force is being used is a licensed peace officer from this state, another state, the United States, or any subordinate jurisdiction of the United States, who is acting lawfully.

Subd. 3. Degree of force; retreat. An individual taking defensive action pursuant to subdivision 2 may use all force and means, including deadly force, that the individual in good faith believes is required to succeed in defense. The individual may meet force with superior force when the individual's objective is defensive; the individual is not required to retreat; and the individual may continue defensive actions against an assailant until the danger has ended.

Subd. 4. Presumptions. (a) An individual using deadly force is presumed to possess a reasonable belief that there exists an imminent threat of substantial bodily harm, great bodily harm, or death to the individual or another person, if the individual knows or has reason to know that:

(1) the person against whom the defensive action is being taken is unlawfully entering or attempting to enter by force or by stealth, or has unlawfully entered by force or by stealth and remains within, the dwelling or occupied vehicle of the individual; or

(2) the person against whom the defensive action is being taken is in the process of unlawfully removing, or attempting to remove, the individual or another person from the dwelling or occupied vehicle of the individual.

(b) An individual is not entitled to the benefit of the presumption in paragraph (a) if the individual knows that the person against whom the defensive action is being taken:

(1) is a lawful resident of the dwelling or a lawful possessor of the vehicle, or is otherwise lawfully permitted to enter the dwelling or vehicle; or

(2) is a person who has lawful custody of the person being removed from the dwelling or vehicle or whose removal from the dwelling or vehicle is being attempted.

A person who is prohibited by a court order from contacting another individual or from entering a dwelling or possessing a vehicle of another individual is not a lawful resident of that individual's dwelling and is not a lawful possessor of that individual's vehicle.

(c) An individual using defensive force is not entitled to the benefit of the presumption in paragraph (a) if the individual is presently engaged in a crime or attempting to escape from the scene of a crime, or is presently using the dwelling or occupied vehicle in furtherance of a crime.

Subd. 5. Criminal investigation; immunity from prosecution. (a) An individual who uses force, including deadly force, according to this section or as otherwise provided by law in defense of the individual, the individual's dwelling, or another individual is justified in using such force and is immune from criminal prosecution for that act.

(b) A law enforcement agency may arrest an individual using force under circumstances described in this section only after considering any claims or circumstances supporting self-defense or lawful defense of another individual.

Subd. 6. Justifiable use of force; burden of proof. In a criminal trial, when there is any evidence of justifiable use of force under this section or section 609.06, the state has the burden of proving beyond a reasonable doubt that the defendant's actions were not justifiable.

Subd. 7. Short title. This section may be cited as the "Defense of Dwelling and Person Act of 2011."

EFFECTIVE DATE. This section is effective August 1, 2011, and applies to uses of deadly force occurring on or after that date.

ARTICLE 4 RECOGNITION OF OTHER STATES' PERMITS TO CARRY

Section 1. Minnesota Statutes 2010, section 624.714, subdivision 16, is amended to read:

Subd. 16. Recognition of permits from other states. (a) ~~The commissioner must annually establish and publish a list of other states that have laws governing the issuance of permits to carry weapons that are not substantially similar to this section. The list must be available on the Internet.~~ A person holding a valid carry permit from a or license issued by another state not on the list or other non-Minnesota governmental jurisdiction may use the license or permit or license in this state Minnesota subject to the rights, privileges, and requirements of this section. This permit or license is a valid permit to carry a pistol within and under the laws of Minnesota for as long as that permit or license remains valid under the laws of the issuing jurisdiction, and is deemed to be a permit issued under this section for all purposes.

(b) Notwithstanding paragraph (a), no ~~license or permit from~~ or license issued by another state or other non-Minnesota governmental jurisdiction is valid in this state if the holder is or becomes prohibited by Minnesota law from possessing a firearm.

(c) Any sheriff, ~~on the sheriff's initiative~~ or at the request of a police chief of a jurisdiction located in the same county, may file a petition under subdivision 12 seeking an order suspending or revoking ~~the authority of the holder of an out-of-state permit holder's authority or license~~ to carry a pistol in this state Minnesota on the grounds set forth in subdivision 6, paragraph (a), clause (3). An order shall ~~only~~ be issued only if the petitioner meets the burden of proof and criteria set forth in subdivision 12. If the court denies the petition, the court must award the permit or license holder reasonable costs and expenses including attorney fees. The petition may be filed in any Minnesota county ~~in the state~~ where a person holding a license or permit from or license issued by another state or other non-Minnesota governmental jurisdiction can be found.

(d) The commissioner must, ~~when necessary,~~ execute reciprocity agreements regarding carry permits or licenses with jurisdictions whose carry permits or licenses are recognized under paragraph (a).

(e) Notwithstanding any contrary provision of this subdivision, a Minnesota resident is not authorized to carry a pistol in Minnesota under the terms of a carry permit or license issued by another state or non-Minnesota government jurisdiction.

EFFECTIVE DATE. This section is effective August 1, 2011."

Delete the title and insert:

"A bill for an act relating to firearms; clarifying and delimiting the authority of public officials to disarm individuals at any time; clarifying law on use of force in defense of home and person; codifying and extending Minnesota's self-defense and defense of home laws; eliminating the common law duty to retreat in cases of self-defense outside the home; expanding the boundaries of dwelling for purposes of self-defense; creating a presumption in the case of a person unlawfully entering a dwelling or occupied vehicle by stealth or force; extending the rights available to a person in that person's dwelling to a person defending against unlawful entry of that person's occupied vehicle; providing for the recognition by Minnesota of other states' permits to carry a pistol within and under the laws of Minnesota; amending Minnesota Statutes 2010, sections 609.065; 624.7131, subdivisions 2, 7, 8; 624.714, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 624."

The motion prevailed and the amendment was adopted.

H. F. No. 1467, as amended, was read for the third time.

Atkins was excused for the remainder of today's session.

MOTION FOR RECONSIDERATION

Cornish moved that the action whereby H. F. No. 1467, as amended, was given its third reading be now reconsidered. The motion prevailed.

Cornish moved to amend H. F. No. 1467, the first engrossment, as amended, as follows:

Page 1, line 5, delete section 1

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 1467, A bill for an act relating to firearms; clarifying and delimiting the authority of public officials to disarm individuals at any time; clarifying law on use of force in defense of home and person; codifying and extending Minnesota's self-defense and defense of home laws; eliminating the common law duty to retreat in cases of self-defense outside the home; expanding the boundaries of dwelling for purposes of self-defense; creating a presumption in the case of a person unlawfully entering a dwelling or occupied vehicle by stealth or force; extending

the rights available to a person in that person's dwelling to a person defending against unlawful entry of that person's occupied vehicle; providing for the recognition by Minnesota of other states' permits to carry a pistol within and under the laws of Minnesota; amending Minnesota Statutes 2010, sections 609.065; 624.7131, subdivisions 7, 8; 624.714, subdivision 16; proposing coding for new law in Minnesota Statutes, chapter 624.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 79 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Abeler	Davids	Hackbarth	Lanning	Nornes	Swedzinski
Anderson, B.	Dean	Hamilton	Leidiger	O'Driscoll	Torkelson
Anderson, P.	Dettmer	Hancock	LeMieur	Peppin	Urdahl
Anderson, S.	Dill	Holberg	Lohmer	Persell	Vogel
Anzelc	Downey	Hoppe	Loon	Petersen, B.	Ward
Banaian	Drazkowski	Hosch	Mack	Poppe	Wardlow
Barrett	Eken	Howes	Marquart	Quam	Westrom
Beard	Erickson	Kath	Mazorol	Runbeck	Woodard
Benson, M.	Fabian	Kelly	McDonald	Sanders	Spk. Zellers
Bills	Franson	Kieffer	McNamara	Schomacker	
Buesgens	Garofalo	Kiel	Melin	Scott	
Cornish	Gottwalt	Kiffmeyer	Murdock	Shimanski	
Crawford	Gruenhagen	Koenen	Murray	Smith	
Daudt	Gunther	Kriesel	Myhra	Stensrud	

Those who voted in the negative were:

Benson, J.	Fritz	Hornstein	Lillie	Murphy, M.	Slocum
Brynaert	Gauthier	Hortman	Loeffler	Nelson	Thissen
Carlson	Greene	Huntley	Mahoney	Norton	Tillberry
Champion	Greiling	Johnson	Mariani	Paymar	Wagenius
Clark	Hansen	Kahn	McFarlane	Pelowski	Winkler
Davnie	Hausman	Knuth	Moran	Peterson, S.	
Dittrich	Hayden	Laine	Morrow	Scalze	
Doepke	Hilstrom	Lenczewski	Mullery	Simon	
Falk	Hilty	Lesch	Murphy, E.	Slawik	

The bill was passed, as amended, and its title agreed to.

Dean moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

MOTIONS AND RESOLUTIONS

Howes moved that the name of Eken be added as an author on H. F. No. 214. The motion prevailed.

Holberg moved that H. F. No. 1261, now on the General Register, be re-referred to the Committee on Ways and Means. The motion prevailed.

Hamilton moved that H. F. No. 1611, now on the Calendar for the Day, be re-referred to the Committee on Ways and Means. The motion prevailed.

ADJOURNMENT

Dean moved that when the House adjourns today it adjourn until 12:00 noon, Monday, May 16, 2011. The motion prevailed.

Dean moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Monday, May 16, 2011.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

