

STATE OF MINNESOTA

NINETIETH SESSION — 2017

 SIXTY-FIRST DAY

SAINT PAUL, MINNESOTA, SUNDAY, MAY 21, 2017

The House of Representatives convened at 11:00 a.m. and was called to order by Melissa Hortman, Speaker pro tempore.

Prayer was offered by Representative Peggy Bennett, District 27A, Albert Lea, 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:

Albright	Davids	Heintzeman	Lien	O'Driscoll	Scott
Allen	Davnie	Hertaus	Lillie	Olson	Slocum
Anderson, P.	Dean, M.	Hilstrom	Loeffler	Omar	Smith
Anderson, S.	Dettmer	Hoppe	Lohmer	O'Neill	Sundin
Anselmo	Drazkowski	Hornstein	Loon	Pelowski	Swedzinski
Applebaum	Ecklund	Hortman	Loonan	Peppin	Theis
Backer	Erickson	Howe	Lucero	Petersburg	Torkelson
Bahr, C.	Fabian	Jessup	Lueck	Peterson	Uglen
Baker	Fenton	Johnson, B.	Mahoney	Pierson	Urdahl
Barr, R.	Fischer	Johnson, C.	Marquart	Pinto	Vogel
Becker-Finn	Flanagan	Johnson, S.	Masin	Poppe	Wagenius
Bennett	Franke	Jurgens	Maye Quade	Poston	Ward
Bernardy	Freiberg	Kiel	McDonald	Pryor	West
Bliss	Garofalo	Knoblach	Metsa	Pugh	Whelan
Bly	Green	Koegel	Miller	Quam	Wills
Carlson, A.	Grossell	Koznick	Murphy, E.	Rarick	Youakim
Carlson, L.	Gruenhagen	Kresha	Murphy, M.	Rosenthal	Zerwas
Christensen	Gunther	Kunesh-Podein	Nash	Runbeck	Spk. Daudt
Clark	Haley	Layman	Nelson	Sandstede	
Considine	Halverson	Lee	Neu	Sauke	
Cornish	Hansen	Lesch	Newberger	Schomacker	
Daniels	Hausman	Liebling	Nornes	Schultz	

A quorum was present.

Franson and Hamilton were excused until 3:20 p.m. Dehn, R., was excused until 3:25 p.m. Mariani was excused until 3:30 p.m. Moran was excused until 3:45 p.m. Thissen was excused until 8:40 p.m.

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.

Peppin 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 Speaker pro tempore Albright.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Drazkowski; Hertauss; Whelan; Lohmer; Green; Quam; Scott; Pugh; Bahr, C.; McDonald; Newberger and Lucero introduced:

H. F. No. 2716, A bill for an act relating to taxation; eliminating income and business taxes and replacing the sales tax with a fair tax; amending Minnesota Statutes 2016, sections 297A.61, subdivisions 2, 7, 24; 297A.62, subdivisions 1, 1a; 297A.63, by adding a subdivision; 297A.66, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 297A; repealing Minnesota Statutes 2016, sections 290.01, subdivisions 1, 1a, 2, 3, 3a, 3b, 4, 4a, 4c, 5, 5a, 5b, 6, 7, 7a, 7b, 8, 8a, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, as amended, 20, 22, 29, 29a, 30, 31, as amended; 290.0131, as amended; 290.0132; 290.0133, as amended; 290.0134; 290.0135; 290.0136; 290.014; 290.015; 290.02; 290.03; 290.032, subdivisions 1, 2, 3; 290.04; 290.05, subdivisions 1, 2, 3, 4, 8; 290.06, subdivisions 1, 2c, 2d, 22, 23, 27, 28, 29, 33, 35, 36; 290.067, subdivisions 1, 2, 2a, 2b, 3, 4; 290.0671, subdivisions 1, as amended, 1a, 2, 4, 5, 6, 6a, 7; 290.0672; 290.0674, subdivisions 1, 2, 4, 5; 290.0675, subdivisions 1, 2, 3, 4; 290.0677; 290.0679; 290.068, subdivisions 1, 2, 3, 4, 5, 6a, 7; 290.0681; 290.0685; 290.0692; 290.07, subdivisions 1, 2, 4, 7; 290.0802; 290.081; 290.091; 290.0921, subdivisions 1, 2, 3, 3a, 4, 6, 8; 290.0922; 290.093; 290.095, subdivisions 1, 2, 3, 4, 5, 9, 11; 290.10; 290.17, subdivisions 1, 2, 3, 4, 5, 6; 290.172; 290.191, subdivisions 1, 2, 3, 5, 6, 8, 9, 10, 11, 12; 290.20; 290.21, subdivisions 1, 4; 290.22; 290.26, subdivision 6; 290.281, subdivision 1; 290.30; 290.31, subdivisions 1, 27; 290.311, subdivision 1; 290.32; 290.34, subdivisions 1, 2; 290.36; 290.371, subdivisions 1, 2, 3, 4; 290.431; 290.432; 290.48, subdivision 10; 290.491; 290.62; 290.92, subdivisions 1, 2a, 3, 4, 4a, 4b, 4c, 5, 5a, 9, 10, 12, 16, 17, 19, 20, 21, 24, 25, 26, 27, 28, 29, 30; 290.9201, subdivisions 1, 2, 6, 7, 8, 11; 290.923, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, 10, 11; 290.9705, subdivisions 1, 3, 4; 290.9725; 290.9726, subdivisions 1, 2, 4; 290.9727; 290.9728; 290.9729; 290.9741; 290.9742; 290.9743; 290.9744; 297A.61, subdivisions 3, 4, 10, 12, 13, 16a, 16b, 16c, 17, 17a, 17b, 18, 25, 26, 30, 31, 32, 33, 34, 35, 36, 37, 39, 40, 41, 42, 44, 45, 46, 49; 297A.62, subdivision 3; 297A.63, subdivision 2; 297A.64; 297A.65; 297A.67, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9, 10, 11, 12, 13, 13a, 14, 15, 16, 17, 18, 19, 20, 21, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33; 297A.68, subdivisions 1, 2, 3, 3a, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 19, 20, 22, 23, 24, 25, 28, 29, 30, 31, 32, 33, 34, 35a, 36, 37, 39, 40, 42, 43, 44; 297A.69, subdivisions 1, 2, 3, 4, 6, 7; 297A.70; 297A.71, subdivisions 1, 3, 6, 8, 11, 12, 13, 14, 22, 23, 34, 35, 40, 43, 44, 45, 48; 297A.75; 297D.01; 297D.02; 297D.03; 297D.04; 297D.05; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09; 297D.10; 297D.11; 297D.12; 297D.13; 297F.01; 297F.02; 297F.03; 297F.031; 297F.04; 297F.05; 297F.06; 297F.07; 297F.08, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 8a, 9, 10, 12, 13; 297F.09, subdivisions 1, 2, 3, 4, 4a, 5, 7, 8, 9, 10; 297F.10; 297F.11; 297F.12; 297F.13; 297F.14; 297F.15, subdivisions 9, 10; 297F.17; 297F.18; 297F.185; 297F.19, subdivisions 1, 2, 3, 5, 6, 7, 8, 9; 297F.20; 297F.21, subdivisions 1, 2, 3; 297F.23; 297F.24; 297F.25; 297G.01; 297G.02; 297G.03; 297G.031; 297G.032; 297G.04; 297G.05; 297G.06; 297G.07; 297G.08; 297G.09, subdivisions 1, 2, 3, 4, 6, 7, 8, 9, 10; 297G.10; 297G.11; 297G.12; 297G.13; 297G.14, subdivision 9; 297G.16; 297G.17; 297G.18, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11; 297G.19; 297G.20,

subdivisions 1, 2, 3, 4; 297G.22; 297H.01; 297H.02; 297H.03; 297H.04; 297H.05; 297H.06; 297H.07; 297H.08; 297H.09; 297H.10, subdivision 1; 297H.11; 297H.115; 297H.12; 297H.13, subdivisions 1, 2, 5; 297I.01; 297I.05, subdivisions 1, 2, 3, 4, 5, 7, 11, 12, as amended, 13, 14; 297I.06; 297I.10, subdivisions 1, 3, 4; 297I.11; 297I.15; 297I.20; 297I.25; 297I.30, subdivisions 1, 2, 7, 8, 9, 10; 297I.35; 297I.40; 297I.60; 297I.65; 297I.70; 297I.75; 297I.80; 297I.85; 297I.90.

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

Swedzinski introduced:

H. F. No. 2717, A bill for an act relating to agriculture; establishing a grain credit contract indemnity program; increasing bond amounts for licensed grain buyers; dedicating a portion of sales tax revenue derived from the sale of grain bins; eliminating the sales tax on grain bins; establishing a gross receipts tax for grain bins to fund the indemnity payments if program funding falls below a threshold amount; appropriating money; amending Minnesota Statutes 2016, sections 223.15; 223.16, subdivision 1; 223.17, subdivision 4; 223.19; 297A.61, subdivision 12; proposing coding for new law in Minnesota Statutes, chapters 223; 295.

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

Albright introduced:

H. F. No. 2718, A bill for an act relating to capital investment; appropriating money for Camp Kici Yapi in Prior Lake.

The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance.

Miller and Baker introduced:

H. F. No. 2719, A bill for an act relating to public safety; modifying provisions governing the excavation notice system; amending Minnesota Statutes 2016, sections 216D.03, by adding a subdivision; 216D.05; 216D.06, subdivisions 1, 2.

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

Lee; Wagenius; Dehn, R.; Maye Quade; Davnie; Loeffler; Clark; Omar; Fischer; Hornstein; Moran; Thissen; Hausman; Johnson, S.; Hansen; Mahoney and Freiberg introduced:

H. F. No. 2720, A bill for an act relating to environment; prioritizing bus upgrades to areas with poor air quality; proposing coding for new law in Minnesota Statutes, chapter 116.

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

CALENDAR FOR THE DAY

S. F. No. 514 was reported to the House.

Fenton moved to amend S. F. No. 514, the fifth engrossment, as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1 ELECTION ADMINISTRATION

Section 1. Minnesota Statutes 2016, section 3.088, subdivision 1, is amended to read:

Subdivision 1. **Leave of absence without pay.** Subject to this section, any appointed officer or employee of a political subdivision, municipal corporation, or school district of the state or an institution of learning maintained by the state who serves as a legislator or is elected to a full-time city or county office or to an Indian tribal council in Minnesota is entitled to a leave of absence from the public office or to employment without pay when on the business of the office, with right of reinstatement as provided in this section.

Sec. 2. Minnesota Statutes 2016, section 3.088, subdivision 2, is amended to read:

Subd. 2. **Reinstatement.** Except as provided in this section, upon the completion of the last legislative day in each calendar year, or, in the case of an elected city ~~or~~ county, or tribal council official, on the completion of the final day of the term to which the official was elected, the officer or employee shall be reinstated in the public position held at the time of entry into the legislature or taking city ~~or~~ county, or tribal council office, or be placed in a public position of like seniority, status, and pay if it is available at the same salary which would have been received if the leave had not been taken, upon the following conditions:

(1) that the position has not been abolished or that its term, if limited, has not expired;

(2) that the legislator makes a written application for reinstatement to the appointing authority within 30 days after the last legislative day in a calendar year or, in the case of an elected city ~~or~~ county, or tribal council official, within 30 days after the expiration of the elected term; and

(3) that the request for reinstatement is made not later than ten years after the granting of the leave.

Upon reinstatement, the officer or employee shall have the same rights with respect to accrued and future seniority status, efficiency rating, vacation, insurance benefits, sick leave, and other benefits as if actually employed during the time of the leave. No public employer is required to compensate a reinstated employee or officer for time spent by that employee or officer away from work for the employer and on the business of the state legislature during the period between the first and last legislative day in each calendar year or on the business of an elected city ~~or~~ county, or tribal council office. No officer or employee reinstated shall be removed or discharged within one year after reinstatement except for cause and after notice and hearing, but this does not extend a term of service limited by law.

Sec. 3. Minnesota Statutes 2016, section 3.088, subdivision 3, is amended to read:

Subd. 3. **Pension and retirement rights.** A public officer or employee who receives leave of absence under this section or is elected as a state constitutional officer and has rights in a state, municipal, or other public pension, retirement, or relief system shall retain all the rights accrued up to the time of taking leave. Time spent by the

employee as a member of the legislature or as an elected city ~~or~~ county, or tribal council official or state constitutional officer shall be calculated in the same manner as if the employee had spent that time in the service of the public employer for the purpose of determining vesting of the employee's rights in the employer's pension, retirement, or relief system. Under no circumstances shall two governmental units pay the employee's share of pension contributions when the employee is on leave of absence to serve in the legislature or as an elected city ~~or~~ county, or tribal council official.

Sec. 4. Minnesota Statutes 2016, section 13.15, subdivision 4, is amended to read:

Subd. 4. **Use of electronic access data.** Electronic access data may be disseminated:

(1) to the commissioner for the purpose of evaluating electronic government services;

(2) to another government entity or a federal law enforcement agency to prevent or report unlawful intrusions into government electronic systems; or

(3) as otherwise provided by law.

Sec. 5. Minnesota Statutes 2016, section 13.6905, subdivision 33, is amended to read:

Subd. 33. **Citizenship data; voter registration.** The use of citizenship data reported to the secretary of state is governed by section ~~201.158~~ 201.145.

Sec. 6. Minnesota Statutes 2016, section 13.841, subdivision 3, is amended to read:

Subd. 3. **Felony conviction data; voter registration.** Felony conviction data reported to the secretary of state is governed by section ~~201.155~~ 201.145.

Sec. 7. Minnesota Statutes 2016, section 13.851, subdivision 10, is amended to read:

Subd. 10. **Felony offender data; voter registration.** The use of felony offender data made available to the secretary of state is governed by section ~~201.157~~ 201.145.

Sec. 8. Minnesota Statutes 2016, section 123B.09, subdivision 5b, is amended to read:

Subd. 5b. **Appointments to fill vacancies; special elections.** (a) Any vacancy on the board, other than a vacancy described in subdivision 4, must be filled by board appointment at a regular or special meeting. The appointment shall be evidenced by a resolution entered in the minutes and shall be effective 30 days following adoption of the resolution, subject to paragraph (b). If the appointment becomes effective, it shall continue until an election is held under this subdivision. All elections to fill vacancies shall be for the unexpired term. A special election to fill the vacancy must be held no later than the first Tuesday after the first Monday in November following the vacancy. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the year in which the vacancy occurs, the special election must be held no later than the first Tuesday after the first Monday in November of the following calendar year. If the vacancy occurs less than 90 days prior to the first Tuesday after the first Monday in November in the third year of the term, no special election is required. If the vacancy is filled by a special election, the person elected at that election for the ensuing term shall take office immediately after receiving the certificate of election, filing the bond, and taking the oath of office.

(b) An appointment made under paragraph (a) shall not be effective if a petition to reject the appointee is filed with the school district clerk. To be valid, a petition to reject an appointee must be signed by a number of eligible voters residing in the district equal to at least five percent of the total number of voters voting in the district at the

most recent state general election, and must be filed within 30 days of the board's adoption of the resolution making the appointment. If a valid petition is filed according to the requirements of this paragraph, the appointment by the school board is ineffective and the board must name a new appointee as provided in paragraph (a).

Sec. 9. Minnesota Statutes 2016, section 200.02, is amended by adding a subdivision to read:

Subd. 29. **Original signature.** "Original signature" does not include an electronic signature.

Sec. 10. Minnesota Statutes 2016, section 201.121, subdivision 1, is amended to read:

Subdivision 1. **Entry of registration information.** (a) At the time a voter registration application is properly completed, submitted, and received in accordance with sections 201.061 and 201.071, the county auditor shall enter the information contained on it into the statewide registration system. Voter registration applications completed before election day must be entered into the statewide registration system within ten days after they have been submitted to the county auditor. Voter registration applications completed on election day must be entered into the statewide registration system within 42 days after the election, unless the county auditor notifies the secretary of state before the ~~42-day~~ deadline has expired that the deadline will not be met. Upon receipt of a notification under this paragraph, the secretary of state must extend the deadline for that county auditor by an additional 28 days. The secretary of state may waive a county's obligations under this paragraph if, on good cause shown, the county demonstrates its permanent inability to comply.

The secretary of state must post data on each county's compliance with this paragraph on the secretary of state's Web site including, as applicable, the date each county fully complied or the deadline by which a county's compliance must be complete.

(b) Upon receiving a completed voter registration application, the secretary of state may electronically transmit the information on the application to the appropriate county auditor as soon as possible for review by the county auditor before final entry into the statewide registration system. The secretary of state may mail the voter registration application to the county auditor.

(c) Within ten days after the county auditor has entered information from a voter registration application into the statewide registration system, the secretary of state shall compare the voter's name, date of birth, and driver's license number, state identification number, or the last four digits of the Social Security number with the same information contained in the Department of Public Safety database.

(d) The secretary of state shall provide a report to the county auditor on a weekly basis that includes a list of voters whose name, date of birth, or identification number have been compared with the same information in the Department of Public Safety database and cannot be verified as provided in this subdivision. The report must list separately those voters who have submitted a voter registration application by mail and have not voted in a federal election in this state.

(e) The county auditor shall compile a list of voters for whom the county auditor and the secretary of state are unable to conclude that information on the voter registration application and the corresponding information in the Department of Public Safety database relate to the same person.

(f) The county auditor shall send a notice of incomplete registration to any voter whose name appears on the list and change the voter's status to "incomplete." A voter who receives a notice of incomplete registration from the county auditor may either provide the information required to complete the registration at least 21 days before the next election or at the polling place on election day.

Sec. 11. Minnesota Statutes 2016, section 201.121, subdivision 3, is amended to read:

Subd. 3. **Postelection sampling.** (a) Within ten days after an election, the county auditor shall send the notice required by subdivision 2 to a random sampling of the individuals registered on election day. The random sampling shall be determined in accordance with the rules of the secretary of state. As soon as practicable after the election, the county auditor shall mail the notice required by subdivision 2 to all other individuals registered on election day. If a notice is returned as not deliverable, the county auditor shall attempt to determine the reason for the return. A county auditor who does not receive or obtain satisfactory proof of an individual's eligibility to vote shall immediately notify the county attorney of all of the relevant information and the secretary of state of the numbers by precinct. The county auditor must notify the secretary of state of the following information by each precinct:

(1) the total number of all notices that were returned as nondeliverable;

(2) the total number of nondeliverable notices that the county auditor was able to determine the reason for the return along with the reason for each return; and

(3) the total number of individuals for whom the county auditor does not receive or obtain satisfactory proof of an individual's eligibility to vote.

(b) By March 1 of every odd-numbered year, the secretary of state shall report to the chair and ranking minority members of the legislative committees with jurisdiction over elections the number of notices reported under this subdivision to the secretary of state for the previous state general election by county and precinct, following information by each precinct and each county:

(1) the total number of all notices that were returned as nondeliverable;

(2) the total number of nondeliverable notices that a county auditor was able to determine the reason for the return along with the reason for each return; and

(3) the total number of individuals for whom the county auditor does not receive or obtain satisfactory proof of an individual's eligibility to vote.

Sec. 12. **[201.145] REPORTS ON GUARDIANSHIPS, LEGAL INCOMPETENCE, FELONY CONVICTIONS, AND CITIZENSHIP; STATUS CHANGES.**

Subdivision 1. **Report requirements.** Reports required by this section must be submitted to the secretary of state as provided in this section. Reports from the state court administrator that are required under this section must be made on a daily basis, excluding weekends and holidays. Reports from the commissioner of corrections and the commissioner of public safety that are required under this section must be made to the secretary of state at least monthly. Reports must be submitted by electronic means. Reports from the commissioner of corrections and the commissioner of public safety must include a complete list of each individual under the reporting entity's jurisdiction and must not provide only the changes since the last report.

Subd. 2. **State court administrator report.** (a) The state court administrator must report on individuals 17 years of age or older who are under a guardianship in which a court order revokes the ward's right to vote or where the court has found the individual to be legally incompetent to vote.

(b) The state court administrator must report on individuals transferred to the jurisdiction of the court who meet a condition specified in paragraph (a).

(c) Each report required under this subdivision must include the following information for each individual in the report: name, address, date of birth, and, if available, last four digits of the Social Security number and driver's license or state identification card number.

(d) No later than seven calendar days after receiving a report under this subdivision, the secretary of state must determine if a person identified under paragraphs (a) and (b) is registered to vote and must prepare a list of those registrants for the county auditor. No later than seven calendar days after receiving the list from the secretary of state, the county auditor must challenge the status on the record in the statewide voter registration system of each individual named in the list.

Subd. 3. Commissioner of corrections report; state court administrator report. (a) The state court administrator must report on individuals 17 years of age or older who have been convicted of a felony.

(b) The commissioner of corrections must report on individuals 17 years of age or older who are currently:

(1) serving felony sentences under the commissioner's jurisdiction; or

(2) on probation for felony offenses that resulted in the loss of civil rights, as indicated by the statewide supervision system established under section 241.065.

(c) Each report under this subdivision must include the following information for each individual: name, address or last known residential address that is not a correctional facility, and date of birth. If available, each report must also include the individual's: corrections' state identification number, last four digits of the Social Security number, driver's license or state identification card number, date of sentence, effective date of the sentence, county in which the conviction occurred, and date of discharge.

(d) No later than seven calendar days after receiving a report under this subdivision, the secretary of state must determine if a person identified under paragraph (a) is registered to vote and must prepare a list of those registrants for the county auditor. No later than seven calendar days after receiving a report under this subdivision, the secretary of state must determine if any data newly indicates that a person identified under paragraph (b) is registered to vote and must prepare a list of those registrants for the county auditor. No later than seven calendar days after receiving the list from the secretary of state, the county auditor must challenge the status on the record in the statewide voter registration system of each individual named in the list.

(e) The county auditor must identify an individual who registered to vote or voted while serving a felony sentence under the commissioner's jurisdiction or while on probation for a felony offense that resulted in the loss of civil rights during a period when the individual's civil rights were revoked. The county auditor must immediately send notice to the county attorney. The notice must include the name of the individual and any other identifying information as well as the evidence that shows the individual registered to vote or voted during the period when the individual's civil rights were revoked.

Subd. 4. Reports; restoration of right to vote. (a) The state court administrator must report on each individual whose guardianship was modified to restore the ward's right to vote or whose guardianship was terminated by order of the court under section 524.5-317 after being ineligible to vote for any of the reasons specified in subdivision 2, paragraph (a).

(b) The state court administrator must report on individuals previously convicted of a felony whose civil rights have been restored.

(c) The commissioner of corrections must report on individuals who were serving a felony sentence under the commissioner's jurisdiction or who were on probation for a felony offense under the commissioner's jurisdiction that resulted in the loss of civil rights but who have been discharged from the sentence.

(d) Each report under this subdivision must include the following information for each individual: name, address, date of birth, and, if available, the last four digits of the Social Security number. For reports required by paragraphs (b) and (c), each report must also include the individual's, if available: corrections' state identification number, driver's license or state identification card number, date of sentence, effective date of the sentence, county in which the conviction occurred, and date of discharge.

(e) No later than seven calendar days after receiving a report under this subdivision, the secretary of state must determine if a person identified under paragraph (a) or (b) is registered to vote and must prepare a list of those registrants for the county auditor. No later than seven calendar days after receiving a report under this subdivision, the secretary of state must determine if any data newly indicates that a person identified under paragraph (c) is registered to vote and must prepare a list of those registrants for the county auditor. No later than seven calendar days after receiving the list from the secretary of state, the county auditor must remove the challenge status on the record in the statewide voter registration system of each individual named in the list.

Subd. 5. Commissioner of public safety report. (a) The commissioner of public safety must report on individuals identified by department data as having temporary lawful status in the United States.

(b) The report under this section must include the following information for each individual: name, address, date of birth, driver's license or state identification card number, and, if available, last four digits of the Social Security number.

(c) No later than seven calendar days after receiving a report under this subdivision, the secretary of state must determine if any data newly indicates that a person identified under paragraph (a) is registered to vote and prepare a list of those voters for the county auditor. Within seven calendar days of receiving the list from the secretary of state, the county auditor must challenge the status on the record in the statewide voter registration system of each individual named in the list.

(d) The county auditor must also immediately send notice to the county attorney of each individual identified in paragraph (c). The notice must include the name of the individual and any other identifying information as well as the evidence that shows the individual registered to vote or voted and is not a citizen.

EFFECTIVE DATE. This section is effective July 1, 2017, and applies to reports received by the secretary of state on or after that date.

Sec. 13. Minnesota Statutes 2016, section 204B.09, subdivision 3, is amended to read:

Subd. 3. Write-in candidates. (a) A candidate for county, state, or federal office who wants write-in votes for the candidate to be counted must file a written request with the filing office for the office sought not more than 84 days before the primary and no later than the seventh day before the general election. The filing officer shall provide copies of the form to make the request. No written request shall be accepted later than 5:00 p.m. on the last day for filing a written request.

(b) A candidate for president of the United States who files a request under this subdivision must include the name of a candidate for vice-president of the United States. The request must also include the name of at least one candidate for presidential elector. The total number of names of candidates for presidential elector on the request may not exceed the total number of electoral votes to be cast by Minnesota in the presidential election.

(c) A candidate for governor who files a request under this subdivision must include the name of a candidate for lieutenant governor.

Sec. 14. Minnesota Statutes 2016, section 204B.16, subdivision 1a, is amended to read:

Subd. 1a. **Notice to voters.** If the location of a polling place has been changed, the governing body establishing the polling place shall send to every affected household with at least one registered voter in the precinct a nonforwardable mailed notice stating the location of the new polling place at least 25 days before the next election. The secretary of state shall prepare a sample of this notice. A notice that is returned as undeliverable must be forwarded immediately to the county auditor. This subdivision does not apply to a polling place location that is changed on election day under section ~~204B.17~~ 204B.175.

Sec. 15. Minnesota Statutes 2016, section 204B.21, is amended to read:

204B.21 APPOINTMENT OF ELECTION JUDGES.

Subdivision 1. **Appointment lists; duties of political parties and secretary of state.** On May 1 in a year in which there is an election for a partisan political office, each major political party shall prepare a list of eligible voters to act as election judges in each election precinct. The list provided by the party must indicate which eligible voters are willing to travel to a precinct outside of their home jurisdiction to act as an election judge, and the jurisdictions to which each eligible voter is willing to travel for that purpose. The political parties shall furnish the lists electronically to the secretary of state, in a format specified by the secretary of state. The secretary of state must combine the data received from each political party under this subdivision and must process the data to locate the precinct in which the address provided for each potential election judge is located. If the data submitted by a political party is insufficient for the secretary of state to locate the proper precinct, the associated name must not appear in any list forwarded to an appointing authority under this subdivision. The secretary of state shall notify political parties of any proposed election judges with addresses that could not be located in a precinct.

By May 15, the secretary of state shall furnish electronically to the county auditor a list of the appropriate names for each election precinct in the jurisdiction of the appointing authority, and a list of the names of individuals residing outside of the jurisdiction who indicated a willingness to travel to that jurisdiction to act as an election judge, noting the political party affiliation of each individual on the list. The county auditor must promptly forward the appropriate names to the appropriate municipal clerk.

Subd. 2. **Appointing authority; powers and duties.** Election judges for precincts in a municipality shall be appointed by the governing body of the municipality. Election judges for precincts in unorganized territory and for performing election-related duties assigned by the county auditor shall be appointed by the county board. Election judges for a precinct composed of two or more municipalities must be appointed by the governing body of the municipality or municipalities responsible for appointing election judges as provided in the agreement to combine for election purposes. Except as otherwise provided in this section, appointments shall be made from ~~lists~~ the list of voters who reside in each precinct, furnished pursuant to subdivision 1, subject to the eligibility requirements and other qualifications established or authorized under section 204B.19. At least two election judges in each precinct must be affiliated with different major political parties. If no lists have been furnished or if additional election judges are required after all listed names in that municipality have been exhausted, the appointing authority may appoint other individuals who meet the qualifications to serve as an election judge, including persons on the list furnished pursuant to subdivision 1 who indicated a willingness to travel to the municipality, and persons who are not affiliated with a major political party. An individual who is appointed from a source other than the list furnished pursuant to subdivision 1 must provide to the appointing authority the individual's major political party affiliation or a statement that the individual does not affiliate with any major political party. An individual who refuses to provide the individual's major political party affiliation or a statement that the individual does not affiliate with a major political party must not be appointed as an election judge. The appointments shall be made at least 25 days

before the election at which the election judges will serve, except that the appointing authority may pass a resolution authorizing the appointment of additional election judges within the 25 days before the election if the appointing authority determines that additional election judges will be required.

Subd. 3. **Access to election judge party affiliation.** Notwithstanding section 13.43, the major political party affiliation of an election judge or a statement that the judge does not affiliate with a major political party may be shared with other election judges assigned to the precinct at the same election, to verify compliance with party balance requirements. This data may not be disclosed or used by the election judges for any other purpose.

Sec. 16. Minnesota Statutes 2016, section 204B.31, subdivision 2, is amended to read:

Subd. 2. **Volunteer service; election judge travel.** (a) Any person appointed to serve as an election judge may elect to serve without payment by submitting a written statement to the appropriate governing body no later than ten days before the election.

(b) Subdivision 1 does not require the payment of mileage or other travel expenses to an election judge residing in another jurisdiction, if the election judge's name was included on the list of individuals who indicated a willingness to travel to another jurisdiction provided under section 204B.21, subdivision 1.

Sec. 17. **[204B.49] "I VOTED" STICKERS.**

The secretary of state, county auditor, municipal clerk, school district clerk, or an election judge may provide a sticker containing the words "I VOTED," and nothing more, to an individual who:

(1) has successfully deposited a ballot into a ballot box, under section 203B.081, subdivision 3, or 204C.13, subdivision 5;

(2) is provided an absentee ballot under section 203B.07, subdivision 1, or 203B.21, subdivision 2; or

(3) is provided a ballot by mail under section 204B.45 or 204B.46.

Sec. 18. Minnesota Statutes 2016, section 204C.10, is amended to read:

204C.10 PERMANENT REGISTRATION; VERIFICATION OF REGISTRATION.

(a) An individual seeking to vote shall sign a polling place roster or voter signature certificate which states that the individual is at least 18 years of age, a citizen of the United States, has resided in Minnesota for 20 days immediately preceding the election, maintains residence at the address shown, is not under a guardianship in which the court order revokes the individual's right to vote, has not been found by a court of law to be legally incompetent to vote or has the right to vote because, if the individual was convicted of a felony, the felony sentence has expired or been completed or the individual has been discharged from the sentence, is registered and has not already voted in the election. The roster must also state: "I understand that deliberately providing false information is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both."

(b) At the presidential nomination primary, the polling place roster must also state: "I am in general agreement with the principles of the party for whose candidate I intend to vote, and I understand that my choice of a party's ballot will be public information." This statement must appear separately from the statements required in paragraph (a). The felony penalty provided for in paragraph (a) does not apply to this paragraph.

(c) A judge may, before the applicant signs the roster or voter signature certificate, confirm the applicant's name, address, and date of birth.

(d) After the applicant signs the roster or voter signature certificate, the judge shall give the applicant a voter's receipt. The voter shall deliver the voter's receipt to the judge in charge of ballots as proof of the voter's right to vote, and thereupon the judge shall hand to the voter the ballot. The voters' receipts must be maintained during the time for notice of filing an election contest.

(e) Whenever a challenged status appears on the polling place roster, an election judge must ensure that the challenge is concealed or hidden from the view of any voter other than the voter whose status is challenged.

Sec. 19. Minnesota Statutes 2016, section 204C.12, subdivision 1, is amended to read:

Subdivision 1. **Manner of challenging.** An election judge shall, and an authorized challenger or other voter may, challenge an individual ~~whom the person knows or reasonably believes~~ based on personal knowledge that the individual is not an eligible voter.

Sec. 20. Minnesota Statutes 2016, section 204C.32, subdivision 2, is amended to read:

Subd. 2. **State canvass.** The State Canvassing Board shall meet ~~at the secretary of state's office~~ at a public meeting space located in the Capitol complex area seven days after the state primary to canvass the certified copies of the county canvassing board reports received from the county auditors. Immediately after the canvassing board declares the results, the secretary of state shall certify the names of the nominees to the county auditors. The secretary of state shall mail to each nominee a notice of nomination.

Sec. 21. Minnesota Statutes 2016, section 204C.33, subdivision 3, is amended to read:

Subd. 3. **State canvass.** The State Canvassing Board shall meet ~~at the secretary of state's office~~ at a public meeting space located in the Capitol complex area on the third Tuesday following the state general election to canvass the certified copies of the county canvassing board reports received from the county auditors and shall prepare a report that states:

- ~~(a)~~ (1) the number of individuals voting in the state and in each county;
- ~~(b)~~ (2) the number of votes received by each of the candidates, specifying the counties in which they were cast; and
- ~~(c)~~ (3) the number of votes counted for and against each constitutional amendment, specifying the counties in which they were cast.

All members of the State Canvassing Board shall sign the report and certify its correctness. The State Canvassing Board shall declare the result within three days after completing the canvass.

Sec. 22. Minnesota Statutes 2016, section 205.065, subdivision 5, is amended to read:

Subd. 5. **Results.** ~~(a)~~ The municipal primary shall be conducted and the returns made in the manner provided for the state primary so far as practicable. ~~If the primary is conducted:~~

~~(1) only within that municipality, a~~ The canvass may be conducted on either the second or third day after the primary; ~~or~~

~~(2) in conjunction with the state primary, the canvass must be conducted on the third day after the primary, except as otherwise provided in paragraph (b).~~

The governing body of the municipality shall canvass the returns, and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of individuals to be elected to the office, who receive the highest number of votes, shall be the nominees for the office named. Their names shall be certified to the municipal clerk who shall place them on the municipal general election ballot without partisan designation and without payment of an additional fee.

~~(b) Following a municipal primary as described in paragraph (a), clause (2), a canvass may be conducted on the second day after the primary if the county auditor of each county in which the municipality is located agrees to administratively review the municipality's primary voting statistics for accuracy and completeness within a time that permits the canvass to be conducted on that day.~~

Sec. 23. Minnesota Statutes 2016, section 205.07, subdivision 1, is amended to read:

Subdivision 1. **Date of election.** The municipal general election in each city shall be held on the first Tuesday after the first Monday in November in every even-numbered year. Notwithstanding any provision of law to the contrary and subject to the provisions of this section, the governing body of a city may, by ordinance passed at a regular meeting held ~~before June 1 of any year, elect to at least 180 calendar days before the first day to file for candidacy in the next municipal election, decide to~~ hold the election on the first Tuesday after the first Monday in November in ~~each either an even- or~~ odd-numbered year. A city may hold elections in either the even-numbered year or the odd-numbered year, but not both. When a city changes its elections from one year to another, and does not provide for the expiration of terms by ordinance, the term of an incumbent expiring at a time when no municipal election is held in the months immediately prior to expiration is extended until the date for taking office following the next scheduled municipal election. If the change results in having three council members to be elected at a succeeding election, the two individuals receiving the highest vote shall serve for terms of four years and the individual receiving the third highest number of votes shall serve for a term of two years. To provide an orderly transition to the odd or even year election plan, the governing body of the city may adopt supplementary ordinances regulating initial elections and officers to be chosen at the elections and shortening or lengthening the terms of incumbents and those elected at the initial election. The term of office for the mayor may be either two or four years. The term of office of council members is four years. Whenever the time of the municipal election is changed, the city clerk immediately shall notify in writing the county auditor and secretary of state of the change of date. Thereafter the municipal general election shall be held on the first Tuesday after the first Monday in November in each odd-numbered or even-numbered year until the ordinance is revoked and notification of the change is made. A municipal general election scheduled to be held in an odd-numbered year may be postponed for inclement weather as provided in section 205.105.

Sec. 24. Minnesota Statutes 2016, section 205A.05, subdivision 2, is amended to read:

Subd. 2. **Vacancies in school district offices.** Special elections to fill vacancies in elective school district offices shall be held in school districts pursuant to section ~~123B.095~~ 123B.09, subdivision 5b. When more than one vacancy exists in an office elected at-large, voters must be instructed to vote for up to the number of vacancies to be filled.

Sec. 25. Minnesota Statutes 2016, section 206.805, subdivision 1, is amended to read:

Subdivision 1. **Contracts required.** (a) The secretary of state, with the assistance of the commissioner of administration, ~~shall~~ must establish one or more state voting systems contracts. The contracts should, if practical, include provisions for maintenance of the equipment purchased. The voting systems contracts must address precinct-based optical scan voting equipment, ~~and ballot marking equipment for persons with disabilities and other voters assistive voting technology, automatic tabulating equipment, and electronic roster equipment.~~ The contracts must give the state a perpetual license to use and modify the software. The contracts must include provisions to escrow the software source code, as provided in subdivision 2. Bids for voting systems and related election services

must be solicited from each vendor selling or leasing voting systems that have been certified for use by the secretary of state. Bids for electronic roster equipment, software, and related services must be solicited from each vendor selling or leasing electronic roster equipment that meets the requirements of section 201.225, subdivision 2. The contracts must be renewed from time to time.

(b) Counties and municipalities may purchase or lease voting systems and obtain related election services from the state contracts. All counties and municipalities are members of the cooperative purchasing venture of the Department of Administration for the purpose of this section. For the purpose of township elections, counties must aggregate orders under contracts negotiated under this section for products and services and may apportion the costs of those products and services proportionally among the townships receiving the products and services. The county is not liable for the timely or accurate delivery of those products or services.

Sec. 26. Minnesota Statutes 2016, section 208.04, subdivision 1, is amended to read:

Subdivision 1. **Form of presidential ballots.** When presidential electors and alternates are to be voted for, a vote cast for the party candidates for president and vice president shall be deemed a vote for that party's electors and alternates as filed with the secretary of state. The secretary of state shall certify the names of all duly nominated presidential and vice presidential candidates to the county auditors of the counties of the state. Each county auditor, subject to the rules of the secretary of state, shall cause the names of the candidates of each major political party and the candidates nominated by petition to be ~~printed in capital letters~~, set in type of the same size and style as for candidates on the state general election ballot, before the party designation. To the left of, and on the same line with the names of the candidates for president and vice president, near the margin, shall be placed ~~a square or box~~ an oval or similar target shape, in which the voters may indicate their choice ~~by marking an "X"~~.

The form for the presidential ballot and the relative position of the several candidates shall be determined by the rules applicable to other state officers. The state ballot, with the required heading, shall be printed on the same piece of paper and shall be below the presidential ballot with a blank space between one inch in width.

Sec. 27. Minnesota Statutes 2016, section 211B.11, subdivision 1, is amended to read:

Subdivision 1. **Soliciting near polling places.** A person may not display campaign material, post signs, ask, solicit, or in any manner try to induce or persuade a voter within a polling place or within 100 feet of the building in which a polling place is situated, or anywhere on the public property on which a polling place is situated, on primary or election day to vote for or refrain from voting for a candidate or ballot question. A person may not provide political badges, political buttons, or other political insignia to be worn at or about the polling place on the day of a primary or election. A political badge, political button, or other political insignia may not be worn at or about the polling place on primary or election day. This section applies to areas established by the county auditor or municipal clerk for absentee voting as provided in chapter 203B.

~~The secretary of state, county auditor, municipal clerk, or school district clerk may provide stickers which contain the words "I VOTED" and nothing more. Election judges may offer a sticker of this type to each voter who has signed the polling place roster or voter signature certificate~~ Nothing in this subdivision prohibits the distribution of "I VOTED" stickers as provided in section 204B.49.

Sec. 28. Minnesota Statutes 2016, section 241.065, subdivision 2, is amended to read:

Subd. 2. **Establishment.** The Department of Corrections shall administer and maintain a computerized data system for the purpose of assisting criminal justice agencies in monitoring and enforcing the conditions of conditional release imposed on criminal offenders by a sentencing court or the commissioner of corrections. The adult data and juvenile data as defined in section 260B.171 in the statewide supervision system are private data as defined in section 13.02, subdivision 12, but are accessible to criminal justice agencies as defined in section 13.02,

subdivision 3a, to the Minnesota sex offender program as provided in section 246B.04, subdivision 3, to public defenders as provided in section 611.272, to all trial courts and appellate courts, and to criminal justice agencies in other states in the conduct of their official duties. Adult data in the statewide supervision system are accessible to the secretary of state for the purposes described in section ~~201.157~~ 201.145.

Sec. 29. **REPEALER.**

Minnesota Statutes 2016, sections 201.15; 201.155; 201.157; and 201.158, are repealed.

Sec. 30. **EFFECTIVE DATE.**

This article is effective July 1, 2017.

ARTICLE 2
UNIFORM ELECTION DATES

Section 1. Minnesota Statutes 2016, section 103B.545, subdivision 2, is amended to read:

Subd. 2. **Election.** The county board or joint county authority shall conduct a special election ~~in July or August after receiving the referendum petition on a date authorized in section 205.10, subdivision 3a.~~ The special election must be held within the proposed lake improvement district. The county auditor shall administer the special election.

Sec. 2. Minnesota Statutes 2016, section 123A.46, subdivision 12, is amended to read:

Subd. 12. **Election date.** If an election is required under subdivision 11, then before the expiration of a 45 day period after the date of the order for dissolution and attachment, the auditor shall set a date and call the election by filing a written order for the election and serving a copy of the order personally or by mail on the clerk of the district in which the election is to be held. ~~The date shall be not less than 15 nor more than 30 days after the date of the order, upon which date a~~ special election shall be held in the district proposed for dissolution and must be held on a date authorized in section 205A.05, subdivision 1a. The auditor shall post and publish notice of the election according to law. Upon receipt of the notice, the board shall conduct the election.

Sec. 3. Minnesota Statutes 2016, section 123A.48, subdivision 14, is amended to read:

Subd. 14. **Election.** The board shall determine the date of the election as authorized by section 205A.05, subdivision 1a, the number of boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. The board shall also provide official ballots which must be used exclusively and shall be in the following form: "Shall the (name of school district) and the (name of school district) be consolidated as proposed? Yes No"

The board must appoint election judges who shall act as clerks of election. The ballots and results must be certified to the board who shall canvass and tabulate the total vote cast for and against the proposal.

Sec. 4. Minnesota Statutes 2016, section 123B.63, subdivision 3, is amended to read:

Subd. 3. **Capital project levy referendum.** (a) A district may levy the local tax rate approved by a majority of the electors voting on the question to provide funds for an approved project. The election must take place no more than five years before the estimated date of commencement of the project. The referendum must be held on a date ~~set by the board~~ authorized by section 205A.05, subdivision 1a. A district must meet the requirements of section

123B.71 for projects funded under this section. If a review and comment is required under section 123B.71, subdivision 8, a referendum for a project not receiving a positive review and comment by the commissioner must be approved by at least 60 percent of the voters at the election.

(b) The referendum may be called by the school board and may be held:

(1) separately, before an election for the issuance of obligations for the project under chapter 475; or

(2) in conjunction with an election for the issuance of obligations for the project under chapter 475; or

(3) notwithstanding section 475.59, as a conjunctive question authorizing both the capital project levy and the issuance of obligations for the project under chapter 475. Any obligations authorized for a project may be issued within five years of the date of the election.

(c) The ballot must provide a general description of the proposed project, state the estimated total cost of the project, state whether the project has received a positive or negative review and comment from the commissioner, state the maximum amount of the capital project levy as a percentage of net tax capacity, state the amount that will be raised by that local tax rate in the first year it is to be levied, and state the maximum number of years that the levy authorization will apply.

The ballot must contain a textual portion with the information required in this section and a question stating substantially the following:

"Shall the capital project levy proposed by the board of School District No. be approved?"

If approved, the amount provided by the approved local tax rate applied to the net tax capacity for the year preceding the year the levy is certified may be certified for the number of years, not to exceed ten, approved.

(d) If the district proposes a new capital project to begin at the time the existing capital project expires and at the same maximum tax rate, the general description on the ballot may state that the capital project levy is being renewed and that the tax rate is not being increased from the previous year's rate. An election to renew authority under this paragraph may be called at any time that is otherwise authorized by this subdivision. The ballot notice required under section 275.60 may be modified to read:

"BY VOTING YES ON THIS BALLOT QUESTION, YOU ARE VOTING TO RENEW AN EXISTING CAPITAL PROJECTS REFERENDUM THAT IS SCHEDULED TO EXPIRE."

(e) In the event a conjunctive question proposes to authorize both the capital project levy and the issuance of obligations for the project, appropriate language authorizing the issuance of obligations must also be included in the question.

(f) The district must notify the commissioner of the results of the referendum.

Sec. 5. Minnesota Statutes 2016, section 126C.17, subdivision 11, is amended to read:

Subd. 11. **Referendum date.** (a) Except for a referendum held under paragraph (b), any referendum under this section held on a day other than the first Tuesday after the first Monday in November must be conducted by mail in accordance with section 204B.46. Notwithstanding subdivision 9, paragraph (b), to the contrary, in the case of a referendum conducted by mail under this paragraph, the notice required by subdivision 9, paragraph (b), must be prepared and delivered by first-class mail at least 20 days before the referendum.

(b) In addition to the referenda allowed in subdivision 9, ~~clause paragraph~~ (a), the commissioner may grant authority to a district to hold a referendum on a different day if the district is in statutory operating debt and has an approved plan or has received an extension from the department to file a plan to eliminate the statutory operating debt.

(c) The commissioner must approve, deny, or modify each district's request for a referendum levy on a different day within 60 days of receiving the request from a district.

Sec. 6. Minnesota Statutes 2016, section 128D.05, subdivision 2, is amended to read:

Subd. 2. **Time of change.** A proposed change in election years adopted under subdivision 1 is effective 240 days after passage and publication or at a later date fixed in the proposal. Within 180 days after passage and publication of the proposal, a petition requesting a referendum on the proposal may be filed with the school district clerk. The petition must be signed by eligible voters equal in number to five percent of the total number of votes cast in the city of Minneapolis at the most recent state general election. If the requisite petition is filed within the prescribed period, the proposal does not become effective until it is approved by a majority of the voters voting on the question at a general or special election held at least 60 days after submission of the petition on a date authorized by section 205A.05, subdivision 1a. If the petition is filed, the governing body may reconsider its action in adopting the proposal.

Sec. 7. Minnesota Statutes 2016, section 200.02, subdivision 4, is amended to read:

Subd. 4. **Special election.** "Special election" means:

~~(a)~~ (1) an election held at any time to fill vacancies in ~~public~~ state or federal offices; or

~~(b)~~ (2) an election ~~held by a subdivision of the state~~ for a special purpose held by a subdivision of the state on a date authorized by section 205.10, subdivision 3a, or 205A.05, subdivision 1a.

Sec. 8. Minnesota Statutes 2016, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. **Authority; location.** By December 31 of each year, the governing body of each municipality and of each county with precincts in unorganized territory ~~shall~~ must designate by ordinance or resolution a polling place for each election precinct. The polling places designated in the ordinance or resolution are the polling places for the following calendar year, unless a change is made:

(1) pursuant to section 204B.175;

(2) because a polling place has become unavailable; or

(3) because a township designates one location for all state and federal elections and one location for all township only elections.

Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a city or in a school district located in whole or in part in the metropolitan area defined by section 200.02, subdivision 24, shall be located within the boundaries of the precinct or within one mile of one of those boundaries unless a single polling place is designated for a city pursuant to section 204B.14, subdivision 2, or a school district pursuant to section 205A.11. The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within a town or

within a school district located outside the metropolitan area defined by section 200.02, subdivision 24, then the polling place for a town or school district may be located outside the town or school district within five miles of one of the boundaries of the town or school district.

Sec. 9. Minnesota Statutes 2016, section 205.07, subdivision 3, is amended to read:

Subd. 3. **Effect of ordinance; referendum.** An ordinance changing the year of the municipal election is effective 240 days after passage and publication or at a later date fixed in the ordinance. Within 180 days after passage and publication of the ordinance, a petition requesting a referendum on the ordinance may be filed with the city clerk. The petition shall be signed by eligible voters equal in number to ten percent of the total number of votes cast in the city at the last municipal general election. If the requisite petition is filed within the prescribed period, the ordinance shall not become effective until it is approved by a majority of the voters voting on the question at a general or special election held at least 60 days after submission of the petition on a date authorized by section 205.10, subdivision 3a. If the petition is filed, the governing body may reconsider its action in adopting the ordinance.

Sec. 10. Minnesota Statutes 2016, section 205.10, is amended by adding a subdivision to read:

Subd. 3a. **Uniform election dates.** (a) Except as allowed in paragraph (b) and subdivision 4, a special election held in a city or town must be held on one of the following dates: the second Tuesday in February, the second Tuesday in April, the second Tuesday in May, the second Tuesday in August, or the first Tuesday after the first Monday in November. A home rule charter city must not designate additional dates in its charter.

(b) A special election may be held on a date other than those designated in paragraph (a) if the special election is held in response to an emergency or disaster. "Emergency" means an unforeseen combination of circumstances that calls for immediate action to prevent a disaster from developing or occurring. "Disaster" means a situation that creates an actual or imminent serious threat to the health and safety of persons or a situation that has resulted or is likely to result in catastrophic loss to property or the environment.

Sec. 11. Minnesota Statutes 2016, section 205.10, subdivision 4, is amended to read:

Subd. 4. **Vacancies in town offices.** Special elections ~~must be held with the town general election~~ to fill vacancies in town offices as provided in section 367.03, subdivision 6, must be held with the town general election or on a date authorized by subdivision 3a.

Sec. 12. Minnesota Statutes 2016, section 205A.05, subdivision 1, is amended to read:

Subdivision 1. **Questions.** ~~(a)~~ Special elections must be held for a school district on a question on which the voters are authorized by law to pass judgment. The school board may on its own motion call a special election to vote on any matter requiring approval of the voters of a district. Upon petition filed with the school board of 50 or more voters of the school district or five percent of the number of voters voting at the preceding school district general election, whichever is greater, the school board shall by resolution call a special election to vote on any matter requiring approval of the voters of a district. A question is carried only with the majority in its favor required by law. The election officials for a special election are the same as for the most recent school district general election unless changed according to law. Otherwise, special elections must be conducted and the returns made in the manner provided for the school district general election.

~~(b) A special election may not be held:~~

~~(1) during the 56 days before and the 56 days after a regularly scheduled primary or general election conducted wholly or partially within the school district;~~

~~(2) on the date of a regularly scheduled town election or annual meeting in March conducted wholly or partially within the school district; or~~

~~(3) during the 30 days before or the 30 days after a regularly scheduled town election in March conducted wholly or partially within the school district.~~

~~(c) Notwithstanding any other law to the contrary, the time period in which a special election must be conducted under any other law may be extended by the school board to conform with the requirements of this subdivision.~~

Sec. 13. Minnesota Statutes 2016, section 205A.05, is amended by adding a subdivision to read:

Subd. 1a. **Uniform election dates.** (a) Except as allowed in paragraph (b), a special election held in a school district must be held on one of the following dates: the second Tuesday in February, the second Tuesday in April, the second Tuesday in May, the second Tuesday in August, or the first Tuesday after the first Monday in November.

(b) A special election may be held on a date other than those designated in paragraph (a) if the special election is held in response to an emergency or disaster. "Emergency" means an unforeseen combination of circumstances that calls for immediate action to prevent a disaster from developing or occurring. "Disaster" means a situation that creates an actual or imminent serious threat to the health and safety of persons or a situation that has resulted or is likely to result in catastrophic loss to property or the environment.

Sec. 14. Minnesota Statutes 2016, section 205A.11, subdivision 2, is amended to read:

Subd. 2. **Combined polling place.** (a) When no other election is being held in two or more precincts on the day of a school district election, the school board may designate one or more combined polling places at which the voters in those precincts may vote in the school district election.

(b) By December 31 of each year, the school board must designate, by resolution, combined polling places. The combined polling places designated in the resolution are the polling places for the following calendar year, unless a change is made:

(1) pursuant to section 204B.175; or

(2) because a polling place has become unavailable.

(c) If the school board designates combined polling places pursuant to this subdivision, polling places must be designated throughout the district, taking into account both geographical distribution and population distribution. A combined polling place must be at a location designated for use as a polling place by a county or municipality.

(d) In school districts that have organized into separate board member election districts under section 205A.12, a combined polling place for a school general election must be arranged so that it does not include more than one board member election district.

Sec. 15. Minnesota Statutes 2016, section 216B.46, is amended to read:

216B.46 MUNICIPAL ACQUISITION PROCEDURES; NOTICE; ELECTION.

Any municipality which desires to acquire the property of a public utility as authorized under the provisions of section 216B.45 may determine to do so by resolution of the governing body of the municipality taken after a public hearing of which at least 30 days' published notice shall be given as determined by the governing body. The

determination shall become effective when ratified by a majority of the qualified electors voting on the question at a special election to be held ~~for that purpose, not less than 60 nor more than 120 days after the resolution of the governing body of the municipality~~ on a date authorized by section 205.10, subdivision 3a.

Sec. 16. Minnesota Statutes 2016, section 365A.06, subdivision 2, is amended to read:

Subd. 2. **Election.** The town board shall hold a special election within the boundaries of the proposed district ~~not less than 30 nor more than 90 days after receipt of the petition on a date authorized by section 205.10, subdivision 3a.~~ The question submitted and voted upon by the property owners within the territory of the proposed district must be phrased substantially as follows:

"Shall a subordinate service district be established to provide (service or services to be provided) financed by (revenue sources)?"

If a majority of those voting on the question favor creation of the district, the district shall begin upon certification of the vote by the town clerk. The town clerk shall administer the election.

Sec. 17. Minnesota Statutes 2016, section 367.33, subdivision 1, is amended to read:

Subdivision 1. **Election at annual election or special election.** Following the adoption of option A in a town, except a town exercising the powers of a statutory city, the town board may call a special town election to be held ~~not less than 30 nor more than 60 days after the annual town election at which the option is adopted~~ on a date authorized by section 205.10, subdivision 3a, to elect two additional members to the board of supervisors. In lieu of a special election, the town board may determine to elect the additional members at the next annual town election.

If the town is exercising the powers of a statutory city under section 368.01 or a special law granting substantially similar powers, the town board shall call a special election to be held ~~not less than 30 nor more than 60 days after the annual election~~ on a date authorized by section 205.10, subdivision 3a, at which option A is adopted to elect the two additional supervisors.

Sec. 18. Minnesota Statutes 2016, section 375.101, subdivision 1, is amended to read:

Subdivision 1. **Option for filling vacancies; special election.** (a) Except as provided in subdivision 3, a vacancy in the office of county commissioner may be filled as provided in this subdivision and subdivision 2, or as provided in subdivision 4. If the vacancy is to be filled under this subdivision and subdivision 2, it must be filled at a special election. The county board may by resolution call for a special election to be held ~~according to the earliest of the following time schedules:~~

~~(1) not less than 120 days following the date the vacancy is declared, but no later than 12 weeks prior to the date of the next regularly scheduled primary election;~~

~~(2) concurrently with the next regularly scheduled primary election and general election; or~~

~~(3) no sooner than 120 days following the next regularly scheduled general election~~ on a date authorized by section 205.10, subdivision 3a.

(b) The person elected at the special election shall take office immediately after receipt of the certificate of election and upon filing the bond and taking the oath of office and shall serve the remainder of the unexpired term. If the county has been reapportioned since the commencement of the term of the vacant office, the election shall be based on the district as reapportioned.

Sec. 19. Minnesota Statutes 2016, section 375B.07, subdivision 2, is amended to read:

Subd. 2. **Election.** The county board shall make arrangements for the holding of a special election ~~not less than 30 nor more than 90 days after receipt of the petition~~ on a date authorized by section 205.10, subdivision 3a, within the boundaries of the proposed district. The question to be submitted and voted upon by the qualified voters within the territory of the proposed district shall be phrased substantially as follows:

"Shall a subordinate service district be established in order to provide (service or services to be provided) financed by (revenue sources)?"

If a majority of those voting on the question favor creation of the proposed district, the district shall be deemed created upon certification of the vote by the county auditor. The county auditor shall administer the election.

Sec. 20. Minnesota Statutes 2016, section 375B.10, is amended to read:

375B.10 WITHDRAWAL; ELECTION.

Upon receipt of a petition signed by ten percent of the qualified voters within the territory of the subordinate service district requesting the removal of the district, or pursuant to its own resolution, the county board shall make arrangements for the holding of a special election within the boundaries of the service district ~~not less than 30 nor more than 90 days after the resolution or receipt of the petition~~ on a date authorized by section 205.10, subdivision 3a. The question to be submitted and voted upon by the qualified voters within the territory of the district shall be phrased substantially as follows:

"Shall the subordinate service district presently established be removed and the service or services of the county as provided for the service district be discontinued?"

If a majority of those voting on the question favor the removal and discontinuance of the services, the service district shall be removed and the services shall be discontinued upon certification of the vote by the county auditor. The county auditor shall administer the election.

Sec. 21. Minnesota Statutes 2016, section 383B.031, subdivision 1, is amended to read:

Subdivision 1. **More than six months; special election.** Notwithstanding the provisions of section 375.101, if a vacancy occurs in a seat on the Board of County Commissioners of Hennepin County more than six months before the general election in which a commissioner will next be selected to occupy such seat the county auditor shall, within seven days after the vacancy occurs, call a special election within the affected district to fill such vacancy. The auditor shall specify a date for the election ~~which shall be between 56 and 77 days after the vacancy occurred to be held on a date authorized by section 205.10, subdivision 3a.~~ Candidates shall file with the county auditor prior to the 35th day before the election. The primary election shall be held 14 days before the election. If no more than two candidates file for the office, the primary election shall be canceled and the date of the general election advanced 14 days.

Sec. 22. Minnesota Statutes 2016, section 383E.24, subdivision 7, is amended to read:

Subd. 7. **Referendum.** (a) Upon receipt of a petition signed by five percent of the qualified voters within the territory of the proposed service district prior to the effective date of its creation as specified in subdivision 6, the creation shall be held in abeyance pending a referendum vote of all qualified electors residing within the boundaries of the proposed service district.

(b) The county board shall make arrangements for the holding of a special election ~~not less than 30 or more than 90 days after receipt of such petition~~ on a date authorized by section 205.10, subdivision 3a, and within the boundaries of the proposed taxing district. The question to be submitted and voted upon by the qualified voters within the territory of the proposed service district shall be phrased substantially as follows:

"Shall a subordinate service district be established in order to provide (service or services to be provided) financed by (revenue sources)?"

(c) If a majority of those voting on the question favor creation of the proposed subordinate service district, the district shall be deemed created upon certification of the vote by the county auditor. The county auditor shall administer the election.

Sec. 23. Minnesota Statutes 2016, section 410.10, subdivision 1, is amended to read:

Subdivision 1. **Timing; procedure; recall.** Upon delivery of such draft, the council or other governing body of the city shall cause the proposed charter to be submitted at the next general election thereafter occurring in the city within six months after the delivery of such draft, and if there is no general city election occurring in the city within six months after the delivery of such draft, then the council or other governing body of the city shall cause the proposed charter to be submitted at a special election to be held ~~within 90 days after the delivery of such draft~~ on a date authorized by section 205.10, subdivision 3a. The council or other governing body may call a special election for that purpose only at any time. If the election is held at the same time with the general election, the voting places and election officers shall be the same for both elections. At any time before the council has fixed the date of the election upon the proposed charter, the charter commission may recall it for further action; and the council may authorize recall of the charter by the commission at any later date prior to the first publication of the proposed charter.

Sec. 24. Minnesota Statutes 2016, section 447.32, subdivision 2, is amended to read:

Subd. 2. **Elections.** Except as provided in this chapter, the Minnesota Election Law applies to hospital district elections, as far as practicable. Regular elections must be held in each hospital district at the same time, in the same election precincts, and at the same polling places as general elections of state and county officers. It may establish the whole district as a single election precinct or establish two or more different election precincts and polling places for the elections. If there is more than one precinct, the boundaries of the election precincts and the locations of the polling places must be defined in the notice of election, either in full or by reference to a description or map on file in the office of the clerk.

Special elections may be called by the hospital board to vote on any matter required by law to be submitted to the voters. A special election ~~may not be conducted either during the 56 days before or the 56 days after a regularly scheduled primary or general election, conducted wholly or partially within the hospital district~~ must be held on a date authorized by section 205.10, subdivision 3a. Special elections must be held within the election precinct or precincts and at the polling place or places designated by the board. In the case of the first election of officers of a new district, precincts and polling places must be set by the governing body of the most populous city or town included in the district.

Advisory ballots may be submitted by the hospital board on any question it wishes, concerning the affairs of the district, but only at a regular election or at a special election required for another purpose.

Sec. 25. Minnesota Statutes 2016, section 475.59, is amended to read:

475.59 MANNER OF SUBMISSION; NOTICE.

Subdivision 1. **Generally; notice.** When the governing body of a municipality resolves to issue bonds for any purpose requiring the approval of the electors, it shall provide for submission of the proposition of their issuance at a general or special election or town or school district meeting. Notice of such election or meeting shall be given in the manner required by law and shall state the maximum amount and the purpose of the proposed issue. In any school district, the school board or board of education may, according to its judgment and discretion, submit as a single ballot question or as two or more separate questions in the notice of election and ballots the proposition of their issuance for any one or more of the following, stated conjunctively or in the alternative: acquisition or enlargement of sites, acquisition, betterment, erection, furnishing, equipping of one or more new schoolhouses, remodeling, repairing, improving, adding to, betterment, furnishing, equipping of one or more existing schoolhouses. In any city, town, or county, the governing body may, according to its judgment and discretion, submit as a single ballot question or as two or more separate questions in the notice of election and ballots the proposition of their issuance, stated conjunctively or in the alternative, for the acquisition, construction, or improvement of any facilities at one or more locations.

Subd. 2. **Election date.** An election to approve issuance of bonds under this section held by a municipality or school district must be held on a date authorized in section 205.10, subdivision 3a, or 205A.05, subdivision 1a.

Sec. 26. **REPEALER.**

Minnesota Statutes 2016, section 205.10, subdivision 3, is repealed.

Sec. 27. **EFFECTIVE DATE.**

This article is effective January 1, 2018, and applies to any special election held on or after that date.

ARTICLE 3
COUNTY OFFICES

Section 1. **MORRISON COUNTY RECORDER MAY BE APPOINTED.**

Subdivision 1. **Authorization to make office appointive.** Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Morrison County Board of Commissioners, the office of county recorder is not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners, and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. Publishing resolution; petition; referendum. (a) Before the adoption of a resolution to provide for the appointment of the county recorder, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county and in the official publication of each city located wholly or partly in the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at two separate meetings for public comment relating to the issue. One meeting must be held between the hours of 8:00 a.m. and 5:00 p.m. and the other meeting must be held between the hours of 5:00 p.m. and 9:00 p.m. The meetings may be regular or special meetings. After the public comment opportunity at the second meeting, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county recorder as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county recorder must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. Reverting to elected offices. (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if:

(1) the position has been an appointed position for at least three years;

(2) a petition signed by at least five percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held; and

(3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for the office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Morrison County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 2. BENTON COUNTY RECORDER MAY BE APPOINTED.

Subdivision 1. Authorization to make office appointive. Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Benton County Board of Commissioners, the office of county recorder is not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners, and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. **Publishing resolution; petition; referendum.** (a) Before the adoption of a resolution to provide for the appointment of the county recorder, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county and in the official publication of each city located wholly or partly in the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at two separate meetings for public comment relating to the issue. One meeting must be held between the hours of 8:00 a.m. and 5:00 p.m. and the other meeting must be held between the hours of 5:00 p.m. and 9:00 p.m. The meetings may be regular or special meetings. After the public comment opportunity at the second meeting, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county recorder as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county recorder must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. **Reverting to elected offices.** (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if:

(1) the position has been an appointed position for at least three years;

(2) a petition signed by at least five percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held; and

(3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for the office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Benton County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 3. **PINE COUNTY AUDITOR-TREASURER MAY BE APPOINTED.**

Subdivision 1. **Authorization to make office appointive.** Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Pine County Board of Commissioners, the office of county auditor-treasurer is not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbent to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. **Publishing resolution; petition; referendum.** (a) Before the adoption of a resolution to provide for the appointment of the county auditor-treasurer, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county and in the official publication of each city located wholly or partly in the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at two separate meetings for public comment relating to the issue. One meeting must be held between the hours of 8:00 a.m. and 5:00 p.m. and the other meeting must be held between the hours of 5:00 p.m. and 9:00 p.m. The meetings may be regular or special meetings. After the public comment opportunity at the second meeting, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county auditor-treasurer as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county auditor-treasurer must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. **Reverting to elected offices.** (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next

regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if:

(1) the position has been an appointed position for at least three years;

(2) a petition signed by at least five percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held; and

(3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for the office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Pine County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 4. **STEARNS COUNTY RECORDER MAY BE APPOINTED.**

Subdivision 1. **Authorization to make office appointive.** Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Stearns County Board of Commissioners, the office of county recorder is not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners, and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. **Publishing resolution; petition; referendum.** (a) Before the adoption of a resolution to provide for the appointment of the county recorder, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county and in the official publication of each city located wholly or partly in the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at two separate meetings for public comment relating to the issue. One meeting must be held between the hours of 8:00 a.m. and 5:00 p.m. and the other meeting must be held between the hours of 5:00 p.m. and 9:00 p.m. The meetings may be regular or special meetings. After the public comment opportunity at the second meeting, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county recorder as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county recorder must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. **Reverting to elected offices.** (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if:

(1) the position has been an appointed position for at least three years;

(2) a petition signed by at least five percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held; and

(3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for the office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Stearns County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 5. MARSHALL COUNTY RECORDER MAY BE APPOINTED.

Subdivision 1. **Authorization to make office appointive.** Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Marshall County Board of Commissioners, the office of county recorder is not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners, and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. Publishing resolution; petition; referendum. (a) Before the adoption of a resolution to provide for the appointment of the county recorder, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county and in the official publication of each city located wholly or partly in the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at two separate meetings for public comment relating to the issue. One meeting must be held between the hours of 8:00 a.m. and 5:00 p.m. and the other meeting must be held between the hours of 5:00 p.m. and 9:00 p.m. The meetings may be regular or special meetings. After the public comment opportunity at the second meeting, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county recorder as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county recorder must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. Reverting to elected offices. (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if:

(1) the position has been an appointed position for at least three years;

(2) a petition signed by at least five percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held; and

(3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for the office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Marshall County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 6. RICE COUNTY AUDITOR-TREASURER AND RECORDER MAY BE APPOINTED.

Subdivision 1. Authorization to make office appointive. Notwithstanding Minnesota Statutes, section 382.01, upon adoption of a resolution by the Rice County Board of Commissioners, the offices of county auditor-treasurer and county recorder are not elective but must be filled by appointment by the county board as provided in the resolution.

Subd. 2. **Board controls; may change as long as duties done.** Upon adoption of a resolution by the county board of commissioners, and subject to subdivisions 3 and 4, the duties of an elected official required by statute whose office is made appointive as authorized by this section must be discharged by the county board of commissioners acting through a department head appointed by the board for that purpose. Reorganization, reallocation, delegation, or other administrative change or transfer does not diminish, prohibit, or avoid the discharge of duties required by statute.

Subd. 3. **Incumbents to complete term.** The person elected at the last general election to an office made appointive under this section must serve in that elected capacity and perform the duties, functions, and responsibilities required by statute until the completion of the term of office to which the person was elected or until a vacancy occurs in the office, whichever occurs earlier.

Subd. 4. **Publishing resolution; petition; referendum.** (a) Before the adoption of a resolution to provide for the appointment of the county auditor-treasurer and county recorder, the county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week for two consecutive weeks in the official publication of the county and in the official publication of each city located wholly or partly in the county. Following publication and prior to formally adopting the resolution, the county board shall provide an opportunity at two separate meetings for public comment relating to the issue. One meeting must be held between the hours of 8:00 a.m. and 5:00 p.m. and the other meeting must be held between the hours of 5:00 p.m. and 9:00 p.m. The meetings may be regular or special meetings. After the public comment opportunity at the second meeting, at the same meeting or a subsequent meeting, the county board of commissioners may adopt a resolution that provides for the appointment of the county auditor-treasurer and county recorder as permitted in this section. The resolution must be approved by at least 80 percent of the members of the county board. The resolution may take effect 60 days after it is adopted, or at a later date stated in the resolution, unless a petition is filed as provided in paragraph (b).

(b) Within 60 days after the county board adopts the resolution, a petition requesting a referendum may be filed with the county auditor-treasurer. The petition must be signed by at least ten percent of the registered voters of the county. The petition must meet the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If the petition is sufficient, the question of appointing the county auditor-treasurer and county recorder must be placed on the ballot at a regular or special election. If a majority of the voters of the county voting on the question vote in favor of appointment, the resolution may be implemented.

Subd. 5. **Reverting to elected offices.** (a) The county board may adopt a resolution to provide for the election of an office made an appointed position under this section, but not until at least three years after the office was made an appointed position. The county board must publish a proposed resolution notifying the public of its intent to consider the issue once each week or two consecutive weeks in the official publication of the county. Following publication and before formally adopting the resolution, the county board must provide an opportunity at its next regular meeting for public comment relating to the issue. After the public comment hearing, the county board may adopt the resolution. The resolution must be approved by at least 60 percent of the members of the county board and is effective August 1 following adoption of the resolution.

(b) The question of whether an office made an appointed position under this section must be made an elected office must be placed on the ballot at the next general election if:

(1) the position has been an appointed position for at least three years;

(2) a petition signed by at least five percent of the registered voters of the county is filed with the office of the county auditor-treasurer by August 1 of the year in which the general election is held; and

(3) the petition meets the requirements of the secretary of state, as provided in Minnesota Statutes, section 204B.071, and any rules adopted to implement that section. If a majority of the voters of the county voting on the question vote in favor of making the office an elected position, the election for the office must be held at the next regular or special election.

EFFECTIVE DATE. This section is effective the day after the Rice County Board of Commissioners and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Amend the title accordingly

Youakim moved to amend the Fenton amendment to S. F. No. 514, the fifth engrossment, as follows:

Page 40, after line 26, insert:

"ARTICLE 4
EARLY VOTING

Section 1. Minnesota Statutes 2016, section 201.022, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** The secretary of state shall maintain a statewide voter registration system to facilitate voter registration and to provide a central database containing voter registration information from around the state. The system must be accessible to the county auditor of each county in the state. The system must also:

(1) provide for voters to submit their voter registration applications to any county auditor, the secretary of state, or the Department of Public Safety;

(2) provide for the definition, establishment, and maintenance of a central database for all voter registration information;

(3) provide for entering data into the statewide registration system;

(4) provide for electronic transfer of completed voter registration applications from the Department of Public Safety to the secretary of state or the county auditor;

(5) assign a unique identifier to each legally registered voter in the state;

(6) provide for the acceptance of the Minnesota driver's license number, Minnesota state identification number, and last four digits of the Social Security number for each voter record;

(7) coordinate with other agency databases within the state;

(8) allow county auditors and the secretary of state to add or modify information in the system to provide for accurate and up-to-date records;

(9) allow county auditors, municipal and school district clerks, and the secretary of state to have electronic access to the statewide registration system for review and search capabilities;

(10) provide security and protection of all information in the statewide registration system and ensure that unauthorized access is not allowed;

(11) provide access to municipal clerks to use the system;

(12) provide a system for each county to identify the precinct to which a voter should be assigned for voting purposes;

(13) provide daily reports accessible by county auditors on the driver's license numbers, state identification numbers, or last four digits of the Social Security numbers submitted on voter registration applications that have been verified as accurate by the secretary of state; ~~and~~

(14) provide reports on the number of absentee ballots transmitted to and returned and cast by voters under section 203B.16; and

(15) provide reports necessary for early voting.

The appropriate state or local official shall provide security measures to prevent unauthorized access to the computerized list established under section 201.021.

Sec. 2. Minnesota Statutes 2016, section 203B.001, is amended to read:

203B.001 ELECTION LAW APPLICABILITY.

The Minnesota Election Law is applicable to voting by absentee ballot and early voting unless otherwise provided in this chapter.

Sec. 3. Minnesota Statutes 2016, section 203B.01, is amended by adding a subdivision to read:

Subd. 5. **Early voting.** "Early voting" means voting in person before election day at the office of the county auditor or designated municipal clerk within the time period provided in section 203B.31.

Sec. 4. Minnesota Statutes 2016, section 203B.03, subdivision 1, is amended to read:

Subdivision 1. **Violation.** (a) No individual shall intentionally:

(1) make or sign any false certificate required by this chapter;

(2) make any false or untrue statement in any application for absentee ballots;

(3) apply for absentee ballots more than once in any election with the intent to cast an illegal ballot;

(4) exhibit a ballot marked by that individual to any other individual;

(5) do any act in violation of the provisions of this chapter for the purpose of casting an illegal vote in any precinct or for the purpose of aiding another to cast an illegal vote;

(6) use information from absentee ballot or early voting materials or records for purposes unrelated to elections, political activities, or law enforcement;

(7) provide assistance to an absentee or early voter except in the manner provided by section 204C.15, subdivision 1;

(8) solicit the vote of an absentee or early voter while in the immediate presence of the voter during the time the individual knows the absentee or early voter is voting; or

(9) alter an absentee ballot application after it has been signed by the voter, except by an election official for administrative purposes.

(b) Before inspecting information from absentee ballot or early voting materials or records, an individual shall provide identification to the public official having custody of the material or information.

Sec. 5. Minnesota Statutes 2016, section 203B.05, subdivision 1, is amended to read:

Subdivision 1. **Generally.** The full-time clerk of any city or town shall administer the provisions of sections 203B.04 to 203B.15 if:

- (1) the county auditor of that county has designated the clerk to administer them; or
- (2) the clerk has given the county auditor of that county notice of intention to administer them.

The designation or notice must specify whether the clerk will be responsible for the administration of a ballot board as provided in section 203B.121.

A clerk of a city that is located in more than one county may only administer the provisions of sections 203B.04 to 203B.15 and 203B.30 to 203B.35 if the clerk has been designated by each of the county auditors or has provided notice to each of the county auditors that the city will administer absentee voting. A clerk may only administer the provisions of sections 203B.04 to 203B.15 if the clerk has technical capacity to access the statewide voter registration system in the secure manner prescribed by the secretary of state. The secretary of state must identify hardware, software, security, or other technical prerequisites necessary to ensure the security, access controls, and performance of the statewide voter registration system. A clerk must receive training approved by the secretary of state on the use of the statewide voter registration system before administering this section. A clerk may not use the statewide voter registration system until the clerk has received the required training. The county auditor must notify the secretary of state of any municipal clerk who will be administering the provisions of this section and the duties that the clerk will administer.

Sec. 6. Minnesota Statutes 2016, section 203B.081, subdivision 2, is amended to read:

Subd. 2. **Town elections.** Voters casting absentee ballots in person for a town election held in March may do so during the 30 days before the election, except that an eligible voter may not vote by absentee ballot in person during the period designated for early voting, as provided in section 203B.31. The county auditor shall make such designations at least 14 weeks before the election. At least one voting booth in each polling place must be made available by the county auditor for this purpose. The county auditor must also make available at least one electronic ballot marker in each polling place that has implemented a voting system that is accessible for individuals with disabilities pursuant to section 206.57, subdivision 5.

Sec. 7. Minnesota Statutes 2016, section 203B.085, is amended to read:

203B.085 COUNTY AUDITOR'S AND MUNICIPAL CLERK'S OFFICES TO REMAIN OPEN DURING CERTAIN HOURS PRECEDING ELECTION.

The county auditor's office in each county and the clerk's office in each city or town authorized under section 203B.05 to administer absentee balloting must be open for acceptance of absentee ballot applications and casting of absentee ballots from 8:00 a.m. to 12:00 noon on the day immediately preceding an election subject to early voting

under section 203B.30 unless that day falls on a Sunday. When performing the duties of the county auditor in an election not subject to early voting under section 203B.30, the clerk's office must be open from 10:00 a.m. to 3:00 p.m. on Saturday and until 5:00 p.m. on the day immediately preceding a primary, special, or general election unless that day falls on a Saturday or Sunday. Town clerks' offices must be open for absentee voting from 10:00 a.m. to 12:00 noon on the Saturday before a town general election held in March. The school district clerk, when performing the county auditor's election duties, need not comply with this section.

Sec. 8. Minnesota Statutes 2016, section 203B.121, subdivision 1, is amended to read:

Subdivision 1. **Establishment; applicable laws.** (a) The governing body of each county, municipality, and school district with responsibility to accept and reject absentee ballots or to administer early voting must, by ordinance or resolution, establish a ballot board. The board must consist of a sufficient number of election judges trained in the handling of absentee ballots and appointed as provided in sections 204B.19 to 204B.22. The board may include deputy county auditors or deputy city clerks who have received training in the processing and counting of absentee ballots.

(b) Each jurisdiction must pay a reasonable compensation to each member of that jurisdiction's ballot board for services rendered during an election.

(c) Except as otherwise provided by this section, all provisions of the Minnesota Election Law apply to a ballot board.

Sec. 9. Minnesota Statutes 2016, section 203B.121, is amended by adding a subdivision to read:

Subd. 2a. **Duties of ballot board; early voting.** The members of the ballot board shall administer the process of early voting as prescribed in section 203B.35, and shall make a record of voters who cast ballots early and count those ballots as provided in subdivisions 4 and 5.

Sec. 10. Minnesota Statutes 2016, section 203B.121, subdivision 3, is amended to read:

Subd. 3. **Record of voting.** (a) When applicable, the county auditor or municipal clerk must immediately record that a voter's absentee ballot has been accepted or that the voter has cast a ballot pursuant to the early voting procedures provided in this chapter. A voter whose record indicates that the voter has cast an early ballot must not be permitted to cast another ballot in that election. After the close of business on the ~~seventh day before the election~~ day prior to the beginning of the early voting period as provided in section 203B.31, a voter whose record indicates that an absentee ballot has been accepted must not be permitted to cast another ballot at that election. In a state primary, general, or state special election for federal ~~or~~ state, or county office, the auditor or clerk must also record this information in the statewide voter registration system.

(b) The roster must be marked, and a supplemental report of absentee and early voters who submitted a voter registration application with their ballot must be created, no later than the start of voting on election day to indicate the voters that have already cast a ballot at the election. The roster may be marked either:

(1) by the county auditor or municipal clerk before election day;

(2) by the ballot board before election day; or

(3) by the election judges at the polling place on election day.

The record of a voter whose absentee ballot was received after the close of business on the seventh day before the election is not required to be marked on the roster or contained in a supplemental report as required by this paragraph.

Sec. 11. Minnesota Statutes 2016, section 203B.121, subdivision 4, is amended to read:

Subd. 4. **Opening of envelopes.** After the close of business on the ~~seventh day before the election~~ day prior to the beginning of the early voting period as provided in section 203B.31, the ballots from return envelopes marked "Accepted" may be opened, duplicated as needed in the manner provided in section 206.86, subdivision 5, initialed by the members of the ballot board, and deposited in the appropriate ballot box. If more than one ballot is enclosed in the ballot envelope, the ballots must be returned in the manner provided by section 204C.25 for return of spoiled ballots, and may not be counted.

Sec. 12. Minnesota Statutes 2016, section 203B.121, subdivision 5, is amended to read:

Subd. 5. **Storage and counting of absentee and early voting ballots.** (a) On a day on which absentee or early voting ballots are inserted into a ballot box, two members of the ballot board must:

- (1) remove the ballots from the ballot box at the end of the day;
- (2) without inspecting the ballots, ensure that the number of ballots removed from the ballot box is equal to the number of voters who cast early votes and whose absentee ballots were accepted that day; and
- (3) seal and secure all voted and unvoted ballots present in that location at the end of the day.

(b) After the polls have closed on election day, two members of the ballot board must count the ballots, tabulating the vote in a manner that indicates each vote of the voter and the total votes cast for each candidate or question. In state primary and state general elections, the results must indicate the total votes cast for each candidate or question in each precinct and report the vote totals tabulated for each precinct. The count must be recorded on a summary statement in substantially the same format as provided in section 204C.26. The ballot board shall submit at least one completed summary statement to the county auditor or municipal clerk. The county auditor or municipal clerk may require the ballot board to submit a sufficient number of completed summary statements to comply with the provisions of section 204C.27, or the county auditor or municipal clerk may certify reports containing the details of the ballot board summary statement to the recipients of the summary statements designated in section 204C.27.

In state primary and state general elections, these vote totals shall be added to the vote totals on the summary statements of the returns for the appropriate precinct. In other elections, these vote totals may be added to the vote totals on the summary statement of returns for the appropriate precinct or may be reported as a separate total.

The count shall be public. No vote totals from ballots may be made public before the close of voting on election day.

(c) In addition to the requirements of paragraphs (a) and (b), if the task has not been completed previously, the members of the ballot board must verify as soon as possible, but no later than 24 hours after the end of the hours for voting, that voters whose absentee ballots arrived after the rosters were marked or supplemental reports were generated and whose ballots were accepted did not vote in person on election day. An absentee ballot submitted by a voter who has voted in person on election day must be rejected. All other accepted absentee ballots must be opened, duplicated if necessary, and counted by members of the ballot board. The vote totals from these ballots must be incorporated into the totals with the other absentee ballots and handled according to paragraph (b).

Sec. 13. **[203B.30] EARLY VOTING; APPLICABILITY.**

(a) Any eligible voter may vote in person in a federal, state, or county election prior to the date of the election, in the manner provided in sections 203B.31 to 203B.35.

(b)(1) Subject to clause (2), for city elections not held in conjunction with a federal, state, or county election, the city may authorize eligible voters to vote in the manner provided in sections 203B.31 to 203B.35 upon resolution of the governing body of the city, adopted prior to the first day for filing affidavits of candidacy for the election. In the case of a home rule charter city, authorization may alternatively be made by amendment to the city's charter for this purpose.

(2) A city may only authorize voting under sections 203B.31 to 203B.35 if the municipal clerk has the technical capacity to access the statewide voter registration system in the secure manner prescribed by the secretary of state. The secretary of state must identify hardware, software, security, or other technical prerequisites necessary to ensure the security, access controls, and performance of the statewide voter registration system. The clerk must receive training approved by the secretary of state on the use of the statewide voter registration system before administering voting authorized under this paragraph. The clerk may not use the statewide voter registration system until the clerk has received the required training.

Sec. 14. **[203B.31] TIME PERIOD FOR EARLY VOTING.**

Early voting must be available to any eligible voter as provided in section 203B.32 for every primary, general, and special election subject to early voting under section 203B.30 from 15 days before the election through 5:00 p.m. on the third day before the election. All voters in line at 5:00 p.m. on the third day before the election must be allowed to vote in the same manner as provided in section 204C.05, subdivision 2.

Sec. 15. **[203B.32] HOURS FOR EARLY VOTING.**

Early voting must be available between the hours of 8:00 a.m. and 4:30 p.m. on each weekday during the time period provided in section 203B.31, from 8:00 a.m. to 8:00 p.m. on at least one weekday, and from 10:00 a.m. to 5:00 p.m. on the two Saturdays before the election.

Sec. 16. **[203B.33] LOCATIONS FOR EARLY VOTING.**

(a) Early voting must be made available at polling places designated in the county auditor's offices in county-owned or operated buildings, at the municipal clerk's office in every municipality that has been delegated the responsibility to administer absentee voting as provided in section 203B.05 or which is conducting an election that includes early voting, as authorized in section 203B.30, and at any other county or city-owned or operated buildings designated by the county auditor or municipal clerk. At least one voting station and one ballot marking device for disabled voters must be made available in each polling place.

(b) The county auditor or municipal clerk must make an electronic ballot counter available in each polling place.

Sec. 17. **[203B.34] NOTICE TO VOTERS.**

The county auditor or municipal clerk must prepare a notice to the voters of the days, times, and locations for early voting. This notice must be posted on the county's Web site, if applicable, and the Web site for each municipality in the county where an early voting location is designated for the election at least 14 days before the first day for early voting. If a county or municipality does not have a Web site, the county auditor or municipal clerk must publish the notice at least once in the jurisdiction's official newspaper at least seven days and not more than 14 days before the first day for early voting.

Sec. 18. **[203B.35] PROCEDURES FOR EARLY VOTING.**

Subdivision 1. **Voting procedure.** Each voter shall sign the certification provided in section 204C.10. An individual who is not registered to vote must register in the manner provided in section 201.061, subdivision 3.

After the voter has signed the certification, a member of the ballot board must provide a ballot to the voter. Ballots must be prepared and distributed by members of the ballot board in the manner provided in section 204C.09. The voter must mark the ballot and deposit it in either a precinct voting system or a sealed ballot box. A voter may not leave the polling place with the ballot.

Subd. 2. **Processing of ballots.** Ballots cast pursuant to sections 203B.30 to 203B.35 must be processed and counted by a ballot board.

Sec. 19. Minnesota Statutes 2016, section 204B.28, subdivision 2, is amended to read:

Subd. 2. **Election supplies; duties of county auditors and clerks.** (a) Except as otherwise provided for absentee ballots in this section and in section 204B.35, subdivision 4, the county auditor shall complete the preparation of the election materials for which the auditor is responsible at least four days before every state primary and state general election. At any time after all election materials are available from the county auditor but not later than four days before the election each municipal clerk shall secure from the county auditor:

~~(a)~~ (1) the forms that are required for the conduct of the election;

~~(b)~~ (2) any printed voter instruction materials furnished by the secretary of state;

~~(c)~~ (3) any other instructions for election officers; and

~~(d)~~ (4) a sufficient quantity of the official ballots, registration files, envelopes for ballot returns, and other supplies and materials required for each precinct in order to comply with the provisions of the Minnesota Election Law. The county auditor may furnish the election supplies to the municipal clerks in the same manner as the supplies are furnished to precincts in unorganized territory pursuant to section 204B.29, subdivision 1.

(b) The county auditor must prepare and make available election materials for early voting to city clerks designated to administer early voting under section 203B.05 at least one day prior to the beginning of the early voting period as provided in section 203B.31.

Sec. 20. Minnesota Statutes 2016, section 206.82, subdivision 1, is amended to read:

Subdivision 1. **Program.** A program or programs for use in an election conducted by means of an electronic voting system or using an electronic ballot marker shall be prepared at the direction of the county auditor or municipal clerk who is responsible for the conduct of the election and shall be independently verified by a competent person designated by that official. The term "competent person" as used in this section means a person who can demonstrate knowledge as a computer programmer and who is other than and wholly independent of any person operating or employed by the counting center or the corporation or other preparer of the program. A test deck prepared by a competent person shall be used for independent verification of the program; it shall test the maximum digits used in totaling the returns and shall be usable by insertion during the tabulation process as well as prior to tabulation. A test deck must also be prepared using the electronic ballot marker program and must also be used to verify that all valid votes counted by the vote tabulator may be selected using the electronic ballot marker. The computer program for any election and an exact duplicate of the program for use as backup must be completed and delivered to the election jurisdiction or the county auditor in charge of a common central counting center at least 27 days prior to the election. The secretary of state shall adopt rules further specifying test procedures.

Sec. 21. Minnesota Statutes 2016, section 206.83, is amended to read:

206.83 TESTING OF VOTING SYSTEMS.

Within ~~14~~ 22 days before election day, the official in charge of elections shall have the voting system tested to ascertain that the system will correctly mark ballots using all methods supported by the system, including through assistive technology, and count the votes cast for all candidates and on all questions. Public notice of the time and place of the test must be given at least two days in advance by publication once in official newspapers. The test must be observed by at least two election judges, who are not of the same major political party, and must be open to representatives of the political parties, candidates, the press, and the public. The test must be conducted by (1) processing a preaudited group of ballots punched or marked to record a predetermined number of valid votes for each candidate and on each question, and must include for each office one or more ballot cards which have votes in excess of the number allowed by law in order to test the ability of the voting system tabulator and electronic ballot marker to reject those votes; and (2) processing an additional test deck of ballots marked using the electronic ballot marker for the precinct, including ballots marked using the electronic ballot display, audio ballot reader, and any assistive voting technology used with the electronic ballot marker. If any error is detected, the cause must be ascertained and corrected and an errorless count must be made before the voting system may be used in the election. After the completion of the test, the programs used and ballot cards must be sealed, retained, and disposed of as provided for paper ballots.

Sec. 22. **REPEALER.**

Minnesota Statutes 2016, section 203B.081, subdivision 3, is repealed.

Sec. 23. **EFFECTIVE DATE.**

This article is effective when the secretary of state has certified that:

(1) the statewide voter registration system has been tested and shown to properly allow for the tracking of the information required to conduct early voting, and can handle the expected volume of use; and

(2) precinct voting equipment that can tabulate at least 30 different ballot styles has been certified for use in this state. Upon certification pursuant to this section, the provisions of this act related to early voting apply to all federal, state, and county elections held on August 1, 2015, and thereafter. A jurisdiction may implement the requirements of this act prior to the date provided in this section, if the secretary of state has made the required certifications at least 90 days prior to the date of the election at which early voting will be used."

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

Schultz moved to amend the Fenton amendment to S. F. No. 514, the fifth engrossment, as follows:

Page 3, after line 3, insert:

"Sec. 6. Minnesota Statutes 2016, section 13.607, is amended by adding a subdivision to read:

Subd. 9. **Data derived from driver's license applications.** Data on an application for a driver's license, a Minnesota identification card, or a learner's permit transferred to the secretary of state that are provided by a person whom the secretary of state determines is not eligible to vote are governed by section 201.161."

Page 9, after line 10, insert:

"Sec. 14. Minnesota Statutes 2016, section 201.161, is amended to read:

201.161 AUTOMATIC REGISTRATION OF DRIVER'S LICENSE, INSTRUCTION PERMIT, AND IDENTIFICATION CARD APPLICATIONS APPLICANTS.

Subdivision 1. Automatic registration. An individual who properly completes an application for a new or renewed Minnesota driver's license, instruction permit, or identification card, and who is eligible to vote under section 201.014, must be registered to vote as provided in this section, unless the applicant declines to be registered.

Subd. 2. Applications. The ~~Department~~ commissioner of public safety, in consultation with the secretary of state, shall change ~~its~~ the applications for an original, duplicate, or change of address driver's license, instruction permit, or identification card so that the forms may also serve as voter registration applications. The forms must contain spaces for all information collected by voter registration applications prescribed by the secretary of state and a box for the applicant to decline to be registered to vote. ~~Applicants for driver's licenses or identification cards must be asked if they want to register to vote at the same time and that~~ Unless the applicant has declined to be registered to vote or has provided an address other than the applicant's address of residence under section 171.12, subdivision 7, paragraph (d), the commissioner shall transmit the information ~~must be transmitted at least weekly~~ daily by electronic means to the secretary of state. Pursuant to the Help America Vote Act of 2002, Public Law 107-252, the computerized driver's license record containing the voter's name, address, date of birth, citizenship, driver's license number or state identification number, county, ~~town~~, and city or town must be made available for access by the secretary of state and interaction with the statewide voter registration system.

Subd. 3. Registration. (a) The secretary of state shall determine whether the applicant is currently registered in the statewide voter registration system. For each currently registered voter whose registration is not changed, the secretary of state shall update the voter's registration date in the statewide voter registration system. For each currently registered voter whose registration is changed, the secretary of state shall transmit the registration daily by electronic means to the county auditor of the county where the voter resides.

(b) If the applicant is not currently registered in the statewide voter registration system, the secretary of state shall determine whether the applicant is 18 years of age or older and a citizen of the United States and compare the voter registration information received from the commissioner of public safety with the information on wards, incompetents, and felons received from the state court administrator under sections 201.15 and 201.155, and with data received from the commissioner of corrections under section 201.157, to determine whether the applicant is eligible to vote. If an applicant is less than 18 years of age, the secretary of state shall wait until the applicant has turned 18 years of age to determine whether the applicant is eligible to vote. For each applicant the secretary of state determines is an eligible voter, the secretary of state shall transmit the registration daily by electronic means to the county auditor of the county where the voter resides.

(c) Any data on applicants who the secretary determines are not eligible to vote are private data on individuals, as defined in section 13.02, subdivision 12.

Subd. 4. Notice. Upon receipt of the registration, the county auditor shall mail to the voter the notice of registration required by section 201.121, subdivision 2.

Subd. 5. Effective date. (a) An application for registration that is dated during the 20 days before an election in any jurisdiction within which the voter resides is not effective until the day after the election.

(b) An applicant for a Minnesota driver's license, instruction permit, or identification card must not be registered to vote until the commissioner of the Department of Public Safety has certified that the department's systems have been tested and can accurately provide the necessary data, and the secretary of state has certified that the system for automatic registration of those applicants has been tested and is capable of properly determining whether an applicant is eligible to vote.

(c) The secretary of state must absorb any costs associated with implementation of this section using existing appropriations provided to the secretary by law."

Renumber the sections in sequence

A roll call was requested and properly seconded.

The question was taken on the Schultz amendment to the Fenton amendment and the roll was called. There were 53 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Allen	Davnie	Hornstein	Lien	Murphy, M.	Sandstede
Applebaum	Ecklund	Hortman	Lillie	Nelson	Sauke
Becker-Finn	Fischer	Johnson, C.	Loeffler	Olson	Schultz
Bernardy	Flanagan	Johnson, S.	Mahoney	Omar	Slocum
Bly	Freiberg	Koegel	Marquart	Pelowski	Sundin
Carlson, A.	Halverson	Kunesh-Podein	Masin	Pinto	Wagenius
Carlson, L.	Hansen	Lee	Maye Quade	Poppe	Ward
Clark	Hausman	Lesch	Metsa	Pryor	Youakim
Considine	Hilstrom	Liebling	Murphy, E.	Rosenthal	

Those who voted in the negative were:

Albright	Davids	Gunther	Kresha	O'Driscoll	Smith
Anderson, P.	Dean, M.	Haley	Layman	O'Neill	Swedzinski
Anderson, S.	Dettmer	Hamilton	Lohmer	Peppin	Theis
Anselmo	Drazkowski	Heintzeman	Loon	Petersburg	Torkelson
Backer	Erickson	Hertaus	Loonan	Peterson	Uglen
Bahr, C.	Fabian	Hoppe	Lucero	Pierson	Urdahl
Baker	Fenton	Howe	Lueck	Poston	Vogel
Barr, R.	Franke	Jessup	McDonald	Pugh	West
Bennett	Franson	Johnson, B.	Miller	Quam	Whelan
Bliss	Garofalo	Jurgens	Nash	Rarick	Wills
Christensen	Green	Kiel	Neu	Runbeck	Zerwas
Cornish	Grossell	Knoblach	Newberger	Schomacker	Spk. Daudt
Daniels	Gruenhagen	Koznick	Nornes	Scott	

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

Halverson offered an amendment to the Fenton amendment to S. F. No. 514, the fifth engrossment.

POINT OF ORDER

O'Driscoll raised a point of order pursuant to rule 3.21 that the Halverson amendment to the Fenton amendment was not in order. Speaker pro tempore Albright ruled the point of order well taken and the Halverson amendment to the Fenton amendment out of order.

The question recurred on the Fenton amendment to S. F. No. 514, the fifth engrossment. The motion prevailed and the amendment was adopted.

S. F. No. 514, A bill for an act relating to elections; modifying provisions related to elections and election administration; establishing a voting equipment grant; establishing uniform election dates, polling place hours, and polling places; requiring counties to administer school district elections; requiring additional voter data to be public; modifying voter status challenge provisions; establishing a provisional ballot system; appropriating money; amending Minnesota Statutes 2016, sections 3.088, subdivision 1; 13.15, subdivision 4; 13.607, by adding a subdivision; 13.6905, subdivision 33; 13.841, subdivision 3; 13.851, subdivision 10; 103B.545, subdivision 2; 123A.46, subdivision 12; 123A.48, subdivisions 14, 15; 123B.09, subdivision 5b; 123B.63, subdivision 3; 126C.17, subdivision 11; 126C.69, subdivision 11; 128D.05, subdivision 2; 200.02, subdivision 4, by adding subdivisions; 201.022, subdivision 1; 201.061, subdivisions 3, 4, 6; 201.091, subdivision 4; 201.121, subdivision 3; 201.225, subdivisions 1, 2, 6; 201.27, subdivision 2; 203B.01, subdivision 2; 203B.04, subdivision 1; 203B.05, subdivision 2; 203B.081, subdivision 1; 203B.085; 203B.11, subdivision 1; 203B.121, subdivisions 1, 2; 203B.15; 204B.09, subdivision 3; 204B.13, subdivision 1; 204B.16, subdivisions 1, 1a; 204B.181, subdivision 2; 204B.21, subdivision 2, by adding a subdivision; 204B.25, subdivision 4; 204B.29; 204B.32; 204B.40; 204B.46; 204C.08, subdivision 4; 204C.10; 204C.12, subdivisions 1, 2, 3; 204C.14, subdivision 1; 204C.20, subdivision 4; 204C.25; 204C.26, subdivision 3; 204C.27; 204C.28, subdivision 3; 204C.29, subdivision 1; 204C.32, subdivision 2; 204C.33, subdivision 3; 204C.36, subdivisions 1, 2, 3, 5; 204D.09, subdivision 1; 204D.19, by adding a subdivision; 205.065, subdivision 5; 205.07, subdivisions 1, 3; 205.10, subdivision 4, by adding a subdivision; 205.175; 205A.03, subdivisions 3, 4; 205A.04, subdivision 3; 205A.05, subdivisions 1, 2, 3, by adding a subdivision; 205A.055, subdivision 2; 205A.06, subdivisions 1, 1a, 2, 5; 205A.07, subdivisions 1, 2, 3, 3a, 3b; 205A.08, subdivision 5; 205A.10, subdivisions 1, 2, 3, 5; 205A.11, subdivision 2a; 206.805, subdivision 1; 208.04, subdivision 1; 209.021, subdivision 3; 211B.11, subdivision 1; 216B.46; 241.065, subdivision 2; 365A.06, subdivision 2; 367.33, subdivision 1; 375.101, subdivision 1; 375B.07, subdivision 2; 375B.10; 383B.031, subdivision 1; 383E.24, subdivision 7; 410.10, subdivision 1; 447.32, subdivision 2; 475.59; proposing coding for new law in Minnesota Statutes, chapters 201; 204C; repealing Minnesota Statutes 2016, sections 201.096; 201.15; 201.155; 201.157; 201.158; 204B.16, subdivision 3; 205.10, subdivision 3; 205A.09; 205A.11, subdivisions 2, 3; 205A.12, subdivision 5a.

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 127 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Albright	Bahr, C.	Bly	Davids	Fenton	Grossell
Allen	Baker	Carlson, A.	Davnie	Fischer	Gruenhagen
Anderson, P.	Barr, R.	Carlson, L.	Dehn, R.	Flanagan	Gunther
Anderson, S.	Becker-Finn	Clark	Dettmer	Franke	Haley
Anselmo	Bennett	Considine	Drazkowski	Franson	Halverson
Applebaum	Bernardy	Cornish	Ecklund	Freiberg	Hamilton
Backer	Bliss	Daniels	Fabian	Garofalo	Hansen

Hausman	Koegel	Lueck	Newberger	Rarick	Urdahl
Heintzeman	Koznick	Mahoney	Nornes	Rosenthal	Vogel
Hertaus	Kresha	Mariani	O'Driscoll	Runbeck	Wagenius
Hilstrom	Kunesh-Podein	Marquart	Olson	Sandstede	Ward
Hoppe	Layman	Masin	Omar	Sauke	West
Hornstein	Lee	Maye Quade	O'Neill	Schomacker	Whelan
Hortman	Lesch	McDonald	Pelowski	Schultz	Wills
Howe	Liebling	Metsa	Petersburg	Scott	Youakim
Jessup	Lien	Miller	Peterson	Slocum	Zerwas
Johnson, B.	Lillie	Moran	Pierson	Smith	Spk. Daudt
Johnson, C.	Loeffler	Murphy, E.	Pinto	Sundin	
Johnson, S.	Lohmer	Murphy, M.	Poppe	Swedzinski	
Jurgens	Loon	Nash	Poston	Theis	
Kiel	Loonan	Nelson	Pryor	Torkelson	
Knoblach	Lucero	Neu	Pugh	Uglen	

Those who voted in the negative were:

Christensen	Erickson	Green	Peppin	Quam
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The bill was passed, as amended, and its title agreed to.

Kresha 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 Speaker pro tempore Albright.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 1545, A bill for an act relating to agriculture; extending Food Safety and Defense Task Force; modifying definition of animals; amending Minnesota Statutes 2016, sections 28A.21, subdivision 6; 31A.02, subdivision 4.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 943.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

CAL R. LUDEMAN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. No. 943

A bill for an act relating to higher education; appropriating money for an education debt relief grant; requiring a report.

May 21, 2017

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt L. Daudt
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 943 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 943 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1 HIGHER EDUCATION APPROPRIATIONS

Section 1. **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 general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2018" and "2019" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2018</u>	<u>2019</u>

Sec. 2. **MINNESOTA OFFICE OF HIGHER EDUCATION**

Subdivision 1. **Total Appropriation**

\$260,036,000

\$256,495,000

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

Subd. 2. State Grants198,206,000198,356,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

Subd. 3. Child Care Grants6,694,0006,694,000**Subd. 4. State Work-Study**14,502,00014,502,000**Subd. 5. Interstate Tuition Reciprocity**11,018,00011,018,000

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available to meet reciprocity contract obligations.

Subd. 6. Safety Officer's Survivors100,000100,000

This appropriation is to provide educational benefits under Minnesota Statutes, section 299A.45, to eligible dependent children and to the spouses of public safety officers killed in the line of duty.

If the appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

Subd. 7. Indian Scholarships3,500,0003,500,000

The commissioner must contract with or employ at least one person with demonstrated competence in American Indian culture and residing in or near the city of Bemidji to assist students with the scholarships under Minnesota Statutes, section 136A.126, and with other information about financial aid for which the students may be eligible. Bemidji State University must provide office space at no cost to the Office of Higher Education for purposes of administering the American Indian scholarship program under Minnesota Statutes, section 136A.126. This appropriation includes funding to administer the American Indian scholarship program.

Subd. 8. Tribal College Grants150,000150,000

For tribal college assistance grants under Minnesota Statutes, section 136A.1796.

Subd. 9. Intervention for College Attendance Program Grants671,000671,000

For the intervention for college attendance program under Minnesota Statutes, section 136A.861.

The commissioner may use no more than three percent of this appropriation to administer the intervention for college attendance program grants.

Subd. 10. <u>Student-Parent Information</u>	<u>122,000</u>	<u>122,000</u>
Subd. 11. <u>Get Ready!</u>	<u>180,000</u>	<u>180,000</u>
Subd. 12. <u>Minnesota Education Equity Partnership</u>	<u>45,000</u>	<u>45,000</u>
Subd. 13. <u>Midwest Higher Education Compact</u>	<u>115,000</u>	<u>115,000</u>
Subd. 14. <u>United Family Medicine Residency Program</u>	<u>501,000</u>	<u>501,000</u>

For a grant to United Family Medicine residency program. This appropriation shall be used to support up to 21 resident physicians each year in family practice at United Family Medicine residency programs and shall prepare doctors to practice family care medicine in underserved rural and urban areas of the state. It is intended that this program will improve health care in underserved communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a cost-effective manner.

Subd. 15. <u>MnLINK Gateway and Minitex</u>	<u>5,905,000</u>	<u>5,905,000</u>
Subd. 16. <u>Statewide Longitudinal Education Data System</u>	<u>882,000</u>	<u>882,000</u>
Subd. 17. <u>Hennepin County Medical Center</u>	<u>645,000</u>	<u>645,000</u>

For transfer to Hennepin County Medical Center for graduate family medical education programs at Hennepin County Medical Center.

Subd. 18. <u>MNSCU Two-Year Public College Program</u>	<u>3,481,000</u>	<u>-0-</u>
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(a) \$2,780,000 in fiscal year 2018 is for two-year public college program grants under Laws 2015, chapter 69, article 3, section 20.

(b) \$545,000 in fiscal year 2018 is to provide mentoring and outreach as specified under Laws 2015, chapter 69, article 3, section 20.

(c) \$156,000 in fiscal year 2018 is for information technology and administrative costs associated with implementation of the grant program.

Subd. 19. <u>College Possible</u>	<u>250,000</u>	<u>250,000</u>
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(a) This appropriation is for immediate transfer to College Possible to support programs of college admission and college graduation for low-income students through an intensive curriculum of coaching and support at both the high school and postsecondary level.

(b) This appropriation must, to the extent possible, be proportionately allocated between students from greater Minnesota and students in the seven-county metropolitan area.

(c) This appropriation must be used by College Possible only for programs supporting students who are residents of Minnesota and attending colleges or universities within Minnesota.

(d) By February 1 of each year, College Possible must report to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over higher education and E-12 education on activities funded by this appropriation. The report must include, but is not limited to, information about the expansion of College Possible in Minnesota, the number of College Possible coaches hired, the expansion within existing partner high schools, the expansion of high school partnerships, the number of high school and college students served, the total hours of community service by high school and college students, and a list of communities and organizations benefiting from student service hours.

Subd. 20. Spinal Cord Injury and Traumatic Brain Injury Research Grant Program

3,000,000

3,000,000

For spinal cord injury and traumatic brain injury research grants authorized under Minnesota Statutes, section 136A.901.

The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.

Subd. 21. Summer Academic Enrichment Program

125,000

125,000

For summer academic enrichment grants under Minnesota Statutes, section 136A.091.

The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.

Subd. 22. Dual Training Competency Grants; Office of Higher Education

2,000,000

2,000,000

For training grants under Minnesota Statutes, section 136A.246.

The commissioner may use no more than three percent of this appropriation to administer the grant program under this subdivision.

Subd. 23. Dual Training Competency Grants; Department of Labor and Industry

200,000

200,000

For transfer to the commissioner of labor and industry for identification of competency standards for dual training under Minnesota Statutes, section 175.45.

Subd. 24. Concurrent Enrollment Courses

340,000

340,000

(a) \$225,000 in fiscal year 2018 and \$225,000 in fiscal year 2019 are for grants to develop new concurrent enrollment courses under Minnesota Statutes, section 124D.09, subdivision 10, that satisfy the elective standard for career and technical education. Any balance in the first year does not cancel but is available in the second year.

(b) \$115,000 in fiscal year 2018 and \$115,000 in fiscal year 2019 are for grants to postsecondary institutions currently sponsoring a concurrent enrollment course to expand existing programs. The commissioner shall determine the application process and the grant amounts. The commissioner must give preference to expanding programs that are at capacity. Any balance in the first year does not cancel but is available in the second year.

(c) By December 1 of each year, the office shall submit a brief report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education regarding:

(1) the courses developed by grant recipients and the number of students who enrolled in the courses under paragraph (a); and

(2) the programs expanded and the number of students who enrolled in programs under paragraph (b).

Subd. 25. Campus Sexual Assault Reporting

25,000

25,000

For the sexual assault reporting required under Minnesota Statutes, section 135A.15.

Subd. 26. Campus Sexual Violence Prevention and Response Coordinator

150,000

150,000

For the Office of Higher Education to staff a campus sexual violence prevention and response coordinator to serve as a statewide resource providing professional development and guidance on best practices for postsecondary institutions. \$50,000 each year are for administrative funding to conduct trainings and provide materials to postsecondary institutions.

Subd. 27. Addiction Medicine Graduate Fellowship Program210,000-0-

For the addiction medicine graduate fellowship program under Laws 2016, chapter 189, article 1, section 2, subdivision 4.

Subd. 28. Student and Employer Connection Information System405,000405,000

For a grant to the Minnesota Chamber Foundation for the creation of a web-based job and intern-seeking software tool that blind matches the needs of employers located in Minnesota with the individual profiles of high school seniors and postsecondary students attending Minnesota high schools and postsecondary institutions. No more than three percent of this appropriation may be used for administrative expenses of the foundation. The foundation must report by January 15, 2019, on activities under this subdivision to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance.

Subd. 29. Emergency Assistance for Postsecondary Students175,000175,000

(a) This appropriation is for the Office of Higher Education to allocate grant funds on a matching basis to schools with a demonstrable homeless student population.

(b) This appropriation shall be used to meet immediate student needs that could result in a student not completing the term or their program including, but not limited to, emergency housing, food, and transportation. Emergency assistance does not impact the amount of state financial aid received.

(c) The commissioner shall determine the application process and the grant amounts. Any balance in the first year does not cancel but shall be available in the second year. The Office of Higher Education shall partner with interested postsecondary institutions, other state agencies, and student groups to establish the programs.

Subd. 30. Grants to Teacher Candidates500,000500,000

For grants to teacher candidates under Minnesota Statutes, section 136A.1275. This appropriation is in addition to the money available under Laws 2016, chapter 189, article 25, section 62, subdivision 11.

The commissioner may use no more than three percent of the appropriation for administration of the program.

Subd. 31. Teacher Shortage Loan Forgiveness200,000200,000

For the loan forgiveness program under Minnesota Statutes, section 136A.1791.

The commissioner may use no more than three percent of this appropriation to administer the program under this subdivision.

Subd. 32. Large Animal Veterinarian Loan Forgiveness Program375,000375,000

For the large animal veterinarian loan forgiveness program under Minnesota Statutes, section 136A.1795.

Subd. 33. Agricultural Educators Loan Forgiveness50,00050,000

For deposit in the agricultural education loan forgiveness account.

Subd. 34. Aviation Degree Loan Forgiveness Program25,00025,000

For the aviation degree loan forgiveness program under Minnesota Statutes, section 136A.1789.

Subd. 35. Grants for Students with Intellectual and Developmental Disabilities200,000200,000

For grants for students with intellectual and developmental disabilities under Minnesota Statutes, section 136A.1215.

Subd. 36. Loan Repayment Assistance Program25,00025,000

For a grant to the Loan Repayment Assistance Program of Minnesota to provide education debt relief to attorneys with full-time employment providing legal advice or representation to low-income clients or support services for this work.

Subd. 37. Minnesota Life College1,000,0001,000,000

For a grant to Minnesota Life College for need-based scholarships and tuition reduction.

Subd. 38. Agency Administration4,064,0004,064,000**Subd. 39. Balances Forward**

A balance in the first year under this section does not cancel, but is available for the second year.

Subd. 40. Transfers

The commissioner of the Office of Higher Education may transfer unencumbered balances from the appropriations in this section to the state grant appropriation, the interstate tuition reciprocity appropriation, the child care grant appropriation, the Indian scholarship appropriation, the state work-study appropriation, the get ready appropriation, and the public safety officers' survivors appropriation. Transfers from the child care or state work-study appropriations may only be made to the extent there is a projected surplus in the appropriation. A transfer may be made only with prior written notice to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over higher education finance.

Sec. 3. BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES**Subdivision 1. Total Appropriation****\$731,019,000****\$721,919,000**

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

Subd. 2. Central Office and Shared Services Unit33,074,00033,074,000

For the Office of the Chancellor and the Shared Services Division.

Subd. 3. Operations and Maintenance693,830,000684,730,000

(a) The Board of Trustees must establish tuition rates as follows:

(1) for the 2017-2018 academic year, the tuition rate at colleges must not exceed the 2016-2017 academic year rate by more than one percent; and

(2) for the 2018-2019 academic year, the tuition rates for undergraduates at colleges and universities must not exceed the 2017-2018 academic year rates.

The student tuition relief may not be offset by increases in mandatory fees, charges, or other assessments to the student. Colleges and universities are permitted to increase differential tuition charges in fiscal years 2018 and 2019 where costs for course or program delivery have increased due to extraordinary circumstances beyond the control of the college or university. Rates and rationale must be approved by the Board of Trustees.

(b) \$3,000,000 in fiscal year 2018 and \$3,000,000 in fiscal year 2019 are to provide the supplemental aid under article 2, section 24.

(c) The Board of Trustees is requested to help Minnesota close the attainment gap by funding activities which improve retention and completion for students of color.

(d) This appropriation includes \$1,000,000 in fiscal year 2019 for workforce development scholarships under Minnesota Statutes, section 136F.38. The base for this appropriation in fiscal year 2020 is \$500,000.

(e) \$200,000 each year is for transfer to the Cook County Higher Education Board to provide educational programming and academic support services to remote regions in northeastern Minnesota. The Cook County Higher Education Board shall continue to provide information to the Board of Trustees on the number of students served, credit hours delivered, and services provided to students.

(f) \$50,000 in fiscal year 2018 and \$50,000 in fiscal year 2019 are for developing and teaching online agricultural courses by farm business management faculty at colleges that offer farm business management.

(g) \$175,000 in fiscal year 2018 and \$175,000 in fiscal year 2019 are for the veterans-to-agriculture pilot program established by Laws 2015, chapter 69, article 1, section 4, subdivision 3. The program shall continue to conform to the requirements of that subdivision. The appropriation shall be used to support, in equal amounts, up to six program sites statewide. No more than two percent of the total appropriation provided by this section may be used for administrative purposes at the system level.

No later than December 15, 2018, the program shall report to the committees of the house of representatives and the senate with jurisdiction over issues related to agriculture, veterans affairs, and higher education on program operations, including information on participation rates, new job placements, and any unmet needs.

(h) This appropriation includes \$40,000 in fiscal year 2018 and \$40,000 in fiscal year 2019 to implement the sexual assault policies required under Minnesota Statutes, section 135A.15.

(i) This appropriation includes \$4,000,000 in fiscal year 2018 and \$4,000,000 in fiscal year 2019 for upgrading the Integrated Statewide Record System.

(j) \$100,000 in fiscal year 2018 is for use by Winona State University for HealthForce Minnesota to develop educational materials that increase awareness of career opportunities available in the field of senior care. The educational materials developed under this provision must be appropriate for students in K-12 education settings, dislocated workers, and rural communities. Materials must be developed in collaboration with employers and trade organizations representing employers in the field of senior care.

Winona State University shall submit a report by February 1, 2019, to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy. The report must include information about the materials developed, to whom materials were distributed, and identify any collaborations with employers and trade organizations.

Subd. 4. Learning Network of Minnesota

4,115,000

4,115,000

Sec. 4. BOARD OF REGENTS OF THE UNIVERSITY OF MINNESOTA

Subdivision 1. Total Appropriation

\$660,843,000

\$650,793,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>658,686,000</u>	<u>648,636,000</u>
<u>Health Care Access</u>	<u>2,157,000</u>	<u>2,157,000</u>

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

Subd. 2. Operations and Maintenance

590,248,000

580,198,000

(a) The Board of Regents is requested to set resident tuition rates for academic year 2018-2019 at levels not to exceed the rates for academic year 2017-2018.

(b) \$15,000,000 in fiscal year 2018 and \$15,000,000 in fiscal year 2019 are to: (1) increase the medical school's research capacity; (2) improve the medical school's ranking in National Institutes of Health funding; (3) ensure the medical school's national prominence by attracting and retaining world-class faculty, staff, and students; (4) invest in physician training programs in rural and underserved communities; and (5) translate the medical school's research discoveries into new treatments and cures to improve the health of Minnesotans.

(c) \$7,800,000 in fiscal year 2018 and \$7,800,000 in fiscal year 2019 are for health training restoration. This appropriation must be used to support all of the following: (1) faculty physicians who teach at eight residency program sites, including medical resident and student training programs in the Department of Family Medicine; (2) the Mobile Dental Clinic; and (3) expansion of geriatric education and family programs.

(d) \$4,000,000 in fiscal year 2018 and \$4,000,000 in fiscal year 2019 are for the Minnesota Discovery, Research, and InnoVation Economy funding program for cancer care research.

(e) \$50,000 in fiscal year 2018 is to develop and implement a plan to offer the academic program for students with intellectual and developmental disabilities required in article 2, section 18. The Board of Regents must submit a report on the plan to the chairs and ranking minority members of the committees of the legislature with jurisdiction over higher education finance and policy no later than January 15, 2018. The report must describe program plans, including strategies for recruitment of applicants, and strategies to address anticipated program needs that cannot be filled using existing campus or system resources. This is a onetime appropriation.

(f) \$500,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are for the University of Minnesota, Morris branch, to cover the costs of tuition waivers under Minnesota Statutes, section 137.16.

Subd. 3. Primary Care Education Initiatives

2,157,000

2,157,000

This appropriation is from the health care access fund.

Subd. 4. Special Appropriations

(a) Agriculture and Extension Service

42,922,000

42,922,000

For the Agricultural Experiment Station and the Minnesota Extension Service:

(1) the agricultural experiment stations and Minnesota Extension Service must convene agricultural advisory groups to focus research, education, and extension activities on producer needs and implement an outreach strategy that more effectively and rapidly transfers research results and best practices to producers throughout the state;

(2) this appropriation includes funding for research and outreach on the production of renewable energy from Minnesota biomass resources, including agronomic crops, plant and animal wastes, and native plants or trees. The following areas should be prioritized and carried out in consultation with Minnesota producers, renewable energy, and bioenergy organizations:

(i) biofuel and other energy production from perennial crops, small grains, row crops, and forestry products in conjunction with the Natural Resources Research Institute (NRRI);

(ii) alternative bioenergy crops and cropping systems; and

(iii) biofuel coproducts used for livestock feed;

(3) this appropriation includes funding for the College of Food, Agricultural, and Natural Resources Sciences to establish and provide leadership for organic agronomic, horticultural, livestock, and food systems research, education, and outreach and for the purchase of state-of-the-art laboratory, planting, tilling, harvesting, and processing equipment necessary for this project;

(4) this appropriation includes funding for research efforts that demonstrate a renewed emphasis on the needs of the state's agriculture community. The following areas should be prioritized and carried out in consultation with Minnesota farm organizations:

(i) vegetable crop research with priority for extending the Minnesota vegetable growing season;

(ii) fertilizer and soil fertility research and development;

(iii) soil, groundwater, and surface water conservation practices and contaminant reduction research;

(iv) discovering and developing plant varieties that use nutrients more efficiently;

(v) breeding and development of turf seed and other biomass resources in all three Minnesota biomes;

(vi) development of new disease-resistant and pest-resistant varieties of turf and agronomic crops;

(vii) utilizing plant and livestock cells to treat and cure human diseases;

(viii) the development of dairy coproducts;

(ix) a rapid agricultural response fund for current or emerging animal, plant, and insect problems affecting production or food safety;

(x) crop pest and animal disease research;

(xi) developing animal agriculture that is capable of sustainably feeding the world;

(xii) consumer food safety education and outreach;

(xiii) programs to meet the research and outreach needs of organic livestock and crop farmers; and

(xiv) alternative bioenergy crops and cropping systems; and growing, harvesting, and transporting biomass plant material; and

(5) by February 1, 2019, the Board of Regents must submit a report to the legislative committees and divisions with jurisdiction over agriculture and higher education finance on the status and outcomes of research and initiatives funded in this paragraph.

(b) Health Sciences

9,204,000

9,204,000

\$346,000 each year is to support up to 12 resident physicians in the St. Cloud Hospital family practice residency program. The program must prepare doctors to practice primary care medicine in rural areas of the state. The legislature intends this program to improve health care in rural communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a more cost-effective manner. The remainder of this appropriation is for the rural physicians associates program; the Veterinary Diagnostic Laboratory; health sciences research; dental care; the Biomedical Engineering Center; and the collaborative partnership between the University of Minnesota and Mayo Clinic for regenerative medicine, research, clinical translation, and commercialization.

(c) Institute of Technology

1,140,000

1,140,000

For the geological survey and the talented youth mathematics program.

(d) System Special

7,181,000

7,181,000

For general research, the Labor Education Service, Natural Resources Research Institute, Center for Urban and Regional Affairs, Bell Museum of Natural History, and the Humphrey exhibit.

\$2,000,000 in fiscal year 2018 and \$2,000,000 in fiscal year 2019 are for the Natural Resources Research Institute to invest in applied research for economic development.

(e) University of Minnesota and Mayo Foundation Partnership

7,991,000

7,991,000

This appropriation is for the following activities:

(1) \$7,491,000 in fiscal year 2018 and \$7,491,000 in fiscal year 2019 are for the direct and indirect expenses of the collaborative research partnership between the University of Minnesota and the Mayo Foundation for research in biotechnology and medical genomics. An annual report on the expenditure of these funds must be submitted to the governor and the chairs of the legislative committees responsible for higher education finance by June 30 of each fiscal year.

(2) \$500,000 in fiscal year 2018 and \$500,000 in fiscal year 2019 are to award competitive grants to conduct research into the prevention, treatment, causes, and cures of Alzheimer's disease and other dementias.

Subd. 5. Academic Health Center

The appropriation for Academic Health Center funding under Minnesota Statutes, section 297F.10, is estimated to be \$22,250,000 each year.

Sec. 5. MAYO CLINIC

Subdivision 1. Total Appropriation

\$1,351,000

\$1,351,000

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

Subd. 2. Medical School

665,000

665,000

The state must pay a capitation each year for each student who is a resident of Minnesota. The appropriation may be transferred between each year of the biennium to accommodate enrollment fluctuations. It is intended that during the biennium the Mayo Clinic use the capitation money to increase the number of doctors practicing in rural areas in need of doctors.

Subd. 3. Family Practice and Graduate Residency Program

686,000

686,000

The state must pay stipend support for up to 27 residents each year.

**ARTICLE 2
HIGHER EDUCATION POLICY**

Section 1. Minnesota Statutes 2016, section 43A.06, subdivision 1, is amended to read:

Subdivision 1. **General.** (a) The commissioner shall perform the duties assigned to the commissioner by sections 3.855, 179A.01 to 179A.25 and this section.

(b) The commissioner shall be the state labor negotiator for purposes of negotiating and administering agreements with exclusive representatives of employees and shall perform any other duties delegated by the commissioner subject to the limitations in paragraph (c).

(c) The Board of Trustees of the Minnesota State Colleges and Universities may exercise the powers under this section for employees included in the units provided in clauses (9), (10), and (11) of section 179A.10, subdivision 2, except with respect to sections 43A.22 to 43A.31, which shall continue to be the responsibility of the commissioner. The commissioner shall have the right to review and comment to the Minnesota State Colleges and Universities on the board's final proposals prior to exchange of final positions with the designated bargaining units as well as any requests for interest arbitration. The legislature encourages the Board of Trustees, in coordination with the commissioner of management and budget and the Board of Regents of the University of Minnesota, to endeavor in collective bargaining negotiations to seek fiscal balance recognizing the ability of the employer to fund the

agreements or awards. When submitting a proposed collective bargaining agreement to the Legislative Coordinating Commission and the legislature under section 3.855, subdivision 2, the Board of Trustees must use procedures and assumptions consistent with those used by the commissioner in calculating the costs of the proposed contract. The Legislative Coordinating Commission must, when considering a collective bargaining agreement or arbitration award submitted by the Board of Trustees, evaluate market conditions affecting the employees in the bargaining unit, equity with other bargaining units in the executive branch, and the ability of the trustees and the state to fund the agreement or award.

Sec. 2. Minnesota Statutes 2016, section 135A.031, subdivision 7, is amended to read:

Subd. 7. **Reports.** (a) The University of Minnesota and the Minnesota State Colleges and Universities systems shall include in their biennial budget proposals to the legislature:

(1) a five-year history of systemwide expenditures, reported by:

(i) functional areas, including instruction, research, public service, student financial aid, and auxiliary services, and including direct costs and indirect costs, such as institutional support, academic support, student services, and facilities management, associated with each functional area; and

(ii) objects of expenditure, such as salaries, benefits, supplies, and equipment, including a full explanation of all material changes to the expenditure categories when compared to the prior fiscal year;

(2) a five-year history of the system's total instructional expenditures per full-year equivalent student, by level of instruction, including upper-division undergraduate, lower-division undergraduate, graduate, professional, and other categories of instructional programs offered by the system;

(3) a five-year history of the system's total revenues by funding source, including tuition, state operations and maintenance appropriations, state special appropriations, other restricted state funds, federal appropriations, sponsored research funds, gifts, auxiliary revenue, indirect cost recovery, and any other revenue sources;

(4) an explanation describing how state appropriations made to the system in the previous biennium were allocated and the methodology used to determine the allocation;

(5) data describing how the institution reallocated resources to advance the priorities set forth in the budget submitted under section 135A.034 and the statewide objectives under section 135A.011. The information must indicate whether instruction and support programs received a reduction in or additional resources. The total amount reallocated must be clearly explained;

(6) the tuition rates and fees established by the governing board in each of the past ten years and comparison data for peer institutions and national averages;

(7) data on the number and proportion of students graduating within four, five, and six years from universities and within three years from colleges as reported in the integrated postsecondary education data system. These data must be provided for each institution by race, ethnicity, and gender. Data and information must be submitted that describe the system's plan and progress toward attaining the goals set forth in the plan to increase the number and proportion of students that graduate within four, five, or six years from a university or within three years from a college;

(8) data on, and the methodology used to measure, the number of students traditionally underrepresented in higher education enrolled at the system's institutions. Data and information must be submitted that describe the system's plan and progress toward attaining the goals set forth in the plan to increase the recruitment, retention, and timely graduation of students traditionally underrepresented in higher education; ~~and~~

(9) data on the revenue received from all sources to support research or workforce development activities or the system's efforts to license, sell, or otherwise market products, ideas, technology, and related inventions created in whole or in part by the system. Data and information must be submitted that describe the system's plan and progress toward attaining the goals set forth in the plan to increase the revenue received to support research or workforce development activities or revenue received from the licensing, sale, or other marketing and technology transfer activities by the system;

(10) data on consulting contracts from the last two completed fiscal years for which the work is performed by a consultant who is not an employee of the system, for which the system paid in excess of \$500,000. Data must include the name of the consultant, the total value of the contract, a description of the work completed, and a description of the reasons for using an outside consultant and not internal staff. Consulting contracts are defined as contracts from management, investment and financial advisory services, project management, computer/technology advisory services, and construction project management; and

(11) aggregate data on the following:

(i) student demographics;

(ii) a five-year history of student enrollment, including student enrollment by legislative district;

(iii) a five-year history of student debt;

(iv) a five-year history of mandatory student fees by campus;

(v) employee head count and employee demographics;

(vi) facilities, including physical space overview, condition, square footage, distribution by region, any deferred maintenance, and capital bonding requested and received;

(vii) administrative costs, including the definition of "administrators" used by the system, the total number of "administrators" as percent of total employee head count, and system office budget for Minnesota State Colleges and Universities as percent of total system general fund revenue; and

(viii) college and university operating budgets.

(b) Data required by this subdivision shall be submitted by the public postsecondary systems to the Minnesota Office of Higher Education and the Department of Management and Budget and included in the biennial budget document. Representatives from each system, in consultation with the commissioner of management and budget and the commissioner of the Office of Higher Education, shall develop consistent reporting practices for this purpose.

(c) To the extent practicable, each system shall develop the ability to respond to legislative requests for financial analyses that are more detailed than those required by this subdivision, including but not limited to analyses that show expenditures or revenues by institution or program, or in multiple categories of expenditures or revenues, and analyses that show revenue sources for particular types of expenditures.

Sec. 3. **[135A.0434] MANDATORY STUDENT ACTIVITY FEES REFERENDUM.**

Subdivision 1. **Referendum.** The governing body of a public postsecondary institution must not increase mandatory student activity fees by greater than two percent relative to the previous academic year unless the increase is approved by a majority of students voting in a campus referendum. This section does not apply to fees paid by students that are directly related to academic, administrative, health services, or debt obligations, including bonds issued under sections 136F.90 to 136F.98. The Board of Regents of the University of Minnesota is requested to adopt a policy implementing this section.

Subd. 2. **Penalty.** If the Board of Regents of the University of Minnesota increases mandatory student activity fees by more than two percent without approval by a vote of the student body as described in subdivision 1, the commissioner of management and budget shall deduct from the university's appropriation base an amount equal to one percent of the university's appropriation base in the first year of the next biennium.

EFFECTIVE DATE. This section is effective beginning September 1, 2017, and applies to actions taken by a governing body of a public postsecondary institution.

Sec. 4. **[135A.158] INFORMATION PROVIDED TO STUDENT PARENTS AND PREGNANT STUDENTS.**

A public or regionally accredited private postsecondary educational institution must provide information according to this section to students who are parents of one or more children age 12 or younger, and to students who notify the institution that they are pregnant. The information must include a fact sheet on the legal rights of student parents and pregnant students and a list of resources to support student parents and pregnant students. The list of resources may include resources for prenatal care, child care, transportation, and housing. This information must be available in languages that reflect the primary languages of the institution's student body. The Board of Regents of the University of Minnesota is requested to comply with this section.

Sec. 5. **[136A.055] DEVELOPMENTAL EDUCATION REPORTING.**

(a) The commissioner must report on the department's Web site the following summary data on students who graduated from a Minnesota high school and are attending a public postsecondary institution in Minnesota, limited to the most recent academic school year:

(1) the number of students placed in supplemental or developmental education;

(2) the number of students who complete supplemental or developmental education within one academic year;

(3) the number of students that complete gateway courses in one academic year; and

(4) time to complete a degree or certificate at a postsecondary institution.

(b) Summary data must be aggregated by school district, high school, and postsecondary institution. Summary data must be disaggregated by race, ethnicity, free or reduced-price lunch eligibility, and age.

(c) The commissioner must post the initial data on the department's Web site on or before February 15, 2018, and must update the data at least annually thereafter.

Sec. 6. Minnesota Statutes 2016, section 136A.101, subdivision 5a, is amended to read:

Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the amount of a family's contribution to a student's cost of attendance, as determined by a federal need analysis. For dependent students, the assigned family responsibility is ~~94~~ 84 percent of the parental contribution. For independent students with dependents other than a spouse, the assigned family responsibility is ~~86~~ 76 percent of the student contribution. For independent students without dependents other than a spouse, the assigned family responsibility is ~~50~~ 40 percent of the student contribution.

Sec. 7. Minnesota Statutes 2016, section 136A.121, subdivision 6, is amended to read:

Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an allowance specified in law for living and miscellaneous expenses, and (2) an allowance for tuition and fees equal to the lesser of the average tuition and fees charged by the institution, or a tuition and fee maximum if one is established in law. If no living and miscellaneous expense allowance is established in law, the allowance is equal to 101 percent of the federal poverty guidelines for a one person household in Minnesota for nine months. If no tuition and fee maximum is established in law, the allowance for tuition and fees is equal to the lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year programs, an amount equal to the highest tuition and fees charged at a public two-year institution, or for four-year programs, an amount equal to the highest tuition and fees charged at a public university.

(b) For a student registering for less than full time, the office shall prorate the cost of attendance to the actual number of credits for which the student is enrolled.

(c) The recognized cost of attendance for a student who is confined to a Minnesota correctional institution shall consist of the tuition and fee component in paragraph (a), with no allowance for living and miscellaneous expenses.

(d) For the purpose of this subdivision, "fees" include only those fees that are mandatory and charged to full-time resident students attending the institution. Fees do not include charges for tools, equipment, computers, or other similar materials where the student retains ownership. Fees include charges for these materials if the institution retains ownership. Fees do not include optional or punitive fees.

Sec. 8. **[136A.1215] GRANTS FOR STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.**

Subdivision 1. **Establishment.** A program is established to provide financial assistance to students with intellectual and developmental disabilities that attend a Minnesota postsecondary institution.

Subd. 2. **Eligible students.** A postsecondary student is eligible for a grant under this section if the student:

(1) meets the eligibility requirements in section 136A.121, subdivision 2;

(2) is a student with an intellectual disability, as defined in Code of Federal Regulations, title 34, section 668.231, and is enrolled in a comprehensive transition and postsecondary program under that section; and

(3) attends an eligible institution, as defined in section 136A.101, subdivision 4.

Subd. 3. **Application.** To receive a grant under this section, a student must apply in the form and manner specified by the commissioner.

Subd. 4. **Grant amounts.** (a) The amount of a grant under this section equals the tuition and fees at the student's postsecondary institution, minus:

(1) any Pell or state grants the student receives; and

(2) any institutional aid the student receives.

(b) If appropriations are insufficient to provide the full amount calculated under paragraph (a) to all eligible applicants, the commissioner must reduce the grants of all recipients proportionally.

Subd. 5. **Reporting.** By February 15 of each year, the commissioner of higher education must submit a report on the details of the program under this section to the legislative committees with jurisdiction over higher education finance and policy. The report must include the following information, broken out by postsecondary institution:

(1) the number of students receiving an award;

(2) the average and total award amounts; and

(3) summary demographic data on award recipients.

Sec. 9. Minnesota Statutes 2016, section 136A.125, subdivision 2, is amended to read:

Subd. 2. **Eligible students.** (a) An applicant is eligible for a child care grant if the applicant:

(1) is a resident of the state of Minnesota or the applicant's spouse is a resident of the state of Minnesota;

(2) has a child 12 years of age or younger, or 14 years of age or younger who is disabled as defined in section 125A.02, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;

(3) is income eligible as determined by the office's policies and rules, but is not a recipient of assistance from the Minnesota family investment program;

(4) either has not earned a baccalaureate degree and has been enrolled full time less than ~~eight~~ ten semesters or the equivalent, or has earned a baccalaureate degree and has been enrolled full time less than ~~eight~~ ten semesters or the equivalent in a graduate or professional degree program;

(5) is pursuing a nonsectarian program or course of study that applies to an undergraduate, graduate, or professional degree, diploma, or certificate;

(6) is enrolled in at least six credits in an undergraduate program or one credit in a graduate or professional program in an eligible institution; and

(7) is in good academic standing and making satisfactory academic progress.

(b) A student who withdraws from enrollment for active military service after December 31, 2002, because the student was ordered to active military service as defined in section 190.05, subdivision 5b or 5c, or for a major illness, while under the care of a medical professional, that substantially limits the student's ability to complete the term is entitled to an additional semester or the equivalent of grant eligibility and will be considered to be in continuing enrollment status upon return.

Sec. 10. Minnesota Statutes 2016, section 136A.125, subdivision 4, is amended to read:

Subd. 4. **Amount and length of grants.** (a) The amount of a child care grant must be based on:

- (1) the income of the applicant and the applicant's spouse;
- (2) the number in the applicant's family, as defined by the office; and
- (3) the number of eligible children in the applicant's family.

(b) The maximum award to the applicant shall be ~~\$2,800~~ \$3,000 for each eligible child per academic year, except that the campus financial aid officer may apply to the office for approval to increase grants by up to ten percent to compensate for higher market charges for infant care in a community. The office shall develop policies to determine community market costs and review institutional requests for compensatory grant increases to ensure need and equal treatment. The office shall prepare a chart to show the amount of a grant that will be awarded per child based on the factors in this subdivision. The chart shall include a range of income and family size.

(c) Applicants with family incomes at or below a percentage of the federal poverty level, as determined by the commissioner, will qualify for the maximum award. The commissioner shall attempt to set the percentage at a level estimated to fully expend the available appropriation for child care grants. Applicants with family incomes exceeding that threshold will receive the maximum award minus ten percent of their income exceeding that threshold. If the result is less than zero, the grant is zero.

(d) The academic year award amount must be disbursed by academic term using the following formula:

- (1) the academic year amount described in paragraph (b);
- (2) divided by the number of terms in the academic year;
- (3) divided by 15 for undergraduate students and six for graduate and professional students; and
- (4) multiplied by the number of credits for which the student is enrolled that academic term, up to 15 credits for undergraduate students and six for graduate and professional students.

(e) Payments shall be made each academic term to the student or to the child care provider, as determined by the institution. Institutions may make payments more than once within the academic term.

Sec. 11. Minnesota Statutes 2016, section 136A.1275, is amended to read:

136A.1275 GRANTS TO STUDENT TEACHERS IN SHORTAGE AREAS TEACHER CANDIDATE GRANTS.

Subdivision 1. **Establishment.** (a) The commissioner of the Office of Higher Education must establish a grant program for student teaching stipends for low-income students enrolled in a Board of Teaching-approved teacher preparation program who ~~are interested in teaching in a high needs subject area or region~~ intend to teach in a shortage area after graduating and receiving their teaching license or belong to an underrepresented racial or ethnic group. ~~For purposes of this section, "high needs subject area or region" means a shortage of teachers teaching in particular subject areas or a shortage of teachers teaching in particular regions of the state identified in the commissioner of education's biennial survey of districts under section 127A.05, subdivision 6, or in another Department of Education survey on teacher shortages.~~

(b) "Shortage area" means a license field or economic development region within Minnesota defined as a shortage area by the Department of Education using data collected for the teacher supply and demand report under section 127A.05, subdivision 6, or other surveys conducted by the Department of Education that provide indicators for teacher supply and demand.

Subd. 2. **Eligibility.** To be eligible for a grant under this section, a teacher candidate must:

(1) be enrolled in a Board of Teaching-approved teacher preparation program that requires at least 12 weeks of student teaching and results in the teacher candidate receiving in order to be recommended for a full professional teaching license enabling the licensee to teach in a high needs subject area or region; and

(2) demonstrate financial need based on criteria established by the commissioner under subdivision 3;

(3) intend to teach in a shortage area or belong to an underrepresented racial or ethnic group; and

(4) be meeting satisfactory academic progress as defined under section 136A.101, subdivision 10.

Subd. 3. **Administration; repayment.** (a) The commissioner must establish an application process and other guidelines for implementing this program, including repayment responsibilities for stipend recipients who do not complete student teaching or who leave Minnesota to teach in another state during the first year after student teaching.

(b) The commissioner must determine each academic year the stipend amount up to \$7,500 based on the amount of available funding and, the number of eligible applicants, and the financial need of the applicants.

(c) The percentage of the total award reserved for teacher candidates who identify as belonging to an underrepresented racial or ethnic group must be equal to or greater than the total percentage of students of underrepresented racial or ethnic groups as measured under section 120B.35, subdivision 3. If this percentage cannot be met because of a lack of qualifying candidates, the remaining amount may be awarded to teacher candidates who intend to teach in a shortage area.

Sec. 12. **[136A.1789] AVIATION DEGREE LOAN FORGIVENESS PROGRAM.**

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

(b) "Qualified aircraft technician" means an individual who (1) has earned an associate's or bachelor's degree from a postsecondary institution located in Minnesota, and (2) has obtained an aviation mechanic's certificate from the Federal Aviation Administration.

(c) "Qualified education loan" means a government, commercial, or foundation loan used by an individual for actual costs paid for tuition to a postsecondary institution located in Minnesota for a professional flight training degree.

(d) "Qualified pilot" means an individual who (1) has earned an associate's or bachelor's degree in professional flight training from a postsecondary institution located in Minnesota, and (2) is in the process of obtaining or has obtained an airline transport pilot certificate.

Subd. 2. **Creation of account.** (a) An aviation degree loan forgiveness program account is established to provide qualified pilots and qualified aircraft technicians with financial assistance in repaying qualified education loans. The commissioner must use money from the account to establish and administer the aviation degree loan forgiveness program.

(b) Appropriations made to the aviation degree loan forgiveness program account do not cancel and are available until expended.

Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program under this section, an individual must:

- (1) be a qualified pilot or qualified aircraft technician;
- (2) have qualified education loans;
- (3) reside in Minnesota; and
- (4) submit an application to the commissioner in the form and manner prescribed by the commissioner.

(b) An applicant selected to participate must sign a contract to agree to serve a minimum one-year full-time service obligation according to subdivision 4. To complete the service obligation, the applicant must work full time in Minnesota as a qualified pilot or qualified aircraft technician. A participant must complete one year of service under this paragraph for each year the participant receives an award under this section.

Subd. 4. **Service obligation.** (a) Before receiving loan repayment disbursements and as requested, a participant must verify to the commissioner that the participant is employed in a position that fulfills the service obligation as required under subdivision 3, paragraph (b).

(b) If a participant does not fulfill the required service obligation, the commissioner must collect from the participant the total amount paid to the participant under the loan forgiveness program plus interest at a rate established according to section 270C.40. The commissioner must deposit the money collected in the aviation degree loan forgiveness account. The commissioner must allow waivers of all or part of the money owed the commissioner as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the minimum service commitment.

Subd. 5. **Loan forgiveness.** (a) The commissioner may select eligible applicants each year for participation in the aviation degree loan forgiveness program, within the limits of available funding. Applicants are responsible for securing their own qualified education loans.

(b) For each year that the participant meets the eligibility requirements under subdivision 3, the commissioner must make annual disbursements directly to:

(1) a selected qualified pilot of \$5,000 or the balance of the participant's qualified education loans, whichever is less; and

(2) a selected qualified aircraft technician of \$3,000 or the balance of the participant's qualified education loans, whichever is less.

(c) An individual may receive disbursements under this section for a maximum of five years.

(d) The participant must provide the commissioner with verification that the full amount of the loan repayment disbursement received by the participant has been applied toward the designated qualified education loan. After each disbursement, verification must be received by the commissioner and approved before the next repayment disbursement is made.

(e) If the participant receives a disbursement in the participant's fifth year of eligibility, the participant must provide the commissioner with verification that the full amount of the participant's final loan repayment disbursement was applied toward the designated qualified education loan. If a participant does not provide the verification as required under this paragraph within six months of receipt of the final disbursement, the commissioner must collect from the participant the amount of the final disbursement. The commissioner must deposit the money collected in the aviation degree loan forgiveness program account.

Subd. 6. **Rules.** The commissioner may adopt rules to implement this section.

Sec. 13. **[136A.1794] AGRICULTURAL EDUCATION LOAN FORGIVENESS PROGRAM.**

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

(b) "Qualified education loan" means a government, commercial, or foundation loan for actual costs paid for tuition, reasonable education expenses, and reasonable living expenses related to the graduate or undergraduate education of a qualified teacher.

(c) "Qualified teacher" means a teacher licensed under chapter 122A who:

(1) is employed in a nonadministrative position teaching agricultural education in any grade from grades 5 through 12 at a Minnesota school during the current year; and

(2) has completed an undergraduate or graduate program in agricultural education at a college or university approved by the state of Minnesota to prepare persons for teacher licensure.

(d) "School" means the following:

(1) a school or program operated by a school district or a group of school districts;

(2) a tribal contract school eligible to receive aid according to section 124D.83;

(3) a charter school; or

(4) a private school.

Subd. 2. **Account; appropriation.** An agricultural education loan forgiveness account is established in the special revenue fund to provide qualified teachers with financial assistance to repay qualified education loans. Money in the account, including interest, is appropriated to the commissioner for purposes of this section.

Subd. 3. **Eligibility.** (a) To be eligible to participate in the loan forgiveness program under this section, an individual must:

(1) be a qualified teacher;

(2) have qualified education loans; and

(3) submit an application to the commissioner in the form and manner prescribed by the commissioner.

(b) An applicant selected to participate must sign a contract to agree to serve a minimum one-year full-time service obligation according to subdivision 4. To complete the service obligation, the applicant must work full time in Minnesota as a qualified teacher. A participant must complete one year of service under this paragraph for each year the participant receives an award under this section.

Subd. 4. **Service obligation.** (a) Before receiving loan repayment disbursements and as requested, a participant must verify to the commissioner that the participant is employed in a position that fulfills the service obligation as required under subdivision 3, paragraph (b).

(b) If a participant does not fulfill the required service obligation, the commissioner must collect from the participant the total amount paid to the participant under the loan forgiveness program plus interest at a rate established according to section 270C.40. The commissioner must deposit the money collected in the agricultural education loan forgiveness account. The commissioner must allow waivers of all or part of the money owed the commissioner as a result of a nonfulfillment penalty if emergency circumstances prevented fulfillment of the minimum service commitment.

Subd. 5. **Loan forgiveness.** (a) The commissioner may select eligible applicants each year for participation in the agricultural education loan forgiveness program, within the limits of available funding. Applicants are responsible for securing their own qualified education loans.

(b) The commissioner must make annual disbursements directly to the eligible participant of \$3,000 or the balance of the participant's qualified education loans, whichever is less, for each year that the participant meets the eligibility requirements under subdivision 3, up to a maximum of five years.

(c) The participant must provide the commissioner with verification that the full amount of the loan repayment disbursement received by the participant has been applied toward the designated qualified education loan. After each disbursement, verification must be received by the commissioner and approved before the next repayment disbursement is made.

Sec. 14. Minnesota Statutes 2016, section 136A.653, is amended by adding a subdivision to read:

Subd. 5. **Regionally accredited institutions in Minnesota.** (a) A regionally accredited postsecondary institution with its primary physical location in Minnesota is exempt from the provisions of sections 136A.61 to 136A.71, including related fees, when it creates new or modifies existing:

(1) majors, minors, concentrations, specializations, and areas of emphasis within approved degrees;

(2) nondegree programs within approved degrees;

(3) underlying curriculum or courses;

(4) modes of delivery; and

(5) locations.

(b) The institution must annually notify the commissioner of the exempt actions listed in paragraph (a) and, upon the commissioner's request, must provide additional information about the action.

(c) The institution must notify the commissioner within 60 days of a program closing.

(d) Nothing in this subdivision exempts an institution from the annual registration and degree approval requirements of sections 136A.61 to 136A.71.

Sec. 15. Minnesota Statutes 2016, section 136A.685, is amended to read:

136A.685 PRIVATE INSTITUTIONS; ADJUDICATION OF FRAUD OR MISREPRESENTATION.

(a) The office shall not provide may revoke, or deny an application for, registration or degree or name approval to a school if there has been a criminal, civil, or administrative adjudication of fraud or misrepresentation in Minnesota or in another state or jurisdiction against the school or its owner, officers, agents, or sponsoring organization. If the adjudication was related to a particular academic program, the office may revoke or deny an application for:

(1) degree approval for the program only;

(2) registration for the school; or

(3) name approval for the school.

(b) The adjudication of fraud or misrepresentation is sufficient cause for the office to determine that a school:

(1) does not qualify for exemption under section 136A.657; or

(2) is not approved to grant degrees or to use the term "academy," "college," "institute," or "university" in its name.

Sec. 16. Minnesota Statutes 2016, section 136A.902, subdivision 1, is amended to read:

Subdivision 1. **Membership.** The commissioner shall appoint a ~~42-member~~ 14-member advisory council consisting of:

(1) one member representing the University of Minnesota Medical School;

(2) one member representing the Mayo Medical School;

(3) one member representing the Courage Kenny Rehabilitation Center;

(4) one member representing Hennepin County Medical Center;

(5) one member who is a neurosurgeon;

(6) one member who has a spinal cord injury;

(7) one member who is a family member of a person with a spinal cord injury;

(8) one member who has a traumatic brain injury;

(9) one member who is a veteran who has a spinal cord injury ~~or a traumatic brain injury;~~

(10) one member who is a veteran who has a traumatic brain injury;

(11) one member who is a family member of a person with a traumatic brain injury;

~~(11)~~ (12) one member who is a physician specializing in the treatment of spinal cord injury ~~representing Gillette Children's Specialty Healthcare; and~~

~~(12)~~ (13) one member who is a physician specializing in the treatment of traumatic brain injury; and

(14) one member representing Gillette Children's Specialty Healthcare.

Sec. 17. **[136F.38] WORKFORCE DEVELOPMENT SCHOLARSHIPS.**

Subdivision 1. **Program established.** The board shall develop a scholarship program to incentivize new students to enter high-demand occupations upon graduation.

Subd. 2. **Scholarship awards.** The program shall award scholarships at the beginning of an academic term, in the amount of \$2,500, to be distributed evenly between two terms.

Subd. 3. **Program eligibility.** (a) Scholarships shall be awarded only to a student eligible for resident tuition, as defined in section 135A.043, who is enrolled in any of the following programs of study or certification: (1) advanced manufacturing; (2) agriculture; (3) health care services; or (4) information technology.

(b) The student must be enrolled for at least nine credits at a two-year college in the Minnesota State Colleges and Universities system.

Subd. 4. **Renewal; cap.** A student who has received a scholarship may apply again but total lifetime awards are not to exceed \$5,000 per student. Students may only be awarded a second scholarship upon completion of two academic terms.

Subd. 5. **Administration.** (a) The board shall establish an application process and other guidelines for implementing this program.

(b) The board shall give preference to students in financial need.

Subd. 6. **Report required.** The board must submit an annual report by February 1 of each year about the scholarship awards to the chairs and ranking minority members of the senate and house of representatives committees with jurisdiction over higher education finance and policy. The first report is due no later than February 1, 2019. The annual report shall describe the following:

(1) the number of students receiving a scholarship at each two-year college during the previous fiscal year;

(2) the number of scholarships awarded for each program of study or certification described in subdivision 3, paragraph (a);

(3) the number of scholarship recipients who completed a program of study or certification described in subdivision 3, paragraph (a);

(4) the number of scholarship recipients who secured employment by their graduation date and those who secured employment within three months of their graduation date;

(5) a list of occupations scholarship recipients are entering; and

(6) the number of students who were denied a scholarship.

EFFECTIVE DATE. This section is effective July 1, 2018.

Sec. 18. **[137.45] PROGRAM FOR STUDENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.**

Subdivision 1. **Program required.** The Board of Regents of the University of Minnesota is requested to offer an academic program consistent with the requirements of this section for students with intellectual and developmental disabilities at the University of Minnesota-Morris.

Subd. 2. **Enrollment and admission.** The program must establish an enrollment goal of at least 15 incoming students per academic year. The board is requested to establish an application process for the program. A student who successfully completes the program must be awarded a certificate, diploma, or other appropriate academic credential.

Subd. 3. **Curriculum and activities.** (a) The program must provide an inclusive, full-time, two-year residential college experience for students with intellectual and developmental disabilities. The curriculum must include:

(1) core courses that develop life skills, financial literacy, and the ability to live independently;

(2) rigorous academic work in a student's chosen field of study; and

(3) an internship, apprenticeship, or other skills-based experience to prepare for meaningful employment upon completion of the program.

(b) In addition to academic requirements, the program must allow participating students the opportunity to engage fully in campus life. Program activities must include, but are not limited to:

(1) the establishment of on-campus mentoring and peer support communities; and

(2) opportunities for personal growth through leadership development and other community engagement activities.

(c) The program may tailor its curriculum and activities to highlight academic programs, student and community life experiences, and employment opportunities unique to the campus or the region where the campus is located.

Subd. 4. **Reporting.** By January 15 of each year, the board must submit a report on the program to the chairs and ranking minority members of the committees in the house of representatives and the senate with jurisdiction over higher education finance and policy. The report must include, but need not be limited to, information regarding:

(1) the number of students participating in the program;

(2) program goals and outcomes; and

(3) the success rate of participants.

EFFECTIVE DATE. This section is effective beginning in the 2018-2019 academic year.

Sec. 19. **[137.47] FETAL TISSUE RESEARCH.**

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

(b) "Aborted fetal tissue" means fetal tissue that is available as a result of an elective abortion.

(c) "Fetal tissue" means any body part, organ, or cell of an unborn human child. Fetal tissue does not include tissue or cells obtained from a placenta, umbilical cord, or amniotic fluid.

(d) "Institutional Review Board" or "IRB" means the University of Minnesota's Institutional Review Board, the primary unit responsible for oversight of human subjects research protections.

(e) "Fetal Tissue Research Committee" or "FTR" means an oversight committee at the University of Minnesota with the responsibility to oversee, review, and approve or deny research using fetal tissue.

(f) "Non-aborted fetal tissue" means fetal tissue that is available as a result of a miscarriage or stillbirth, or fetal tissue from a living unborn child.

(g) "Research" means systematic investigation, including development, testing, and evaluation, designed to develop or contribute to generalizable knowledge. Research does not include a procedure or test administered to a particular patient by a physician for medical purposes.

Subd. 2. Approval by the Fetal Tissue Research Committee. (a) A researcher at the University of Minnesota must obtain approval from the FTR before conducting research using fetal tissue. The FTR must consider whether alternatives to fetal tissue would be sufficient for the research. If the proposed research involves aborted fetal tissue, the researcher must provide a written narrative justifying the use of aborted fetal tissue and discussing whether alternatives to aborted fetal tissue, including non-aborted fetal tissue, can be used.

(b) The FTR must submit its decision to the IRB. The IRB is requested to review the conclusions of the FTR to ensure that all alternatives have been considered.

Subd. 3. Legislative report. (a) No later than January 15 of each year, the Board of Regents must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education policy and finance and health and human services policy and finance. The report must describe:

(1) all fetal tissue research proposals submitted to the FTR or IRB, including any written narrative required under subdivision 2;

(2) whether the research proposal involved aborted fetal tissue;

(3) action by the FTR or IRB on all fetal tissue research proposals, including whether the proposal was approved by the FTR or IRB;

(4) a list of all new or ongoing fetal tissue research projects at the university, including:

(i) the date that the project was approved by the FTR or IRB;

(ii) the source of funding for the project;

(iii) the goal or purpose of the project;

(iv) whether the fetal tissue used is aborted fetal tissue or non-aborted fetal tissue;

(v) the source of the fetal tissue used;

(vi) references to any publicly available information about the project, such as National Institutes of Health grant award information; and

(vii) references to any publications resulting from the project.

(b) The report must not include a researcher's name, other identifying information, contact information, or the location of a laboratory or office.

Subd. 4. **Education on compliance to applicable laws and policies.** The University of Minnesota is requested to conduct education programs for all students and employees engaged in research on fetal tissue. Programs are requested to include mandatory comprehensive training on applicable federal and state laws, university policies and procedures, and other professional standards related to the respectful, humane, and ethical treatment of fetal tissue in research.

Sec. 20. Minnesota Statutes 2016, section 148.89, subdivision 5, is amended to read:

Subd. 5. **Practice of psychology.** "Practice of psychology" means the observation, description, evaluation, interpretation, or modification of human behavior by the application of psychological principles, methods, or procedures for any reason, including to prevent, eliminate, or manage symptomatic, maladaptive, or undesired behavior and to enhance interpersonal relationships, work, life and developmental adjustment, personal and organizational effectiveness, behavioral health, and mental health. The practice of psychology includes, but is not limited to, the following services, regardless of whether the provider receives payment for the services:

- (1) psychological research and teaching of psychology subject to the exemptions in section 148.9075;
- (2) assessment, including psychological testing and other means of evaluating personal characteristics such as intelligence, personality, abilities, interests, aptitudes, and neuropsychological functioning;
- (3) a psychological report, whether written or oral, including testimony of a provider as an expert witness, concerning the characteristics of an individual or entity;
- (4) psychotherapy, including but not limited to, categories such as behavioral, cognitive, emotive, systems, psychophysiological, or insight-oriented therapies; counseling; hypnosis; and diagnosis and treatment of:
 - (i) mental and emotional disorder or disability;
 - (ii) alcohol and substance dependence or abuse;
 - (iii) disorders of habit or conduct;
 - (iv) the psychological aspects of physical illness or condition, accident, injury, or disability, including the psychological impact of medications;
 - (v) life adjustment issues, including work-related and bereavement issues; and
 - (vi) child, family, or relationship issues;
- (5) psychoeducational services and treatment; and
- (6) consultation and supervision.

Sec. 21. **[148.9075] LICENSURE EXEMPTIONS.**

Subdivision 1. **Teaching and research.** Nothing in sections 148.88 to 148.98 shall be construed to prevent a person employed in a secondary, postsecondary, or graduate institution from teaching and conducting research in psychology within an educational institution that is recognized by a regional accrediting organization or by a federal, state, county, or local government institution, agency, or research facility, so long as:

(1) the institution, agency, or facility provides appropriate oversight mechanisms to ensure public protections; and

(2) the person is not providing direct clinical services to a client or clients as defined in sections 148.88 to 148.98.

Subd. 2. **Students.** Nothing in sections 148.88 to 148.98 shall prohibit the practice of psychology under qualified supervision by a practicum psychology student, a predoctoral psychology intern, or an individual who has earned a doctoral degree in psychology and is in the process of completing their postdoctoral supervised psychological employment.

Sec. 22. **[298.2215] COUNTY SCHOLARSHIP PROGRAM.**

Subdivision 1. **Establishment.** A county may establish a scholarship fund from any unencumbered revenue received pursuant to section 298.018, 298.28, 298.39, 298.396, or 298.405 or any law imposing a tax upon severed mineral values. Scholarships must be used at a two-year Minnesota State Colleges and Universities institution within the county. The county shall establish procedures for applying for and distributing the scholarships.

Subd. 2. **Eligibility.** An applicant for a scholarship under this section must be a resident of the county at the time of the applicant's high school graduation. The county may establish additional eligibility criteria.

Sec. 23. Laws 2014, chapter 312, article 1, section 15, is amended to read:

Sec. 15. **UNIVERSITY OF MINNESOTA BASE ADJUSTMENT.**

(a) For fiscal years 2016 to ~~2044~~ 2017, \$3,500,000 is added to the base operations and maintenance appropriation to the Board of Regents of the University of Minnesota in Laws 2013, chapter 99, article 1, section 5.

(b) For fiscal years 2018 to 2040, \$3,312,000 is added to the base operations and maintenance appropriation to the Board of Regents of the University of Minnesota in Laws 2013, chapter 99, article 1, section 5.

Sec. 24. **SUPPLEMENTAL AID FOR TWO-YEAR MNSCU INSTITUTIONS.**

The Board of Trustees of the Minnesota State Colleges and Universities shall provide supplemental aid for operations and maintenance to the president of each two-year institution in the system with at least one campus that is not located in a metropolitan county, as defined in Minnesota Statutes, section 473.121, subdivision 4. The board shall transfer \$100,000 for each campus not located in a metropolitan county in each year to the president of each institution that includes such a campus, provided that no institution may receive more than \$300,000 in total supplemental aid each year.

Sec. 25. **DEVELOPMENTAL EDUCATION REFORM.**

(a) The Board of Trustees of the Minnesota State Colleges and Universities shall create a plan to reform developmental education offerings on system campuses aimed at reducing the number of students placed into developmental education. The plan must include, but is not limited to:

(1) a systemwide multiple measures placement plan to guide campuses in placement of students into developmental education courses;

(2) uniform cut scores for student placement, where appropriate, which will lead to fewer students being placed into developmental education courses;

(3) other identified system policy changes, including an appeals process, that will decrease the number of students being placed into developmental education courses;

(4) accelerated pathways in mathematics, reading, and composition to ensure students can complete developmental education work in no more than one year, including allowing for students to complete college-level gateway courses in one year whenever possible;

(5) a comprehensive examination of the cost structure of developmental education, including potential financial incentives for students or other mechanisms to lower the cost of developmental offerings for students; and

(6) identified best practices and targeted support strategies such as the use of supplemental instruction, that may be used on every system campus around developmental education offerings.

(b) The plan must include deadlines for implementation of proposed changes and must be submitted to the chairs and ranking minority members of the legislative committees with jurisdiction over higher education finance and policy by February 15, 2018.

(c) The plan, in its entirety, shall be implemented by the start of the 2020-2021 academic term, with individual provisions being implemented earlier as dictated by the plan.

Sec. 26. **GREATER MINNESOTA OUTREACH AND RECRUITMENT.**

The Board of Regents of the University of Minnesota is requested to develop a plan to conduct outreach and recruitment of students from Minnesota, specifically identifying mechanisms to increase the number of students from greater Minnesota who are admitted to the university campus located in the metropolitan area. Greater Minnesota is defined as any area other than the area described in Minnesota Statutes, section 473.121, subdivision 4. The plan must be submitted to the chairs and ranking members of the senate and house of representatives legislative committees with jurisdiction over higher education finance and policy by February 15, 2018.

Sec. 27. **UNIVERSITY OF MINNESOTA FETAL TISSUE RESEARCH; LEGISLATIVE AUDITOR REVIEW.**

(a) The legislative auditor is requested to complete a comprehensive review of the use of fetal tissue in research activities at the University of Minnesota. The review must include:

(1) the total number of research activities in which fetal tissue is currently or has been previously used, including those that are in progress and those that have been completed;

(2) the cost of acquiring fetal tissues for use in research activities, itemized by the source of funds used for procurement, including funds from federal, state, and other public sources, and funds derived from student tuition and fees;

(3) the extent to which the conduct of the research activities complies with applicable federal and state laws related to acquisition, sale, handling, and disposition of human tissues, including fetal tissues;

(4) the extent to which the conduct of the research activities complies with applicable Board of Regents policies and procedures related to acquisition, sale, handling, and disposition of human tissues, including fetal tissues; and

(5) whether applicable Board of Regents policies include provisions to ensure fetal tissue is used in research activities only when necessary, and to ensure that the research activities are conducted in an ethical manner, including whether procedures and protocols for oversight have been implemented to verify compliance with these policies.

(b) As used in this section, "research activities" include any academic fetal tissue research or fetal tissue transplantation research activity or program conducted in a University of Minnesota facility, or that is supported, directly or indirectly, by University of Minnesota funds.

EFFECTIVE DATE. This section is effective the day following final enactment. The legislative auditor is requested to complete the review no later than one year following final enactment.

Sec. 28. **ONGOING APPROPRIATION.**

The appropriation under Laws 2016, chapter 189, article 25, section 62, subdivision 11, may be used to provide grants for any purpose under Minnesota Statutes, section 136A.1275.

ARTICLE 3
OFFICE OF HIGHER EDUCATION AGENCY POLICY

Section 1. Minnesota Statutes 2016, section 135A.15, subdivision 1a, is amended to read:

Subd. 1a. **Sexual assault definition.** For the purposes of this section, "sexual assault" means ~~forcible sex offenses~~ rape, sex offenses - fondling, sex offenses - incest, or sex offenses - statutory rape as defined in Code of Federal Regulations, title 34, part 668, subpart D, appendix A, as amended.

Sec. 2. Minnesota Statutes 2016, section 136A.103, is amended to read:

136A.103 INSTITUTION ELIGIBILITY REQUIREMENTS.

(a) A postsecondary institution is eligible for state student aid under chapter 136A and sections 197.791 and 299A.45, if the institution is located in this state and:

- (1) is operated by this state or the Board of Regents of the University of Minnesota; or
- (2) is operated privately and, as determined by the office, meets the requirements of paragraph (b).

(b) A private institution must:

(1) maintain academic standards substantially equivalent to those of comparable institutions operated in this state;

(2) be licensed or registered as a postsecondary institution by the office; and

(3)(i) by July 1, 2010, participate in the federal Pell Grant program under Title IV of the Higher Education Act of 1965, Public Law 89-329, as amended; or

(ii) if an institution was participating in state student aid programs as of June 30, 2010, and the institution did not participate in the federal Pell Grant program by June 30, 2010, the institution must require every student who enrolls to sign a disclosure form, provided by the office, stating that the institution is not participating in the federal Pell Grant program.

(c) An institution that offers only graduate-level degrees or graduate-level nondegree programs, ~~or that offers only degrees or programs that do not meet the required minimum program length to participate in the federal Pell Grant program,~~ is an eligible institution if the institution is licensed or registered as a postsecondary institution by the office.

(d) An eligible institution under paragraph (b), clause (3), item (ii), that changes ownership as defined in section 136A.63, subdivision 2, must participate in the federal Pell Grant program within four calendar years of the first ownership change to continue eligibility.

(e) An institution that loses its eligibility for the federal Pell Grant program is not an eligible institution.

(f) An institution must maintain adequate administrative and financial standards and compliance with all state statutes, rules, and administrative policies related to state financial aid programs.

Sec. 3. Minnesota Statutes 2016, section 136A.1795, subdivision 4, is amended to read:

Subd. 4. **Loan forgiveness.** (a) The commissioner may select a maximum of five applicants each year for participation in the loan forgiveness program, within the limits of available funding. Applicants are responsible for securing their own qualified educational loans.

(b) The commissioner must select participants based on their suitability for practice serving the designated rural area, as indicated by experience or training. The commissioner must give preference to applicants closest to completing their training.

(c) The commissioner must make annual disbursements directly to the participant of \$15,000 or the balance of the participant's qualifying educational loans, whichever is less, for each year that a participant meets the service obligation required under subdivision 3, paragraph (b), up to a maximum of five years.

(d) Before receiving loan repayment disbursements and as requested, the participant must complete and return to the commissioner ~~an affidavit~~ a confirmation of practice form provided by the commissioner verifying that the participant is practicing as required under subdivision 2, paragraph (a). The participant must provide the commissioner with verification that the full amount of loan repayment disbursement received by the participant has been applied toward the designated loans. After each disbursement, verification must be received by the commissioner and approved before the next loan repayment disbursement is made.

(e) Participants who move their practice remain eligible for loan repayment as long as they practice as required under subdivision 2, paragraph (a).

Sec. 4. Minnesota Statutes 2016, section 136A.62, is amended by adding a subdivision to read:

Subd. 8. **Entity.** "Entity" means a specific school or campus location.

Sec. 5. Minnesota Statutes 2016, section 136A.646, is amended to read:

136A.646 ADDITIONAL SECURITY.

(a) ~~In the event~~ New schools that have been granted conditional approval for degrees or names to allow them the opportunity to apply for and receive accreditation under section 136A.65, subdivision 7, or any registered institution that is notified by the United States Department of Education that it has fallen below minimum financial standards

and that its continued participation in Title IV will be conditioned upon its satisfying either the Zone Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (f), or a Letter of Credit Alternative, Code of Federal Regulations, title 34, section 668.175, paragraph (c), ~~the institution~~ shall provide a surety bond ~~conditioned upon the faithful performance of all contracts and agreements with students~~ in a sum equal to the "letter of credit" required by the United States Department of Education in the Letter of Credit Alternative, but in no event shall such bond be less than \$10,000 nor more than \$250,000.

(b) In lieu of a bond, the applicant may deposit with the commissioner of management and budget:

(1) a sum equal to the amount of the required surety bond in cash; ~~or~~

(2) securities, as may be legally purchased by savings banks or for trust funds, in an aggregate market value equal to the amount of the required surety bond; or

(3) an irrevocable letter of credit issued by a financial institution to the amount of the required surety bond.

(c) The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

(d) In the event of a school closure, the additional security must first be used to destroy any private educational data under section 13.32 left at a physical campus in Minnesota after all other governmental agencies have recovered or retrieved records under their record retention policies. Any remaining funds must then be used to reimburse tuition and fee costs to students that were enrolled at the time of the closure or had withdrawn in the previous 120 calendar days but did not graduate. Priority for refunds will be given to students in the following order:

(1) cash payments made by the student or on behalf of a student;

(2) private student loans; and

(3) Veteran Administration education benefits that are not restored by the Veteran Administration. If there are additional security funds remaining, the additional security funds may be used to cover any administrative costs incurred by the office related to the closure of the school.

Sec. 6. Minnesota Statutes 2016, section 136A.65, subdivision 1a, is amended to read:

Subd. 1a. **Accreditation; requirement.** ~~(a) A school must not be registered or authorized to offer any degree at any level unless the school is accredited~~ has institutional accreditation by an agency recognized by the United States Department of Education for purposes of eligibility to participate in Title IV federal financial aid programs. Any registered school undergoing institutional accreditation shall inform the office of site visits by the accrediting agency and provide office staff the opportunity to attend the visits, ~~including~~ excluding any exit interviews. The institution must provide the office with a copy of the final report upon ~~receipt~~ request of the office.

(b) A school must not be authorized to offer any degree unless the program has programmatic accreditation or the school has institutional accreditation by an agency recognized by the United States Department of Education for purposes of eligibility to participate in Title IV federal financial aid programs. Any program offered by a registered school that does not have institutional accreditation and is undergoing programmatic accreditation shall inform the office of site visits by the accrediting agency and provide office staff the opportunity to attend the visits, excluding any exit interviews. The school must provide the office with a copy of the final report by the accreditor upon request of the office.

Sec. 7. Minnesota Statutes 2016, section 136A.65, subdivision 4, is amended to read:

Subd. 4. **Criteria for approval.** (a) A school applying to be registered and to have its degree or degrees and name approved must substantially meet the following criteria:

(1) the school has an organizational framework with administrative and teaching personnel to provide the educational programs offered;

(2) the school has financial resources sufficient to meet the school's financial obligations, including refunding tuition and other charges consistent with its stated policy if the institution is dissolved, or if claims for refunds are made, to provide service to the students as promised, and to provide educational programs leading to degrees as offered;

(3) the school operates in conformity with generally accepted ~~budgeting and~~ accounting principles according to the type of school;

(4) the school provides an educational program leading to the degree it offers;

(5) the school provides appropriate and accessible library, laboratory, and other physical facilities to support the educational program offered;

(6) the school has a policy on freedom or limitation of expression and inquiry for faculty and students which is published or available on request;

(7) the school uses only publications and advertisements which are truthful and do not give any false, fraudulent, deceptive, inaccurate, or misleading impressions about the school, its personnel, programs, services, or occupational opportunities for its graduates for promotion and student recruitment;

(8) the school's compensated recruiting agents who are operating in Minnesota identify themselves as agents of the school when talking to or corresponding with students and prospective students;

(9) the school provides information to students and prospective students concerning:

(i) comprehensive and accurate policies relating to student admission, evaluation, suspension, and dismissal;

(ii) clear and accurate policies relating to granting credit for prior education, training, and experience and for courses offered by the school;

(iii) current schedules of fees, charges for tuition, required supplies, student activities, housing, and all other standard charges;

(iv) policies regarding refunds and adjustments for withdrawal or modification of enrollment status; and

(v) procedures and standards used for selection of recipients and the terms of payment and repayment for any financial aid program; and

(10) the school must not withhold a student's official transcript because the student is in arrears or in default on any loan issued by the school to the student if the loan qualifies as an institutional loan under United States Code, title 11, section 523(a)(8)(b).

(b) An application for degree approval must also include:

- (i) title of degree and formal recognition awarded;
- (ii) location where such degree will be offered;
- (iii) proposed implementation date of the degree;
- (iv) admissions requirements for the degree;
- (v) length of the degree;
- (vi) projected enrollment for a period of five years;
- (vii) the curriculum required for the degree, including course syllabi or outlines;
- (viii) statement of academic and administrative mechanisms planned for monitoring the quality of the proposed degree;
- (ix) statement of satisfaction of professional licensure criteria, if applicable;
- (x) documentation of the availability of clinical, internship, externship, or practicum sites, if applicable; and
- (xi) statement of how the degree fulfills the institution's mission and goals, complements existing degrees, and contributes to the school's viability.

Sec. 8. Minnesota Statutes 2016, section 136A.65, subdivision 7, is amended to read:

Subd. 7. **Conditional approval.** (a) The office may grant a school a one-year conditional approval for a degree or use of a term in its name ~~for a period of less than one year~~ if doing so would be in the best interests of currently enrolled students or prospective students. Conditional approval of a degree or use of a term under this paragraph must not exceed a period of three years.

(b) ~~The office may grant new schools may be granted and programs a one-year~~ conditional approval for degrees or ~~names annually for a period not to exceed five years~~ use of a term in its name to allow ~~them~~ the school the opportunity to apply for and receive accreditation as required in subdivision 1a. Conditional approval of a school or program under this paragraph must not exceed a period of five years. A new school or program granted conditional approval may be allowed to continue ~~as a registered institution~~ in order to complete an accreditation process upon terms and conditions the office determines.

(c) The office may grant a registered school a one-year conditional approval for degrees or use of a term in its name to allow the school the opportunity to apply for and receive accreditation as required in subdivision 1a if the school's accrediting agency is no longer recognized by the United States Department of Education for purposes of eligibility to participate in Title IV federal financial aid programs. The office must not grant conditional approvals under this paragraph to a school for a period of more than five years.

(d) The office may grant a registered school a one-year conditional approval for degrees or use of a term in its name to allow the school to change to a different accrediting agency recognized by the United States Department of Education for purposes of eligibility to participate in Title IV federal financial aid programs. The office must not grant conditional approvals under this paragraph to a school for a period of more than five years.

Sec. 9. Minnesota Statutes 2016, section 136A.653, is amended to read:

136A.653 EXEMPTIONS.

Subdivision 1. **Application.** A school that seeks an exemption under this section from the provisions of sections 136A.61 to 136A.71 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or until a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires.

~~Subdivision 1.~~ Subd. 1a. **Exemption Private career schools.** A school that is subject to licensing by the office under sections 136A.82 to 136A.834 is exempt from the provisions of sections 136A.61 to 136A.71. The determination of the office as to whether a particular school is subject to regulation under sections 136A.82 to 136A.834 is final for the purposes of this exemption.

Subd. 2. Educational program; nonprofit organizations. Educational programs which are sponsored by a bona fide and nonprofit trade, labor, business, professional or fraternal organization, which programs are conducted solely for that organization's membership or for the members of the particular industries or professions served by that organization, and which are not available to the public on a fee basis, are exempted from the provisions of sections 136A.61 to 136A.71.

Subd. 3. Educational program; business firms. Educational programs which are sponsored by a business firm for the training of its employees or the employees of other business firms with which it has contracted to provide educational services at no cost to the employees are exempted from the provisions of sections 136A.61 to 136A.71.

Subd. 3a. Tuition-free educational courses. A school, including a school using an online platform service, offering training, courses, or programs is exempt from sections 136A.61 to 136A.71, to the extent ~~it offers tuition free courses to students in Minnesota. A course will be considered tuition free if the school charges no tuition and the required fees and other required charges paid by the student for the course~~ tuition, fees, and any other charges for a student to participate do not exceed two percent of the most recent average undergraduate tuition and required fees as of January 1 of the current year charged for full-time students at all degree-granting institutions as published annually by the United States Department of Education as of January 1 of each year. To qualify for an exemption, a school or online platform service must prominently display a notice comparable to the following: "IMPORTANT: Each educational institution makes its own decision regarding whether to accept completed coursework for credit. Check with your university or college."

Subd. 4. Voluntary submission. Any school or program exempted from the provisions of sections 136A.61 to 136A.71 by the provisions of this section may voluntarily submit to the provisions of those sections.

Sec. 10. Minnesota Statutes 2016, section 136A.657, is amended by adding a subdivision to read:

Subd. 5. **Application.** A school that seeks an exemption under this section from the provisions of sections 136A.61 to 136A.71 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires.

Sec. 11. Minnesota Statutes 2016, section 136A.67, is amended to read:

136A.67 REGISTRATION REPRESENTATIONS.

No school and none of its officials or employees shall advertise or represent in any manner that such school is approved or accredited by the office or the state of Minnesota, except a school which is duly registered with the office, or any of its officials or employees, may represent in advertising and shall disclose in catalogues,

applications, and enrollment materials that the school is registered with the office by prominently displaying the following statement: "(Name of school) is registered with the office Minnesota Office of Higher Education pursuant to sections 136A.61 to 136A.71. Registration is not an endorsement of the institution. Credits earned at the institution may not transfer to all other institutions." In addition, all registered schools shall publish in the school catalog or student handbook the name, street address, telephone number, and Web site address of the office.

Sec. 12. **[136A.672] STUDENT COMPLAINTS.**

Subdivision 1. **Authority.** The office has the authority to review and take appropriate action on student complaints from schools covered under the provisions of sections 136A.61 to 136A.71.

Subd. 2. **Complaint.** A complaint must be in writing, be signed by a student, and state how the school's policies and procedures or sections 136A.61 to 136A.71 were violated. Student complaints shall be limited to complaints that occurred within six years from the date the concern should have been discovered with reasonable effort and after the student has utilized the school's internal complaint process. Students do not have to utilize a school's internal complaint process before the office has authority when the student is alleging fraud or misrepresentation. The office shall not investigate grade disputes, student conduct proceedings, disability accommodation requests, and discrimination claims, including Title IX complaints.

Subd. 3. **Investigation.** The office shall initiate an investigation upon receipt of a complaint within the authority of subdivision 2. A school involved in an investigation shall be informed of the alleged violations and the processes of the investigation. A school involved in an investigation shall respond to the alleged violations and provide requested documentation to the office. Upon completing an investigation, the office shall inform the school and the student of the investigation outcome.

Subd. 4. **Penalties.** If violations are found, the office may require remedial action by the school or assign a penalty under section 136A.705. Remedial action may include student notification of violations, adjustments to the school's policies and procedures, and tuition or fee refunds to impacted students.

Subd. 5. **Appeals.** Any order requiring remedial action by the school or assigning a penalty under section 136A.705 is appealable in accordance with chapter 14. The request for an appeal must be made in writing to the office within 30 days of the date the school is notified of the action of the office. The court shall award costs and reasonable attorney fees in a contested chapter 14 hearing to the office if: (1) the office substantially prevails on the merits in an action brought under this section; and (2) the school has a net income from student tuition, fees, and other required institutional charges collected from the last fiscal year of \$1,000,000 or greater.

Sec. 13. Minnesota Statutes 2016, section 136A.68, is amended to read:

136A.68 RECORDS.

A registered school shall maintain a permanent record for each student for 50 years from the last date of the student's attendance. A registered school offering distance instruction to a student located in Minnesota shall maintain a permanent record for each Minnesota student for 50 years from the last date of the student's attendance. Records include a student's academic transcript, documents, and files containing student data about academic credits earned, courses completed, grades awarded, degrees awarded, and periods of attendance. To preserve permanent records, a school shall submit a plan that meets the following requirements:

(1) at least one copy of the records must be held in a secure, fireproof depository or duplicate records must be maintained off site in a secure location and in a manner approved by the office;

(2) an appropriate official must be designated to provide a student with copies of records or a transcript upon request;

(3) an alternative method approved by the office of complying with clauses (1) and (2) must be established if the school ceases to exist; and

(4) if the school has no binding agreement approved by the office for preserving student records, a continuous surety bond or an irrevocable letter of credit issued by a financial institution must be filed with the office in an amount not to exceed \$20,000. The bond or irrevocable letter of credit shall run to the state of Minnesota. In the event of a school closure, the surety bond or irrevocable letter of credit must be used by the office to retrieve, recover, maintain, digitize, and destroy academic records.

Sec. 14. Minnesota Statutes 2016, section 136A.821, is amended by adding a subdivision to read:

Subd. 13. Compliance audit. "Compliance audit" means an audit of a school's compliance with federal requirements related to its participation in federal Title IV student aid programs or other federal grant programs performed under either Uniform Grant Guidance, including predecessor Federal Circular A-133, or the United States Department of Education's audit guide, Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers.

Sec. 15. Minnesota Statutes 2016, section 136A.821, is amended by adding a subdivision to read:

Subd. 14. Entity. "Entity" means a specific school or campus location.

Sec. 16. Minnesota Statutes 2016, section 136A.821, is amended by adding a subdivision to read:

Subd. 15. Higher-level entity. "Higher-level entity" means a corporate parent or ultimate parent company or, in the case of a public school, the larger public system of which an entity is a part.

Sec. 17. Minnesota Statutes 2016, section 136A.821, is amended by adding a subdivision to read:

Subd. 16. Audited financial statements. "Audited financial statements" means the financial statements of an entity or higher-level entity that have been examined by a certified public accountant or an equivalent government agency for public entities that include (1) an auditor's report, a statement of financial position, an income statement, a statement of cash flows, and notes to the financial statements or (2) the required equivalents for public entities as determined by the Financial Accounting Standards Board, the Governmental Accounting Standards Board, or the Securities and Exchange Commission.

Sec. 18. Minnesota Statutes 2016, section 136A.821, is amended by adding a subdivision to read:

Subd. 17. Review-level engagement. "Review-level engagement" means a service performed by a certified public accountant that provides limited assurance that there are no material modifications that need to be made to an entity's financial statements in order for them to conform to generally accepted accounting principles. Review-level engagement provides fewer assurances than those reported under audited financial statements.

Sec. 19. Minnesota Statutes 2016, section 136A.822, subdivision 4, is amended to read:

Subd. 4. Application. Application for a license shall be on forms prepared and furnished by the office, and shall include the following and other information as the office may require:

(1) the title or name of the private career school, ownership and controlling officers, members, managing employees, and director;

(2) the specific programs which will be offered and the specific purposes of the instruction;

- (3) the place or places where the instruction will be given;
- (4) a listing of the equipment available for instruction in each program;
- (5) the maximum enrollment to be accommodated with equipment available in each specified program;
- (6) the qualifications of instructors and supervisors in each specified program;
- (7) financial documents related to the entity's and higher-level entity's most recently completed fiscal year:
 - (i) annual gross revenues from all sources;
 - (ii) financial statements subjected to a review level engagement or, if requested by the office, audited financial statements;
 - (iii) a school's most recent compliance audit, if applicable; and
 - (iv) a current balance sheet, income statement, and adequate supporting documentation, prepared and certified by an independent public accountant or CPA;
- (8) copies of all media advertising and promotional literature and brochures or electronic display currently used or reasonably expected to be used by the private career school;
- (9) copies of all Minnesota enrollment agreement forms and contract forms and all enrollment agreement forms and contract forms used in Minnesota; and
- (10) gross income earned in the preceding year from student tuition, fees, and other required institutional charges, ~~unless the private career school files with the office a surety bond equal to at least \$250,000 as described in subdivision 6.~~

Sec. 20. Minnesota Statutes 2016, section 136A.822, subdivision 6, is amended to read:

Subd. 6. **Bond.** (a) No license shall be issued to any private career school which maintains, conducts, solicits for, or advertises within the state of Minnesota any program, unless the applicant files with the office a continuous corporate surety bond written by a company authorized to do business in Minnesota conditioned upon the faithful performance of all contracts and agreements with students made by the applicant.

(b)(1) The amount of the surety bond shall be ten percent of the preceding year's ~~gross net~~ income from student tuition, fees, and other required institutional charges collected, but in no event less than \$10,000 ~~not greater than \$250,000~~, except that a private career school may deposit a greater amount at its own discretion. A private career school in each annual application for licensure must compute the amount of the surety bond and verify that the amount of the surety bond complies with this subdivision, ~~unless the private career school maintains a surety bond equal to at least \$250,000.~~ A private career school that operates at two or more locations may combine ~~gross net~~ income from student tuition, fees, and other required institutional charges collected for all locations for the purpose of determining the annual surety bond requirement. The ~~gross net~~ tuition and fees used to determine the amount of the surety bond required for a private career school having a license for the sole purpose of recruiting students in Minnesota shall be only that paid to the private career school by the students recruited from Minnesota.

(2) A person required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name and which is also licensed by another state agency or board, except not including those schools licensed exclusively in order to participate in state grants or SELF loan financial aid programs, shall be required to provide a school bond of \$10,000.

(c) The bond shall run to the state of Minnesota and to any person who may have a cause of action against the applicant arising at any time after the bond is filed and before it is canceled for breach of any contract or agreement made by the applicant with any student. The aggregate liability of the surety for all breaches of the conditions of the bond shall not exceed the principal sum deposited by the private career school under paragraph (b). The surety of any bond may cancel it upon giving 60 days' notice in writing to the office and shall be relieved of liability for any breach of condition occurring after the effective date of cancellation.

(d) In lieu of bond, the applicant may deposit with the commissioner of management and budget a sum equal to the amount of the required surety bond in cash, an irrevocable letter of credit issued by a financial institution equal to the amount of the required surety bond, or securities as may be legally purchased by savings banks or for trust funds in an aggregate market value equal to the amount of the required surety bond.

(e) Failure of a private career school to post and maintain the required surety bond or deposit under paragraph (d) ~~shall~~ may result in denial, suspension, or revocation of the school's license.

Sec. 21. Minnesota Statutes 2016, section 136A.822, subdivision 12, is amended to read:

Subd. 12. **Permanent records.** A private career school licensed under sections 136A.82 to 136A.834 and located in Minnesota shall maintain a permanent record for each student for 50 years from the last date of the student's attendance. A private career school licensed under this chapter and offering distance instruction to a student located in Minnesota shall maintain a permanent record for each Minnesota student for 50 years from the last date of the student's attendance. Records include school transcripts, documents, and files containing student data about academic credits earned, courses completed, grades awarded, degrees awarded, and periods of attendance. To preserve permanent records, a private career school shall submit a plan that meets the following requirements:

- (1) at least one copy of the records must be held in a secure, fireproof depository;
- (2) an appropriate official must be designated to provide a student with copies of records or a transcript upon request;
- (3) an alternative method, approved by the office, of complying with clauses (1) and (2) must be established if the private career school ceases to exist; and
- (4) a continuous surety bond or irrevocable letter of credit issued by a financial institution must be filed with the office in an amount not to exceed \$20,000 if the private career school has no binding agreement approved by the office, for preserving student records. The bond or irrevocable letter of credit shall run to the state of Minnesota. In the event of a school closure, the surety bond or irrevocable letter of credit must be used by the office to retrieve, recover, maintain, digitize, and destroy academic records.

Sec. 22. Minnesota Statutes 2016, section 136A.822, subdivision 13, is amended to read:

Subd. 13. **Private career schools licensed by another state agency or board.** A private career school required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in its name or licensed for the purpose of participating in state financial aid under chapter 136A, and which is also licensed by another state agency or board shall be required to satisfy only the requirements of subdivisions 4, clauses

(1), (2), (3), (5), (7), (8), and (10); 5; 6, paragraph (b), clause (2); 8, clauses (1), (4), (7), (8), and (9); 9; 10, ~~clause (13)~~; and 12. If a school is licensed to participate in state financial aid under this chapter, the school must follow the refund policy in section 136A.827, even if that section conflicts with the refund policy of the licensing agency or board. A distance education private career school located in another state, or a school licensed to recruit Minnesota residents for attendance at a school outside of this state, or a school licensed by another state agency as its primary licensing body, may continue to use the school's name as permitted by its home state or its primary licensing body.

Sec. 23. Minnesota Statutes 2016, section 136A.826, subdivision 2, is amended to read:

Subd. 2. **Contract information.** A contract or enrollment agreement used by a private career school must include at least the following:

- (1) the name and address of the private career school, clearly stated;
- (2) a clear and conspicuous disclosure that the agreement is a legally binding instrument upon written acceptance of the student by the private career school unless canceled under section 136A.827;
- (3) the private career school's cancellation and refund policy that shall be clearly and conspicuously entitled "Buyer's Right to Cancel";
- (4) a clear statement of total cost of the program including tuition and all other charges;
- (5) the name and description of the program, including the number of hours or credits of classroom instruction, or distance instruction, that shall be included; and
- (6) a clear and conspicuous explanation of the form and means of notice the student should use in the event the student elects to cancel the contract or sale, the effective date of cancellation, and the name and address, e-mail address, or phone number of the seller to which the notice should be sent or delivered.

The contract or enrollment agreement must not include a wage assignment provision or a confession of judgment clause.

Sec. 24. Minnesota Statutes 2016, section 136A.827, subdivision 2, is amended to read:

Subd. 2. **Private career schools using written contracts.** (a) Notwithstanding anything to the contrary, a private career school that uses a written contract or enrollment agreement shall refund all tuition, fees and other charges paid by a student, if the student gives ~~written~~ notice of cancellation within five business days after the day on which the contract was executed regardless of whether the program has started.

(b) When a student has been accepted by the private career school and has entered into a contractual agreement with the private career school and gives ~~written~~ notice of cancellation following the fifth business day after the date of execution of contract, but before the start of the program in the case of resident private career schools, or before the first lesson has been serviced by the private career school in the case of distance education private career schools, all tuition, fees and other charges, except 15 percent of the total cost of the program but not to exceed \$50, shall be refunded to the student.

Sec. 25. Minnesota Statutes 2016, section 136A.827, subdivision 3, is amended to read:

Subd. 3. **Notice; amount.** (a) A private career school shall refund all tuition, fees and other charges paid by a student if the student gives ~~written~~ notice of cancellation within five business days after the day on which the student is accepted by the private career school regardless of whether the program has started.

(b) When a student has been accepted by the private career school and gives ~~written~~ notice of cancellation following the fifth business day after the day of acceptance by the private career school, but before the start of the program, in the case of resident private career schools, or before the first lesson has been serviced by the private career school, in the case of distance education private career schools, all tuition, fees and other charges, except 15 percent of the total cost of the program but not to exceed \$50, shall be refunded to the student.

Sec. 26. Minnesota Statutes 2016, section 136A.828, subdivision 3, is amended to read:

Subd. 3. **False statements.** (a) A private career school, agent, or solicitor shall not make, or cause to be made, any statement or representation, oral, written or visual, in connection with the offering or publicizing of a program, if the private career school, agent, or solicitor knows or reasonably should have known the statement or representation to be false, fraudulent, deceptive, substantially inaccurate, or misleading.

(b) Other than opinion-based statements or puffery, a school shall only make claims that are evidence-based, can be validated, and are based on current conditions and not on conditions that are no longer relevant.

(c) A school shall not guarantee or imply the guarantee of employment.

(d) A school shall not guarantee or advertise any certain wage or imply earnings greater than the prevailing wage for entry-level wages in the field of study for the geographic area unless advertised wages are based on verifiable wage information from graduates.

(e) If placement statistics are used in advertising or other promotional materials, the school must be able to substantiate the statistics with school records. These records must be made available to the office upon request. A school is prohibited from reporting the following in placement statistics:

(1) a student required to receive a job offer or start a job to be classified as a graduate;

(2) a graduate if the graduate held a position before enrolling in the program, unless graduating enabled the graduate to maintain the position or the graduate received a promotion or raise upon graduation;

(3) a graduate who works less than 20 hours per week; and

(4) a graduate who is not expected to maintain the position for at least 180 days.

(f) A school shall not use endorsements, commendations, or recommendations by a student in favor of a school except with the consent of the student and without any offer of financial or other material compensation. Endorsements may be used only when they portray current conditions.

(g) A school may advertise that the school or its programs have been accredited by an accrediting agency recognized by the United States Department of Education or the Council for Higher Education Accreditation, but shall not advertise any other accreditation unless approved by the office. The office may approve an institution's advertising of accreditation that is not recognized by the United States Department of Education or the Council for Higher Education if that accreditation is industry specific. Clear distinction must be made when the school is in candidacy or application status versus full accreditation.

(h) A school may advertise that financial aid is available, including a listing of the financial aid programs in which the school participates, but federal or state financial aid shall not be used as a primary incentive in advertisement, promotion, or recruitment.

(i) A school may advertise placement or career assistance, if offered, but shall not use the words "wanted," "help wanted," or "trainee," either in the headline or the body of the advertisement.

(j) A school shall not be advertised under any "help wanted," "employment," or similar classification.

(k) A school shall not falsely claim that it is conducting a talent hunt, contest, or similar test.

(l) The commissioner, at any time, may require a retraction of a false, misleading, or deceptive claim. To the extent reasonable, the retraction must be published in the same manner as the original claim.

Sec. 27. **[136A.8295] STUDENT COMPLAINTS.**

Subdivision 1. **Authority.** The office has the authority to review and take appropriate action on student complaints from schools covered under the provisions of sections 136A.822 to 136A.834.

Subd. 2. **Complaint.** A complaint must be in writing, be signed by a student, and state how the school's policies and procedures or sections 136A.822 to 136A.834 were violated. Student complaints shall be limited to complaints that occurred within six years from the date the concern should have been discovered with reasonable effort and after the student has utilized the school's internal complaint process. Students do not have to utilize a school's internal complaint process before the office has authority when the student is alleging fraud or misrepresentation. The office shall not investigate grade disputes, student conduct proceedings, disability accommodation requests, and discrimination claims, including Title IX complaints.

Subd. 3. **Investigation.** The office shall initiate an investigation upon receipt of a complaint within the authority of subdivision 2. A school involved in an investigation shall be informed of the alleged violations and the processes of the investigation. A school involved in an investigation shall respond to the alleged violations and provide requested documentation to the office. Upon completion of an investigation, the office shall inform the school and the student of the investigation outcome.

Subd. 4. **Penalties.** If violations are found, the office may require remedial action by the school or assign a penalty under section 136A.832. Remedial action may include student notification of violations, adjustments to the school's policies and procedures, and tuition or fee refunds to impacted students.

Subd. 5. **Appeals.** Any order requiring remedial action by the school or assigning a penalty under section 136A.832 is appealable in accordance with chapter 14. The request for an appeal must be made in writing to the office within 30 days of the date the school is notified of the action of the office. The court shall award costs and reasonable attorney fees in a contested chapter 14 hearing to the office if: (1) the office substantially prevails on the merits in an action brought under this section; and (2) the school has a net income from student tuition, fees, and other required institutional charges collected from the last fiscal year of \$1,000,000 or greater.

Sec. 28. Minnesota Statutes 2016, section 136A.83, is amended to read:

136A.83 INSPECTION.

(a) The office or a delegate may inspect the instructional books and records, classrooms, dormitories, tools, equipment and classes of any private career school or applicant for license at any reasonable time. The office may require the submission of ~~a certified public audit, or if there is no such audit available~~ audited financial statements. The office or a delegate may inspect the financial books and records of the private career school. In no event shall such financial information be used by the office to regulate or set the tuition or fees charged by the private career school.

(b) Data obtained from an inspection of the financial records of a private career school or submitted to the office as part of a license application or renewal are nonpublic data as defined in section 13.02, subdivision 9. Data obtained from inspections may be disclosed to other members of the office, to law enforcement officials, or in connection with a legal or administrative proceeding commenced to enforce a requirement of law.

Sec. 29. Minnesota Statutes 2016, section 136A.833, is amended to read:

136A.833 EXEMPTIONS.

Subdivision 1. **Application for exemptions.** A school that seeks an exemption from the provisions of sections 136A.822 to 136A.834 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires.

Subd. 2. **Exemption reasons.** Sections 136A.821 to 136A.832 shall not apply to the following:

- (1) public postsecondary institutions;
- (2) postsecondary institutions registered under sections 136A.61 to 136A.71;
- (3) private career schools of nursing accredited by the state Board of Nursing or an equivalent public board of another state or foreign country;
- (4) private schools complying with the requirements of section 120A.22, subdivision 4;
- (5) courses taught to students in a valid apprenticeship program taught by or required by a trade union;
- (6) private career schools exclusively engaged in training physically or mentally disabled persons for the state of Minnesota;
- (7) private career schools licensed by boards authorized under Minnesota law to issue licenses except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;
- (8) private career schools and educational programs, or training programs, contracted for by persons, firms, corporations, government agencies, or associations, for the training of their own employees, for which no fee is charged the employee;
- (9) private career schools engaged exclusively in the teaching of purely avocational, recreational, or remedial subjects as determined by the office except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names unless the private career school used "academy" or "institute" in its name prior to August 1, 2008;
- (10) classes, courses, or programs conducted by a bona fide trade, professional, or fraternal organization, solely for that organization's membership;
- (11) programs in the fine arts provided by organizations exempt from taxation under section 290.05 and registered with the attorney general under chapter 309. For the purposes of this clause, "fine arts" means activities resulting in artistic creation or artistic performance of works of the imagination which are engaged in for the primary purpose of creative expression rather than commercial sale or employment. In making this determination the office may seek the advice and recommendation of the Minnesota Board of the Arts;

(12) classes, courses, or programs intended to fulfill the continuing education requirements for licensure or certification in a profession, that have been approved by a legislatively or judicially established board or agency responsible for regulating the practice of the profession, and that are offered exclusively to an individual practicing the profession;

(13) classes, courses, or programs intended to prepare students to sit for undergraduate, graduate, postgraduate, or occupational licensing and occupational entrance examinations;

(14) classes, courses, or programs providing 16 or fewer clock hours of instruction that are not part of the curriculum for an occupation or entry level employment except private career schools required to obtain a private career school license due to the use of "academy," "institute," "college," or "university" in their names;

(15) classes, courses, or programs providing instruction in personal development, modeling, or acting;

(16) training or instructional programs, in which one instructor teaches an individual student, that are not part of the curriculum for an occupation or are not intended to prepare a person for entry level employment;

(17) private career schools with no physical presence in Minnesota, as determined by the office, engaged exclusively in offering distance instruction that are located in and regulated by other states or jurisdictions if the distance education instruction does not include internships, externships, field placements, or clinical placements for residents of Minnesota; and

(18) private career schools providing exclusively training, instructional programs, or courses where tuition, fees, and any other charges for a student to participate do not exceed \$100.

Sec. 30. Minnesota Statutes 2016, section 136A.834, is amended by adding a subdivision to read:

Subd. 5. **Application.** A school that seeks an exemption from the provisions of sections 136A.82 to 136A.834 must apply to the office to establish that the school meets the requirements of an exemption. An exemption expires two years from the date of approval or when a school adds a new program or makes a modification equal to or greater than 25 percent to an existing educational program. If a school is reapplying for an exemption, the application must be submitted to the office 90 days before the current exemption expires.

Sec. 31. Laws 2015, chapter 69, article 3, section 20, subdivision 10, is amended to read:

Subd. 10. **Credit load.** By the end of the first academic year including summer term, a grantee must have accumulated at least the lesser of 30 program credits by the end of the first academic year including summer term or the number of credits that the student's program is scheduled for during the first academic year. A college must certify that a grantee is carrying sufficient credits in the second grant year to complete the program at the end of the second year, including summer school. The commissioner shall set the terms and provide the form for certification.

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

Delete the title and insert:

"A bill for an act relating to higher education; providing funding and policy changes for the Office of Higher Education, the Minnesota State Colleges and Universities, the University of Minnesota, and other related programs; modifying state grant program calculation parameters; requiring reports; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2016, sections 43A.06, subdivision 1; 135A.031, subdivision 7; 135A.15, subdivision 1a; 136A.101, subdivision 5a; 136A.103; 136A.121, subdivision 6; 136A.125, subdivisions 2, 4; 136A.1275; 136A.1795, subdivision 4; 136A.62, by adding a subdivision; 136A.646; 136A.65, subdivisions 1a, 4, 7;

136A.653; 136A.657, by adding a subdivision; 136A.67; 136A.68; 136A.685; 136A.821, by adding subdivisions; 136A.822, subdivisions 4, 6, 12, 13; 136A.826, subdivision 2; 136A.827, subdivisions 2, 3; 136A.828, subdivision 3; 136A.83; 136A.833; 136A.834, by adding a subdivision; 136A.902, subdivision 1; 148.89, subdivision 5; Laws 2014, chapter 312, article 1, section 15; Laws 2015, chapter 69, article 3, section 20, subdivision 10; proposing coding for new law in Minnesota Statutes, chapters 135A; 136A; 136F; 137; 148; 298."

We request the adoption of this report and repassage of the bill.

Senate Conferees: MICHELLE L. FISCHBACH, RICH DRAHEIM, PAUL ANDERSON and SCOTT M. JENSEN.

House Conferees: BUD NORNES, DREW CHRISTENSEN, ABIGAIL WHELAN and BRIAN DANIELS.

Hortman was excused between the hours of 5:45 p.m. and 5:55 p.m.

Nornes moved that the report of the Conference Committee on S. F. No. 943 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Nornes motion and the roll was called. There were 77 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Albright	Dauids	Gunther	Kresha	O'Driscoll	Smith
Anderson, P.	Dean, M.	Haley	Layman	O'Neill	Swedzinski
Anderson, S.	Dettmer	Hamilton	Lohmer	Peppin	Theis
Anselmo	Drazkowski	Heintzeman	Loon	Petersburg	Torkelson
Backer	Erickson	Hertaus	Loonan	Peterson	Uglen
Bahr, C.	Fabian	Hoppe	Lucero	Pierson	Urdahl
Baker	Fenton	Howe	Lueck	Poston	Vogel
Barr, R.	Franke	Jessup	McDonald	Pugh	West
Bennett	Franson	Johnson, B.	Miller	Quam	Whelan
Bliss	Garofalo	Jurgens	Nash	Rarick	Wills
Christensen	Green	Kiel	Neu	Runbeck	Zerwas
Cornish	Grossell	Knoblach	Newberger	Schomacker	Spk. Daudt
Daniels	Gruenhagen	Koznick	Nornes	Scott	

Those who voted in the negative were:

Allen	Dehn, R.	Johnson, C.	Mahoney	Olson	Slocum
Applebaum	Ecklund	Johnson, S.	Mariani	Omar	Sundin
Becker-Finn	Fischer	Koegel	Marquart	Pelowski	Wagenius
Bernardy	Flanagan	Kunesh-Podein	Masin	Pinto	Ward
Bly	Freiberg	Lee	Maye Quade	Poppe	Youakim
Carlson, A.	Halverson	Lesch	Metsa	Pryor	
Carlson, L.	Hansen	Liebling	Moran	Rosenthal	
Clark	Hausman	Lien	Murphy, E.	Sandstede	
Considine	Hilstrom	Lillie	Murphy, M.	Sauke	
Davnie	Hornstein	Loeffler	Nelson	Schultz	

The motion prevailed.

S. F. No. 943, A bill for an act relating to higher education; appropriating money for an education debt relief grant; requiring a report.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 78 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Albright	Dean, M.	Hamilton	Loon	Petersburg	Uglen
Anderson, P.	Dettmer	Heintzeman	Loonan	Peterson	Urdahl
Anderson, S.	Drazkowski	Hertaus	Lucero	Pierson	Vogel
Anselmo	Erickson	Hoppe	Lueck	Poston	West
Backer	Fabian	Howe	McDonald	Pugh	Whelan
Bahr, C.	Fenton	Jessup	Metsa	Quam	Wills
Baker	Franke	Johnson, B.	Miller	Rarick	Zerwas
Barr, R.	Franson	Jurgens	Nash	Runbeck	Spk. Daudt
Bennett	Garofalo	Kiel	Neu	Schomacker	
Bliss	Green	Knoblach	Newberger	Scott	
Christensen	Grossell	Koznick	Nornes	Smith	
Cornish	Gruenhagen	Kresha	O'Driscoll	Swedzinski	
Daniels	Gunther	Layman	O'Neill	Theis	
Davids	Haley	Lohmer	Peppin	Torkelson	

Those who voted in the negative were:

Allen	Davnie	Hornstein	Lien	Murphy, E.	Rosenthal
Applebaum	Ecklund	Hortman	Lillie	Murphy, M.	Sandstede
Becker-Finn	Fischer	Johnson, C.	Loeffler	Nelson	Sauke
Bernardy	Flanagan	Johnson, S.	Mahoney	Olson	Schultz
Bly	Freiberg	Koegel	Mariani	Omar	Slocum
Carlson, A.	Halverson	Kunesh-Podein	Marquart	Pelowski	Sundin
Carlson, L.	Hansen	Lee	Masin	Pinto	Wagenius
Clark	Hausman	Lesch	Maye Quade	Poppe	Ward
Considine	Hilstrom	Liebling	Moran	Pryor	Youakim

The bill was repassed, as amended by Conference, and its title agreed to.

Kresha 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 Speaker pro tempore Albright.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. No. 707

A bill for an act relating to state government; appropriating money from outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; providing for riparian protection aid; modifying requirements for expending money from legacy funds; modifying and extending prior appropriations; requiring reports; amending Minnesota Statutes 2016, sections 16A.127, subdivision 8; 85.53, by adding subdivisions; 97A.056, subdivision 3, by adding subdivisions; 114D.50, subdivision 4, by adding subdivisions; 129D.17, subdivision 4, by adding subdivisions; Laws 2012, chapter 264, article 1, section 2, subdivision 5, as amended; Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended; Laws 2016, chapter 172, article 1, section 2, subdivisions 2, 4; proposing coding for new law in Minnesota Statutes, chapter 477A; repealing Minnesota Statutes 2016, section 97A.056, subdivision 8.

May 18, 2017

The Honorable Kurt L. Daudt
Speaker of the House of Representatives

The Honorable Michelle L. Fischbach
President of the Senate

We, the undersigned conferees for H. F. No. 707 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 707 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1
OUTDOOR HERITAGE FUND

Section 1. **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 outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2018" and "2019" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2018, and June 30, 2019, respectively. The "first year" is fiscal year 2018. The "second year" is fiscal year 2019. The "biennium" is fiscal years 2018 and 2019, respectively. The appropriations in this article are onetime appropriations.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2018</u>	<u>2019</u>

Sec. 2. **OUTDOOR HERITAGE FUND**

Subdivision 1. <u>Total Appropriation</u>	<u>\$102,605,000</u>	<u>\$1,958,000</u>
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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. Prairies29,489,0001,373,000**(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase IX**

\$3,064,000 the first year and \$1,373,000 the second year are to the commissioner of natural resources to acquire in fee and restore lands for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating the Wildlife Management Area Acquisition - Phase IX

\$5,603,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project - Phase VII

\$1,901,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land in fee for native prairie, wetland, and savanna and to restore and enhance grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. No later than 180 days after The Nature Conservancy's fiscal year ends, The Nature Conservancy must submit to the Lessard-Sams Outdoor Heritage Council annual income statements and balance sheets for income and expenses from land acquired with this appropriation. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in Minnesota Prairie Conservation Plan.

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

\$2,683,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements and restore lands in the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan, and the acquisitions must be consistent with the priorities in Minnesota Prairie Conservation Plan.

(e) Cannon River Headwaters Habitat Complex - Phase VII

\$1,436,000 the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire in fee and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Accelerated Native Prairie Bank Protection - Phase VI

\$2,481,000 the first year is to the commissioner of natural resources to acquire permanent conservation easements to implement the strategies in Minnesota Prairie Conservation Plan to protect and restore native prairie. Of this amount, up to \$140,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(g) Reinvest In Minnesota (RIM) Buffers for Wildlife and Water - Phase VII

\$5,333,000 the first year is to the Board of Water and Soil Resources to restore habitat and acquire permanent conservation easements under Minnesota Statutes, section 103F.515, to protect,

restore, and enhance habitat by expanding the riparian-buffer program of the clean water fund for at least equal wildlife benefits from buffers on private land. Of this amount, up to \$858,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley - Phase III

\$1,908,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Prairie Chicken Society to acquire land in fee and restore and enhance lands in the southern Red River valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or to be designated and managed as waterfowl-production areas in Minnesota in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase IX

\$3,950,000 the first year is to the commissioner of natural resources to accelerate restoration and enhancement of prairies, grasslands, and savannas on wildlife management areas, scientific and natural areas, native prairie bank land, bluff prairies on state forest land in southeastern Minnesota, and United States Fish and Wildlife Service waterfowl-production area and refuge lands. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(j) Anoka Sandplain Habitat Restoration and Enhancement - Phase V

\$1,130,000 the first year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance wildlife habitat on public lands in Anoka, Benton, Isanti, Morrison, and Stearns Counties as follows: \$41,000 is to the Anoka Conservation District, \$231,000 is to the Isanti County Soil and Water Conservation District, \$345,000 is to Great River Greening, \$163,000 is to the Stearns County Soil and Water Conservation District, and \$350,000 is to Minnesota Land Trust. Up to \$40,000 to Minnesota Land Trust is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes,

section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

Subd. 3. Forests

16,824,000

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(a) Carnelian Creek Conservation Corridor

\$2,458,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements in Washington County. Of this amount, up to \$30,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements must be provided as part of the required accomplishment plan.

(b) Laurentian Forest - St. Louis County Habitat Project

\$2,400,000 the first year is to the commissioner of natural resources for agreements with the Minnesota Deer Hunters Association in cooperation with The Conservation Fund and St. Louis County to acquire land in fee to be transferred to St. Louis County for wildlife habitat purposes. The amount is for agreements as follows: \$2,292,000 to the Minnesota Deer Hunter Association and \$108,000 to The Conservation Fund. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Southeast Minnesota Protection and Restoration - Phase V

\$2,375,000 the first year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8; to acquire land in fee for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; to acquire land in fee for state forest purposes under Minnesota Statutes, section 86A.05, subdivision 7; to acquire permanent conservation easements; and to restore and enhance prairie, grassland, forest, and savanna. The amount is for agreements as follows: \$1,000,000 to The Nature Conservancy, \$675,000 to The Trust for Public Land, and \$700,000 to Minnesota Land Trust. Up to \$80,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. No later than 180 days after the The Nature Conservancy's fiscal year ends, The Nature Conservancy must submit to the Lessard-Sams Outdoor Heritage Council annual income statements and balance sheets for income

and expenses from land acquired in fee with this appropriation and not transferred to the state or a local governmental unit. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Minnesota Forests for the Future - Phase V

\$2,291,000 the first year is to the commissioner of natural resources to acquire easements for forest, wetland, and shoreline habitat through working forest permanent conservation easements 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 Minnesota Statutes, section 97A.056, subdivision 13. The accomplishment plan must include an easement monitoring and enforcement plan. Of this amount, up to \$72,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(e) State Forest Acquisitions - Phase IV

\$1,000,000 the first year is to the commissioner of natural resources to acquire lands in fee for wildlife habitat purposes in the Richard J. Dorer Memorial Hardwood State Forest under Minnesota Statutes, section 86A.05, subdivision 7. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Critical Shoreland Protection Program - Phase IV

\$1,700,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements along rivers and lakes in the northern forest region. Of this amount, up to \$120,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements must be provided as part of the required accomplishment plan.

(g) Bushmen Lake

\$4,600,000 the first year is to the commissioner of natural resources for an agreement with The Conservation Fund in cooperation with the United States Forest Service to acquire lands in fee adjacent to Bushmen Lake in St. Louis County to be managed for wildlife habitat purposes. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

Subd. 4. Wetlands28,869,000-0-**(a) Accelerating Waterfowl-Production Area Acquisition - Phase IX**

\$5,500,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl-production areas 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.

(b) Shallow Lakes and Wetland Protection Program - Phase VI

\$5,750,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee and restore prairie lands, wetlands, and land-buffering shallow lakes for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) RIM Wetlands Partnership - Phase VIII

\$10,398,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to \$306,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Wild-Rice Shoreland Protection Program - Phase V

\$750,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements on wild-rice lake shoreland habitat for native wild-rice bed protection. Of this amount, up to \$59,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report by the Board of Water and Soil Resources.

(e) Accelerated Shallow Lakes and Wetlands Enhancement - Phase IX

\$1,755,000 the first year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Living Shallow Lakes and Wetland Initiative - Phase VI

\$4,716,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to restore and enhance shallow lakes and wetlands on public lands and wetlands under permanent conservation easement for wildlife management purposes. A list of proposed shallow-lake enhancements and wetland restorations must be provided as part of the required accomplishment plan.

Subd. 5. Habitats26,544,000-0-**(a) Mississippi Headwaters Habitat Corridor Partnership - Phase III**

\$1,617,000 the first year is to the commissioner of natural resources to acquire lands in fee and restore wildlife habitat in the Mississippi headwaters and for agreements as follows: \$60,000 to the Mississippi Headwaters Board and \$1,557,000 to The Trust for Public Land. \$779,000 the first year is to the Board of Water and Soil Resources to acquire lands in permanent conservation easements and to restore wildlife habitat. Up to \$59,000 to the Board of Water and Soil Resources is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(b) Fisheries Habitat Protection on Strategic North-Central Minnesota Lakes - Phase III

\$1,716,000 the first year is to the commissioner of natural resources to acquire land in permanent conservation easements to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties for agreements as follows: \$113,000 to the Leech Lake Area Watershed Foundation and \$1,603,000 to Minnesota Land Trust. Up to \$120,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the required accomplishment plan.

(c) Goose Prairie

\$600,000 the first year is to the commissioner of natural resources for an agreement with the Wild Rice Watershed District, in cooperation with the Department of Natural Resources, to enhance aquatic and upland habitat in and adjacent to the Goose Prairie

Marsh Wildlife Management Area in Clay County. A list of proposed land enhancements must be provided as part of the required accomplishment plan.

(d) Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase IX

\$2,403,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore or enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(e) DNR Stream Habitat - Phase II

\$2,166,000 the first year is to the commissioner of natural resources to restore and enhance habitat in degraded streams and critical aquatic-species habitat and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(f) St. Louis River Restoration Initiative - Phase IV

\$3,392,000 the first year is to the commissioner of natural resources to restore aquatic habitats in the St. Louis River estuary. Of this appropriation, up to \$226,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations must be provided as part of the required accomplishment plan.

(g) Shell Rock River Watershed Habitat Restoration Program - Phase VI

\$1,779,000 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 and restore and enhance aquatic habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(h) Lake Wakanda Enhancement Project

\$921,000 the first year is to the commissioner of natural resources for an agreement with Kandiyohi County to enhance aquatic habitat in and adjacent to Lake Wakanda in Kandiyohi County. A list of proposed land enhancements must be provided as part of the required accomplishment plan.

(i) Wolverton Creek Habitat Restoration

\$1,877,000 the first year is to the commissioner of natural resources for an agreement with the Buffalo-Red River Watershed District to acquire permanent conservation easements and restore and enhance aquatic and upland habitat associated with Wolverton Creek in the Buffalo-Red River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(j) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat - Phase IX

\$9,294,000 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 enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, up to \$2,660,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or greater. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be for projects that have a total project cost exceeding \$575,000. Of the total appropriation, \$634,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner must provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner must, when evaluating projects of equal value, give priority to organizations that have a history of receiving or a charter to receive private contributions for local conservation or habitat projects. If acquiring land in fee or a conservation easement, priority must be given to projects associated with or within one mile of 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; or 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 permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership, or must be in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13,

applies to grants awarded under this paragraph. This appropriation is available until June 30, 2021. 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 must provide notice of the grant program in the game and fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. Administration

879,000

585,000

(a) Contract Management

\$150,000 the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner must provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council for expending this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended before the Lessard-Sams Outdoor Heritage Council approves the accomplishment plan.

(b) Legislative Coordinating Commission

\$571,000 the first year and \$578,000 the second year is to the Legislative Coordinating Commission for Lessard-Sams Outdoor Heritage Council administrative expenses and for compensating and reimbursing expenses of council members. This appropriation is available until June 30, 2019. Minnesota Statutes, section 16A.281, applies to this appropriation.

(c) Technical Evaluation Panel

\$150,000 the first year is to the commissioner of natural resources for a technical evaluation panel to conduct up to 20 restoration and enhancement evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

(d) Legacy Web site

\$8,000 the first year and \$7,000 the second year are to the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Subd. 7. Appropriation Availability

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 approved by the Lessard-Sams Outdoor Heritage Council. Money

appropriated in this section must not be spent on 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, 2020. For acquiring real property, the amounts in this section are available until June 30, 2021, if a binding agreement with a landowner or purchase agreement is entered into by June 30, 2020, and closed no later than June 30, 2021. Appropriations for restoration or enhancement are available until June 30, 2022, or five years after acquisition, whichever is later, so that initial restoration or enhancement work can be completed. If a project receives at least 15 percent of its funding from federal funds, the appropriation period may be extended to equal the availability of federal funding to a maximum of six years, provided the federal funding was confirmed and included in the first draft accomplishment plan. Money appropriated for fee title acquisition of land may be used to restore, enhance, and provide for public use of the land acquired with the appropriation. Public use facilities must have no more than a minimal impact on habitat in acquired lands.

Subd. 8. Payment Conditions and Capital Equipment Expenditures

All agreements 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, 2017, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. 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 over \$10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 9. Mapping

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must provide geographic information to the Lessard-Sams Outdoor Heritage Council for mapping any lands acquired in fee with money appropriated in this section and open to public taking of fish and game. The commissioner of natural resources must include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

Subd. 10. Fiscal Year 2019 Recommendations

The Lessard-Sams Outdoor Heritage Council must consider recommending up to \$15,000,000 for fiscal year 2019 appropriations from the outdoor heritage fund for conservation easements and restoration as provided in subdivision 4, paragraph (c).

Sec. 3. Minnesota Statutes 2016, section 97A.056, is amended by adding a subdivision to read:

Subd. 22. Revenues. (a) A recipient must disclose to the Lessard-Sams Outdoor Heritage Council and the commissioner all revenues that are received by the recipient before the availability of the appropriation ends and that are generated from activities on land acquired in fee title or easement, restored, or enhanced with money from the outdoor heritage fund. The revenues must be disclosed to the council and commissioner no later than 60 days after the availability of the appropriation ends.

(b) For all revenues disclosed under paragraph (a), a recipient must:

(1) use the revenues to protect, restore, or enhance wetlands, prairies, forests, or habitat for fish, game, or wildlife according to the appropriation purposes and the approved accomplishment plan;

(2) use the revenues for other purposes as approved in the accomplishment plan by the Lessard-Sams Outdoor Heritage Council; or

(3) transfer the revenues to the outdoor heritage fund no later than 60 days after the availability of the appropriation ends, unless otherwise approved by the council.

(c) Paragraph (b), clause (3), does not apply to the state and its departments and agencies.

Sec. 4. Minnesota Statutes 2016, section 97A.056, is amended by adding a subdivision to read:

Subd. 23. Reserve requirement. In any fiscal year, at least five percent of that year's projected tax receipts determined by the most recent forecast for the outdoor heritage fund must not be appropriated.

Sec. 5. Minnesota Statutes 2016, section 97A.056, is amended by adding a subdivision to read:

Subd. 24. Previous funding notification requirement. Any state agency or organization requesting a direct appropriation from the outdoor heritage fund must inform the Lessard-Sams Outdoor Heritage Council and the house of representatives and senate committees having jurisdiction over the outdoor heritage fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

Sec. 6. Laws 2012, chapter 264, article 1, section 2, subdivision 5, as amended by Laws 2015, First Special Session chapter 2, article 1, section 7, is amended to read:

Subd. 5. **Habitats**

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28,620,000

(a) **DNR Aquatic Habitat - Phase IV**

\$3,480,000 in the second 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, and to restore and enhance aquatic habitat. A list of proposed land acquisitions must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$25,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(b) **Metro Big Rivers Habitat - Phase III**

\$3,680,000 in the second 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: \$1,000,000 to the Minnesota Valley National Wildlife Refuge Trust, Inc.; \$375,000 to the Friends of the Mississippi; \$375,000 to Great River Greening; \$930,000 to The Minnesota Land Trust; and \$1,000,000 to The Trust for Public Land. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$51,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(c) **Dakota County Riparian and Lakeshore Protection and Management - Phase III**

\$480,000 in the second year is to the commissioner of natural resources for an agreement with Dakota County to acquire permanent conservation easements and restore and enhance habitats along the Mississippi, Cannon, and Vermillion Rivers. A list of proposed acquisitions, restorations, and enhancements must

be provided as part of the required accomplishment plan. The accomplishment plan must include an easement stewardship plan. Up to \$20,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. An annual financial report is required for any monitoring and enforcement fund established, including expenditures from the fund and a description of annual monitoring and enforcement activities.

(d) Lower St. Louis River Habitat Restoration

\$3,670,000 in the second year is to the commissioner of natural resources to restore habitat in the lower St. Louis River estuary. A list of proposed projects must be provided as part of the required accomplishment plan.

(e) Coldwater Fish Habitat Enhancement - Phase IV

\$2,120,000 in the second year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore and enhance coldwater fish lake, river, and stream habitats in Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Grand Marais Creek Outlet Restoration

\$2,320,000 in the second year is to the commissioner of natural resources for an agreement with the Red Lake Watershed District to restore and enhance stream and related habitat in Grand Marais Creek. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(g) Knife River Habitat Restoration

\$380,000 in the second year is to the commissioner of natural resources for an agreement with the Lake Superior Steelhead Association to restore trout habitat in the Upper Knife River Watershed. A list of proposed restorations must be provided as part of the required accomplishment plan. Notwithstanding rules of the commissioner of natural resources, restorations conducted pursuant to this paragraph may be accomplished by excavation.

(h) Protect Aquatic Habitat from Invasive Carp

\$7,500,000 in the second year is to the commissioner of natural resources for design construction, including acquisition, operation, and evaluation of structural deterrents for invasive carp to protect Minnesota's aquatic habitat. Use of this money requires a one-to-one match for projects on state boundary waters. A match is not required for design or feasibility studies. This appropriation is available until June 30, 2019.

(i) Outdoor Heritage Conservation Partners Grant Program - Phase IV

\$4,990,000 in the second 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 enhancing, restoring, or protecting 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 \$575,000. \$366,000 of this appropriation may be spent for personnel costs and other direct and necessary 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 all grants. The match may be cash or in-kind resources. For grant applications of \$25,000 or less, the commissioner shall provide a separate, simplified application process. Subject to Minnesota Statutes, the commissioner of natural resources shall, when evaluating projects of equal value, give priority to organizations that have a history of receiving or charter to receive private contributions for local conservation or habitat projects. 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. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2016. 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 game and fish law summaries that are prepared under Minnesota Statutes, section 97A.051, subdivision 2.

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

Sec. 7. Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended by Laws 2016, chapter 172, article 1, section 5, is amended to read:

Subd. 2. **Prairies**

40,948,000

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(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase VII

\$4,570,000 in the first year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land and permanent conservation easement acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Acquisition - Phase VII

\$7,452,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project - Phase VI

\$4,032,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire native prairie, wetlands, and savanna and restore and enhance grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days following the close of The Nature Conservancy's fiscal year. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in the Minnesota Prairie Conservation Plan.

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

\$3,430,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Accelerated Native Prairie Bank Protection - Phase IV

\$3,740,000 in the first year is to the commissioner of natural resources to implement the Minnesota Prairie Conservation Plan through the acquisition of permanent conservation easements to protect native prairie and grasslands. Up to \$165,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(f) Minnesota Buffers for Wildlife and Water - Phase V

\$4,544,000 in the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements to protect and enhance habitat by expanding the clean water fund riparian buffer program for at least equal wildlife benefits from buffers on private land. Up to ~~\$72,500~~ \$728,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(g) Cannon River Headwaters Habitat Complex - Phase V

\$1,380,000 in 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 purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota

Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley

\$1,800,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Prairie Chicken Society to acquire and restore lands in the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or for designation and management as waterfowl production areas 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) Protecting and Restoring Minnesota's Important Bird Areas

\$1,730,000 in the first year is to the commissioner of natural resources for agreements to acquire conservation easements within important bird areas identified in the Minnesota Prairie Conservation Plan, to be used as follows: \$408,000 is to Audubon Minnesota and \$1,322,000 is to Minnesota Land Trust, of which up to \$100,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(j) Wild Rice River Corridor Habitat Restoration

\$2,270,000 in the first year is to the commissioner of natural resources for an agreement with the Wild Rice Watershed District to acquire land in fee and permanent conservation easement and to restore river and related habitat in the Wild Rice River corridor. A list of proposed acquisitions and restorations must be provided as part of the required accomplishment plan.

(k) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VII

\$4,880,000 in the first year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairie communities on wildlife management areas, scientific and natural areas, state forest land, and land under native prairie bank easements. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(I) Enhanced Public Land Grasslands - Phase II

\$1,120,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to enhance and restore habitat on public lands. A list of proposed land restorations and enhancements must be provided as part of the final report.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2015.

Sec. 8. Laws 2016, chapter 172, article 1, section 2, subdivision 2, is amended to read:

Subd. 2. **Prairies**

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31,000,000

(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase VIII

\$3,250,000 the second year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Acquisition - Phase VIII

\$5,229,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Martin County/Fox Lake Wildlife Management Area Acquisition

\$1,000,000 the second year is to the commissioner of natural resources for an agreement with Fox Lake Conservation League, Inc. to acquire land in fee and restore strategic prairie grassland, wetland, and other wildlife habitat for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

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

\$2,754,000 the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements and restore lands within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Cannon River Headwaters Habitat Complex - Phase VI

\$583,000 the second year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire land in fee and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Accelerated Native Prairie Bank Protection - Phase V

\$2,541,000 the second year is to the commissioner of natural resources to implement the Minnesota Prairie Conservation Plan through the acquisition of permanent conservation easements to protect and restore native prairie. Of this amount, up to \$120,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(g) Reinvest In Minnesota (RIM) Buffers for Wildlife and Water - Phase VI

\$6,708,000 the second year is to the Board of Water and Soil Resources to acquire permanent conservation easements and restore habitat under Minnesota Statutes, section 103F.515, to

protect, restore, and enhance habitat by expanding the clean water fund riparian buffer program for at least equal wildlife benefits from buffers on private land. Of this amount, up to ~~\$130,000~~ \$1,079,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley - Phase II

\$2,269,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society, to acquire land in fee and restore and enhance lands in the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or for designation and management as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Grassland Conservation Partnership - Phase II

\$1,475,000 the second year is to the commissioner of natural resources for an agreement with The Conservation Fund, in cooperation with Minnesota Land Trust, to acquire permanent conservation easements and restore high priority grassland, prairie, and wetland habitats as follows: \$64,000 to The Conservation Fund; and \$1,411,000 to Minnesota Land Trust, of which up to \$100,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(j) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VIII

\$3,983,000 the second year is to the commissioner of natural resources to accelerate restoration and enhancement of prairies, grasslands, and savannas on wildlife management areas, scientific and natural areas, native prairie bank land, and bluff prairies on

state forest land in southeastern Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) Anoka Sandplain Habitat Restoration and Enhancement - Phase IV

\$1,208,000 the second year is to the commissioner of natural resources for agreements to restore and enhance wildlife habitat on public lands in Anoka, Isanti, Morrison, Sherburne, and Todd Counties as follows: \$93,000 to Anoka Conservation District; \$25,000 to Isanti County Parks and Recreation Department; \$813,000 to Great River Greening; and \$277,000 to the National Wild Turkey Federation. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

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

Sec. 9. Laws 2016, chapter 172, article 1, section 2, subdivision 4, is amended to read:

Subd. 4. **Wetlands**

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31,055,000

(a) Accelerating the Waterfowl Production Area Acquisition - Phase VIII

\$5,650,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl production areas 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.

(b) Shallow Lake and Wetland Protection Program - Phase V

\$5,801,000 the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire in fee and restore prairie lands, wetlands, and land buffering shallow lakes for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) RIM Wetlands Partnership - Phase VII

\$13,808,000 the second year is to the Board of Water and Soil Resources to acquire lands in permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to ~~\$195,000~~ \$410,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to

Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Wetland Habitat Protection Program - Phase II

\$1,629,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements in high-priority wetland habitat complexes in the prairie and forest/prairie transition regions. Of this amount, up to \$180,000 is to establish a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed easement acquisitions must be provided as part of the final report.

(e) Accelerated Shallow Lakes and Wetlands Enhancement - Phase VIII

\$2,167,000 the second year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Marsh Lake - Phase II

\$2,000,000 the second year is to the commissioner of natural resources to modify the dam at Marsh Lake for improved habitat management and to return the historic outlet of the Pomme de Terre River to Lac Qui Parle.

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

Sec. 10. **OUTDOOR HERITAGE FUND INDIRECT COSTS; REPORT.**

By October 1, 2017, the commissioner of management and budget must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the outdoor heritage fund a report of the amount from the outdoor heritage fund used to reimburse the general fund for indirect costs under Minnesota Statutes, section 16A.127. The report must include:

(1) information for all years that outdoor heritage fund appropriations have been made through fiscal year 2017;

(2) the legal authority of the specific appropriations from which indirect costs were funded; and

(3) information on how statewide indirect cost allocations from the outdoor heritage fund contribute to the constitutional requirement that funds be spent only to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife.

Sec. 11. **REPEALER.**

Minnesota Statutes 2016, section 97A.056, subdivision 8, is 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 figures "2018" and "2019" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. The appropriations in this article are onetime.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2018</u>	<u>2019</u>

Sec. 2. **CLEAN WATER**

Subdivision 1. **Total Appropriation**

\$100,497,000

\$111,373,000

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 be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2018 appropriations are available until June 30, 2019, and fiscal year 2019 appropriations are available until June 30, 2020. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Disability Access**

Where appropriate, grant recipients of clean water funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Sec. 3. **DEPARTMENT OF AGRICULTURE****\$8,283,000****\$9,283,000**

(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) \$2,085,000 the first year and \$2,086,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater in areas vulnerable to groundwater degradation; promoting, developing, and evaluating regional and crop-specific nutrient best management practices; assessing best management practice adoption; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, 2022.

(c) \$75,000 the first year and \$75,000 the second year are for administering clean water funds managed through the agriculture best management practices loan program. Any unencumbered balance at the end of the second year shall be added to the corpus of the loan fund.

(d) \$1,125,000 the first year and \$1,125,000 the second year are for technical assistance, research, and demonstration projects on proper implementation of best management practices and more precise information on nonpoint contributions to impaired waters and for grants to support on-farm demonstration of agricultural practices. This appropriation is available until June 30, 2022.

(e) \$663,000 the first year and \$662,000 the second year are for research to quantify and reduce agricultural contributions to impaired waters and for development and evaluation of best management practices to protect and restore water resources. This appropriation is available until June 30, 2022.

(f) \$50,000 the first year and \$50,000 the second year are for a research inventory database containing water-related research activities. Costs for information technology development or support for this research inventory database may be paid to the Office of MN.IT Services. This appropriation is available until June 30, 2022.

(g) \$2,000,000 the first year and \$3,000,000 the second year are to implement the Minnesota agricultural water quality certification program statewide. Funds appropriated in this paragraph are available until June 30, 2021.

(h) \$110,000 the first year and \$110,000 the second year are to provide funding for a regional irrigation water quality specialist through University of Minnesota Extension.

(i) \$750,000 the first year and \$750,000 the second year are for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and to protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. This appropriation is available until June 30, 2022.

(j) \$1,000,000 the first year and \$1,000,000 the second year are for pesticide testing of private wells where nitrate is detected, as part of the Township Testing Program. This appropriation is available until June 30, 2022.

(k) \$75,000 the first year and \$75,000 the second year are to evaluate market opportunities and develop markets for crops that can be profitable for farmers and beneficial for water quality and soil health.

(l) A portion of the funds in this section may be used for programs to train state and local outreach staff in the intersection between agricultural economics and agricultural conservation.

Sec. 4. **PUBLIC FACILITIES AUTHORITY**

\$5,307,000

\$10,693,000

(a) \$5,182,000 the first year and \$10,568,000 the second year are for the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation is available until June 30, 2022.

(b) \$125,000 the first year and \$125,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until June 30, 2022.

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

Sec. 5. **POLLUTION CONTROL AGENCY**

\$25,790,000

\$26,290,000

(a) \$8,275,000 the first year and \$8,275,000 the second year are for completion of needed statewide assessments of surface water quality and trends according to Minnesota Statutes, chapter 114D. Of this amount, \$125,000 the first year and \$125,000 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, 2019, on the expenditure of this appropriation.

(b) \$9,409,000 the first year and \$9,638,000 the second year are to develop watershed restoration and protection strategies (WRAPS), which include 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.

(c) \$1,181,000 the first year and \$1,182,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, and evaluating trends, including the reassessment of groundwater that was assessed ten to 15 years ago and found to be contaminated.

(d) \$750,000 the first year and \$750,000 the second year are for implementation of the St. Louis River System Area of Concern Remedial Action Plan. This appropriation must be matched at a rate of 65 percent nonstate money to 35 percent state money.

(e) \$500,000 the first year and \$500,000 the second year are for TMDL research and database development.

(f) \$900,000 the first year and \$900,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts.

(g) \$3,500,000 the first year and \$3,370,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protection of groundwater, including base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are otherwise failing. Counties that receive base grants must report the number of sewage noncompliant properties upgraded through SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buy-out. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. These

required reports are to be part of established annual reporting for SSTS programs. Counties that conduct SSTS inventories or those with an ordinance in place that requires an SSTS to be inspected as a condition of transferring property or as a condition of obtaining a local permit must be given priority for competitive grants under this paragraph. Of this amount, \$1,000,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed \$40,000 for the biennium. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures.

(h) \$225,000 the first year and \$225,000 the second year are for accelerated implementation of MS4 permit requirements including additional technical assistance to municipalities experiencing difficulties understanding and implementing the basic requirements of the municipal storm water program.

(i) \$800,000 the first year and \$1,200,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated Voyageurs National Park Clean Water Project Comprehensive Plan to restore the water quality of waters in Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be matched by at least 25 percent from sources other than the clean water fund.

(j) \$200,000 the first year and \$200,000 the second year are for coordination with the state of Wisconsin and the National Park Service on comprehensive phosphorous reduction activities in the Minnesota portion of Lake St. Croix on the St. Croix River. The commissioner must work with the St. Croix Basin Water Resources Planning Team and the St. Croix River Association to implement the water monitoring and phosphorous reduction activities.

(k) \$50,000 the first year and \$50,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(l) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations in this section are available until June 30, 2022.

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

\$8,446,000

\$8,446,000

(a) \$1,950,000 the first year and \$1,950,000 the second year are for stream flow monitoring.

(b) \$1,250,000 the first year and \$1,250,000 the second year are for lake Index of Biological Integrity (IBI) assessments.

(c) \$135,000 the first year and \$135,000 the second year are for assessing mercury and other contaminants of fish, including monitoring to track the status of impaired waters over time.

(d) \$1,886,000 the first year and \$1,886,000 the second year are for developing targeted, science-based watershed restoration and protection strategies.

(e) \$1,375,000 the first year and \$1,375,000 the second year are for water supply planning, aquifer protection, and monitoring activities.

(f) \$950,000 the first year and \$950,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities.

(g) \$675,000 the first year and \$675,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; and assessing effectiveness of forestry best management practices for water quality.

(h) \$125,000 the first year and \$125,000 the second year are for developing county geologic atlases.

(i) \$100,000 the first year and \$100,000 the second year are for maintenance and updates to buffer maps and for technical guidance on buffer map interpretation to local units of government for implementation of buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources' Web site.

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

\$45,911,000

\$49,597,000

(a) \$4,875,000 the first year and \$4,875,000 the second year are for a pilot program to provide performance-based grants to local government units. The grants may be used to implement projects that protect, enhance, and restore surface water quality in lakes, rivers, and streams; protect groundwater from degradation; and protect drinking water sources. Projects must be identified in a comprehensive watershed plan developed under the One Watershed, One Plan or metropolitan surface water management frameworks or groundwater plans. Grant recipients must identify a nonstate match and may use other legacy funds to supplement projects funded under this paragraph.

(b) \$6,882,000 the first year and \$12,618,000 the second year are for grants to protect and restore 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 projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. A portion of these funds may be used to seek administrative efficiencies through shared resources by multiple local governmental units.

(c) \$3,325,000 the first year and \$4,275,000 the second year are for accelerated implementation, including local resource protection and enhancement grants and statewide program enhancements of supplements for technical assistance, citizen and community outreach, compliance, and training and certification.

(d) \$950,000 the first year and \$950,000 the second year are to provide state oversight and accountability, evaluate results, provide implementation tools, and measure the value of conservation program implementation by local governments, including submission to the legislature by March 1 each even-numbered year a biennial report prepared by the board, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, detailing the recipients, the projects funded under this section, and the amount of pollution reduced.

(e) \$2,500,000 the first year and \$2,500,000 the second year are to provide assistance, oversight, and grants for supporting local governments in implementing and complying with riparian protection and excessive soil loss requirements.

(f) \$3,875,000 the first year and \$5,875,000 the second year are to restore or preserve permanent conservation on riparian buffers adjacent to lakes, rivers, streams, and tributaries, 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. This appropriation may be used for restoration of riparian buffers permanently protected by easements purchased with this appropriation or contracts to achieve permanent protection for riparian buffers or stream bank restorations when the riparian buffers have been restored. Up to \$1,920,000 is for deposit in a monitoring and enforcement account.

(g) \$1,750,000 the first year and \$1,750,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for fee

title acquisition to permanently protect groundwater supply sources on wellhead protection areas or for otherwise ensuring long-term protection of groundwater supply sources as described under alternative management tools in the Department of Agriculture's Nitrogen Fertilizer Management Plan, including low nitrogen cropping systems or implementing nitrogen fertilizer best management practices. 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, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring Conservation Reserve Program contracts. Up to \$105,000 is for deposit in a monitoring and enforcement account.

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

(i) \$1,995,000 the first year and \$1,995,000 the second year are for assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D.

(j) \$750,000 the first year and \$750,000 the second year are for technical assistance and grants for the conservation drainage program in consultation with the Drainage Work Group, coordinated under Minnesota Statutes, section 103B.101, subdivision 13, that includes projects to improve multipurpose water management under Minnesota Statutes, section 103E.015.

(k) \$1,500,000 the first year and \$1,500,000 the second year are to purchase and restore permanent conservation sites via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. This work may be done in cooperation with the United States Department of Agriculture with a first priority use to accomplish a conservation reserve enhancement program, or equivalent, in the state. Up to \$2,880,000 is for deposit in a monitoring and enforcement account.

(l) \$1,000,000 the first year and \$1,000,000 the second year are to purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but threatened with degradation. Up to \$60,000 is for deposit in a monitoring and enforcement account.

(m) \$425,000 the first year and \$425,000 the second year are for a program to systematically collect data and produce county, watershed, and statewide estimates of soil erosion caused by water and wind along with tracking adoption of conservation measures, including cover crops, to address erosion.

(n) \$11,000,000 the first year and \$11,000,000 the second year are for payments to soil and water conservation districts for the purposes of Minnesota Statutes, sections 103C.321 and 103C.331. From this appropriation, each soil and water conservation district shall receive an increase in its base funding of \$100,000 per year. Money remaining after the base increase is available for matching grants to soil and water conservation districts based on county allocations to soil and water conservation districts. The board and other agencies may reduce the amount of grants to a county by an amount equal to any reduction in the county's allocation to a soil and water conservation district from the county's previous year allocation when the board determines that the reduction was disproportionate.

(o) \$5,000,000 the first year is for soil and water conservation districts for cost-sharing contracts with landowners or authorized agents to implement riparian buffers or alternative practices on public waters or public ditches consistent with Minnesota Statutes, section 103F.48. Of this amount, up to \$2,500,000 may be targeted outside the 54-county Conservation Reserve Enhancement Area.

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

(q) 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.

(r) The board shall require grantees to specify the outcomes that will be achieved by the grants prior to any grant awards.

(s) The appropriations in this section are available until June 30, 2022. Returned grant funds shall be regranted consistent with the purposes of this section.

Sec. 8. **DEPARTMENT OF HEALTH**

\$4,787,000

\$5,107,000

(a) \$1,100,000 the first year and \$1,100,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standards exist, including accelerating the development of health risk limits and improving the capacity of the department's laboratory to analyze unregulated contaminants.

(b) \$2,587,000 the first year and \$2,907,000 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) \$200,000 the first year and \$200,000 the second year are to develop and deliver groundwater restoration and protection strategies for use on a watershed scale for use in local water planning efforts and to provide resources to local governments for drinking water source protection activities.

(e) \$400,000 the first year and \$400,000 the second year are for studying the occurrence and magnitude of contaminants in private wells and developing guidance and outreach to reduce risks to private-well owners.

(f) \$100,000 the first year and \$100,000 the second year are for evaluating and addressing the risks from viruses in water supplies.

(g) \$150,000 the first year and \$150,000 the second year are to develop public health policies and an action plan to address threats to safe drinking water and to conduct an analysis to determine the scope of the lead problem in Minnesota's water and the cost to eliminate lead exposure in drinking water.

(h) Unless otherwise specified, the appropriations in this section are available until June 30, 2021.

Sec. 9. **METROPOLITAN COUNCIL**

\$950,000

\$950,000

\$950,000 the first year and \$950,000 the second year are to implement projects that address emerging drinking-water supply threats, provide cost-effective regional solutions, leverage interjurisdictional coordination, support local implementation of water supply reliability projects, and prevent degradation of groundwater resources in the metropolitan area. These projects will provide to communities:

(1) potential solutions to leverage regional water use through use of surface water, storm water, wastewater, and groundwater;

(2) an analysis of infrastructure requirements for different alternatives;

(3) development of planning level cost estimates, including capital cost and operation cost;

(4) identification of funding mechanisms and an equitable cost-sharing structure for regionally beneficial water supply development projects; and

(5) development of subregional groundwater models.

Sec. 10. **UNIVERSITY OF MINNESOTA****\$1,008,000****\$1,007,000**

(a) \$125,000 the first year and \$125,000 the second year are for developing county geologic atlases. This appropriation is available until June 30, 2022.

(b) \$750,000 the first year and \$750,000 the second year are for a performance evaluation and technology transfer program for storm water best management practices to enhance data and information management of storm water best management practices; evaluate best management performance and effectiveness to support meeting total maximum daily loads; develop standards and incorporate state-of-the-art guidance using minimal impact design standards as the model; and implement a knowledge and technology transfer system across local government, industry, and regulatory sectors. This appropriation is available until June 30, 2020.

(c) \$133,000 the first year and \$132,000 the second year are to provide guidance documents and tools evaluating the clean water fund's return on investment to measure impacts on water quality and human well-being as well as assist in future funding decisions.

Sec. 11. **LEGISLATURE****\$15,000**

\$15,000 the first year is for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Sec. 12. Minnesota Statutes 2016, 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) 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 and all other items required under section 3.303, subdivision 10, to the Legislative Coordinating Commission as soon as practicable or by January 15 of the applicable fiscal year, 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. 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 regrantee 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) When practicable, a direct recipient of an appropriation from the clean water fund shall prominently display on the recipient's Web site home page 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 Web page that includes both the contact information 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. If the Office of the Legislative Auditor, in the course of an audit or investigation, publicly reports that a recipient of money from the clean water fund has not complied with the laws, rules, or regulations in this section or other laws applicable to the recipient, the recipient must be listed in an annual report to the legislative committees with jurisdiction over the legacy funds. The list must be publicly available. The legislative auditor shall remove a recipient from the list upon determination that the recipient is in compliance. A recipient on the list is not eligible for future funding from the clean water fund until the recipient demonstrates compliance to the legislative auditor.

(h) Money from the clean water fund may be used to leverage federal funds through execution of formal project partnership agreements with federal agencies consistent with respective federal agency partnership agreement requirements.

(i) Any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.

Sec. 13. Minnesota Statutes 2016, section 114D.50, is amended by adding a subdivision to read:

Subd. 7. **Reserve requirement.** In any fiscal year, at least five percent of that year's projected tax receipts determined by the most recent forecast for the clean water fund must not be appropriated.

Sec. 14. **CLEAN WATER FUND INDIRECT COSTS; REPORT.**

By October 1, 2017, the commissioner of management and budget must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the clean water fund a report of the amount from the clean water fund used to reimburse the general fund for indirect costs under Minnesota Statutes, section 16A.127. The report must include:

(1) information for all years that clean water fund appropriations have been made through fiscal year 2017;

(2) the legal authority of the specific appropriations from which indirect costs were funded; and

(3) information on how statewide indirect cost allocations from the clean water fund contribute to the constitutional requirement that funds be spent only to protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation.

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 and are available for the fiscal years indicated for each purpose. The figures "2018" and "2019" used in this article mean that the appropriations listed

under them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. All appropriations in this article are onetime.

APPROPRIATIONS
Available for the Year
Ending June 30

2018 **2019**

Sec. 2. **PARKS AND TRAILS**

Subdivision 1. <u>Total Appropriation</u>	<u>\$41,989,000</u>	<u>\$47,775,000</u>
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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 be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2018 appropriations are available until June 30, 2020, and fiscal year 2019 appropriations are available until June 30, 2021. If a project receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Disability Access**

Where appropriate, grant recipients of parks and trails funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Sec. 3. <u>DEPARTMENT OF NATURAL RESOURCES</u>	<u>\$25,398,000</u>	<u>\$28,884,000</u>
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(a) \$16,584,000 the first year and \$18,891,000 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; and

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

(b) \$8,293,000 the first year and \$9,445,000 the second year are for grants for parks and trails of regional significance outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants awarded under this paragraph shall be based on the lists of recommended projects submitted to the legislative committees under Minnesota Statutes, section 85.536, subdivision 10, from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. Grants funded under this paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the Greater Minnesota Regional Parks and Trails Strategic Plan adopted by the Greater Minnesota Regional Parks and Trails Commission on April 22, 2015. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, \$424,000 the first year and \$399,000 the second year are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(c) By January 15, 2018, the Greater Minnesota Regional Parks and Trails Commission shall submit a list of projects that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2019 to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(d) By January 15, 2018, the Greater Minnesota Regional Parks and Trails Commission shall submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(e) \$521,000 the first year and \$548,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced Web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee.

(f) 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.

(g) The implementing agencies receiving appropriations under this section shall give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 4. **METROPOLITAN COUNCIL**

\$16,584,000

\$18,891,000

(a) \$16,584,000 the first year and \$18,891,000 the second year are for distribution according to Minnesota Statutes, section 85.53, subdivision 3.

(b) Money appropriated under this section and distributed to implementing agencies must be used only to fund the list of projects approved by the elected representatives of each of the metropolitan parks implementing agencies. Projects funded by the money appropriated under this section must be substantially consistent with the project descriptions and dollar amounts approved by each elected body. Any funds remaining after completion of the listed projects may be spent by the implementing agencies on projects to support parks and trails.

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

(d) The implementing agencies receiving appropriations under this section shall give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 5. **LEGISLATURE**

\$7,000

\$7,000 the first year is for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Sec. 6. Minnesota Statutes 2016, section 85.53, is amended by adding a subdivision to read:

Subd. 6. **Reserve requirement.** In any fiscal year, at least five percent of that year's projected tax receipts determined by the most recent forecast for the parks and trails fund must not be appropriated.

Sec. 7. **SAUK RIVER REGIONAL PARK GRANT EXTENSION.**

The appropriation in Laws 2013, chapter 137, article 3, section 3, paragraph (c), clause (9), from the parks and trails fund for trail enhancement, land acquisition, and other improvements at Sauk River Regional Park is available until June 30, 2022.

EFFECTIVE DATE. This section is effective retroactively from June 30, 2016.

Sec. 8. **HYLAND-BUSH-ANDERSON LAKES PARK RESERVE GRANT EXTENSION.**

The appropriations for fiscal years 2014 and 2015 in Laws 2013, chapter 137, article 3, section 4, paragraph (c), from the parks and trails fund for grants to the city of Bloomington to reconstruct parking lots at the Hyland-Bush-Anderson Lakes Park Reserve are available until June 30, 2018.

EFFECTIVE DATE. This section is effective retroactively from June 30, 2016.

Sec. 9. **ANOKA COUNTY AND DAKOTA COUNTY REALLOCATIONS.**

Notwithstanding Laws 2013, chapter 137, article 3, section 4, paragraph (o), and Laws 2015, First Special Session chapter 2, article 3, section 4, paragraph (b):

(1) Anoka County may allocate \$438,000 of its share of the distribution for fiscal year 2017 funds under Minnesota Statutes, section 85.53, subdivision 3, to Bunker Hills Regional Park in accordance with the most recent priority rankings that Anoka County has submitted to the Metropolitan Council; and

(2) Dakota County may allocate \$180,000 of its share of the distribution under Minnesota Statutes, section 85.53, subdivision 3, designated for the Vermillion River Regional Greenway to the phase 2 improvement to Whitetail Woods Regional Park in Dakota County.

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

Sec. 10. **PARKS AND TRAILS FUND INDIRECT COSTS; REPORT.**

By October 1, 2017, the commissioner of management and budget must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the parks and trails fund a report of the amount from the parks and trails fund used to reimburse the general fund for indirect costs under Minnesota Statutes, section 16A.127. The report must include:

(1) information for all years that parks and trails fund appropriations have been made through fiscal year 2017;

(2) the legal authority of the specific appropriations from which indirect costs were funded; and

(3) information on how statewide indirect cost allocations from the parks and trails fund contribute to the constitutional requirement that funds be spent only to support parks and trails of regional or statewide significance.

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 figures "2018" and "2019" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2018, and June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. All appropriations in this article are onetime.

APPROPRIATIONS
Available for the Year
Ending June 30
2018 **2019**

Sec. 2. **ARTS AND CULTURAL HERITAGE**

Subdivision 1. **Total Appropriation**

\$57,328,000

\$66,036,000

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 institutional overhead charges that are not directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with the Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditures. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2018 appropriations are available until June 30, 2019, and fiscal year 2019 appropriations are available until June 30, 2020. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Minnesota State Arts Board**

26,370,000

31,736,000

(a) These amounts are appropriated to the Minnesota State Arts Board for arts, arts education, arts preservation, and arts access. Grant agreements entered into by the Minnesota State Arts Board and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Each grant program established in this appropriation must 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.

(b) **Arts and Arts Access Initiatives**

\$20,700,000 the first year and \$25,589,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

(c) Arts Education

\$4,115,000 the first year and \$4,610,000 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.

(d) Arts and Cultural Heritage

\$1,430,000 the first year and \$1,537,000 the second year are for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

(e) Grants

\$50,000 the first year is for a grant or contract to an organization for designing, consulting, creating, and administering a statewide arts software application to be used on electronic and mobile electronic devices to locate and access artists, arts organizations, and art education programs throughout Minnesota. The grantee must work in consultation with the Minnesota State Arts Board, regional arts councils, private and nonprofit arts organizations, and the regional library system to develop criteria for content to import to the software application and must make the application free to download. A portion of the funding may be used to pay the ongoing costs associated with developing content and updating the software or with contracting to develop and update the software and expand electronic content in fiscal years 2018 and 2019.

\$75,000 the first year is for a grant to the city of Savage to design and construct a statue of Dan Patch to be placed in the city of Savage. Grant recipients must provide a funding match of at least 25 percent of the total eligible project costs.

(f) Up to 4.5 percent of the funds appropriated in paragraphs (b) to (d) may be used by the board for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability.

(g) Up to 30 percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

(h) Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

Subd. 4. Minnesota Historical Society11,815,00016,305,000

(a) 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 must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must 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, 2021. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Historic Preservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

(b) Historical Grants and Programs**(1) Statewide Historic and Cultural Grants**

\$4,500,000 the first year and \$6,500,000 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 grant process. The Minnesota Historical Society must administer these funds using established grant mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

(2) Statewide History Programs

\$4,055,000 the first year and \$6,945,000 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.

(3) History Partnerships

\$2,000,000 each year is 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.

(4) Statewide Survey of Historical and Archaeological Sites

\$400,000 the first year and \$400,000 the second year are for a contract or contracts to be awarded on a competitive basis to conduct statewide surveys of Minnesota's sites of historical, archaeological, and cultural significance. Results of the surveys must be published in a searchable form and available to the public free of cost. The Minnesota Historical Society, the Office of the State Archaeologist, and the Indian Affairs Council must each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys. The oversight board must consult with the Departments of Transportation and Natural Resources.

(5) Digital Library

\$300,000 the first year and \$300,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society must cooperate with the Minitex interlibrary loan system and must jointly share this appropriation for these purposes.

(6) Grants

\$80,000 each year is for a grant to the board of directors of the Carver County Historical Society to restore the historic Andrew Peterson farm in Waconia.

\$80,000 each year is for a grant to the city of Woodbury to work in collaboration with the Woodbury Barn Heritage Commission to restore the Miller Barn and historical programming at the Miller Barn in Woodbury.

\$100,000 the first year is to restore the stained glass in the historic Fort Snelling Memorial Chapel in collaboration with the Department of Natural Resources. The historical society may work in collaboration with the Fort Snelling Memorial Chapel Foundation.

\$250,000 the first year is for a grant to the Fairmont Opera House to restore and renovate the historic Fairmont Opera House.

\$50,000 the first year is for a grant to the Litchfield Opera House to restore and renovate the historic Litchfield Opera House.

Any unencumbered balance remaining under this subdivision the first year does not cancel but is available the second year.

Subd. 5. Department of Education2,500,0002,500,000

These amounts are appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. These funds must be allocated using the formulas in Minnesota Statutes, section 134.355, subdivisions 3, 4, and 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. 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. These funds must be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2019, as grants or contracts in this subdivision are available until June 30, 2021.

Subd. 6. Department of Administration10,937,0009,600,000

(a) These amounts are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary to the administration of grants in this subdivision.

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

(c) Minnesota Public Radio

\$1,500,000 the first year and \$1,700,000 the second year are for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(d) Association of Minnesota Public Educational Radio Stations

\$1,500,000 the first year and \$1,700,000 the second year are to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19.

(e) **Public Television**

\$4,150,000 the first year and \$3,900,000 the second year are to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18. Of this amount, \$650,000 the first year is for a grant to Twin Cities Public Television to produce the Vietnam: Minnesota Remembers project. Any production costs associated with this project incurred on or after February 1, 2017, are eligible for reimbursement under this section as long as these funds are available under subdivision 2.

(f) **Wilderness Inquiry**

\$250,000 each year is to Wilderness Inquiry to preserve Minnesota's outdoor history, culture, and heritage by connecting Minnesota youth to natural resources.

(g) **Como Park Zoo**

\$1,350,000 the first year and \$1,350,000 the second year are for a grant to the Como Park Zoo and Conservatory for program development that features education programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

(h) **Science Museum of Minnesota**

\$600,000 each year is to the Science Museum of Minnesota for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach, statewide educational initiatives, and community-based exhibits that preserve Minnesota's history and cultural heritage.

(i) **Green Giant Museum**

\$300,000 the first year is to the city of Blue Earth to predesign, design, construct, furnish, and equip the Green Giant Museum to preserve the culture and history of Minnesota.

(j) **Lake Superior Zoo**

\$75,000 each year is to the Lake Superior Zoo to develop educational exhibits and programs.

(k) **Minnesota State Band**

\$50,000 the first year is to the Minnesota State Band to promote and increase public performances across Minnesota.

(l) Rice County Veterans Memorial

\$30,000 the first year is to Rice County to complete the Rice County Veterans Memorial in Faribault.

(m) Waseca County Veterans Memorial

\$50,000 the first year is to Waseca County to complete the Waseca County Veterans Memorial.

(n) Minnesota Square Park Pavilion

\$200,000 the first year is to the city of St. Peter to reconstruct the Minnesota Square Park pavilion in St. Peter.

(o) Office of State Archaeologist

\$107,000 the first year is for the Office of the State Archaeologist non-Indian remains analysis and reburial project.

(p) Medal of Honor Commemorative Memorial

\$250,000 the first year is to complete design and construction of a memorial in the Capitol area to honor all Minnesota Medal of Honor recipients. This appropriation is not available until the commissioner determines that at least \$250,000 is committed to the project from nonstate sources, and there are sufficient resources to complete the project, as required in Minnesota Statutes, section 16A.502, and Laws 2016, chapter 189, article 13, section 64.

(q) Camp Legionville

\$222,000 the first year is for a grant to Camp Legionville for programs for youth, veterans, and the public related to Minnesota's cultural, historical, and recreational activities.

(r) Big Marine Lake Veterans Rest Camp

\$278,000 the first year is for a grant to the Big Marine Lake Veterans Rest Camp to develop and build a welcome center that supports the mission, programs, and safety of the Veterans Rest Camp to provide Minnesota's cultural, historical, and recreational activities to veterans, their families, and their guests.

(s) Midwest Outdoors Unlimited

\$25,000 each year is for a grant to Midwest Outdoors Unlimited to preserve Minnesota's outdoor history, culture, and heritage by connecting individuals and youth with disabilities to natural resources.

Subd. 7. Minnesota Zoo1,550,0001,950,000

These amounts are appropriated to the Minnesota Zoological Board for programs and development of the Minnesota Zoological Garden and to provide access and education related to programs on the cultural heritage of Minnesota.

Subd. 8. Minnesota Humanities Center2,677,0002,475,000

(a) These amounts are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified in this subdivision. The Minnesota Humanities Center may use up to 4.5 percent of the following grants to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota Humanities Center must develop a written plan to issue the grants in this subdivision and must submit the plan for review and approval by the Department of Administration. The written plan must require the Minnesota Humanities Center to create and adhere to grant policies that are similar to those established according to Minnesota Statutes, section 16B.97, subdivision 4, paragraph (a), clause (1).

No grants awarded in this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

(b) Programs and Purposes

\$1,125,000 each year is for programs and purposes of the Minnesota Humanities Center. Of this amount, \$125,000 each year may be used for the Why Treaties Matter exhibit and \$100,000 each year may be used for the veterans' voices program. Of this amount, \$55,000 the first year is for a grant to the Governor's Council on Developmental Disabilities to enhance and enlarge the historical digital archives collection "With An Eye to the Past" for oral history interviews and document collection, production, consultation, transcription, closed captioning, Web site administration, and evaluation.

The Minnesota Humanities Center may consider museums and organizations celebrating the identities of Minnesotans and the Lake Superior Center Authority for grants from these funds.

(c) Cultural Athletic Courts

\$75,000 the first year is for a grant to the city of St. Paul or Ramsey County to develop and install activity facilities in parks for Tawkaw courts that are reflective of the current demographics in Ramsey County. This grant is available if the recipient provides at least a 25 percent match for funding.

(d) Children's Museum Grants

\$1,030,000 the first year and \$950,000 the second year are for arts and cultural heritage grants to children's museums for arts and cultural exhibits and related educational outreach programs.

Of this amount, \$500,000 each year is for the Minnesota Children's Museum for interactive exhibits and outreach programs on arts and cultural heritage, including the Minnesota Children's Museum in Rochester; \$150,000 each year is for the Duluth Children's Museum; \$150,000 each year is for the Grand Rapids Children's Museum; \$150,000 each year is for the Southern Minnesota Children's Museum for the Mni Wiconi and other arts and cultural exhibits; and \$80,000 the first year is for the Wheel and Cog Children's Museum of Hutchinson for interactive exhibits and outreach programs on arts and cultural heritage.

(e) Civics Programs

\$200,000 each year is for grants to the Minnesota Civic Education Coalition: Minnesota Civic Youth, the Learning Law and Democracy Foundation, and YMCA Youth in Government to conduct civics education programs for the civic and cultural development of Minnesota youth. Civics education is the study of constitutional principles and the democratic foundation of our national, state, and local institutions and the study of political processes and structures of government, grounded in the understanding of constitutional government under the rule of law.

(f) Rondo Commemorative Plaza

\$47,000 the first year is for a grant to Rondo Avenue, Inc. for the Rondo Commemorative Plaza to celebrate the historic Rondo neighborhood.

(g) Somali Community and Museum Grants

\$200,000 each year is for a grant to one or more community organizations that provide Somali-based collaborative programs for arts and cultural heritage. The Somali Museum of Minnesota may apply for a grant under this paragraph. The funding must be used for programs to provide arts and humanities education and workshops, mentor programs, classes, exhibits, presentations, community engagement events, and outreach about the Somali community and heritage in Minnesota.

Subd. 9. Indian Affairs Council1,320,0001,320,000

(a) \$845,000 each year is for the Indian Affairs Council to provide grants to preserve Dakota and Ojibwe Indian language and to foster education programs and immersion programs in Dakota and Ojibwe language.

(b) \$125,000 each year is to the Indian Affairs Council for a grant to the Niiganne Ojibwe Immersion School.

(c) \$250,000 each year is to the Indian Affairs Council for a grant to the Wicoie Nandagikendan Urban Immersion Project and potentially Baby's Space and other partners at the Neighborhood Early Learning Center. Wicoie Nandagikendan Urban Immersion Project shall work in coordination with the Indian Affairs Council to develop capacity and implement a language immersion program with Baby's Space and other partners.

(d) Graves Protection

\$100,000 each year is for the Indian Affairs Council to carry out responsibilities under Minnesota Statutes, section 307.08, to comply with Public Law 101-601, the Native American Graves Protection and Repatriation Act.

Subd. 10. Department of Agriculture

150,000

150,000

These amounts are appropriated to the commissioner of agriculture for grants to county agricultural societies to enhance arts access and education and to preserve and promote Minnesota's history and cultural heritage as embodied in its county fairs. The grants are in addition to the aid distribution to county agricultural societies under Minnesota Statutes, section 38.02. The commissioner of agriculture shall develop grant-making criteria and guidance for expending funds under this subdivision to provide funding for projects and events that provide access to the arts or the state's agricultural, historical, and cultural heritage. The commissioner shall seek input from all interested parties.

Subd. 11. Legislative Coordinating Commission

9,000

-0-

This amount is for the Legislative Coordinating Commission to maintain the Web site required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 3. Minnesota Statutes 2016, section 129D.17, subdivision 4, is amended to read:

Subd. 4. **Minnesota State Arts Board allocation.** At least 47 percent of the ~~money deposited in the total appropriations from the~~ arts and cultural heritage fund in a fiscal biennium must be for grants and services awarded through the Minnesota State Arts Board, or regional arts councils subject to appropriation.

Sec. 4. Minnesota Statutes 2016, section 129D.17, is amended by adding a subdivision to read:

Subd. 5. **Reserve requirement.** In any fiscal year, at least five percent of that year's projected tax receipts determined by the most recent forecast for the arts and cultural heritage fund must not be appropriated.

Sec. 5. **ARTS AND CULTURAL HERITAGE FUND INDIRECT COSTS; REPORT.**

By October 1, 2017, the commissioner of management and budget must submit to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over the arts and cultural heritage fund a report of the amount from the arts and cultural heritage fund used to reimburse the general fund for indirect costs under Minnesota Statutes, section 16A.127. The report must include:

(1) information for all years that arts and cultural heritage fund appropriations have been made through fiscal year 2017;

(2) the legal authority of the specific appropriations from which indirect costs were funded; and

(3) information on how statewide indirect cost allocations from the arts and cultural heritage fund contribute to the constitutional requirement that funds be spent only for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money from outdoor heritage, clean water, parks and trails, and arts and cultural heritage funds; modifying requirements for expending money from legacy funds; modifying and extending prior appropriations; requiring reports; amending Minnesota Statutes 2016, sections 85.53, by adding a subdivision; 97A.056, by adding subdivisions; 114D.50, subdivision 4, by adding a subdivision; 129D.17, subdivision 4, by adding a subdivision; Laws 2012, chapter 264, article 1, section 2, subdivision 5, as amended; Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended; Laws 2016, chapter 172, article 1, section 2, subdivisions 2, 4; repealing Minnesota Statutes 2016, section 97A.056, subdivision 8."

We request the adoption of this report and repassage of the bill.

House Conferees: BOB GUNTHER, DAN FABIAN, PAUL TORKELSON and LEON LILLIE.

Senate Conferees: CARRIE RUUD, BILL INGEBRIGTSEN, DAVID H. SENJEM, ANDREW LANG and RICHARD COHEN.

Gunther moved that the report of the Conference Committee on H. F. No. 707 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

The question was taken on the Gunther motion and the roll was called. There were 88 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Albright	Baker	Cornish	Fabian	Gruenhagen	Hoppe
Anderson, P.	Barr, R.	Daniels	Fenton	Gunther	Hortman
Anderson, S.	Bennett	Davids	Franke	Haley	Howe
Anselmo	Bliss	Dean, M.	Franson	Hamilton	Jessup
Applebaum	Christensen	Dettmer	Garofalo	Hausman	Johnson, B.
Backer	Considine	Ecklund	Grossell	Heintzeman	Johnson, C.

Johnson, S.	Lillie	Nash	Peppin	Runbeck	Urdahl
Jurgens	Lohmer	Neu	Petersburg	Sauke	Vogel
Kiel	Loon	Newberger	Peterson	Schomacker	West
Knoblach	Loonan	Nornes	Pierson	Schultz	Whelan
Koegel	Lueck	O'Driscoll	Poppe	Smith	Wills
Koznick	Marquart	Olson	Poston	Swedzinski	Zerwas
Kresha	McDonald	Omar	Pugh	Theis	Spk. Daudt
Layman	Miller	O'Neill	Quam	Torkelson	
Lien	Murphy, M.	Pelowski	Rarick	Uglen	

Those who voted in the negative were:

Allen	Davnie	Halverson	Liebling	Murphy, E.	Sundin
Bahr, C.	Dehn, R.	Hansen	Loeffler	Nelson	Thissen
Becker-Finn	Drazkowski	Hertaus	Lucero	Pinto	Wagenius
Bernardy	Erickson	Hilstrom	Mahoney	Pryor	Ward
Bly	Fischer	Hornstein	Mariani	Rosenthal	Youakim
Carlson, A.	Flanagan	Kunesh-Podein	Masin	Sandstede	
Carlson, L.	Freiberg	Lee	Maye Quade	Scott	
Clark	Green	Lesch	Moran	Slocum	

The motion prevailed.

H. F. No. 707, A bill for an act relating to state government; appropriating money from outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; providing for riparian protection aid; modifying requirements for expending money from legacy funds; modifying and extending prior appropriations; requiring reports; amending Minnesota Statutes 2016, sections 16A.127, subdivision 8; 85.53, by adding subdivisions; 97A.056, subdivision 3, by adding subdivisions; 114D.50, subdivision 4, by adding subdivisions; 129D.17, subdivision 4, by adding subdivisions; Laws 2012, chapter 264, article 1, section 2, subdivision 5, as amended; Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended; Laws 2016, chapter 172, article 1, section 2, subdivisions 2, 4; proposing coding for new law in Minnesota Statutes, chapter 477A; repealing Minnesota Statutes 2016, section 97A.056, subdivision 8.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 106 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Albright	Carlson, L.	Franke	Hoppe	Kresha	Maye Quade
Allen	Christensen	Franson	Hornstein	Kunesh-Podein	McDonald
Anderson, P.	Clark	Freiberg	Hortman	Layman	Metsa
Anderson, S.	Considine	Garofalo	Howe	Liebling	Miller
Anselmo	Cornish	Grossell	Jessup	Lien	Moran
Applebaum	Daniels	Gruenhagen	Johnson, B.	Lillie	Murphy, M.
Backer	Daids	Gunther	Johnson, C.	Lohmer	Nash
Baker	Dean, M.	Haley	Johnson, S.	Loon	Neu
Barr, R.	Dettmer	Halverson	Jurgens	Loonan	Nornes
Bennett	Ecklund	Hamilton	Kiel	Lueck	O'Driscoll
Bernardy	Fabian	Hausman	Knoblach	Mahoney	Olson
Bliss	Fenton	Heintzeman	Koegel	Mariani	Omar
Bly	Fischer	Hilstrom	Koznick	Marquart	O'Neill

Pelowski	Poppe	Sandstede	Sundin	Urdahl	Youakim
Peppin	Poston	Sauke	Swedzinski	Vogel	Zerwas
Petersburg	Pryor	Schomacker	Theis	Ward	Spk. Daudt
Peterson	Pugh	Schultz	Torkelson	West	
Pierson	Rarick	Smith	Uglen	Wills	

Those who voted in the negative were:

Bahr, C.	Drazkowski	Hertaus	Masin	Quam	Thissen
Becker-Finn	Erickson	Lee	Murphy, E.	Rosenthal	Wagenius
Carlson, A.	Flanagan	Lesch	Nelson	Runbeck	Whelan
Davnie	Green	Loeffler	Newberger	Scott	
Dehn, R.	Hansen	Lucero	Pinto	Slocum	

The bill was repassed, as amended by Conference, and its title agreed to.

MESSAGES FROM THE SENATE, Continued

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 844.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said Senate File is herewith transmitted to the House.

CAL R. LUDEMAN, Secretary of the Senate

CONFERENCE COMMITTEE REPORT ON S. F. No. 844

A bill for an act relating to environment; providing for certain demolition debris landfill permitting.

May 21, 2017

The Honorable Michelle L. Fischbach
President of the Senate

The Honorable Kurt L. Daudt
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 844 report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S. F. No. 844 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1
ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS

Section 1. **ENVIRONMENT AND NATURAL RESOURCES 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 general fund, or another named fund, and are available for the fiscal years indicated for each purpose. The figures "2018" and "2019" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. Appropriations for the fiscal year ending June 30, 2017, are effective the day following final enactment.

<u>APPROPRIATIONS</u>	
<u>Available for the Year</u>	
<u>Ending June 30</u>	
<u>2018</u>	<u>2019</u>

Sec. 2. **POLLUTION CONTROL AGENCY**

<u>Subdivision 1. Total Appropriation</u>	<u>\$101,821,000</u>	<u>\$100,206,000</u>
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Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>6,543,000</u>	<u>6,802,000</u>
<u>State Government Special</u>		
<u>Revenue</u>	<u>75,000</u>	<u>75,000</u>
<u>Environmental</u>	<u>78,984,000</u>	<u>79,892,000</u>
<u>Remediation</u>	<u>13,219,000</u>	<u>13,437,000</u>
<u>Closed Landfill Investment</u>	<u>3,000,000</u>	<u>-0-</u>

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

The commissioner must present the agency's biennial budget for fiscal years 2020 and 2021 to the legislature in a transparent way by agency division, including the proposed budget bill and presentations of the budget to committees and divisions with jurisdiction over the agency's budget.

<u>Subd. 2. Environmental Analysis and Outcomes</u>	<u>12,577,000</u>	<u>12,558,000</u>
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Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Environmental</u>	<u>12,308,000</u>	<u>12,289,000</u>
<u>Remediation</u>	<u>181,000</u>	<u>181,000</u>
<u>General</u>	<u>88,000</u>	<u>88,000</u>

(a) \$88,000 the first year and \$88,000 the second year are from the general fund for:

(1) a municipal liaison to assist municipalities in implementing and participating in the water-quality standards rulemaking process and navigating the NPDES/SDS permitting process;

(2) enhanced economic analysis in the water-quality standards rulemaking process, including more-specific analysis and identification of cost-effective permitting;

(3) developing statewide economic analyses and templates to reduce the amount of information and time required for municipalities to apply for variances from water-quality standards; and

(4) coordinating with the Public Facilities Authority to identify and advocate for the resources needed for municipalities to achieve permit requirements.

(b) \$204,000 the first year and \$204,000 the second year are from the environmental fund for a monitoring program under Minnesota Statutes, section 116.454.

(c) \$346,000 the first year and \$346,000 the second year are from the environmental fund for monitoring ambient air for hazardous pollutants.

(d) \$90,000 the first year and \$90,000 the second year are from the environmental fund for duties related to harmful chemicals in children's products under Minnesota Statutes, sections 116.9401 to 116.9407. Of this amount, \$57,000 each year is transferred to the commissioner of health.

(e) \$109,000 the first year and \$109,000 the second year are from the environmental fund for registration of wastewater laboratories.

(f) \$913,000 the first year and \$913,000 the second year are from the environmental fund to continue perfluorochemical biomonitoring in eastern-metropolitan communities, as recommended by the Environmental Health Tracking and Biomonitoring Advisory Panel, and address other environmental health risks, including air quality. The communities must include Hmong and other immigrant farming communities. Of this amount, up to \$677,000 the first year and \$677,000 the second year are for transfer to the Department of Health.

(g) \$100,000 the first year and \$50,000 the second year are from the environmental fund for impaired waters listing procedures required under this act.

Subd. 3. Industrial14,079,00014,200,000Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Environmental</u>	<u>13,099,000</u>	<u>13,220,000</u>
<u>Remediation</u>	<u>980,000</u>	<u>980,000</u>

\$980,000 the first year and \$980,000 the second year are from the remediation fund for the leaking underground storage tank program to investigate, clean up, and prevent future releases from underground petroleum storage tanks and to the petroleum remediation program for vapor assessment and remediation. These same annual amounts are transferred from the petroleum tank fund to the remediation fund.

Subd. 4. Municipal6,625,0006,624,000Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>162,000</u>	<u>162,000</u>
<u>Environmental</u>	<u>6,463,000</u>	<u>6,462,000</u>

(a) \$162,000 the first year and \$162,000 the second year are from the general fund for:

(1) a municipal liaison to assist municipalities in implementing and participating in the water-quality standards rulemaking process and navigating the NPDES/SDS permitting process;

(2) enhanced economic analysis in the water-quality standards rulemaking process, including more specific analysis and identification of cost-effective permitting;

(3) development of statewide economic analyses and templates to reduce the amount of information and time required for municipalities to apply for variances from water quality standards; and

(4) coordinating with the Public Facilities Authority to identify and advocate for the resources needed for municipalities to achieve permit requirements.

(b) \$50,000 the first year and \$50,000 the second year are from the environmental fund for transfer to the Office of Administrative Hearings to establish sanitary districts.

(c) \$615,000 the first year and \$614,000 the second year are from the environmental fund for subsurface sewage treatment system (SSTS) program administration and community technical

assistance and education, including grants and technical assistance to communities for water-quality protection. Of this amount, \$129,000 each year is for assistance to counties through grants for SSTS program administration. A county receiving a grant from this appropriation must submit the results achieved with the grant to the commissioner as part of its annual SSTS report. Any unexpended balance in the first year does not cancel but is available in the second year.

(d) \$639,000 the first year and \$640,000 the second year are from the environmental fund to address the need for continued increased activity in the areas of new technology review, technical assistance for local governments, and enforcement under Minnesota Statutes, sections 115.55 to 115.58, and to complete the requirements of Laws 2003, chapter 128, article 1, section 165.

(e) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2019, as grants or contracts for subsurface sewage treatment systems, surface water and groundwater assessments, storm water, and water-quality protection in this subdivision are available until June 30, 2022.

Subd. 5. Operations

9,769,000

11,052,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Environmental</u>	<u>6,349,000</u>	<u>7,154,000</u>
<u>Remediation</u>	<u>1,074,000</u>	<u>1,293,000</u>
<u>General</u>	<u>2,346,000</u>	<u>2,605,000</u>

(a) \$174,000 the first year and \$174,000 the second year are from the remediation fund for purposes of the leaking underground storage tank program to investigate, clean up, and prevent future releases from underground petroleum storage tanks, and to the petroleum remediation program for vapor assessment and remediation. These same annual amounts are transferred from the petroleum tank fund to the remediation fund.

(b) \$400,000 the first year and \$400,000 the second year are from the environmental fund to develop and maintain systems to support permitting and regulatory business processes and agency data. This is a onetime appropriation.

(c) \$300,000 the first year is from the environmental fund for a grant to the Metropolitan Council under Minnesota Statutes, section 116.195, for wastewater infrastructure to support waste to biofuel development. This is a onetime appropriation and is available until June 30, 2019.

(d) \$2,346,000 the first year and \$2,605,000 the second year are from the general fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. The commissioner may transfer an amount of this appropriation to the remediation fund. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

(e) \$1,774,000 the first year and \$2,879,000 the second year are from the environmental fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

(f) \$310,000 the first year and \$528,000 the second year are from the remediation fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program. If any amount under this paragraph is allocated for the leaking underground storage-tank program, the same amount is transferred from the petroleum tank fund to the remediation fund.

Subd. 6. Remediation

14,670,000

11,669,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Environmental</u>	<u>688,000</u>	<u>688,000</u>
<u>Remediation</u>	<u>10,766,000</u>	<u>10,765,000</u>
<u>Closed Landfill Investment</u>	<u>3,000,000</u>	<u>-0-</u>
<u>General</u>	<u>216,000</u>	<u>216,000</u>

(a) All money for environmental response, compensation, and compliance in the remediation fund not otherwise appropriated is appropriated to the commissioners of the Pollution Control Agency and agriculture for purposes of Minnesota Statutes, section 115B.20, subdivision 2, clauses (1), (2), (3), (6), and (7). At the beginning of each fiscal year, the two commissioners shall jointly

submit an annual spending plan to the commissioner of management and budget that maximizes the use of resources and appropriately allocates the money between the two departments. This appropriation is available until June 30, 2019.

(b) \$216,000 the first year and \$216,000 the second year are from the general fund and \$216,000 the first year and \$216,000 the second year are from the environmental fund to manage contaminated sediment projects at multiple sites identified in the St. Louis River remedial action plan to restore water quality in the St. Louis River area of concern. This amount is added to the base for fiscal year 2020 only.

(c) \$3,871,000 the first year and \$3,870,000 the second year are from the remediation fund for purposes of the leaking underground storage tank program to investigate, clean up, and prevent future releases from underground petroleum storage tanks, and to the petroleum remediation program for purposes of vapor assessment and remediation. These same annual amounts are transferred from the petroleum tank fund to the remediation fund.

(d) \$252,000 the first year and \$252,000 the second year are from the remediation fund for transfer to the commissioner of health for private water-supply monitoring and health assessment costs in areas contaminated by unpermitted mixed municipal solid waste disposal facilities and drinking water advisories and public information activities for areas contaminated by hazardous releases.

(e) Notwithstanding Minnesota Statutes, section 115B.421, \$3,000,000 the first year is from the closed landfill investment fund for settling obligations with the federal government, remedial investigations, feasibility studies, engineering, and cleanup-related activities for purposes of environmental response actions at a priority qualified facility under Minnesota Statutes, sections 115B.406 and 115B.407. By January 15, 2018, the commissioner must submit a status report to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources. This is a onetime appropriation and is available until June 30, 2019.

Subd. 7. Resource Management and Assistance

33,617,000

33,619,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>700,000</u>	<u>700,000</u>
<u>State Government Special</u>		
<u>Revenue</u>	<u>75,000</u>	<u>75,000</u>
<u>Environmental</u>	<u>32,842,000</u>	<u>32,844,000</u>

(a) Up to \$150,000 the first year and \$150,000 the second year may be transferred from the environmental fund to the small business environmental improvement loan account established in Minnesota Statutes, section 116.993.

(b) \$1,000,000 the first year and \$1,000,000 the second year are for competitive recycling grants under Minnesota Statutes, section 115A.565. Of this amount \$700,000 each year is from the general fund, and \$300,000 each year is from the environmental fund. This appropriation is available until June 30, 2021. Any unencumbered grant and loan balances in the first year do not cancel but are available for grants and loans in the second year.

(c) \$693,000 the first year and \$693,000 the second year are from the environmental fund for emission reduction activities and grants to small businesses and other nonpoint emission reduction efforts. Of this amount, \$100,000 the first year and \$100,000 the second year are to continue work with Clean Air Minnesota, and the commissioner may enter into an agreement with Environmental Initiative to support this effort. Any unencumbered grant and loan balances in the first year do not cancel but are available for grants and loans in the second year.

(d) \$17,250,000 the first year and \$17,250,000 the second year are from the environmental fund for SCORE block grants to counties.

(e) \$119,000 the first year and \$119,000 the second year are from the environmental fund for environmental assistance grants or loans under Minnesota Statutes, section 115A.0716. Any unencumbered grant and loan balances in the first year do not cancel but are available for grants and loans in the second year.

(f) \$68,000 the first year and \$69,000 the second year are from the environmental fund for subsurface sewage treatment system (SSTS) program administration and community technical assistance and education, including grants and technical assistance to communities for water-quality protection.

(g) \$125,000 the first year and \$126,000 the second year are from the environmental fund to address the need for continued increased activity in the areas of new technology review, technical assistance for local governments, and enforcement under Minnesota Statutes, sections 115.55 to 115.58, and to complete the requirements of Laws 2003, chapter 128, article 1, section 165.

(h) All money deposited in the environmental fund for the metropolitan solid waste landfill fee in accordance with Minnesota Statutes, section 473.843, and not otherwise appropriated, is appropriated for the purposes of Minnesota Statutes, section 473.844.

(i) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2019, as contracts or grants for environmental assistance awarded under Minnesota Statutes, section 115A.0716; technical and research assistance under Minnesota Statutes, section 115A.152; technical assistance under Minnesota Statutes, section 115A.52; and pollution prevention assistance under Minnesota Statutes, section 115D.04, are available until June 30, 2021.

Subd. 8. Watershed

9,220,000

9,220,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Environmental</u>	<u>7,043,000</u>	<u>7,043,000</u>
<u>Remediation</u>	<u>218,000</u>	<u>218,000</u>
<u>General</u>	<u>1,959,000</u>	<u>1,959,000</u>

(a) \$1,959,000 the first year and \$1,959,000 the second year are from the general fund for grants to delegated counties to administer the county feedlot program under Minnesota Statutes, section 116.0711, subdivisions 2 and 3. Money remaining after the first year is available for the second year.

(b) \$207,000 the first year and \$207,000 the second year are from the environmental fund for the costs of implementing general operating permits for feedlots over 1,000 animal units.

(c) \$118,000 the first year and \$118,000 the second year are from the remediation fund for purposes of the leaking underground storage tank program to investigate, clean up, and prevent future releases from underground petroleum storage tanks, and to the petroleum remediation program for vapor assessment and remediation. These same annual amounts are transferred from the petroleum tank fund to the remediation fund.

Subd. 9. Environmental Quality Board

1,264,000

1,264,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>1,072,000</u>	<u>1,072,000</u>
<u>Environmental</u>	<u>192,000</u>	<u>192,000</u>

Subd. 10. Transfers

The commissioner shall transfer up to \$44,000,000 from the environmental fund to the remediation fund for the purposes of the remediation fund under Minnesota Statutes, section 116.155, subdivision 2.

Sec. 3. **NATURAL RESOURCES****Subdivision 1. Total Appropriation****\$283,249,000****\$286,475,000**Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>86,508,000</u>	<u>84,699,000</u>
<u>Natural Resources</u>	<u>94,744,000</u>	<u>97,773,000</u>
<u>Game and Fish</u>	<u>101,689,000</u>	<u>103,688,000</u>
<u>Remediation</u>	<u>102,000</u>	<u>103,000</u>
<u>Permanent School</u>	<u>206,000</u>	<u>212,000</u>

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

Subd. 2. Land and Mineral Resources Management**5,652,000****5,658,000**Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>1,710,000</u>	<u>1,710,000</u>
<u>Natural Resources</u>	<u>3,392,000</u>	<u>3,392,000</u>
<u>Game and Fish</u>	<u>344,000</u>	<u>344,000</u>
<u>Permanent School</u>	<u>206,000</u>	<u>212,000</u>

(a) \$319,000 the first year and \$319,000 the second year are for environmental research relating to mine permitting, of which \$200,000 each year is from the minerals management account and \$119,000 each year is from the general fund.

(b) \$2,815,000 the first year and \$2,815,000 the second year are from the minerals management account in the natural resources fund for use as provided in Minnesota Statutes, section 93.2236, paragraph (c), for mineral resource management, projects to enhance future mineral income, and projects to promote new mineral resource opportunities.

(c) \$206,000 the first year and \$212,000 the second year are from the state forest suspense account in the permanent school fund to secure maximum long-term economic return from the school trust lands consistent with fiduciary responsibilities and sound natural resources conservation and management principles.

(d) \$125,000 the first year and \$125,000 the second year are for conservation easement stewardship.

Subd. 3. Ecological and Water Resources32,740,00032,629,000Appropriations by Fund

	<u>2018</u>	<u>2019</u>
General	<u>17,213,000</u>	<u>17,046,000</u>
Natural Resources	<u>10,576,000</u>	<u>10,576,000</u>
Game and Fish	<u>4,951,000</u>	<u>5,007,000</u>

(a) \$3,242,000 the first year and \$3,242,000 the second year are from the invasive species account in the natural resources fund and \$3,206,000 the first year and \$3,206,000 the second year are from the general fund for management, public awareness, assessment and monitoring research, and water access inspection to prevent the spread of invasive species; management of invasive plants in public waters; and management of terrestrial invasive species on state-administered lands.

(b) \$5,000,000 the first year and \$5,000,000 the second year are from the water management account in the natural resources fund for only the purposes specified in Minnesota Statutes, section 103G.27, subdivision 2.

(c) \$124,000 the first year and \$124,000 the second year are for a grant to the Mississippi Headwaters Board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under the board's jurisdiction.

(d) \$10,000 the first year and \$10,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement the band's portion of the comprehensive plan for the upper Mississippi.

(e) \$264,000 the first year and \$264,000 the second year are for grants for up to 50 percent of the cost of implementation of the Red River mediation agreement.

(f) \$2,078,000 the first year and \$2,134,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1).

(g) \$950,000 the first year and \$950,000 the second year are from the nongame wildlife management account in the natural resources fund for the purpose of nongame wildlife management. Notwithstanding Minnesota Statutes, section 290.431, \$100,000 the first year and \$100,000 the second year may be used for nongame wildlife information, education, and promotion.

(h) Notwithstanding Minnesota Statutes, section 84.943, \$13,000 the first year and \$13,000 the second year from the critical habitat private sector matching account may be used to publicize the critical habitat license plate match program.

(i) \$6,000,000 the first year and \$6,000,000 the second year are from the general fund for the following activities:

(1) financial reimbursement and technical support to soil and water conservation districts or other local units of government for groundwater level monitoring;

(2) surface water monitoring and analysis, including installation of monitoring gauges;

(3) groundwater analysis to assist with water appropriation permitting decisions;

(4) permit application review incorporating surface water and groundwater technical analysis;

(5) precipitation data and analysis to improve the use of irrigation;

(6) information technology, including electronic permitting and integrated data systems; and

(7) compliance and monitoring.

(j) \$167,000 the first year is for a grant to the Koronis Lake Association for purposes of removing and preventing aquatic invasive species. This is a onetime appropriation and is available until June 30, 2022.

(k) \$410,000 the first year and \$410,000 the second year are from the heritage enhancement account in the game and fish fund for grants to the Minnesota Aquatic Invasive Species Research Center at the University of Minnesota to prioritize, support, and develop research-based solutions that can reduce the effects of aquatic invasive species in Minnesota by preventing spread, controlling populations, and managing ecosystems and to advance knowledge to inspire action by others.

Subd. 4. Forest Management

47,185,000

45,981,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>31,719,000</u>	<u>30,481,000</u>
<u>Natural Resources</u>	<u>14,144,000</u>	<u>14,144,000</u>
<u>Game and Fish</u>	<u>1,322,000</u>	<u>1,356,000</u>

(a) \$7,145,000 the first year and \$7,145,000 the second year are for prevention, presuppression, and suppression costs of emergency firefighting and other costs incurred under Minnesota Statutes, section 88.12. The amount necessary to pay for presuppression and suppression costs during the biennium is appropriated from the general fund. By January 15 of each year, the commissioner of natural resources shall submit a report to the chairs and ranking minority members of the house and senate committees and divisions having jurisdiction over environment and natural resources finance, identifying all firefighting costs incurred and reimbursements received in the prior fiscal year. These appropriations may not be transferred. Any reimbursement of firefighting expenditures made to the commissioner from any source other than federal mobilizations must be deposited into the general fund.

(b) \$11,644,000 the first year and \$11,644,000 the second year are from the forest management investment account in the natural resources fund for only the purposes specified in Minnesota Statutes, section 89.039, subdivision 2.

(c) \$1,322,000 the first year and \$1,356,000 the second year are from the heritage enhancement account in the game and fish fund to advance ecological classification systems (ECS) scientific management tools for forest and invasive species management.

(d) \$780,000 the first year and \$780,000 the second year are for the Forest Resources Council to implement the Sustainable Forest Resources Act.

(e) \$500,000 the first year is from the general fund for a study of the ability to sustainably harvest at least 1,000,000 cords of wood annually on state-administered forest lands. No later than March 1, 2018, the commissioner must report the study's findings to the legislative committees with jurisdiction over environment and natural resources policy and finance. This is a onetime appropriation.

(f) \$2,000,000 the first year and \$2,000,000 the second year are from the forest management investment account in the natural resources fund for state forest reforestation. The base from the forest management investment account in the natural resources fund for fiscal year 2020 and later is \$1,250,000.

(g) \$1,869,000 the first year and \$1,131,000 the second year are from the general fund for the Next Generation Core Forestry data system. The appropriation is available until June 30, 2021.

(h) \$500,000 the first year and \$500,000 the second year are from the forest management investment account in the natural resources fund for forest road maintenance on state forest roads.

(i) \$500,000 the first year and \$500,000 the second year are from the general fund for forest road maintenance on county forest roads.

(j) \$500,000 the first year and \$500,000 the second year are from the general fund for additional private forest management.

(k) The base for the natural resources fund in fiscal year 2020 and later is \$13,394,000.

Subd. 5. Parks and Trails Management

79,830,000

81,100,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>25,057,000</u>	<u>24,927,000</u>
<u>Natural Resources</u>	<u>52,500,000</u>	<u>53,900,000</u>
<u>Game and Fish</u>	<u>2,273,000</u>	<u>2,273,000</u>

(a) \$1,075,000 the first year and \$1,075,000 the second year are from the water recreation account in the natural resources fund for enhancing and maintaining public water-access facilities.

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

(c) \$17,350,000 the first year and \$17,750,000 the second year are from the state parks account in the natural resources fund for state park and state recreation area operation and maintenance.

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

(e) \$130,000 the first year is from the general fund, and \$8,424,000 the first year and \$9,624,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for the snowmobile grants-in-aid program. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(f) \$1,835,000 the first year and \$1,835,000 the second year are from the natural resources fund for the off-highway vehicle grants-in-aid program. Of this amount, \$1,360,000 the first year and \$1,360,000 the second year are from the all-terrain vehicle account; \$150,000 each year is from the off-highway motorcycle account; and \$325,000 each year is from the off-road vehicle account. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(g) \$75,000 the first year and \$75,000 the second year are from the cross-country ski account in the natural resources fund for grooming and maintaining cross-country ski trails in state parks, trails, and recreation areas.

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

(i) \$150,000 the first year is from the all-terrain vehicle account in the natural resources fund for a grant to the city of Orr to predesign, design, and construct the Voyageur all-terrain vehicle trail system, including:

(1) design of the alignment for phase I of the Voyageur all-terrain vehicle trail system and development of a preliminary phase II alignment;

(2) completion of wetland delineation and wetland permitting;

(3) completion of the engineering design and cost estimates for a snowmobile and off-highway vehicle bridge over the Vermilion River to establish a trail connection; and

(4) completion of the master plan for the Voyageur all-terrain vehicle trail system.

This is a onetime appropriation and is available until June 30, 2020.

(j) \$250,000 the first year and \$250,000 the second year are from the general fund for matching grants for local parks and outdoor recreation areas under Minnesota Statutes, section 85.019, subdivision 2.

(k) \$250,000 the first year and \$250,000 the second year are from the general fund for matching grants for local trail connections under Minnesota Statutes, section 85.019, subdivision 4c.

(l) \$50,000 the first year is from the all-terrain vehicle account in the natural resources fund for a grant to the city of Virginia to assist the Virginia Area All-Terrain Vehicle Club to plan, design, engineer, and permit a comprehensive all-terrain vehicle system in the Virginia area and to connect with the Iron Range Off-Highway Vehicle Recreation Area. This is a onetime appropriation and is available until June 30, 2020.

Subd. 6. Fish and Wildlife Management

68,207,000

67,750,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Natural Resources</u>	<u>1,912,000</u>	<u>1,912,000</u>
<u>Game and Fish</u>	<u>66,295,000</u>	<u>65,838,000</u>

(a) \$8,283,000 the first year and \$8,386,000 the second year are from the heritage enhancement account in the game and fish fund only for activities specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Notwithstanding Minnesota Statutes, section 297A.94, five percent of this appropriation may be used for expanding hunter and angler recruitment and retention.

(b) Notwithstanding Minnesota Statutes, section 297A.94, \$30,000 the first year is from the heritage enhancement account in the game and fish fund for the commissioner of natural resources to contract with a private entity to search for a site to construct a world-class shooting range and club house for use by the Minnesota State High School League and for other regional, statewide, national, and international shooting events. The commissioner must provide public notice of the search, including making the public aware of the process through the Department of Natural Resources' media outlets, and solicit input on the location and building options for the facility. The siting search process must include a public process to determine if any business or individual is interested in donating land for the facility, anticipated to be at least 500 acres. The site search team must meet with interested third parties affected by or interested in the facility. The commissioner must submit a report with the results of the site search to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over environment and natural resources by March 1, 2018. This is a onetime appropriation.

(c) Notwithstanding Minnesota Statutes, section 297A.94, \$30,000 the first year is from the heritage enhancement account in the game and fish fund for a study of lead shot deposition on state lands. By March 1, 2018, the commissioner shall provide a report of the study to the chairs and ranking minority members of the legislative committees with jurisdiction over natural resources policy and finance. This is a onetime appropriation.

(d) Notwithstanding Minnesota Statutes, section 297A.94, \$500,000 the first year is from the heritage enhancement account in the game and fish fund for planning and emergency response to disease outbreaks in wildlife. This is a onetime appropriation and is available until June 30, 2019.

Subd. 7. Enforcement

40,879,000

40,880,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>6,640,000</u>	<u>6,640,000</u>
<u>Natural Resources</u>	<u>10,309,000</u>	<u>10,309,000</u>
<u>Game and Fish</u>	<u>23,828,000</u>	<u>23,828,000</u>
<u>Remediation</u>	<u>102,000</u>	<u>103,000</u>

(a) \$1,718,000 the first year and \$1,718,000 the second year are from the general fund for enforcement efforts to prevent the spread of aquatic invasive species.

(b) \$1,580,000 the first year and \$1,580,000 the second year are from the heritage enhancement account in the game and fish fund for only the purposes specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1).

(c) \$1,082,000 the first year and \$1,082,000 the second year are from the water recreation account in the natural resources fund for grants to counties for boat and water safety. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(d) \$315,000 the first year and \$315,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for grants to local law enforcement agencies for snowmobile enforcement activities. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(e) \$250,000 the first year and \$250,000 the second year are from the all-terrain vehicle account for grants to qualifying organizations to assist in safety and environmental education and monitoring trails on public lands under Minnesota Statutes, section 84.9011. Grants issued under this paragraph must be issued through a formal agreement with the organization. By December 15 each year, an organization receiving a grant under this paragraph shall report to the commissioner with details on expenditures and outcomes from the grant. Of this appropriation, \$25,000 each year is for administration of these grants. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(f) \$510,000 the first year and \$510,000 the second year are from the natural resources fund for grants to county law enforcement agencies for off-highway vehicle enforcement and public education activities based on off-highway vehicle use in the county. Of this amount, \$498,000 each year is from the all-terrain vehicle account; \$11,000 each year is from the off-highway motorcycle account; and \$1,000 each year is from the off-road vehicle account. The county enforcement agencies may use money received under this appropriation to make grants to other local enforcement agencies within the county that have a high concentration of off-highway vehicle use. Of this appropriation, \$25,000 each year is for administration of these grants. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(g) \$1,000,000 each year is for recruiting, training, and maintaining additional conservation officers.

(h) The commissioner may hold a conservation officer academy if necessary.

Subd. 8. Operations Support

8,436,000

12,157,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>4,169,000</u>	<u>3,895,000</u>
<u>Natural Resources</u>	<u>1,591,000</u>	<u>3,220,000</u>
<u>Game and Fish</u>	<u>2,676,000</u>	<u>5,042,000</u>

(a) \$1,965,000 the first year is available for legal costs. Of this amount, up to \$500,000 may be transferred to the Minnesota Pollution Control Agency. This is a onetime appropriation and is available until June 30, 2021.

(b) \$2,204,000 the first year and \$3,895,000 the second year are from the general fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

(c) \$2,676,000 the first year and \$5,042,000 the second year are from the game and fish fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of

the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

(d) \$1,591,000 the first year and \$3,220,000 the second year are from the natural resources fund for agency operating adjustments. The commissioner shall make necessary adjustments to program appropriations in this article to distribute these funds. By September 1, 2017, the commissioner shall report to the chairs of the legislative committees with jurisdiction over environment and natural resources finance the distribution of funds and resulting base-level appropriations for each program.

Subd. 9. Pass Through Funds

320,000

320,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>Natural Resources</u>	<u>320,000</u>	<u>320,000</u>

\$320,000 the first year and \$320,000 the second year are from the natural resources fund for grants to be divided equally between the city of St. Paul for the Como Park Zoo and Conservatory and the city of Duluth for the Duluth Zoo. This appropriation is from the revenue deposited to the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (5).

Subd. 10. Cancellation

The remaining amount of the general fund appropriation in Laws 2016, chapter 189, article 3, section 3, subdivision 3, for a grant to the Koronis Lake Association, estimated to be \$167,000, is canceled on June 30, 2017.

This subdivision is effective the day following final enactment.

Sec. 4. BOARD OF WATER AND SOIL RESOURCES

\$14,311,000

\$14,164,000

(a) \$3,423,000 the first year and \$3,423,000 the second year are for natural resources block grants to local governments. Grants must be matched with a combination of local cash or in-kind contributions. The base grant portion related to water planning must be matched by an amount as specified by Minnesota Statutes, section 103B.3369. The board may reduce the amount of the natural resources block grant to a county by an amount equal to any reduction in the county's general services allocation to a soil and water conservation district from the county's previous year allocation when the board determines that the reduction was disproportionate.

(b) \$3,116,000 the first year and \$3,116,000 the second year are for grants to soil and water conservation districts for the purposes of Minnesota Statutes, sections 103C.321 and 103C.331, and for general purposes, nonpoint engineering, and implementation and stewardship of the reinvest in Minnesota reserve program. Expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts. Any district receiving a payment under this paragraph shall maintain a Web page that publishes, at a minimum, its annual report, annual audit, annual budget, and meeting notices.

(c) \$260,000 the first year and \$260,000 the second year are for feedlot water quality cost share grants for feedlots under 300 animal units and nutrient and manure management projects in watersheds where there are impaired waters.

(d) \$1,200,000 the first year and \$1,200,000 the second year are for soil and water conservation district cost-sharing contracts for perennially vegetated riparian buffers, erosion control, water retention and treatment, and other high-priority conservation practices.

(e) \$100,000 the first year and \$100,000 the second year are for county cooperative weed management cost-share programs and to restore native plants in selected invasive species management sites.

(f) \$761,000 the first year and \$761,000 the second year are for implementation, enforcement, and oversight of the Wetland Conservation Act, including administration of the wetland banking program and in-lieu fee mechanism.

(g) \$300,000 the first year is for improving the efficiency and effectiveness of Minnesota's wetland regulatory programs through continued examination of United States Clean Water Act section 404 assumption including negotiation of draft agreements with the United States Environmental Protection Agency and the United States Army Corps of Engineers, planning for an online permitting system, upgrading the existing wetland banking database, and developing an in-lieu fee wetland banking program as authorized by statute. This is a onetime appropriation.

(h) \$166,000 the first year and \$166,000 the second year are to provide technical assistance to local drainage management officials and for the costs of the Drainage Work Group. The Board of Water and Soil Resources must coordinate the stakeholder drainage work group in accordance with Minnesota Statutes, section 103B.101, subdivision 13, to evaluate and make recommendations to accelerate drainage system acquisition and establishment of ditch buffer strips under Minnesota Statutes, chapter 103E, or compatible alternative practices required by Minnesota Statutes, section 103F.48. The evaluation and

recommendations must be submitted in a report to the senate and house of representatives committees with jurisdiction over agriculture and environment policy by February 1, 2018.

(i) \$100,000 the first year and \$100,000 the second year are for a grant to the Red River Basin Commission for water quality and floodplain management, including administration of programs. This appropriation must be matched by nonstate funds. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

(j) \$140,000 the first year and \$140,000 the second year are for grants to Area II Minnesota River Basin Projects for floodplain management.

(k) \$125,000 the first year and \$125,000 the second year are for conservation easement stewardship.

(l) \$240,000 the first year and \$240,000 the second year are for a grant to the Lower Minnesota River Watershed District to defray the annual cost of operating and maintaining sites for dredge spoil to sustain the state, national, and international commercial and recreational navigation on the lower Minnesota River.

(m) \$4,380,000 the first year and \$4,533,000 the second year are for Board of Water and Soil Resources agency administration and operations.

(n) Notwithstanding Minnesota Statutes, section 103C.501, the board may shift cost-share funds in this section and may adjust the technical and administrative assistance portion of the grant funds to leverage federal or other nonstate funds or to address high-priority needs identified in local water management plans or comprehensive water management plans.

(o) The appropriations for grants in this section are available until June 30, 2021, except returned grants are available for two years after they are returned. If an appropriation for grants in either year is insufficient, the appropriation in the other year is available for it.

(p) Notwithstanding Minnesota Statutes, section 16B.97, the appropriations for grants in this section are exempt from Department of Administration, Office of Grants Management Policy 08-08 Grant Payments and 08-10 Grant Monitoring.

Sec. 5. **METROPOLITAN COUNCIL**

\$8,540,000

\$8,540,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>2,540,000</u>	<u>2,540,000</u>
<u>Natural Resources</u>	<u>6,000,000</u>	<u>6,000,000</u>

(a) \$2,540,000 the first year and \$2,540,000 the second year are for metropolitan area regional parks operation and maintenance according to Minnesota Statutes, section 473.351.

(b) \$6,000,000 the first year and \$6,000,000 the second year are from the natural resources fund for metropolitan area regional parks and trails maintenance and operations. This appropriation is from the revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (3).

Sec. 6. **CONSERVATION CORPS MINNESOTA**

\$945,000

\$945,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>455,000</u>	<u>455,000</u>
<u>Natural Resources</u>	<u>490,000</u>	<u>490,000</u>

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

Sec. 7. **ZOOLOGICAL BOARD**

\$9,227,000

\$9,303,000

Appropriations by Fund

	<u>2018</u>	<u>2019</u>
<u>General</u>	<u>9,067,000</u>	<u>9,143,000</u>
<u>Natural Resources</u>	<u>160,000</u>	<u>160,000</u>

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

Sec. 8. **SCIENCE MUSEUM**

\$1,079,000

\$1,079,000

Sec. 9. **ADMINISTRATION**

\$800,000

\$300,000

(a) \$300,000 the first year and \$300,000 the second year are from the state forest suspense account in the permanent school fund for the school trust lands director. This appropriation is to be used for securing long-term economic return from the school trust lands consistent with fiduciary responsibilities and sound natural resources conservation and management principles.

(b) \$500,000 the first year is from the state forest suspense account in the permanent school fund for the school trust lands director to initiate the private sale of surplus school trust lands identified according to Minnesota Statutes, section 92.82, paragraph (d).

including but not limited to valuation expenses, legal fees, and transactional staff costs. This is a onetime appropriation and is available until June 30, 2019.

Sec. 10. **EXPLORE MINNESOTA TOURISM**

\$15,684,000

\$14,321,000

(a) To develop maximum private sector involvement in tourism, \$500,000 the first year and \$500,000 the second year must be matched by Explore Minnesota Tourism from nonstate sources. Each \$1 of state incentive must be matched with \$6 of private sector funding. Cash match is defined as revenue to the state or documented cash expenditures directly expended to support Explore Minnesota Tourism programs. Up to one-half of the private sector contribution may be in-kind or soft match. The incentive in fiscal year 2018 shall be based on fiscal year 2017 private sector contributions. The incentive in fiscal year 2019 shall be based on fiscal year 2018 private sector contributions. This incentive is ongoing.

(b) Funding for the marketing grants is available either year of the biennium. Unexpended grant funds from the first year are available in the second year.

(c) \$100,000 each year is for a grant to the Northern Lights International Music Festival.

(d) \$900,000 the first year is for the major events grant program. This is a onetime appropriation and is available until June 30, 2021.

(e) \$500,000 the first year is for updating the board's Web site, developing digital content, and making system upgrades. This is a onetime appropriation and is available until June 30, 2019.

Sec. 11. **REVENUE**

\$2,000,000

\$2,000,000

\$2,000,000 each year is for riparian protection aid payments under Minnesota Statutes, section 477A.21. Notwithstanding Minnesota Statutes, section 477A.21, subdivisions 3 and 4, the first year appropriation may be paid only to counties. Unexpended funds from the first year are available the second year.

Sec. 12. Laws 2016, chapter 189, article 3, section 6, is amended to read:

Sec. 6. **ADMINISTRATION**

\$250,000

\$-0-

\$250,000 the first year is from the state forest suspense account in the permanent school fund for the school trust lands director to initiate real estate development projects on school trust lands as determined by the school trust lands director. This is a onetime appropriation and is available until June 30, 2019.

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

ARTICLE 2
ENVIRONMENT AND NATURAL RESOURCES STATUTORY CHANGES

Section 1. Minnesota Statutes 2016, section 84.01, is amended by adding a subdivision to read:

Subd. 6. **Legal counsel.** The commissioner of natural resources may appoint attorneys or outside counsel to render title opinions, represent the department in severed mineral interest forfeiture actions brought pursuant to section 93.55, and, notwithstanding any statute to the contrary, represent the state in quiet title or title registration actions affecting land or interests in land administered by the commissioner.

Sec. 2. Minnesota Statutes 2016, section 84.027, subdivision 14a, is amended to read:

Subd. 14a. **Permitting efficiency; public notice.** (a) It is the goal of the state that environmental and resource management permits be issued or denied within 90 days for Tier 1 permits or 150 days for Tier 2 permits following submission of a permit application. The commissioner of natural resources shall establish management systems designed to achieve the goal.

(b) The commissioner shall prepare an annual permitting efficiency report that includes statistics on meeting the goal in paragraph (a) and the criteria for ~~Tier 1 and~~ Tier 2 by permit categories. The report is due August 1 each year. For permit applications that have not met the goal, the report must state the reasons for not meeting the goal. In stating the reasons for not meeting the goal, the commissioner shall separately identify delays caused by the responsiveness of the proposer, lack of staff, scientific or technical disagreements, or the level of public engagement. The report must specify the number of days from initial submission of the application to the day of determination that the application is complete. The report must aggregate the data for the year and assess whether program or system changes are necessary to achieve the goal. The report must be posted on the department's Web site and submitted to the governor and the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over natural resources policy and finance.

(c) The commissioner shall allow electronic submission of environmental review and permit documents to the department.

(d) ~~Beginning July 1, 2011,~~ Within 30 business days of application for a permit subject to paragraph (a), the commissioner of natural resources shall notify the ~~project proposer~~ permit applicant, in writing, whether the application is complete or incomplete. If the commissioner determines that an application is incomplete, the notice to the applicant must enumerate all deficiencies, citing specific provisions of the applicable rules and statutes, and advise the applicant on how the deficiencies can be remedied. If the commissioner determines that the application is complete, the notice must confirm the application's Tier 1 or Tier 2 permit status. If the commissioner believes that a complete application for a Tier 2 construction permit cannot be issued within the 150-day goal, the commissioner must provide notice to the applicant with the commissioner's notice that the application is complete and, upon request of the applicant, provide the permit applicant with a schedule estimating when the agency will begin drafting the permit and issue the public notice of the draft permit. This paragraph does not apply to an application for a permit that is subject to a grant or loan agreement under chapter 446A.

(e) When public notice of a draft individual Tier 2 permit is required, the commissioner must provide the applicant a draft permit for review by the applicant within 30 days after determining the proposal conforms to all federal and state laws and rules, unless the permit applicant and the commissioner mutually agree to a different date. The commissioner must consider all comments submitted by the applicant before issuing the permit.

Sec. 3. Minnesota Statutes 2016, section 84.027, subdivision 14b, is amended to read:

Subd. 14b. **Expediting costs; reimbursement.** Permit applicants ~~who wish to construct, reconstruct, modify, or operate a facility~~ needing any permit from the commissioner of natural resources to construct, reconstruct, or modify a project or to operate a facility may offer to reimburse the department for the costs of staff time or consultant services needed to expedite the preapplication process and permit development process through the final decision on the permit, including the analysis of environmental review documents. The reimbursement shall be in addition to permit application fees imposed by law. When the commissioner determines that additional resources are needed to develop the permit application in an expedited manner, and that expediting the development is consistent with permitting program priorities, the commissioner may accept the reimbursement. The commissioner must give the permit applicant an estimate of costs for the expedited service to be incurred by the commissioner. The estimate must include a brief description of the tasks to be performed, a schedule for completing the tasks, and the estimated cost for each task. The proposer and the commissioner shall enter into a written agreement detailing the estimated costs for the expedited service to be incurred by the department. The agreement must also identify staff anticipated to be assigned to the project. The commissioner must not issue a permit until the applicant has paid all fees in full. The commissioner must refund any unobligated balance of fees paid. Reimbursements accepted by the commissioner are appropriated to the commissioner for the purpose of developing the permit or analyzing environmental review documents. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit; shall not affect the commissioner's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations; and shall not affect final decisions regarding environmental review.

Sec. 4. Minnesota Statutes 2016, section 84.788, subdivision 2, is amended to read:

Subd. 2. **Exemptions.** Registration is not required for off-highway motorcycles:

- (1) owned and used by the United States, an Indian tribal government, the state, another state, or a political subdivision;
- (2) registered in another state or country that have not been within this state for more than 30 consecutive days;
- (3) registered under chapter 168, when operated on forest roads to gain access to a state forest campground;
- (4) used exclusively in organized track racing events;
- (5) operated on state or grant-in-aid trails by a nonresident possessing a nonresident off-highway motorcycle state trail pass; ~~or~~
- (6) operated by a person participating in an event for which the commissioner has issued a special use permit; or
- (7) operated on boundary trails and registered in another state or country providing equal reciprocal registration or licensing exemptions for registrants of this state.

Sec. 5. Minnesota Statutes 2016, section 84.793, subdivision 1, is amended to read:

Subdivision 1. **Prohibitions on youthful operators.** (a) A person six years or older but less than 16 years of age operating an off-highway motorcycle on public lands or waters must possess a valid off-highway motorcycle safety certificate issued by the commissioner.

(b) Except for operation on public road rights-of-way that is permitted under section 84.795, subdivision 1, a driver's license issued by the state or another state is required to operate an off-highway motorcycle along or on a public road right-of-way.

(c) A person under 12 years of age may not:

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

(2) operate an off-highway motorcycle on a public road right-of-way in the state; or

(3) operate an off-highway motorcycle on public lands or waters unless accompanied by a person 18 years of age or older or participating in an event for which the commissioner has issued a special use permit.

(d) Except for public road rights-of-way of interstate highways, a person less than 16 years of age may make a direct crossing of a public road right-of-way of a trunk, county state-aid, or county highway only if that person is accompanied by a person 18 years of age or older who holds a valid driver's license.

(e) A person less than 16 years of age may operate an off-highway motorcycle on public road rights-of-way in accordance with section 84.795, subdivision 1, paragraph (a), only if that person is accompanied by a person 18 years of age or older who holds a valid driver's license.

(f) Notwithstanding paragraph (a), a nonresident less than 16 years of age may operate an off-highway motorcycle on public lands or waters if the nonresident youth has in possession evidence of completing an off-road safety course offered by the Motorcycle Safety Foundation or another state as provided in section 84.791, subdivision 4.

Sec. 6. Minnesota Statutes 2016, section 84.8031, is amended to read:

84.8031 GRANT-IN-AID APPLICATIONS; REVIEW PERIOD.

The commissioner must review an off-road vehicle grant-in-aid application and, if approved, ~~commence~~ begin public review of the application within 60 days after the completed application has been locally approved and submitted to an area parks and trails office. If the commissioner fails to approve or deny the application within 60 days after submission, the application is deemed approved and the commissioner must provide for a 30-day public review period. If the commissioner denies an application, the commissioner must provide the applicant with a written explanation for denying the application at the time the applicant is notified of the denial.

Sec. 7. Minnesota Statutes 2016, section 84.82, subdivision 2, is amended to read:

Subd. 2. **Application, issuance, issuing fee.** (a) Application for registration or reregistration shall be made to the commissioner or an authorized deputy registrar of motor vehicles in a format prescribed by the commissioner and shall state the legal name and address of every owner of the snowmobile.

(b) A person who purchases a snowmobile from a retail dealer shall make application for registration to the dealer at the point of sale. The dealer shall issue a dealer temporary 21-day registration permit to each purchaser who applies to the dealer for registration. The temporary permit must contain the dealer's identification number and phone number. Each retail dealer shall submit completed registration and fees to the deputy registrar at least once a week. No fee may be charged by a dealer to a purchaser for providing the temporary permit.

(c) Upon receipt of the application and the appropriate fee, the commissioner or deputy registrar shall issue to the applicant, or provide to the dealer, an assigned registration number or a commissioner or deputy registrar temporary 21-day permit. Once issued, the registration number must be affixed to the snowmobile in a clearly visible and

permanent manner for enforcement purposes as the commissioner of natural resources shall prescribe. A dealer subject to paragraph (b) shall provide the registration materials or temporary permit to the purchaser within the temporary 21-day permit period. The registration is not valid unless signed by at least one owner.

(d) Each deputy registrar of motor vehicles acting pursuant to section 168.33, shall also be a deputy registrar of snowmobiles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to assure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with these accounting and procedural requirements.

(e) ~~A fee of \$2~~ In addition to ~~that otherwise~~ other fees prescribed by law ~~shall be charged for~~, an issuing fee of \$4.50 is charged for each snowmobile registration renewal, duplicate or replacement registration card, and replacement decal and an issuing fee of \$7 is charged for each snowmobile registration and registration transfer issued by:

(1) ~~each snowmobile registered by the~~ a registrar or a deputy registrar and ~~the additional fee shall be disposed of~~ must be deposited in the manner provided in section 168.33, subdivision 2; or

(2) ~~each snowmobile registered by the commissioner and the additional fee shall~~ must be deposited in the state treasury and credited to the snowmobile trails and enforcement account in the natural resources fund.

Sec. 8. Minnesota Statutes 2016, section 84.82, subdivision 3, is amended to read:

Subd. 3. **Fees for registration.** (a) The fee for registration of each snowmobile, other than those used for an agricultural purpose, as defined in section 84.92, subdivision 1c, those registered by a dealer or manufacturer pursuant to paragraph (b) or (c), or those registered under subdivision 2a shall be as follows: ~~\$75~~ \$105 for three years and \$10 for a duplicate or transfer.

(b) The total registration fee for all snowmobiles owned by a dealer and operated for demonstration or testing purposes shall be \$50 per year.

(c) The total registration fee for all snowmobiles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes shall be \$150 per year. Dealer and manufacturer registrations are not transferable.

(d) The onetime fee for registration of an exempt snowmobile under subdivision 6a is \$6.

Sec. 9. Minnesota Statutes 2016, section 84.8205, subdivision 1, is amended to read:

Subdivision 1. **Sticker required; fee.** (a) A snowmobile that is not registered in the state under section 84.82, subdivision 3, paragraph (a), or that is registered by a manufacturer or dealer under section 84.82, subdivision 3, paragraph (b) or (c), may not be operated on a state or grant-in-aid snowmobile trail unless a snowmobile state trail sticker is affixed to the snowmobile.

(b) The commissioner of natural resources shall issue a sticker upon application and payment of a fee. The fee is:

(1) ~~\$35~~ \$50 for a one-year snowmobile state trail sticker purchased by an individual; and

(2) \$15 for a one-year snowmobile state trail sticker purchased by a dealer or manufacturer.

(c) In addition to other penalties prescribed by law, an individual in violation of this subdivision must purchase an annual state trail sticker for a fee of \$70. The sticker is valid from November 1 through June 30. Fees collected under this section, except for the issuing fee for licensing agents, shall be deposited in the state treasury and credited

to the snowmobile trails and enforcement account in the natural resources fund and, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, must be used for grants-in-aid, trail maintenance, grooming, and easement acquisition.

(d) A state trail sticker is not required under this section for:

(1) a snowmobile that is owned and used by the United States, an Indian tribal government, another state, or a political subdivision thereof that is exempt from registration under section 84.82, subdivision 6;

(2) a collector snowmobile that is operated as provided in a special permit issued for the collector snowmobile under section 84.82, subdivision 7a;

(3) a person operating a snowmobile only on the portion of a trail that is owned by the person or the person's spouse, child, or parent; or

(4) a snowmobile while being used to groom a state or grant-in-aid trail.

Sec. 10. Minnesota Statutes 2016, section 84.922, subdivision 5, is amended to read:

Subd. 5. **Fees for registration.** (a) The fee for a three-year registration of an all-terrain vehicle under this section, other than those registered by a dealer or manufacturer under paragraph (b) or (c), is:

(1) for public use, ~~\$45~~ \$60;

(2) for private use, \$6; and

(3) for a duplicate or transfer, \$4.

(b) The total registration fee for all-terrain vehicles owned by a dealer and operated for demonstration or testing purposes is \$50 per year. Dealer registrations are not transferable.

(c) The total registration fee for all-terrain vehicles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes is \$150 per year. Manufacturer registrations are not transferable.

(d) The onetime fee for registration of an all-terrain vehicle under subdivision 2b is \$6.

(e) The fees collected under this subdivision must be credited to the all-terrain vehicle account.

Sec. 11. Minnesota Statutes 2016, section 84.925, subdivision 1, is amended to read:

Subdivision 1. **Program established.** (a) The commissioner shall establish a comprehensive all-terrain vehicle environmental and safety education and training program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of all-terrain vehicle operators, and the issuance of all-terrain vehicle safety certificates to vehicle operators over the age of 12 years who successfully complete the all-terrain vehicle environmental and safety education and training course. A parent or guardian must be present at the hands-on training portion of the program for youth who are six through ten years of age.

(b) For the purpose of administering the program and to defray the expenses of training and certifying vehicle operators, the commissioner shall collect a fee from each person who receives the training. The commissioner shall collect a fee, to include a \$1 issuing fee for licensing agents, for issuing a duplicate all-terrain vehicle safety certificate. The commissioner shall establish both fees in a manner that neither significantly overrecovers nor

underrecovers costs, including overhead costs, involved in providing the services. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply. The fees may be established by the commissioner notwithstanding section 16A.1283. Fee proceeds, except for the issuing fee for licensing agents under this subdivision, shall be deposited in the all-terrain vehicle account in the natural resources fund and the amount thereof, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, and issuing fees collected by the commissioner, is appropriated annually to the Enforcement Division of the Department of Natural Resources for the administration of the programs. In addition to the fee established by the commissioner, instructors may charge each person up to the established fee amount for class materials and expenses.

(c) The commissioner shall cooperate with private organizations and associations, private and public corporations, and local governmental units in furtherance of the program established under this section. School districts may cooperate with the commissioner and volunteer instructors to provide space for the classroom portion of the training. The commissioner shall consult with the commissioner of public safety in regard to training program subject matter and performance testing that leads to the certification of vehicle operators. The commissioner shall incorporate a riding component in the safety education and training program.

Sec. 12. Minnesota Statutes 2016, section 84.9256, subdivision 1, is amended to read:

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

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

- (1) make a direct crossing of a public road right-of-way;
- (2) operate an all-terrain vehicle on a public road right-of-way in the state; or
- (3) operate an all-terrain vehicle on public lands or waters, except as provided in paragraph (f).

(c) Except for public road rights-of-way of interstate highways, a person 12 years of age but less than 16 years may make a direct crossing of a public road right-of-way of a trunk, county state-aid, or county highway or operate on public lands and waters or state or grant-in-aid trails, only if that person possesses a valid all-terrain vehicle safety certificate issued by the commissioner and is accompanied by a person 18 years of age or older who holds a valid driver's license.

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

- (1) successfully complete the safety education and training program under section 84.925, subdivision 1, including a riding component; and
- (2) be able to properly reach and control the handle bars and reach the foot pegs while sitting upright on the seat of the all-terrain vehicle.

(e) A person at least ~~14~~ six years of age may take the safety education and training program and may receive an all-terrain vehicle safety certificate under paragraph (d), but the certificate is not valid until the person reaches age 12.

(f) A person at least ten years of age but under 12 years of age may operate an all-terrain vehicle with an engine capacity up to ~~90cc~~ 110cc if the vehicle is a class 1 all-terrain vehicle with straddle-style seating or up to 170cc if the vehicle is a class 1 all-terrain vehicle with side-by-side-style seating on public lands or waters if accompanied by a parent or legal guardian.

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

(h) A person under the age of 16 may not operate an all-terrain vehicle on public lands or waters or on state or grant-in-aid trails if the person cannot properly reach and control:

(1) the handle bars and reach the foot pegs while sitting upright on the seat of the all-terrain vehicle with straddle-style seating; or

(2) the steering wheel and foot controls of a class 1 all-terrain vehicle with side-by-side-style seating while sitting upright in the seat with the seat belt fully engaged.

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

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

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

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

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

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

Sec. 13. Minnesota Statutes 2016, section 84.9256, subdivision 2, is amended to read:

Subd. 2. **Helmet and seat belts required.** (a) A person less than 18 years of age shall not ride as a passenger or as an operator of an all-terrain vehicle on public land, public waters, or on a public road right-of-way unless wearing a safety helmet approved by the commissioner of public safety.

(b) A person less than 18 years of age shall not ride as a passenger or as an operator of ~~a class 2~~ an all-terrain vehicle without wearing a seat belt when provided by the manufacturer.

Sec. 14. Minnesota Statutes 2016, section 84.9275, subdivision 1, is amended to read:

Subdivision 1. **Pass required; fee.** (a) A tribal member exempt from registration under section 84.922, subdivision 1a, clause (2), or a nonresident may not operate an all-terrain vehicle on a state or grant-in-aid all-terrain vehicle trail unless the operator carries a valid nonresident all-terrain vehicle state trail pass in immediate possession. The pass must be available for inspection by a peace officer, a conservation officer, or an employee designated under section 84.0835.

(b) The commissioner of natural resources shall issue a pass upon application and payment of a ~~\$20~~ \$30 fee. The pass is valid from January 1 through December 31. Fees collected under this section, except for the issuing fee for licensing agents, shall be deposited in the state treasury and credited to the all-terrain vehicle account in the natural resources fund and, except for the electronic licensing system commission established by the commissioner under section 84.027, subdivision 15, must be used for grants-in-aid to counties and municipalities for all-terrain vehicle organizations to construct and maintain all-terrain vehicle trails and use areas.

(c) A nonresident all-terrain vehicle state trail pass is not required for:

(1) an all-terrain vehicle that is owned and used by the United States, another state, or a political subdivision thereof that is exempt from registration under section 84.922, subdivision 1a;

(2) a person operating an all-terrain vehicle only on the portion of a trail that is owned by the person or the person's spouse, child, or parent; or

(3) a nonresident operating an all-terrain vehicle that is registered according to section 84.922.

Sec. 15. Minnesota Statutes 2016, section 84.946, subdivision 2, is amended to read:

Subd. 2. **Standards.** (a) An appropriation for asset preservation may be used only for a capital expenditure on a capital asset previously owned by the state, within the meaning of generally accepted accounting principles as applied to public expenditures. The commissioner of natural resources will consult with the commissioner of management and budget to the extent necessary to ensure this and will furnish the commissioner of management and budget a list of projects to be financed from the account in order of their priority. The legislature assumes that many projects for preservation and replacement of portions of existing capital assets will constitute betterments and capital improvements within the meaning of the Constitution and capital expenditures under generally accepted accounting principles, and will be financed more efficiently and economically under this section than by direct appropriations for specific projects.

(b) An appropriation for asset preservation must not be used to acquire land or to acquire or construct buildings or other facilities.

(c) Capital budget expenditures for natural resource asset preservation and replacement projects must be for one or more of the following types of capital projects that support the existing programmatic mission of the department: code compliance including health and safety, Americans with Disabilities Act requirements, hazardous material abatement, access improvement, or air quality improvement; building energy efficiency improvements using current best practices; building or infrastructure repairs necessary to preserve the interior and exterior of existing buildings; projects to remove life safety hazards such as building code violations or structural defects; or renovation of other existing improvements to land, including but not limited to trails and bridges.

(d) Up to ten percent of an appropriation awarded under this section may be used for design costs for projects eligible to be funded from this account in anticipation of future funding from the account.

Sec. 16. Minnesota Statutes 2016, section 84.946, is amended by adding a subdivision to read:

Subd. 4. **Priorities; report.** The commissioner of natural resources must establish priorities for natural resource asset preservation and replacement projects. By January 15 each year, the commissioner must submit to the commissioner of management and budget a list of the projects that have been paid for with money from a natural resource asset preservation and replacement appropriation during the preceding calendar year.

Sec. 17. Minnesota Statutes 2016, section 84.992, subdivision 3, is amended to read:

Subd. 3. **Training and mentoring.** The commissioner must develop and implement a training program that adequately prepares Minnesota Naturalist Corps members for the tasks assigned. Each corps member ~~shall be~~ is assigned ~~a state park~~ an interpretive naturalist as a mentor.

Sec. 18. Minnesota Statutes 2016, section 84.992, subdivision 4, is amended to read:

Subd. 4. **Uniform patch pin.** Uniforms worn by members of the Minnesota Naturalist Corps must have a ~~patch~~ pin that includes the name of the Minnesota Naturalist Corps and information that the program is funded by the clean water, land, and legacy amendment to the Minnesota Constitution adopted by the voters in November 2008.

Sec. 19. Minnesota Statutes 2016, section 84.992, subdivision 5, is amended to read:

Subd. 5. **Eligibility.** A person is eligible to enroll in the Minnesota Naturalist Corps if the person:

- (1) is a permanent resident of the state;
- (2) is a participant in an approved college internship program ~~or has a postsecondary degree~~ in a field related to natural resource resources, cultural history, interpretation, or conservation related field; and
- (3) has completed at least one year of postsecondary education.

Sec. 20. Minnesota Statutes 2016, section 84.992, subdivision 6, is amended to read:

Subd. 6. **Corps member status.** Minnesota Naturalist Corps members are not eligible for unemployment benefits ~~if their services are excluded under section 268.035, subdivision 20,~~ and are not eligible for other benefits except workers' compensation. The corps members are not employees of the state within the meaning of section 43A.02, subdivision 21.

Sec. 21. Minnesota Statutes 2016, section 84D.03, subdivision 3, is amended to read:

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

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

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

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

(c) In streams or rivers that are listed as infested waters, except those listed as infested with certifiable diseases of fish, as defined under section 17.4982, subdivision 6, the harvest of bullheads, goldeyes, mooneyes, sheepshead (freshwater drum), and suckers for bait by hook and line for noncommercial personal use is allowed as follows:

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

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

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

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

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

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

(d) In the Mississippi River downstream of St. Anthony Falls and the St. Croix River downstream of the dam at Taylors Falls, including portions described as Minnesota-Wisconsin boundary waters in Minnesota Rules, part 6266.0500, subpart 1, items A and B, the harvest of gizzard shad by cast net for noncommercial personal use as bait for angling, as provided in a permit issued under section 84D.11, is allowed as follows:

(1) nontarget species must immediately be returned to the water;

(2) gizzard shad taken under this paragraph must be used on the same body of water where caught and while still on that water body. Where the river is divided by barriers such as dams, the gizzard shad must be caught and used on the same section of the river;

(3) gizzard shad taken under this paragraph may not be transported off the water body; and

(4) gizzard shad harvested under this paragraph may only be used in accordance with this section.

This paragraph expires December 1, 2017.

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

(f) Bait intended for sale may not be held in infested water after taking and before sale, unless authorized under a license or permit according to Minnesota Rules, part 6216.0500.

Sec. 22. Minnesota Statutes 2016, section 84D.03, subdivision 4, is amended to read:

Subd. 4. **Commercial fishing and turtle, frog, and crayfish harvesting restrictions in infested and noninfested waters.** (a) All nets, traps, buoys, anchors, stakes, and lines used for commercial fishing or turtle, frog, or crayfish harvesting in an infested water that is listed because it contains invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982, ~~may not be used in any other waters. If a commercial licensee operates in an infested water listed because it contains invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982, all nets, traps, buoys, anchors, stakes, and lines used for commercial fishing or turtle, frog, or crayfish harvesting in waters listed as infested with invasive fish, invertebrates, or certifiable diseases, as defined in section 17.4982, must be tagged with tags provided by the commissioner, as specified in the commercial licensee's license or permit. Tagged gear must not be used in water bodies other than those specified in the license or permit. The permit may authorize department staff to remove tags after the gear is decontaminated.~~ This tagging requirement does not apply to commercial fishing equipment used in Lake Superior.

(b) All nets, traps, buoys, anchors, stakes, and lines used for commercial fishing or turtle, frog, or crayfish harvesting in an infested water that is listed solely because it contains Eurasian watermilfoil must be dried for a minimum of ten days or frozen for a minimum of two days before they are used in any other waters, except as provided in this paragraph. Commercial licensees must notify the department's regional or area fisheries office or a conservation officer before removing nets or equipment from an infested water listed solely because it contains

Eurasian watermilfoil and before resetting those nets or equipment in any other waters. Upon notification, the commissioner may authorize a commercial licensee to move nets or equipment to another water without freezing or drying, if that water is listed as infested solely because it contains Eurasian watermilfoil.

(c) A commercial licensee must remove all aquatic macrophytes from nets and other equipment before placing the equipment into waters of the state.

(d) The commissioner shall provide a commercial licensee with a current listing of listed infested waters at the time that a license or permit is issued.

Sec. 23. Minnesota Statutes 2016, section 84D.04, subdivision 1, is amended to read:

Subdivision 1. **Classes.** The commissioner shall, as provided in this chapter, classify nonnative species of aquatic plants and wild animals, including subspecies, genotypes, cultivars, hybrids, or genera of nonnative species, according to the following categories:

(1) prohibited invasive species, which may not be possessed, imported, purchased, sold, propagated, transported, or introduced except as provided in section 84D.05;

(2) regulated invasive species, which may not be introduced except as provided in section 84D.07;

(3) unlisted nonnative species, which are subject to the classification procedure in section 84D.06; and

(4) unregulated nonnative species, which are not subject to regulation under this chapter.

Sec. 24. Minnesota Statutes 2016, section 84D.05, subdivision 1, is amended to read:

Subdivision 1. **Prohibited activities.** A person may not possess, import, purchase, sell, propagate, transport, or introduce a prohibited invasive species, except:

(1) under a permit issued by the commissioner under section 84D.11;

(2) in the case of purple loosestrife, as provided by sections 18.75 to 18.88;

(3) under a restricted species permit issued under section 17.457;

(4) when being transported to the department, or another destination as the commissioner may direct, in a sealed container for purposes of identifying the species or reporting the presence of the species;

(5) when being transported for disposal as part of a harvest or control activity when specifically authorized under a permit issued by the commissioner according to section 103G.615, when being transported for disposal as specified under a commercial fishing license issued by the commissioner according to section 97A.418, 97C.801, 97C.811, 97C.825, 97C.831, or 97C.835, or when being transported as specified by the commissioner;

(6) when being removed from watercraft and equipment, or caught while angling, and immediately returned to the water from which they came; ~~or~~

(7) when being transported from riparian property to a legal disposal site that is at least 100 feet from any surface water, ditch, or seasonally flooded land, provided the prohibited invasive species are in a covered commercial vehicle specifically designed and used for hauling trash; or

~~(7)~~ (8) as the commissioner may otherwise prescribe by rule.

Sec. 25. Minnesota Statutes 2016, section 84D.108, subdivision 2a, is amended to read:

Subd. 2a. **Lake Minnetonka pilot study.** (a) The commissioner may issue an additional permit to service providers to return to Lake Minnetonka water-related equipment with zebra mussels attached after the equipment has been seasonally stored, serviced, or repaired. The permit must include verification and documentation requirements and any other conditions the commissioner deems necessary.

(b) Water-related equipment with zebra mussels attached may be returned only to Lake Minnetonka (DNR Division of Waters number 27-0133) by service providers permitted under subdivision 1.

(c) The service provider's place of business must be within the Lake Minnetonka Conservation District as established according to sections 103B.601 to 103B.645 or within a municipality immediately bordering the Lake Minnetonka Conservation District's boundaries.

(d) A service provider applying for a permit under this subdivision must, if approved for a permit and before the permit is valid, furnish a corporate surety bond in favor of the state for \$50,000 payable upon violation of this chapter while the service provider is acting under a permit issued according to this subdivision.

(e) This subdivision expires December 1, ~~2018~~ 2019.

Sec. 26. Minnesota Statutes 2016, section 84D.108, is amended by adding a subdivision to read:

Subd. 2b. **Gull Lake pilot study.** (a) The commissioner may include an additional targeted pilot study to include water-related equipment with zebra mussels attached for the Gull Narrows State Water Access Site, Government Point State Water Access Site, and Gull East State Water Access Site on Gull Lake (DNR Division of Waters number 11-0305) in Cass and Crow Wing Counties using the same authorities, general procedures, and requirements provided for the Lake Minnetonka pilot project in subdivision 2a. Lake service providers participating in the Gull Lake targeted pilot study place of business must be located in Cass or Crow Wing County.

(b) If an additional targeted pilot project for Gull Lake is implemented under this section, the report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over natural resources required under Laws 2016, chapter 189, article 3, section 48, must also include the Gull Lake targeted pilot study recommendations and assessments.

(c) This subdivision expires December 1, 2019.

Sec. 27. Minnesota Statutes 2016, section 84D.108, is amended by adding a subdivision to read:

Subd. 2c. **Cross Lake pilot study.** (a) The commissioner may include an additional targeted pilot study to include water-related equipment with zebra mussels attached for the Cross Lake #1 State Water Access Site on Cross Lake (DNR Division of Waters number 18-0312) in Crow Wing County using the same authorities, general procedures, and requirements provided for the Lake Minnetonka pilot project in subdivision 2a. The place of business of lake service providers participating in the Cross Lake targeted pilot study must be located in Cass or Crow Wing County.

(b) If an additional targeted pilot project for Cross Lake is implemented under this section, the report to the chairs and ranking minority members of the senate and house of representatives committees having jurisdiction over natural resources required under Laws 2016, chapter 189, article 3, section 48, must also include the Cross Lake targeted pilot study recommendations and assessments.

(c) This subdivision expires December 1, 2019.

Sec. 28. Minnesota Statutes 2016, section 84D.11, is amended by adding a subdivision to read:

Subd. 1a. **Permit for invasive carp.** The commissioner may issue a permit to departmental divisions for tagging bighead, black, grass, or silver carp for research or control. Under the permit, the carp may be released into the water body from which the carp was captured. This subdivision expires December 31, 2021.

Sec. 29. **[85.0507] FORT RIDGELY GOLF COURSE; GOLF CARTS.**

The commissioner may by contract, concession agreement, or lease, authorize the use of golf carts on the golf course at Fort Ridgely State Park.

Sec. 30. Minnesota Statutes 2016, section 85.052, subdivision 1, is amended to read:

Subdivision 1. **Authority to establish.** (a) The commissioner may establish, by written order, provisions for the use of state parks for the following:

- (1) special parking space for automobiles or other motor-driven vehicles in a state park or state recreation area;
 - (2) special parking spurs, campgrounds for automobiles, sites for tent camping, other types of lodging, camping, or day use facilities, and special auto trailer coach parking spaces, for the use of the individual charged for the space or facility;
 - (3) improvement and maintenance of golf courses already established in state parks, and charging reasonable use fees; and
 - (4) providing water, sewer, and electric service to trailer or tent campsites and charging a reasonable use fee.
- (b) Provisions established under paragraph (a) are exempt from section 16A.1283 and the rulemaking provisions of chapter 14. Section 14.386 does not apply.
- (c) For the purposes of this subdivision, "lodging" means an enclosed shelter, room, or building with furnishings for overnight use.

Sec. 31. Minnesota Statutes 2016, section 85.053, subdivision 8, is amended to read:

Subd. 8. **Free permit; military personnel; exemption.** (a) ~~A one-day permit, Annual permits~~ under subdivision 4, shall 1 must be issued without a fee ~~for a motor vehicle being used by a person who is serving in to active military service personnel in any branch or unit of the United States armed forces and who is stationed outside Minnesota, during the period of active service and for 90 days immediately thereafter, if the~~ or their dependents and to recipients of a Purple Heart medal. To qualify for a free permit under this subdivision, a person presents the person's current military orders must present qualifying military identification or an annual pass for the United States military issued through the National Parks and Federal Recreational Lands Pass program to the park attendant on duty or other designee of the commissioner.

~~(b) For purposes of this section, "active service" has the meaning given under section 190.05, subdivision 5c, when performed outside Minnesota~~ subdivision, the commissioner shall establish what constitutes qualifying military identification in the State Register.

~~(c) A permit is not required for a motor vehicle being used by military personnel or their dependents who have in their possession the annual pass for United States military and their dependents issued by the federal government for access to federal recreation sites~~ For vehicles permitted under paragraph (a), the permit or decal issued under this subdivision is valid only when displayed on a vehicle owned and occupied by the person to whom the permit is issued.

(d) The commissioner may issue a daily vehicle permit free of charge to an individual who qualifies under paragraph (a) and does not own or operate a motor vehicle.

Sec. 32. Minnesota Statutes 2016, section 85.053, subdivision 10, is amended to read:

Subd. 10. **Free entrance permit; disabled veterans.** (a) The commissioner shall issue an annual park permit for no charge to any veteran with a total and permanent service-connected disability, and a daily park permit to any resident veteran with any level of service-connected disability, as determined by the United States Department of Veterans Affairs, who presents each year a copy of the veteran's determination letter or other official form of validation issued by the United States Department of Veterans Affairs or the United States Department of Defense to a park attendant or commissioner's designee. For the purposes of this section subdivision, "veteran" has the meaning given in section 197.447.

(b) For vehicles permitted under paragraph (a), the permit or decal issued under this subdivision is valid only when displayed on a vehicle owned and occupied by the person to whom the permit is issued.

(c) The commissioner may issue a daily vehicle permit free of charge to an individual who qualifies under paragraph (a) and does not own or operate a motor vehicle.

Sec. 33. Minnesota Statutes 2016, section 85.054, is amended by adding a subdivision to read:

Subd. 19. **Fort Ridgely golf course.** The commissioner may by contract, concession agreement, or lease waive a state park permit and associated fee for motor vehicle entry or parking for persons playing golf at the Fort Ridgely State Park golf course provided that the contract, concession agreement, or lease payment to the state is set, in part, to compensate the state park system for the loss of the state park fees.

Sec. 34. Minnesota Statutes 2016, section 85.055, subdivision 1, is amended to read:

Subdivision 1. **Fees.** The fee for state park permits for:

- (1) an annual use of state parks is ~~\$25~~ \$35;
- (2) a second or subsequent vehicle state park permit is ~~\$48~~ \$26;
- (3) a state park permit valid for one day is ~~\$5~~ \$7;
- (4) a daily vehicle state park permit for groups is ~~\$3~~ \$5;
- (5) an annual permit for motorcycles is ~~\$20~~ \$30;
- (6) an employee's state park permit is without charge; and
- (7) a state park permit for persons with disabilities under section 85.053, subdivision 7, paragraph (a), clauses (1) to (3), is \$12.

The fees specified in this subdivision include any sales tax required by state law.

Sec. 35. Minnesota Statutes 2016, section 85.22, subdivision 2a, is amended to read:

Subd. 2a. **Receipts, appropriation.** All receipts derived from the rental or sale of state park items, tours ~~at Forestville Mystery Cave State Park~~, interpretation programs, educational programs, and operation of Douglas Lodge shall be deposited in the state treasury and be credited to the state parks working capital account. Receipts

and expenses from Douglas Lodge shall be tracked separately within the account. Money in the account is annually appropriated for the purchase and payment of expenses attributable to items for resale or rental and operation of Douglas Lodge. Any excess receipts in this account are annually appropriated for state park management and interpretive programs.

Sec. 36. Minnesota Statutes 2016, section 85.32, subdivision 1, is amended to read:

Subdivision 1. **Areas marked Designation.** The commissioner of natural resources is authorized in cooperation with local units of government and private individuals and groups when feasible to ~~mark~~ manage state water trails on the Lake Superior water trail under section 85.0155 and on the following rivers, which have historic, recreational, and scenic values: Little Fork, Big Fork, Minnesota, St. Croix, Snake, Mississippi, Red Lake, Cannon, Straight, Des Moines, Crow Wing, St. Louis, Pine, Rum, Kettle, Cloquet, Root, Zumbro, Pomme de Terre within Swift County, Watonwan, Cottonwood, Whitewater, Chippewa from Benson in Swift County to Montevideo in Chippewa County, Long Prairie, Red River of the North, Sauk, Otter Tail, Redwood, Blue Earth, Cedar, Shell Rock, ~~and Vermilion in St. Louis County, North Fork of the Crow, and South Fork of the Crow Rivers, which have historic and scenic values, and to mark appropriately.~~ The commissioner may map and sign points of interest, public water access sites, portages, camp sites, and ~~all~~ dams, rapids, waterfalls, ~~whirlpools,~~ and other serious hazards that are dangerous to canoe, kayak, and watercraft travelers. The commissioner may maintain passageway for watercraft on state water trails.

Sec. 37. **[85.47] SPECIAL USE PERMITS; FEES.**

Fees collected for special use permits to use state trails not on state forest, state park, or state recreation area lands and for use of state water access sites must be deposited in the natural resources fund.

Sec. 38. Minnesota Statutes 2016, section 86B.301, subdivision 2, is amended to read:

Subd. 2. **Exemptions.** A watercraft license is not required for:

(1) a watercraft that is covered by a license or number in full force and effect under federal law or a federally approved licensing or numbering system of another state, or a watercraft that is owned by a person from another state and that state does not require licensing that type of watercraft, and the watercraft has not been within this state for more than 90 consecutive days, which does not include days that a watercraft is laid up at dock over winter or for repairs at a Lake Superior port or another port in the state;

(2) a watercraft from a country other than the United States that has not been within this state for more than 90 consecutive days, which does not include days that a watercraft is laid up at dock over winter or for repairs at a Lake Superior port or another port in the state;

(3) a watercraft owned by the United States, an Indian tribal government, a state, or a political subdivision of a state, except watercraft used for recreational purposes;

(4) a ship's lifeboat;

(5) a watercraft that has been issued a valid marine document by the United States government;

(6) a waterfowl boat during waterfowl-hunting season;

(7) a rice boat during the harvest season;

(8) a seaplane;

(9) a nonmotorized watercraft ten feet in length or less; and

(10) a watercraft that is covered by a valid license or number issued by a federally recognized Indian tribe in the state under a federally approved licensing or numbering system and that is owned by a member of that tribe.

Sec. 39. Minnesota Statutes 2016, section 86B.313, subdivision 1, is amended to read:

Subdivision 1. **General requirements.** (a) In addition to requirements of other laws relating to watercraft, a person may not operate or permit the operation of a personal watercraft:

(1) without each person on board the personal watercraft wearing a ~~United States Coast Guard (USCG) approved~~ wearable personal flotation device ~~with a~~ that is approved by the United States Coast Guard (USCG) and has a USCG label indicating # the flotation device either is approved for or does not prohibit use with personal watercraft ~~or water skiing;~~

(2) between one hour before sunset and 9:30 a.m.;

(3) at greater than slow-no wake speed within 150 feet of:

(i) a shoreline;

(ii) a dock;

(iii) a swimmer;

(iv) a raft used for swimming or diving; or

(v) a moored, anchored, or nonmotorized watercraft;

(4) while towing a person on water skis, a kneeboard, an inflatable craft, or any other device unless:

(i) an observer is on board; or

(ii) the personal watercraft is equipped with factory-installed or factory-specified accessory mirrors that give the operator a wide field of vision to the rear;

(5) without the lanyard-type engine cutoff switch being attached to the person, clothing, or personal flotation device of the operator, if the personal watercraft is equipped by the manufacturer with such a device;

(6) if any part of the spring-loaded throttle mechanism has been removed, altered, or tampered with so as to interfere with the return-to-idle system;

(7) to chase or harass wildlife;

(8) through emergent or floating vegetation at other than a slow-no wake speed;

(9) in a manner that unreasonably or unnecessarily endangers life, limb, or property, including weaving through congested watercraft traffic, jumping the wake of another watercraft within 150 feet of the other watercraft, or operating the watercraft while facing backwards;

(10) in any other manner that is not reasonable and prudent; or

(11) without a personal watercraft rules decal, issued by the commissioner, attached to the personal watercraft so as to be in full view of the operator.

(b) Paragraph (a), clause (3), does not apply to a person operating a personal watercraft to launch or land a person on water skis, a kneeboard, or similar device by the most direct route to open water.

Sec. 40. Minnesota Statutes 2016, section 86B.701, subdivision 3, is amended to read:

Subd. 3. **Allocation of funding.** (a) Notwithstanding section 16A.41, expenditures directly related to each appropriation's purpose made on or after January 1 of the fiscal year in which the grant is made or the date of work plan approval, whichever is later, are eligible for reimbursement unless otherwise provided.

(b) The amount of funds to be allocated under subdivisions 1 and 2 and shall be determined by the commissioner on the basis of the following criteria:

- (1) the number of watercraft using the waters wholly or partially within the county;
- (2) the number of watercraft using particular bodies of water, wholly or partially within the county, in relation to the size of the body of water and the type, speed, and size of the watercraft utilizing the water body;
- (3) the amount of water acreage wholly or partially within the county;
- (4) the overall performance of the county in the area of boat and water safety;
- (5) special considerations, such as volume of transient or nonresident watercraft use, number of rental watercraft, extremely large bodies of water wholly or partially in the county; or
- (6) any other factor as determined by the commissioner.

~~(b)~~ (c) The commissioner may require reports from the counties, make appropriate surveys or studies, or utilize local surveys or studies to determine the criteria required in allocation funds.

Sec. 41. Minnesota Statutes 2016, section 88.01, subdivision 28, is amended to read:

Subd. 28. **Prescribed burn.** "Prescribed burn" means a fire that is intentionally ignited, managed, and controlled for the purpose of managing forests, prairies, or wildlife habitats by an entity meeting certification requirements established by the commissioner ~~for the purpose of managing vegetation~~. A prescribed burn that has exceeded its prescribed boundaries and requires immediate suppression action by a local fire department or other agency with wildfire suppression responsibilities is considered a wildfire.

Sec. 42. Minnesota Statutes 2016, section 88.523, is amended to read:

88.523 AUXILIARY FOREST CONTRACTS; SUPPLEMENTAL AGREEMENTS.

Upon application of the owner, any auxiliary forest contract may be made subject to any provisions of law enacted subsequent to the execution of the contract and in force at the time of application, so far as not already applicable, with the approval of the county board and the commissioner of natural resources. A supplemental agreement in a ~~form format~~ prescribed by the commissioner ~~and approved by the attorney general~~ must be executed by the commissioner in behalf of the state and by the owner. The supplemental agreement must be filed and recorded in like manner as the supplemental contract under section 88.49, subdivision 9, and takes effect upon filing and recording.

Sec. 43. Minnesota Statutes 2016, section 89.39, is amended to read:

89.39 PURCHASE AGREEMENTS AND PENALTIES.

Every individual, partnership, or private corporation to whom any planting stock is supplied for planting on private land ~~hereunder shall~~ under sections 89.35 to 89.39 must execute an agreement, ~~upon a form in a format approved by the attorney general commissioner,~~ to comply with all the requirements of sections 89.35 to 89.39 and all conditions prescribed by the commissioner ~~hereunder thereunder.~~ Any party to such an agreement who ~~shall violate any provision thereof shall,~~ violates the agreement is, in addition to any other penalties that may be applicable, ~~be~~ liable to the state in a sum equal to three times the reasonable value of the trees affected by the violation at the time the ~~same trees~~ were shipped for planting; provided, that if ~~such the~~ trees are sold or offered for sale for any purpose not ~~herein~~ authorized, ~~such under sections 89.35 to 89.39, the~~ penalty ~~shall be~~ is equal to three times the sale price. ~~Such The~~ penalties ~~shall be~~ are recoverable in a civil action brought in the name of the state by the attorney general.

Sec. 44. Minnesota Statutes 2016, section 90.01, is amended by adding a subdivision to read:

Subd. 1a. **Affiliate.** "Affiliate" means a person who:

(1) controls, is controlled by, or is under common control with any other person, including, without limitation, a partner, business entity with common ownership, or principal of any business entity or a subsidiary, parent company, or holding company of any person; or

(2) bids as a representative for another person.

Sec. 45. Minnesota Statutes 2016, section 90.01, subdivision 8, is amended to read:

Subd. 8. **Permit holder.** "Permit holder" means the person or affiliate of the person who is the signatory of a permit to cut timber on state lands.

Sec. 46. Minnesota Statutes 2016, section 90.01, subdivision 12, is amended to read:

Subd. 12. **Responsible bidder.** "Responsible bidder" means a person or affiliate of a person who is financially responsible; demonstrates the judgment, skill, ability, capacity, and integrity requisite and necessary to perform according to the terms of a permit issued under this chapter; and is not currently debarred by ~~another~~ a government entity for any cause.

Sec. 47. Minnesota Statutes 2016, section 90.041, subdivision 2, is amended to read:

Subd. 2. **Trespass on state lands.** The commissioner may compromise and settle, ~~with notification to the attorney general,~~ upon terms the commissioner deems just, any claim of the state for casual and involuntary trespass upon state lands or timber; provided that no claim shall be settled for less than the full value of all timber or other materials taken in casual trespass or the full amount of all actual damage or loss suffered by the state as a result. Upon request, the commissioner shall advise the Executive Council of any information acquired by the commissioner concerning any trespass on state lands, giving all details and names of witnesses and all compromises and settlements made under this subdivision.

Sec. 48. Minnesota Statutes 2016, section 90.051, is amended to read:

90.051 SUPERVISION OF SALES; BOND.

The department employee delegated to supervise state timber appraisals and sales shall be bonded in a form to be prescribed by the ~~attorney general~~ commissioner and in the sum of not less than \$25,000, conditioned upon the faithful and honest performance of duties.

Sec. 49. Minnesota Statutes 2016, section 90.101, subdivision 2, is amended to read:

Subd. 2. **Sale list and notice.** At least 30 days before the date of sale, the commissioner shall compile a list containing a description of each tract of land upon which any timber to be offered is situated and a statement of the estimated quantity of timber and of the appraised price of each kind of timber thereon as shown by the report of the state appraiser. No description shall be added after the list is posted and no timber shall be sold from land not described in the list. Copies of the list ~~shall~~ must be furnished to all interested applicants. At least 30 days before the date of sale, a copy of the list shall must be posted on the Internet or conspicuously posted in the forest office or other public facility most accessible to potential bidders at least 30 days prior to the date of sale. The commissioner shall cause a notice to be published once not less than one week before the date of sale in a legal newspaper in the county or counties where the land is situated. The notice shall state the time and place of the sale and the location at which further information regarding the sale may be obtained. The commissioner may give other published or posted notice as the commissioner deems proper to reach prospective bidders.

Sec. 50. Minnesota Statutes 2016, section 90.14, is amended to read:

90.14 AUCTION SALE PROCEDURE.

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

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

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

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

(e) Except as otherwise provided by law, at the time the purchaser signs a permit issued under section 90.151, the commissioner shall require the purchaser to make a bid guarantee payment to the commissioner in an amount equal to 15 percent of the total purchase price of the permit less the down payment amount required by paragraph (b) for any bid increase in excess of \$10,000 of the appraised value. If a required bid guarantee payment is not submitted with the signed permit, no harvesting may occur, the permit cancels, and the down payment for timber forfeits to the state. The bid guarantee payment forfeits to the state if the purchaser and successors in interest fail to execute an effective permit.

Sec. 51. Minnesota Statutes 2016, section 90.145, subdivision 2, is amended to read:

Subd. 2. **Purchaser registration.** To facilitate the sale of permits issued under section 90.151, the commissioner may establish a registration system to verify the qualifications of a person or affiliate as a responsible bidder to purchase a timber permit. Any system implemented by the commissioner shall be limited in scope to only that information that is required for the efficient administration of the purchaser qualification requirements of this chapter. The registration system established under this subdivision is not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

Sec. 52. Minnesota Statutes 2016, section 90.151, subdivision 1, is amended to read:

Subdivision 1. **Issuance; expiration.** (a) Following receipt of the down payment for state timber required under section 90.14 or 90.191, the commissioner shall issue a numbered permit to the purchaser, in a ~~form~~ format approved by the ~~attorney general~~ commissioner, by the terms of which the purchaser ~~shall be~~ is authorized to enter upon the land; and to cut and remove the timber ~~therein~~ described in the permit as designated for cutting in the report of the state appraiser, according to the provisions of this chapter. The permit ~~shall~~ must be correctly dated and executed by the commissioner and signed by the purchaser. If a permit is not signed by the purchaser within 45 days from the date of purchase, the permit cancels and the down payment for timber required under section 90.14 forfeits to the state. The commissioner may grant an additional period for the purchaser to sign the permit, not to exceed ten business days, provided the purchaser pays a \$200 penalty fee.

(b) The permit ~~shall expire~~ expires no later than five years after the date of sale as the commissioner shall specify or as specified under section 90.191, and the timber ~~shall~~ must be cut and removed within the time specified ~~therein~~. If additional time is needed, the permit holder must request, ~~prior to~~ before the expiration date, and may be granted, for good and sufficient reasons, up to 90 additional days for the completion of skidding, hauling, and removing all equipment and buildings. All cut timber, equipment, and buildings not removed from the land after expiration of the permit becomes the property of the state.

(c) The commissioner may grant ~~an~~ additional ~~period of~~ time not to exceed 240 days for ~~the removal of~~ removing cut timber, equipment, and buildings upon receipt of a written request by the permit holder for good and sufficient reasons. The permit holder may combine in the written request under this paragraph the request for additional time under paragraph (b).

Sec. 53. Minnesota Statutes 2016, section 90.162, is amended to read:

90.162 SECURING TIMBER PERMITS WITH CUTTING BLOCKS.

In lieu of the security deposit equal to the value of all timber covered by the permit required by section 90.161, a purchaser of state timber may elect in ~~writing on a form~~ format prescribed by the ~~attorney general~~ commissioner to give good and valid surety to the state of Minnesota equal to the purchase price for any designated cutting block identified on the permit before the date the purchaser enters upon the land to begin harvesting the timber on the designated cutting block.

Sec. 54. Minnesota Statutes 2016, section 90.252, is amended to read:

90.252 SCALING AGREEMENT; WEIGHT MEASUREMENT SERVICES; FEES.

Subdivision 1. **Scaling agreement.** The commissioner may enter into an agreement with either a timber sale permittee, or the purchaser of the cut products, or both, so that the scaling of the cut timber and the collection of the payment for the same can be consummated by the state. ~~Such an~~ The agreement shall must be approved as to form and content by the ~~attorney-general~~ commissioner and ~~shall must~~ provide for a bond or cash in lieu of a bond and ~~such~~ other safeguards as are necessary to protect the interests of the state. The scaling and payment collection procedure may be used for any state timber sale, except that no permittee who is also the consumer shall both cut and scale the timber sold unless ~~such~~ the scaling is supervised by a state scaler.

Subd. 2. **Weight measurement services; fees.** The commissioner may enter into an agreement with the owner or operator of any weight scale inspected, tested, and approved under chapter 239 to provide weight measurements for ~~the~~ scaling of state timber according to section 90.251. The agreement ~~shall must~~ be ~~on a form in a format~~ prescribed by the ~~attorney-general~~ commissioner, ~~shall become a~~ becomes part of the official record of any state timber permit so scaled, and ~~shall must~~ contain safeguards that are necessary to protect the interests of the state. Except as otherwise provided by the commissioner, the cost of any agreement to provide weight measurement of state timber ~~shall must~~ be paid by the permit holder of any state timber permit so measured and the cost ~~shall must~~ be included in the statement of the amount due for the permit under section 90.181, subdivision 1.

Sec. 55. Minnesota Statutes 2016, section 93.25, subdivision 2, is amended to read:

Subd. 2. **Lease requirements.** All leases for nonferrous metallic minerals or petroleum must be approved by the Executive Council, and any other mineral lease issued pursuant to this section that covers 160 or more acres must be approved by the Executive Council. The rents, royalties, terms, conditions, and covenants of all such leases shall be fixed by the commissioner according to rules adopted by the commissioner, but no lease shall be for a longer term than 50 years, and all rents, royalties, terms, conditions, and covenants shall be fully set forth in each lease issued. No lease shall be canceled by the state for failure to meet production requirements prior to the 36th year of the lease. The rents and royalties shall be credited to the funds as provided in section 93.22.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to leases in effect or issued on or after that date.

Sec. 56. Minnesota Statutes 2016, section 93.47, subdivision 4, is amended to read:

Subd. 4. **Administration and enforcement.** The commissioner shall administer and enforce sections 93.44 to 93.51 and the rules adopted pursuant hereto. In so doing the commissioner may (1) conduct such investigations and inspections as the commissioner deems necessary for the proper administration of sections 93.44 to 93.51; (2) enter upon any parts of the mining areas in connection with any such investigation and inspection without liability to the operator or landowner provided that reasonable prior notice of intention to do so shall have been given the operator or landowner; (3) conduct such research or enter into contracts related to mining areas and the reclamation thereof as may be necessary to carry out the provisions of sections 93.46 to 93.50; and (4) allocate surplus wetland credits that are approved by the commissioner under a permit to mine on or after July 1, 1991, and that are not otherwise deposited in a state wetland bank.

EFFECTIVE DATE. This section is effective retroactively from July 1, 1991.

Sec. 57. Minnesota Statutes 2016, section 93.481, subdivision 2, is amended to read:

Subd. 2. **Commissioner's review; hearing; ~~burden of proof.~~** Within 120 days after receiving ~~the an~~ application, ~~or after receiving additional information requested, or after holding a hearing as provided in this section~~ the commissioner has deemed complete and filed, the commissioner shall grant the permit applied for, with or without modifications or conditions, or deny the application ~~unless a contested case hearing is requested or ordered under section 93.483. If written objections to the proposed application are filed with the commissioner within 30 days after the last publication required pursuant to this section or within seven days after publication in the case of an application to conduct lean ore stockpile removal, by any person owning property which will be affected by the proposed operation or by any federal, state, or local governmental agency having responsibilities affected by the proposed operations, a public hearing shall be held by the commissioner in the locality of the proposed operations within 30 days of receipt of such written objections and after appropriate notice and publication of the date, time, and location of the hearing. The commissioner's decision to grant the permit, with or without modifications, or deny the application constitutes a final order for purposes of section 93.50. The commissioner in granting a permit with or without modifications shall determine that the reclamation or restoration planned for the operation complies with lawful requirements and can be accomplished under available technology and that a proposed reclamation or restoration technique is practical and workable under available technology. The commissioner may hold public meetings on the application.~~

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all pending applications submitted before that date.

Sec. 58. **[93.483] CONTESTED CASE.**

Subdivision 1. **Petition for contested case hearing.** Any person owning property that will be affected by the proposed operation or any federal, state, or local government having responsibilities affected by the proposed operation identified in the application for a permit to mine under section 93.481 may file a petition with the commissioner to hold a contested case hearing on the completed application. To be considered by the commissioner, a petition must be submitted in writing, must contain the information specified in subdivision 2, and must be submitted to the commissioner within 30 days after the application is deemed complete and filed. In addition, the commissioner may, on the commissioner's own motion, order a contested case hearing on the completed application.

Subd. 2. **Petition contents.** (a) A petition for a contested case hearing must include the following information:

(1) a statement of reasons or proposed findings supporting the commissioner's decision to hold a contested case hearing pursuant to the criteria in subdivision 3; and

(2) a statement of the issues proposed to be addressed by a contested case hearing and the specific relief requested or resolution of the matter.

(b) To the extent known by the petitioner, a petition for a contested case hearing may also include:

(1) a proposed list of prospective witnesses to be called, including experts, with a brief description of the proposed testimony or a summary of evidence to be presented at a contested case hearing;

(2) a proposed list of publications, references, or studies to be introduced and relied upon at a contested case hearing; and

(3) an estimate of time required for the petitioner to present the matter at a contested case hearing.

(c) A petitioner is not bound or limited to the witnesses, materials, or estimated time identified in the petition if the requested contested case is granted by the commissioner.

(d) Any person may serve timely responses to a petition for a contested case hearing. The commissioner shall establish deadlines for responses to be submitted.

Subd. 3. **Commissioner's decision to hold hearing.** (a) The commissioner must grant the petition to hold a contested case hearing or order upon the commissioner's own motion that a contested case hearing be held if the commissioner finds that:

(1) there is a material issue of fact in dispute concerning the completed application before the commissioner;

(2) the commissioner has jurisdiction to make a determination on the disputed material issue of fact; and

(3) there is a reasonable basis underlying a disputed material issue of fact so that a contested case hearing would allow the introduction of information that would aid the commissioner in resolving the disputed facts in order to make a final decision on the completed application.

(b) The commissioner must make the determination of whether to grant a petition or otherwise order a contested case hearing within 120 days after the commissioner deems the application complete and filed.

Subd. 4. **Hearing upon request of applicant.** The applicant may, within 30 days after the application is deemed complete and filed, submit a request for a contested case. Within 30 days of the applicant's request, the commissioner shall grant the petition and initiate the contested case hearing process.

Subd. 5. **Scope of hearing.** If the commissioner decides to hold a contested case hearing, the commissioner shall identify the issues to be resolved and limit the scope and conduct of the hearing in accordance with applicable law, due process, and fundamental fairness. The commissioner may, before granting or ordering a contested case hearing, develop a proposed permit or permit conditions to inform the contested case. The contested case hearing must be conducted in accordance with sections 14.57 to 14.62. The final decision by the commissioner to grant, with or without modifications or conditions, or deny the application after a contested case shall constitute a final order for purposes of section 93.50.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all pending applications submitted before that date.

Sec. 59. Minnesota Statutes 2016, section 93.50, is amended to read:

93.50 APPEAL.

Any person aggrieved by any final order, ruling, or decision of the commissioner may ~~appeal~~ obtain judicial review of such order, ruling, or decision ~~in the manner provided in chapter 14~~ under sections 14.63 to 14.69.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all final orders, rulings, and decisions issued after that date.

Sec. 60. Minnesota Statutes 2016, section 94.343, subdivision 9, is amended to read:

Subd. 9. **Approval by attorney-general commissioner.** No exchange of class A land shall be consummated unless the ~~attorney-general shall have given an opinion in writing~~ commissioner determines that the title to the land proposed to be conveyed to the state is good and ~~marketable~~, free from all liens ~~and, with all~~ encumbrances

identified except reservations herein authorized. The commissioner may use title insurance to aid in the title determination. If required by the ~~attorney general~~ commissioner, the landowner ~~shall~~ must submit an abstract of title and make and file with the commissioner an affidavit as to possession of the land, improvements, liens, and encumbrances thereon, and other matters affecting the title.

Sec. 61. Minnesota Statutes 2016, section 94.344, subdivision 9, is amended to read:

Subd. 9. **Approval of county attorney.** No exchange of class B land shall be consummated unless the title to the land proposed to be exchanged therefor ~~shall~~ is first ~~be~~ approved by the county attorney in like manner as provided for approval by the ~~attorney general~~ commissioner in case of class A land. The county attorney's opinion on the title ~~shall be~~ is subject to approval by the ~~attorney general~~ commissioner.

Sec. 62. Minnesota Statutes 2016, section 97A.015, is amended by adding a subdivision to read:

Subd. 35a. **Portable shelter.** "Portable shelter" means a fish house, dark house, or other shelter that is set on the ice of state waters to provide shelter and that collapses, folds, or is disassembled for transportation.

Sec. 63. Minnesota Statutes 2016, section 97A.015, subdivision 39, is amended to read:

Subd. 39. **Protected wild animals.** "Protected wild animals" ~~are the following wild animals:~~ means big game, small game, game fish, rough fish, minnows, leeches, alewives, ciscoes, chubs, ~~and~~ lake whitefish, and the subfamily Coregoninae, rainbow smelt, frogs, turtles, clams, mussels, wolf, mourning doves, bats, snakes, salamanders, lizards, any animal species listed as endangered, threatened, or of special concern in Minnesota Rules, chapter 6134, and wild animals that are protected by a restriction in the time or manner of taking, other than a restriction in the use of artificial lights, poison, or motor vehicles.

Sec. 64. Minnesota Statutes 2016, section 97A.015, subdivision 43, is amended to read:

Subd. 43. **Rough fish.** "Rough fish" means carp, buffalo, sucker, sheepshead, bowfin, burbot, cisco, gar, goldeye, and bullhead, except for any fish species listed as endangered, threatened, or of special concern in Minnesota Rules, chapter 6134.

Sec. 65. Minnesota Statutes 2016, section 97A.015, subdivision 45, is amended to read:

Subd. 45. **Small game.** "Small game" means game birds, gray squirrel, fox squirrel, cottontail rabbit, snowshoe hare, jack rabbit, raccoon, lynx, bobcat, short-tailed weasel, long-tailed weasel, wolf, red fox and gray fox, fisher, pine marten, opossum, badger, cougar, wolverine, muskrat, mink, otter, and beaver.

Sec. 66. Minnesota Statutes 2016, section 97A.015, subdivision 52, is amended to read:

Subd. 52. **Unprotected birds.** "Unprotected birds" means English sparrow, ~~blackbird,~~ starling, ~~maggie,~~ cormorant, common pigeon, Eurasian collared dove, chukar partridge, quail other than bobwhite quail, and mute swan.

Sec. 67. Minnesota Statutes 2016, section 97A.015, subdivision 53, is amended to read:

Subd. 53. **Unprotected wild animals.** "Unprotected wild animals" means wild animals that are not protected wild animals including ~~weasel,~~ coyote, plains pocket gopher, porcupine, striped skunk, and unprotected birds, except any animal species listed as endangered, threatened, or of special concern in Minnesota Rules, chapter 6134.

Sec. 68. Minnesota Statutes 2016, section 97A.045, subdivision 10, is amended to read:

Subd. 10. **Reciprocal agreements on violations.** The commissioner, ~~with the approval of the attorney general,~~ may enter into reciprocal agreements with game and fish authorities in other states and the United States government to provide for:

(1) revocation of the appropriate Minnesota game and fish licenses of Minnesota residents for violations of game and fish laws committed in signatory jurisdictions ~~which~~ that result in license revocation in that jurisdiction;

(2) reporting convictions and license revocations of residents of signatory states for violations of game and fish laws of Minnesota to game and fish authorities in the nonresident's state of residence; and

(3) release upon signature without posting of bail for residents of signatory states accused of game and fish law violations in this state, providing for recovery, in the resident jurisdiction, of fines levied if the citation is not answered in this state.

As used in this subdivision, "conviction" includes a plea of guilty or a forfeiture of bail.

Sec. 69. Minnesota Statutes 2016, section 97A.055, subdivision 2, is amended to read:

Subd. 2. **Receipts.** The commissioner of management and budget shall credit to the game and fish fund all money received under the game and fish laws and all income from state lands acquired by purchase or gift for game or fish purposes, including receipts from:

(1) licenses and permits issued;

(2) fines and forfeited bail;

(3) sales of contraband, wild animals, and other property under the control of the division, except as provided in section 97A.225, subdivision 8, clause (2);

(4) fees from advanced education courses for hunters and trappers;

(5) reimbursements of expenditures by the division;

(6) contributions to the division; and

(7) revenue credited to the game and fish fund under section 297A.94, paragraph (e), clause (1).

Sec. 70. Minnesota Statutes 2016, section 97A.075, subdivision 1, is amended to read:

Subdivision 1. **Deer, bear, and lifetime licenses.** (a) For purposes of this subdivision, "deer license" means a license issued under section 97A.475, subdivisions 2, clauses (5), (6), (7), (13), (14), and (15); 3, paragraph (a), clauses (2), (3), (4), (10), (11), and (12); and 8, paragraph (b), and licenses issued under section 97B.301, subdivision 4.

(b) \$2 from each annual deer license and \$2 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the deer management account and is appropriated to the commissioner for deer habitat improvement or deer management programs.

(c) \$1 from each annual deer license and each bear license and \$1 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the deer and bear management account and is appropriated to the commissioner for deer and bear management programs, including a computerized licensing system.

(d) Fifty cents from each deer license is credited to the emergency deer feeding and wild cervidae health management account and is appropriated for emergency deer feeding and wild cervidae health management. Money appropriated for emergency deer feeding and wild cervidae health management is available until expended.

When the unencumbered balance in the appropriation for emergency deer feeding and wild cervidae health management exceeds \$2,500,000 at the end of a fiscal year, the unencumbered balance in excess of \$2,500,000 is canceled and available for deer and bear management programs and computerized licensing.

~~(e) Fifty cents from each annual deer license and 50 cents annually from the lifetime fish and wildlife trust fund established in section 97A.4742, for each license issued under section 97A.473, subdivision 4, shall be credited to the wolf management and monitoring account under subdivision 7.~~

EFFECTIVE DATE. This section is effective July 1 of the year following the year the wolf is delisted under the federal Endangered Species Act.

Sec. 71. Minnesota Statutes 2016, section 97A.137, subdivision 5, is amended to read:

Subd. 5. **Portable stands.** (a) Prior to the Saturday on or nearest September 16, a portable stand may be left overnight in a wildlife management area by a person with a valid bear license who is hunting within 100 yards of a bear bait site that is legally tagged and registered as prescribed under section 97B.425. Any person leaving a portable stand overnight under this subdivision must affix a tag with: (1) the person's name and address; (2) the licensee's driver's license number; or (3) the "MDNR#" license identification number issued to the licensee. The tag must be affixed to the stand in a manner that it can be read from the ground.

(b) From November 1 through December 31, a portable stand may be left overnight by a person possessing a license to take deer in a wildlife management area located in whole or in part north and west of a line described as follows:

State Trunk Highway 1 from the west boundary of the state to State Trunk Highway 89; then north along State Trunk Highway 89 to Fourtown; then north on County State-Aid Highway 44, Beltrami County, to County Road 704, Beltrami County; then north on County Road 704 to Dick's Parkway State Forest Road; then north on Dick's Parkway to County State-Aid Highway 5, Roseau County; then north on County State-Aid Highway 5 to Warroad; then north on State Trunk Highway 11 to State Trunk Highway 313; then north on State Trunk Highway 313 to the north boundary of the state.

A person leaving a portable stand overnight under this paragraph must affix a tag with: (1) the person's name and address; (2) the licensee's driver's license number; or (3) the "MDNR#" license identification number issued to the licensee. The tag must be affixed to the stand so that it can be read from the ground and must be made of a material sufficient to withstand weather conditions. A person leaving a portable stand overnight in a wildlife management area under this paragraph may not leave more than two portable stands in any one wildlife management area. Unoccupied portable stands left overnight under this paragraph may be used by any member of the public. This paragraph expires December 31, 2019.

Sec. 72. Minnesota Statutes 2016, section 97A.201, subdivision 2, is amended to read:

Subd. 2. **Duty of county attorneys and peace officers.** ~~County attorneys and~~ All peace officers must enforce the game and fish laws.

Sec. 73. Minnesota Statutes 2016, section 97A.201, is amended by adding a subdivision to read:

Subd. 3. **Prosecuting authority.** County attorneys are the primary prosecuting authority for violations under section 97A.205, clause (5). Prosecution includes associated civil forfeiture actions provided by law.

Sec. 74. Minnesota Statutes 2016, section 97A.225, subdivision 8, is amended to read:

Subd. 8. **Proceeds of sale.** ~~After determining the expense The proceeds from the sale after payment of the costs of seizing, towing, keeping, and selling the property, the commissioner must pay the and satisfying valid liens from the proceeds according to the court order. The remaining proceeds against the property must be distributed as follows:~~

(1) 70 percent of the money or proceeds shall be deposited in the state treasury and credited to the game and fish fund; and

(2) 30 percent of the money or proceeds is considered a cost of forfeiting the property and must be forwarded to the prosecuting authority that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes.

Sec. 75. Minnesota Statutes 2016, section 97A.301, subdivision 1, is amended to read:

Subdivision 1. **Misdemeanor.** Unless a different penalty is prescribed, a person is guilty of a misdemeanor if that person:

- (1) ~~takes, buys, sells, transports or possesses a wild animal in violation of~~ violates the game and fish laws;
- (2) aids or assists in committing the violation;
- (3) knowingly shares in the proceeds of the violation;
- (4) fails to perform a duty or comply with a requirement of the game and fish laws;
- (5) knowingly makes a false statement related to an affidavit regarding a violation or requirement of the game and fish laws; or
- (6) violates or attempts to violate a rule under the game and fish laws.

Sec. 76. Minnesota Statutes 2016, section 97A.338, is amended to read:

97A.338 GROSS OVERLIMITS OF WILD ANIMALS; PENALTY.

(a) A person who takes, possesses, or transports wild animals over the legal limit, in closed season, or without a valid license, when the restitution value of the wild animals is over \$1,000 is guilty of a gross overlimit violation. Except as provided in paragraph (b), a violation under this section paragraph is a gross misdemeanor.

(b) If a wild animal involved in a gross overlimit violation is listed as a threatened or endangered wild animal, the penalty in paragraph (a) does not apply unless more than one animal is taken, possessed, or transported in violation of the game and fish laws.

Sec. 77. Minnesota Statutes 2016, section 97A.420, subdivision 1, is amended to read:

Subdivision 1. **Seizure.** (a) An enforcement officer shall immediately seize the license of a person who unlawfully takes, transports, or possesses wild animals when the restitution value of the wild animals exceeds \$500. Except as provided in subdivisions 2, 4, and 5, the person may not use or obtain any license to take the same type of wild animals involved, including a duplicate license, until an action is taken under subdivision 6. If the license seized under this paragraph was for a big game animal, the license seizure applies to all licenses to take big game issued to the individual. If the license seized under this paragraph was for small game animals, the license seizure applies to all licenses to take small game issued to the individual.

(b) In addition to the license seizure under paragraph (a), if the restitution value of the wild animals unlawfully taken, possessed, or transported is ~~\$5,000~~ \$1,000 or more, all other game and fish licenses held by the person shall be immediately seized. Except as provided in subdivision 2, 4, or 5, the person may not obtain any game or fish license or permit, including a duplicate license, until an action is taken under subdivision 6.

(c) A person may not take wild animals covered by a license seized under this subdivision until an action is taken under subdivision 6.

Sec. 78. Minnesota Statutes 2016, section 97A.421, subdivision 2a, is amended to read:

Subd. 2a. **Issuance after conviction; gross overlimits.** (a) A person may not obtain a license to take a wild animal and is prohibited from taking wild animals for ten years after the date of conviction of a violation when the restitution value of the wild animals is \$2,000 or more.

(b) A person may not obtain a license to take a wild animal and is prohibited from taking wild animals for a period of five years after the date of conviction of:

(1) a violation when the restitution value of the wild animals is ~~\$5,000~~ \$1,000 or more, but less than \$2,000; or

(2) a violation when the restitution value of the wild animals exceeds \$500 and the violation occurs within ten years of one or more previous license revocations under this subdivision.

~~(b)~~ (c) A person may not obtain a license to take the type of wild animals involved in a violation when the restitution value of the wild animals exceeds \$500 and is prohibited from taking the type of wild animals involved in the violation for ~~a period of~~ three years after the date of conviction of a violation.

~~(c)~~ (d) The time period of multiple revocations under paragraph (a) or (b), clause (2), ~~shall be~~ are consecutive and no wild animals of any kind may be taken during the entire revocation period.

(e) If a wild animal involved in the conviction is listed as a threatened or endangered wild animal, the revocations under this subdivision do not apply unless more than one animal is taken, possessed, or transported in violation of the game and fish laws.

~~(d)~~ (f) The court may not stay or reduce the imposition of license revocation provisions under this subdivision.

Sec. 79. Minnesota Statutes 2016, section 97A.441, subdivision 1, is amended to read:

Subdivision 1. **Angling and spearing; disabled residents.** (a) A person authorized to issue licenses must issue, without a fee, licenses to take fish by angling or spearing to a resident who is:

(1) blind;

(2) a recipient of Supplemental Security Income for the aged, blind, and disabled;

(3) a recipient of Social Security aid to the disabled under United States Code, title 42, section 416, paragraph (i)(I), or section 423(d);

(4) a recipient of workers' compensation based on a finding of total and permanent disability;

(5) 65 years of age or older and was qualified under clause (2) or (3) at the age of 64; ~~or~~

(6) permanently disabled and meets the disability requirements for Supplemental Security Income or Social Security aid to the disabled under United States Code, title 42, section 416, paragraph (i)(I), or section 423(d);

(7) receiving aid under the federal Railroad Retirement Act of 1974, United States Code, title 45, section 231a(a)(1)(v); or

(8) a former employee of the United States Postal Service receiving disability pay under United States Code, title 5, section 8337.

(b) A driver's license or Minnesota identification card bearing the applicable designation under section 171.07, subdivision 17, serves as satisfactory evidence to obtain a license under this subdivision at all agent locations.

Sec. 80. Minnesota Statutes 2016, section 97A.473, subdivision 2, is amended to read:

Subd. 2. **Lifetime angling license; fee.** (a) A resident lifetime angling license authorizes a person to take fish by angling in the state. The license authorizes those activities authorized by the annual resident angling license. The license does not include a trout-and-salmon stamp validation, a walleye stamp validation, or other stamps required by law.

(b) The fees for a resident lifetime angling license are:

(1) age 3 and under, ~~\$304~~ \$344;

(2) age 4 to age 15, ~~\$415~~ \$469;

(3) age 16 to age 50, ~~\$508~~ \$574; and

(4) age 51 and over, ~~\$335~~ \$379.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 81. Minnesota Statutes 2016, section 97A.473, subdivision 2a, is amended to read:

Subd. 2a. **Lifetime spearing license; fee.** (a) A resident lifetime spearing license authorizes a person to take fish by spearing in the state. The license authorizes those activities authorized by the annual resident spearing license.

(b) The fees for a resident lifetime spearing license are:

(1) age 3 and under, ~~\$77~~ \$90;

(2) age 4 to age 15, ~~\$106~~ \$124;

(3) age 16 to age 50, ~~\$100~~ \$117; and

(4) age 51 and over, ~~\$52~~ \$61.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 82. Minnesota Statutes 2016, section 97A.473, subdivision 2b, is amended to read:

Subd. 2b. **Lifetime angling and spearing license; fee.** (a) A resident lifetime angling and spearing license authorizes a person to take fish by angling or spearing in the state. The license authorizes those activities authorized by the annual resident angling and spearing licenses.

(b) The fees for a resident lifetime angling and spearing license are:

(1) age 3 and under, ~~\$380~~ \$432;

(2) age 4 to age 15, ~~\$509~~ \$579;

(3) age 16 to age 50, ~~\$596~~ \$678; and

(4) age 51 and over, ~~\$386~~ \$439.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 83. Minnesota Statutes 2016, section 97A.473, subdivision 4, is amended to read:

Subd. 4. **Lifetime deer-hunting license; fee.** (a) A resident lifetime deer-hunting license authorizes a person to take deer with firearms or by archery in the state. The license authorizes those activities authorized by the annual resident firearm deer-hunting license or the annual resident archery deer-hunting license. The licensee must register and receive tags each year that the license is used. The tags shall be issued at no charge to the licensee.

(b) The fees for a resident lifetime firearm or archery deer-hunting license are:

(1) age 3 and under, ~~\$406~~ \$458;

(2) age 4 to age 15, ~~\$538~~ \$607;

(3) age 16 to age 50, ~~\$656~~ \$741; and

(4) age 51 and over, ~~\$468~~ \$528.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 84. Minnesota Statutes 2016, section 97A.473, subdivision 5, is amended to read:

Subd. 5. **Lifetime sporting license; fee.** (a) A resident lifetime sporting license authorizes a person to take fish by angling and hunt and trap small game, other than wolves, in the state. The license authorizes those activities authorized by the annual resident angling and resident small-game-hunting licenses and the resident trapping license for fur-bearing animals other than wolves. The license does not include a trout-and-salmon stamp validation, a turkey stamp validation, a walleye stamp validation, or any other hunting stamps required by law.

(b) The fees for a resident lifetime sporting license are:

(1) age 3 and under, ~~\$485~~ \$522;

(2) age 4 to age 15, ~~\$659~~ \$710;

(3) age 16 to age 50, ~~\$864~~ \$927; and

(4) age 51 and over, ~~\$560~~ \$603.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 85. Minnesota Statutes 2016, section 97A.473, subdivision 5a, is amended to read:

Subd. 5a. **Lifetime sporting with spearing option license; fee.** (a) A resident lifetime sporting with spearing option license authorizes a person to take fish by angling or spearing and hunt and trap small game, other than wolves, in the state. The license authorizes those activities authorized by the annual resident angling, spearing, and resident small-game-hunting licenses and the resident trapping license for fur-bearing animals other than wolves. The license does not include a trout-and-salmon stamp validation, a turkey stamp validation, a walleye stamp validation, or any other hunting stamps required by law.

(b) The fees for a resident lifetime sporting with spearing option license are:

(1) age 3 and under, ~~\$562~~ \$612;

(2) age 4 to age 15, ~~\$765~~ \$833;

(3) age 16 to age 50, ~~\$964~~ \$1,046; and

(4) age 51 and over, ~~\$612~~ \$666.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 86. Minnesota Statutes 2016, section 97A.474, subdivision 2, is amended to read:

Subd. 2. **Nonresident lifetime angling license; fee.** (a) A nonresident lifetime angling license authorizes a person to take fish by angling in the state. The license authorizes those activities authorized by the annual nonresident angling license. The license does not include a trout-and-salmon stamp validation, a walleye stamp validation, or other stamps required by law.

(b) The fees for a nonresident lifetime angling license are:

(1) age 3 and under, ~~\$726~~ \$821;

(2) age 4 to age 15, ~~\$925~~ \$1,046;

(3) age 16 to age 50, ~~\$1,054~~ \$1,191; and

(4) age 51 and over, ~~\$702~~ \$794.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 87. Minnesota Statutes 2016, section 97A.475, subdivision 2, is amended to read:

Subd. 2. **Resident hunting.** Fees for the following licenses, to be issued to residents only, are:

(1) for persons age 18 or over and under age 65 to take small game, \$15.50;

(2) for persons age 65 or over, \$7 to take small game;

(3) for persons age 18 or over to take turkey, \$26;

(4) for persons age 13 or over and under age 18 to take turkey, \$5;

(5) for persons age 18 or over to take deer with firearms during the regular firearms season, ~~\$30~~ \$34;

(6) for persons age 18 or over to take deer by archery, ~~\$30~~ \$34;

(7) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, ~~\$30~~ \$34;

(8) to take moose, for a party of not more than six persons, \$356;

(9) for persons age 18 or over to take bear, \$44;

(10) to take elk, for a party of not more than two persons, \$287;

(11) to take Canada geese during a special season, \$4;

(12) to take prairie chickens, \$23;

(13) for persons age 13 or over and under age 18 to take deer with firearms during the regular firearms season, \$5;

(14) for persons age 13 or over and under age 18 to take deer by archery, \$5;

(15) for persons age 13 or over and under age 18 to take deer by muzzleloader during the muzzleloader season, \$5;

(16) for persons age 10, 11, or 12 to take bear, no fee;

(17) for persons age 13 or over and under age 18 to take bear, \$5;

(18) for persons age 18 or over to take small game for a consecutive 72-hour period selected by the licensee, \$19, of which an amount equal to: one-half of the fee for the migratory-waterfowl stamp under subdivision 5, clause (1), shall be deposited in the waterfowl habitat improvement account under section 97A.075, subdivision 2; one-half of the fee for the pheasant stamp under subdivision 5, clause (2), shall be deposited in the pheasant habitat improvement account under section 97A.075, subdivision 4; and one-half of the small-game surcharge under subdivision 4, shall be deposited in the wildlife acquisition account;

(19) for persons age 16 or over and under age 18 to take small game, \$5;

(20) to take wolf, \$30;

(21) for persons age 12 and under to take turkey, no fee;

(22) for persons age 10, 11, or 12 to take deer by firearm, no fee;

(23) for persons age 10, 11, or 12 to take deer by archery, no fee; and

(24) for persons age 10, 11, or 12 to take deer by muzzleloader during the muzzleloader season, no fee.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 88. Minnesota Statutes 2016, section 97A.475, subdivision 3, is amended to read:

Subd. 3. **Nonresident hunting.** (a) Fees for the following licenses, to be issued to nonresidents, are:

(1) for persons age 18 or over to take small game, \$90.50;

(2) for persons age 18 or over to take deer with firearms during the regular firearms season, ~~\$160~~ \$180;

(3) for persons age 18 or over to take deer by archery, ~~\$160~~ \$180;

(4) for persons age 18 or over to take deer by muzzleloader during the muzzleloader season, ~~\$160~~ \$180;

(5) for persons age 18 or over to take bear, \$225;

(6) for persons age 18 or over to take turkey, \$91;

(7) for persons age 13 or over and under age 18 to take turkey, \$5;

(8) to take raccoon or bobcat, \$178;

(9) to take Canada geese during a special season, \$4;

(10) for persons age 13 or over and under age 18 to take deer with firearms during the regular firearms season in any open season option or time period, \$5;

(11) for persons age 13 or over and under age 18 to take deer by archery, \$5;

(12) for persons age 13 or over and under age 18 to take deer during the muzzleloader season, \$5;

(13) for persons age 13 or over and under 18 to take bear, \$5;

(14) for persons age 18 or over to take small game for a consecutive 72-hour period selected by the licensee, \$75, of which an amount equal to: one-half of the fee for the migratory-waterfowl stamp under subdivision 5, clause (1), shall be deposited in the waterfowl habitat improvement account under section 97A.075, subdivision 2; one-half of the fee for the pheasant stamp under subdivision 5, clause (2), shall be deposited in the pheasant habitat improvement account under section 97A.075, subdivision 4; and one-half of the small-game surcharge under subdivision 4, shall be deposited into the wildlife acquisition account;

(15) for persons age 16 or 17 to take small game, \$5;

(16) to take wolf, \$250;

(17) for persons age 12 and under to take turkey, no fee;

(18) for persons age ten, 11, or 12 to take deer by firearm, no fee;

(19) for persons age ten, 11, or 12 to take deer by archery, no fee;

(20) for persons age ten, 11, or 12 to take deer by muzzleloader during the muzzleloader season, no fee; and

(21) for persons age 10, 11, or 12 to take bear, no fee.

(b) A \$5 surcharge shall be added to nonresident hunting licenses issued under paragraph (a), clauses (1) to (6) and (8). An additional commission may not be assessed on this surcharge.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 89. Minnesota Statutes 2016, section 97A.475, subdivision 6, is amended to read:

Subd. 6. **Resident fishing.** Fees for the following licenses, to be issued to residents only, are:

(1) for persons age 18 or over to take fish by angling, ~~\$22~~ \$25;

(2) for persons age 18 or over to take fish by angling, for a combined license for a married couple, ~~\$35~~ \$40;

(3) for persons age 18 or over to take fish by spearing from a dark house, ~~\$5~~ \$6, and the person must possess an angling license;

(4) for persons age 18 or over to take fish by angling for a 24-hour period selected by the licensee, ~~\$10~~ \$12;

(5) for persons age 18 or over to take fish by angling for a consecutive 72-hour period selected by the licensee, ~~\$12~~ \$14;

(6) for persons age 18 or over to take fish by angling for three consecutive years, ~~\$63~~ \$71; and

(7) for persons age 16 or over and under age 18 to take fish by angling, \$5.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 90. Minnesota Statutes 2016, section 97A.475, subdivision 7, is amended to read:

Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued to nonresidents, are:

(1) for persons age 18 or over to take fish by angling, ~~\$40~~ \$46;

(2) for persons age 18 or over to take fish by angling limited to seven consecutive days selected by the licensee, ~~\$33~~ \$38;

(3) for persons age 18 or over to take fish by angling for a consecutive 72-hour period selected by the licensee, ~~\$27~~ \$31;

(4) for persons age 18 or over to take fish by angling for a combined license for a family for one or both parents and dependent children under the age of 16, ~~\$55~~ \$63;

(5) for persons age 18 or over to take fish by angling for a 24-hour period selected by the licensee, ~~\$12~~ \$14;

(6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days selected by one of the licensees, ~~\$43~~ \$49;

(7) for persons age 18 or over to take fish by spearing from a dark house, ~~\$10~~ \$12, and the person must possess an angling license; and

(8) for persons age 16 or over and under age 18 to take fish by angling, \$5.

(b) A \$5 surcharge shall be added to all nonresident fishing licenses, except licenses issued under paragraph (a), clauses (5) and (8). An additional commission may not be assessed on this surcharge.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 91. Minnesota Statutes 2016, section 97A.475, subdivision 8, is amended to read:

Subd. 8. **Minnesota sporting; supersports.** (a) The commissioner shall issue Minnesota sporting licenses to residents only. The licensee may take fish by angling and small game. The fee for the license is:

(1) for an individual, ~~\$31.50~~ \$34.50; and

(2) for a combined license for a married couple to take fish and for one spouse to take small game, ~~\$45.50~~ \$50.50.

(b) The commissioner shall issue Minnesota supersports licenses to residents only. The licensee may take fish by angling, including trout; small game, including pheasant and waterfowl; and deer by firearms or muzzleloader or by archery. The fee for the supersports license, including all required stamp validations is:

(1) for an individual age 18 or over, ~~\$86.50~~ \$93.50; and

(2) for a combined license for a married couple to take fish, including the trout-and-salmon stamp validation, and for one spouse to take small game, including pheasant and waterfowl, and deer, ~~\$140.50~~ \$119.50.

(c) Revenue for the stamp endorsements under paragraph (b) shall be deposited according to section 97A.075, subdivisions 2, 3, and 4.

(d) Revenue for the deer license endorsement under paragraph (b) shall be deposited according to section 97A.075, subdivision 1.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 92. Minnesota Statutes 2016, section 97A.475, subdivision 45, is amended to read:

Subd. 45. **Camp Ripley archery deer hunt.** The application fee for the Camp Ripley archery deer hunt is ~~\$42~~ \$14.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 93. Minnesota Statutes 2016, section 97B.031, subdivision 6, is amended to read:

Subd. 6. **Scopes; ~~age 60 or over~~.** A person ~~age 60 or over~~ may use a muzzleloader with a scope to take deer during the muzzleloader season. The scope may have magnification capabilities.

Sec. 94. Minnesota Statutes 2016, section 97B.071, is amended to read:

97B.071 BLAZE ORANGE CLOTHING REQUIREMENTS; BLAZE ORANGE OR BLAZE PINK.

(a) Except as provided in rules adopted under paragraph (c), a person may not hunt or trap during the open season where deer may be taken by firearms under applicable laws and ordinances, unless the visible portion of the person's cap and outer clothing above the waist, excluding sleeves and gloves, is blaze orange or blaze pink. Blaze orange or blaze pink includes a camouflage pattern of at least 50 percent blaze orange or blaze pink within each foot square. This section does not apply to migratory-waterfowl hunters on waters of this state or in a stationary shooting location or to trappers on waters of this state.

(b) Except as provided in rules adopted under paragraph (c), and in addition to the requirement in paragraph (a), a person may not take small game other than turkey, migratory birds, raccoons, and predators, except while trapping, unless a visible portion of at least one article of the person's clothing above the waist is blaze orange or blaze pink. This paragraph does not apply to a person when in a stationary location while hunting deer by archery or when hunting small game by falconry.

(c) The commissioner may, by rule, prescribe an alternative color in cases where paragraph (a) or (b) would violate the Religious Freedom Restoration Act of 1993, Public Law 103-141.

(d) A violation of paragraph (b) shall not result in a penalty, but is punishable only by a safety warning.

Sec. 95. Minnesota Statutes 2016, section 97B.405, is amended to read:

97B.405 COMMISSIONER MAY LIMIT NUMBER OF BEAR HUNTERS.

(a) The commissioner may limit the number of persons that may hunt bear in an area, if it is necessary to prevent an overharvest or improve the distribution of hunters. The commissioner may establish, by rule, a method, including a drawing, to impartially select the hunters for an area. The commissioner shall give preference to hunters that have previously applied and have not been selected.

(b) If the commissioner limits the number of persons that may hunt bear in an area under paragraph (a), the commissioner must reserve one permit and give first preference for that permit to a resident of a Minnesota veterans home.

~~(b)~~ (c) A person selected through a drawing must purchase a license by August 1. Any remaining available licenses not purchased shall be issued to any eligible person as prescribed by the commissioner on a first-come, first-served basis beginning three business days after August 1.

Sec. 96. Minnesota Statutes 2016, section 97B.431, is amended to read:

97B.431 BEAR-HUNTING OUTFITTERS.

(a) A person may not place bait for bear, or guide hunters to take bear, for compensation without a bear-hunting-outfitter license. A bear-hunting outfitter is not required to have a license to take bear unless the outfitter is attempting to shoot a bear. The commissioner shall adopt rules for qualifications for issuance and administration of the licenses.

(b) The commissioner shall establish a resident master bear-hunting-outfitter license under which one person serves as the bear-hunting outfitter and one other person is eligible to guide and bait bear. Additional persons may be added to the license and are eligible to guide and bait bear under the license, provided the additional fee under section 97A.475, subdivision 16, is paid for each person added. The commissioner shall adopt rules for qualifications for issuance and administration of the licenses. The commissioner must not require a person to have certification or training in first aid or CPR to be eligible for a license under this section.

Sec. 97. Minnesota Statutes 2016, section 97B.516, is amended to read:

97B.516 ELK MANAGEMENT PLAN.

(a) The commissioner of natural resources must adopt an elk management plan that:

- (1) recognizes the value and uniqueness of elk;
- (2) provides for integrated management of an elk population in harmony with the environment; and
- (3) affords optimum recreational opportunities.

(b) Notwithstanding paragraph (a), the commissioner must not manage an elk herd in Kittson, Roseau, Marshall, or Beltrami Counties in a manner that would increase the size of the herd, including adoption or implementation of an elk management plan designed to increase an elk herd, unless the commissioner of agriculture verifies that crop and fence damages paid under section 3.7371 and attributed to the herd have not increased for at least two years.

(c) At least 60 days prior to implementing a plan to increase an elk herd, the commissioners of natural resources and agriculture must hold a joint public meeting in the county where the elk herd to be increased is located. At the meeting, the commissioners must present evidence that crop and fence damages have not increased in the prior two years and must detail the practices that will be used to reduce elk conflicts with area landowners.

Sec. 98. Minnesota Statutes 2016, section 97B.655, subdivision 1, is amended to read:

Subdivision 1. **Owners and occupants may take certain animals.** A person or the person's agent may take bats, snakes, salamanders, lizards, weasel, mink, squirrel, rabbit, hare, raccoon, bobcat, fox, opossum, muskrat, or beaver on land owned or occupied by the person where the animal is causing damage. The person or the person's agent may take the animal without a license and in any manner except by ~~poison, or~~ artificial lights in the closed season or by poison. Raccoons may be taken under this subdivision with artificial lights during open season. A person ~~that~~ or the person's agent who kills mink, raccoon, bobcat, fox, opossum, muskrat, or beaver under this subdivision must notify a conservation officer or employee of the Fish and Wildlife Division within 24 hours after the animal is killed.

Sec. 99. Minnesota Statutes 2016, section 97C.081, subdivision 3, is amended to read:

Subd. 3. **Contests requiring a permit.** (a) Unless subdivision 3a applies, a person must have a permit from the commissioner to conduct a fishing contest if:

(1) there are more than 25 boats for open water contests, more than 150 participants for ice fishing contests, or more than 100 participants for shore fishing contests;

(2) entry fees are more than \$25 per person; or

(3) the contest is limited to trout species.

(b) The commissioner shall charge a fee for the permit that recovers the costs of issuing the permit and of monitoring the activities allowed by the permit. Notwithstanding section 16A.1283, the commissioner may, by written order published in the State Register, establish contest permit fees. The fees are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(c) The commissioner may require the applicant to furnish evidence of financial responsibility in the form of a surety bond or bank letter of credit in the amount of \$25,000 if entry fees are over \$25 per person, or total prizes are valued at more than \$25,000, and if the applicant has either:

(1) not previously conducted a fishing contest requiring a permit under this subdivision; or

(2) ever failed to make required prize awards in a fishing contest conducted by the applicant.

(d) The permit fee for any individual contest may not exceed the following amounts:

(1) ~~\$60~~ \$70 for an open water contest not exceeding 50 boats and without off-site weigh-in;

(2) ~~\$200~~ \$225 for an open water contest with more than 50 boats and without off-site weigh-in;

(3) ~~\$250~~ \$280 for an open water contest not exceeding 50 boats with off-site weigh-in;

(4) ~~\$500~~ \$560 for an open water contest with more than 50 boats with off-site weigh-in; or

(5) ~~\$120~~ \$135 for an ice fishing contest with more than 150 participants.

EFFECTIVE DATE. This section is effective March 1, 2018.

Sec. 100. Minnesota Statutes 2016, section 97C.355, subdivision 2, is amended to read:

Subd. 2. **License required.** (a) A person may not ~~leave place~~ leave a dark house, fish house, or shelter ~~unattended,~~ except a portable shelter, on the ice ~~at any time between midnight and one hour before sunrise~~ unless:

(1) the house or shelter is licensed; and

(2) has the license tag attached to the exterior in a readily visible location, except as provided in this subdivision.

(b) The commissioner must issue a tag with a dark house, fish house, or shelter license, marked with a number to correspond with the license and the year of issue. A dark house, fish house, or shelter license is not required of a resident on boundary waters where the adjacent state does not charge a fee for the same activity.

Sec. 101. Minnesota Statutes 2016, section 97C.355, subdivision 2a, is amended to read:

Subd. 2a. **Portable shelters.** (a) A person using a portable shelter that is not identified under subdivision 1 may not leave the portable shelter unattended between midnight and sunrise and must remain within 200 feet of the shelter while the shelter is on the ice of state waters.

(b) If a person leaves the portable shelter unattended any time between midnight and one hour before sunrise or is not within 200 feet of the portable shelter, the portable shelter must be licensed as provided under subdivision 2.

Sec. 102. Minnesota Statutes 2016, section 97C.401, subdivision 2, is amended to read:

Subd. 2. ~~**Walleye; northern pike.**~~ (a) ~~Except as provided in paragraph (b),~~ A person may have no more than one walleye larger than 20 inches ~~and one northern pike larger than 30 inches~~ in possession. This subdivision does not apply to boundary waters.

~~(b) The restrictions in paragraph (a) do not apply to boundary waters.~~

Sec. 103. Minnesota Statutes 2016, section 97C.501, subdivision 1, is amended to read:

Subdivision 1. **Minnow retailers.** (a) A person may not be a minnow retailer without a minnow retailer license except as provided in subdivisions 2, paragraph (d), and 3. A person must purchase a minnow retailer license for each minnow retail outlet operated, except as provided by subdivision 2, paragraph (d).

(b) A minnow retailer must obtain a minnow retailer's vehicle license for each motor vehicle used by the minnow retailer to transport more than 12 dozen minnows to the minnow retailer's place of business; ~~except as provided in subdivision 3.~~ A minnow retailer is not required to obtain a minnow retailer's vehicle license;

(1) as provided in subdivision 3;

(2) if the minnow retailer is licensed as a resort under section 157.16, is transporting minnows purchased from a minnow dealer's place of business directly to the resort, possesses a detailed receipt, including the date and time of purchase, and presents the receipt and minnows for inspection upon request; or

(3) if minnows are being transported by common carrier and information is provided that allows the commissioner to find out the location of the shipment in the state.

Sec. 104. Minnesota Statutes 2016, section 97C.701, is amended by adding a subdivision to read:

Subd. 7. **Harvesting mussel shells.** Live mussels may not be harvested. A person possessing a valid resident or nonresident angling license or a person not required to have an angling license to take fish may take and possess at any time, for personal use only, not more than 24 whole shells or 48 shell halves of dead freshwater mussels. Mussel shells may be harvested in waters of the state where fish may be taken by angling. Mussel shells must be harvested by hand-picking only and may not be purchased or sold.

Sec. 105. Minnesota Statutes 2016, section 103F.48, subdivision 1, is amended to read:

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

(b) "Board" means the Board of Water and Soil Resources.

(c) "Buffer" means an area consisting of perennial vegetation, excluding invasive plants and noxious weeds, adjacent to all bodies of water within the state and that protects the water resources of the state from runoff pollution; stabilizes soils, shores, and banks; and protects or provides riparian corridors.

(d) "Buffer protection map" means buffer maps established and maintained by the commissioner of natural resources.

(e) "Commissioner" means the commissioner of natural resources.

(f) "Executive director" means the executive director of the Board of Water and Soil Resources.

(g) "Local water management authority" means a watershed district, metropolitan water management organization, or county operating separately or jointly in its role as local water management authority under chapter 103B or 103D.

(h) "Normal water level" means the level evidenced by the long-term presence of surface water as indicated directly by hydrophytic plants or hydric soils or indirectly determined via hydrological models or analysis.

(i) "Public waters" ~~has the meaning given in section 103G.005, subdivision 15. The term means~~ public waters as used in this section ~~applies to waters~~ that are on the public waters inventory as provided in section 103G.201.

(j) "With jurisdiction" means a board determination that the county or watershed district has adopted a rule, ordinance, or official controls providing procedures for the issuance of administrative penalty orders, enforcement, and appeals for purposes of this section and section 103B.101, subdivision 12a.

Sec. 106. Minnesota Statutes 2016, section 103F.48, subdivision 3, is amended to read:

Subd. 3. **Water resources riparian protection requirements on public waters and public drainage systems.**

(a) Except as provided in paragraph (b), landowners owning property adjacent to a water body identified and mapped on a buffer protection map must maintain a buffer to protect the state's water resources as follows:

(1) for all public waters, the more restrictive of:

(i) a 50-foot average width, 30-foot minimum width, continuous buffer of perennially rooted vegetation; or

(ii) the state shoreland standards and criteria adopted by the commissioner under section 103F.211; and

(2) for public drainage systems established under chapter 103E, a 16.5-foot minimum width continuous buffer as provided in section 103E.021, subdivision 1. The buffer vegetation shall not impede future maintenance of the ditch.

(b) A landowner owning property adjacent to a water body identified in a buffer protection map and whose property is used for cultivation farming may meet the requirements under paragraph (a) by adopting an alternative riparian water quality practice, or combination of structural, vegetative, and management practices, based on the Natural Resources Conservation Service Field Office Technical Guide ~~or, common alternative practices adopted and published by the board,~~ other practices approved by the board, or practices based on local conditions approved by the local soil and water conservation district that are consistent with the Field Office Technical Guide, that provide water quality protection comparable to the buffer protection for the water body that the property abuts. Included in these practices are retention ponds and alternative measures that prevent overland flow to the water resource.

(c) The width of a buffer on public waters must be measured from the top or crown of the bank. Where there is no defined bank, measurement must be from the edge of the normal water level. The width of the buffer on public drainage systems must be measured as provided in section 103E.021, subdivision 1.

(d) Upon request by a landowner or authorized agent or operator of a landowner, a technical professional employee or contractor of the soil and water conservation district or its delegate may issue a validation of compliance with the requirements of this subdivision. The soil and water conservation district validation may be appealed to the board as described in subdivision 9.

(e) Buffers or alternative water quality practices required under paragraph (a) or (b) must be in place on or before:

(1) November 1, 2017, for public waters; and

(2) November 1, 2018, for public drainage systems.

(f) Nothing in this section limits the eligibility of a landowner or authorized agent or operator of a landowner to participate in federal or state conservation programs, including enrolling or reenrolling in federal conservation programs.

(g) After the effective date of this section, a person planting buffers or water quality protection practices to meet the requirements in paragraph (a) must use only seed mixes verified by the Department of Agriculture as consistent with chapter 18G or 21 to prevent contamination with Palmer amaranth or other noxious weed seeds.

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

Sec. 107. Minnesota Statutes 2016, section 103G.005, is amended by adding a subdivision to read:

Subd. 8a. **Constructed management facilities for storm water.** "Constructed management facilities for storm water" means ponds, basins, holding tanks, cisterns, infiltration trenches and swales, or other best management practices that have been designed, constructed, and operated to store or treat storm water in accordance with local, state, or federal requirements.

Sec. 108. Minnesota Statutes 2016, section 103G.005, subdivision 10b, is amended to read:

Subd. 10b. **Greater than 80 percent area.** "Greater than 80 percent area" means a county ~~or~~₂ watershed, or, for purposes of wetland replacement, bank service area where 80 percent or more of the presettlement wetland acreage is intact and:

(1) ten percent or more of the current total land area is wetland; or

(2) 50 percent or more of the current total land area is state or federal land.

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

Sec. 109. Minnesota Statutes 2016, section 103G.005, subdivision 10h, is amended to read:

Subd. 10h. **Less than 50 percent area.** "Less than 50 percent area" means a county ~~or~~₂ watershed, or, for purposes of wetland replacement, bank service area with less than 50 percent of the presettlement wetland acreage intact or any county ~~or~~₂ watershed, or bank service area not defined as a "greater than 80 percent area" or "50 to 80 percent area."

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

Sec. 110. Minnesota Statutes 2016, section 103G.222, subdivision 1, is amended to read:

Subdivision 1. **Requirements.** (a) Wetlands must not be drained or filled, wholly or partially, unless replaced by actions that provide at least equal public value under a replacement plan approved as provided in section 103G.2242, a replacement plan under a local governmental unit's comprehensive wetland protection and management plan approved by the board under section 103G.2243, or, if a permit to mine is required under section 93.481, under a mining reclamation plan approved by the commissioner under the permit to mine. Project-specific wetland replacement plans submitted as part of a project for which a permit to mine is required and approved by the commissioner on or after July 1, 1991, may include surplus wetland credits to be allocated by the commissioner to offset future mining-related wetland impacts under any permits to mine held by the permittee, the operator, the permittee's or operator's parent, an affiliated subsidiary, or an assignee pursuant to an assignment under section 93.481, subdivision 5. For project-specific wetland replacement completed prior to wetland impacts authorized or conducted under a permit to mine within the Great Lakes and Rainy River watershed basins, those basins shall be considered a single watershed for purposes of determining wetland replacement ratios. Mining reclamation plans shall apply the same principles and standards for replacing wetlands that are applicable to mitigation plans approved as provided in section 103G.2242. The commissioner must provide notice of an application for wetland replacement under a permit to mine to the county in which the impact is proposed and the county in which a mitigation site is proposed. Public value must be determined in accordance with section 103B.3355 or a comprehensive wetland protection and management plan established under section 103G.2243. Sections 103G.221 to 103G.2372 also apply to excavation in permanently and semipermanently flooded areas of types 3, 4, and 5 wetlands.

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

- (1) avoiding the direct or indirect impact of the activity that may destroy or diminish the wetland;
- (2) minimizing the impact by limiting the degree or magnitude of the wetland activity and its implementation;
- (3) rectifying the impact by repairing, rehabilitating, or restoring the affected wetland environment;
- (4) reducing or eliminating the impact over time by preservation and maintenance operations during the life of the activity;
- (5) compensating for the impact by restoring a wetland; and
- (6) compensating for the impact by replacing or providing substitute wetland resources or environments.

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

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

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

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

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

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

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

(i) Except in a greater than 80 percent area, only wetlands that have been restored from previously drained or filled wetlands, wetlands created by excavation in nonwetlands, wetlands created by dikes or dams along public or private drainage ditches, or wetlands created by dikes or dams associated with the restoration of previously drained or filled wetlands may be used for wetland replacement according to rules adopted under section 103G.2242, subdivision 1. Modification or conversion of nondegraded naturally occurring wetlands from one type to another are not eligible for wetland replacement.

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

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

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

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

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective retroactively from July 1, 1991.

Sec. 111. Minnesota Statutes 2016, section 103G.222, subdivision 3, is amended to read:

Subd. 3. **Wetland replacement siting.** (a) ~~Impacted wetlands in a 50 to 80 percent area must not be replaced in a 50 to 80 percent area or in a less than 50 percent area. Impacted wetlands in a less than 50 percent area must be replaced in a less than 50 percent area.~~ Impacted wetlands outside of a greater than 80 percent area must not be replaced in a greater than 80 percent area or in a less than 50 percent area. All wetland replacement must follow this priority order:

- (1) ~~on-site or~~ in the same minor watershed as the impacted wetland;
- (2) in the same watershed as the impacted wetland;

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

(4) in another wetland bank service area.

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

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

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

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

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

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

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

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

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

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

(h) Wetland replacement sites identified in accordance with the priority order for replacement siting in paragraph (a) as part of the completion of an adequate environmental impact statement may be approved for a replacement plan under section 93.481, 103G.2242, or 103G.2243 without further modification related to the priority order, notwithstanding availability of new mitigation sites or availability of credits after completion of an adequate environmental impact statement. Wetland replacement plan applications must be submitted within one year of the adequacy determination of the environmental impact statement to be eligible for approval under this paragraph.

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

Sec. 112. Minnesota Statutes 2016, section 103G.223, is amended to read:

103G.223 CALCAREOUS FENS.

(a) Calcareous fens, as identified by the commissioner by written order published in the State Register, may not be filled, drained, or otherwise degraded, wholly or partially, by any activity, unless the commissioner, under an approved management plan, decides some alteration is necessary or as provided in paragraph (b). Identifications made by the commissioner are not subject to the rulemaking provisions of chapter 14 and section 14.386 does not apply.

(b) The commissioner may allow water appropriations that result in temporary reductions in groundwater resources on a seasonal basis under an approved calcareous fen management plan.

Sec. 113. Minnesota Statutes 2016, section 103G.2242, subdivision 1, is amended to read:

Subdivision 1. **Rules.** (a) The board, in consultation with the commissioner, shall adopt rules governing the approval of wetland value replacement plans under this section and public-waters-work permits affecting public waters wetlands under section 103G.245. These rules must address the criteria, procedure, timing, and location of acceptable replacement of wetland values and may address the state establishment and administration of a wetland banking program for public and private projects, including provisions for an in-lieu fee program; the administrative, monitoring, and enforcement procedures to be used; and a procedure for the review and appeal of decisions under this section. In the case of peatlands, the replacement plan rules must consider the impact on carbon. Any in-lieu fee program established by the board must conform with Code of Federal Regulations, title 33, section 332.8, as amended.

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

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

(d) When making a determination under rules adopted pursuant to this subdivision on whether a rare natural community will be permanently adversely affected, consideration of measures to mitigate any adverse effect on the community must be considered.

Sec. 114. Minnesota Statutes 2016, section 103G.2242, subdivision 2, is amended to read:

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

(b) A member of the Technical Evaluation Panel that has a financial interest in a wetland bank or management responsibility to sell or make recommendations in their official capacity to sell credits from a publicly owned wetland bank must disclose that interest, in writing, to the Technical Evaluation Panel and the local government unit.

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

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

Sec. 115. Minnesota Statutes 2016, section 103G.2372, subdivision 1, is amended to read:

Subdivision 1. **Authority; orders.** (a) The commissioner of natural resources, conservation officers, and peace officers shall enforce laws preserving and protecting groundwater quantity, wetlands, and public waters. The commissioner of natural resources, a conservation officer, or a peace officer may issue a cease and desist order to stop any illegal activity adversely affecting groundwater quantity, a wetland, or public waters.

(b) In the order, or by separate order, the commissioner, conservation officer, or peace officer may require restoration or replacement of the wetland or public waters, as determined by the local soil and water conservation district for wetlands and the commissioner of natural resources for public waters. Restoration or replacement orders may be recorded or filed in the office of the county recorder or registrar of titles, as appropriate, in the county where the real property is located by the commissioner of natural resources, conservation officers, or peace officers as a deed restriction on the property that runs with the land and is binding on the owners, successors, and assigns until the conditions of the order are met or the order is rescinded. Notwithstanding section 386.77, the agency shall pay the applicable filing fee for any document filed under this section.

(c) If a court has ruled that there has not been a violation of the restoration or replacement order, an order may not be recorded or filed under this section.

(d) The commissioner must remove a deed restriction filed or recorded under this section on homesteaded property if the owner requests that it be removed and a court has found that the owner of the property is not guilty or that there has not been a violation of the restoration or replacement order. Within 30 days of receiving the request for removal from the owner, the commissioner must contact, in writing, the office of the county recorder or registrar of titles where the order is recorded or filed, along with all applicable fees, and have the order removed. Within 30 days of receiving notification from the office of the county recorder or registrar of titles that the order has been removed, the commissioner must inform the owner that the order has been removed and provide the owner with a copy of any documentation provided by the office of the county recorder or registrar of titles.

Sec. 116. Minnesota Statutes 2016, section 103G.271, subdivision 1, is amended to read:

Subdivision 1. **Permit required.** (a) Except as provided in paragraph (b), the state, a person, partnership, or association, private or public corporation, county, municipality, or other political subdivision of the state may not appropriate or use waters of the state without a water-use permit from the commissioner.

(b) This section does not apply to the following water uses:

(1) use for a water supply by less than 25 persons for domestic purposes, except as required by the commissioner under section 103G.287, subdivision 4, paragraph (b);

(2) nonconsumptive diversion of a surface water of the state from its natural channel for the production of hydroelectric or hydromechanical power at structures that were in existence on and before July 1, 1937, including repowering, upgrades, or additions to those facilities; or

(3) appropriation or use of storm water collected and used to reduce storm-water runoff volume, treat storm water, or sustain groundwater supplies when water is extracted from constructed management facilities for storm water.

(c) The commissioner may issue a state general permit for appropriation of water to a governmental subdivision or to the general public. The general permit may authorize more than one project and the appropriation or use of more than one source of water. Water-use permit processing fees and reports required under subdivision 6 and section 103G.281, subdivision 3, are required for each project or water source that is included under a general permit, except that no fee is required for uses totaling less than 15,000,000 gallons annually.

Sec. 117. Minnesota Statutes 2016, section 103G.271, subdivision 6, is amended to read:

Subd. 6. **Water-use permit processing fee.** (a) Except as described in paragraphs (b) to (g), a water-use permit processing fee must be prescribed by the commissioner in accordance with the schedule of fees in this subdivision for each water-use permit in force at any time during the year. Fees collected under this paragraph are credited to the water management account in the natural resources fund. The schedule is as follows, with the stated fee in each clause applied to the total amount appropriated:

- (1) \$140 for amounts not exceeding 50,000,000 gallons per year;
- (2) \$3.50 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less than 100,000,000 gallons per year;
- (3) \$4 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less than 150,000,000 gallons per year;
- (4) \$4.50 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but less than 200,000,000 gallons per year;
- (5) \$5 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less than 250,000,000 gallons per year;
- (6) \$5.50 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but less than 300,000,000 gallons per year;
- (7) \$6 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less than 350,000,000 gallons per year;
- (8) \$6.50 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but less than 400,000,000 gallons per year;
- (9) \$7 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less than 450,000,000 gallons per year;
- (10) \$7.50 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but less than 500,000,000 gallons per year; and
- (11) \$8 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

(b) For once-through cooling systems, a water-use processing fee must be prescribed by the commissioner in accordance with the following schedule of fees for each water-use permit in force at any time during the year:

- (1) for nonprofit corporations and school districts, \$200 per 1,000,000 gallons; and
- (2) for all other users, \$420 per 1,000,000 gallons.

(c) The fee is payable based on the amount of water appropriated during the year and, except as provided in paragraph (f), the minimum fee is \$100.

(d) For water-use processing fees other than once-through cooling systems:

(1) the fee for a city of the first class may not exceed \$250,000 per year;

(2) the fee for other entities for any permitted use may not exceed:

(i) \$60,000 per year for an entity holding three or fewer permits;

(ii) \$90,000 per year for an entity holding four or five permits; or

(iii) \$300,000 per year for an entity holding more than five permits;

(3) the fee for agricultural irrigation may not exceed \$750 per year;

(4) the fee for a municipality that furnishes electric service and cogenerates steam for home heating may not exceed \$10,000 for its permit for water use related to the cogeneration of electricity and steam; ~~and~~

(5) the fee for a facility that temporarily diverts a water of the state from its natural channel to produce hydroelectric or hydromechanical power may not exceed \$5,000 per year. A permit for such a facility does not count toward the number of permits held by an entity as described in paragraph (d); and

~~(5)~~ (6) no fee is required for a project involving the appropriation of surface water to prevent flood damage or to remove flood waters during a period of flooding, as determined by the commissioner.

(e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of ten percent per month calculated from the original due date must be imposed on the unpaid balance of fees remaining 30 days after the sending of a second notice of fees due. A fee may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal governmental agency holding a water appropriation permit.

(f) The minimum water-use processing fee for a permit issued for irrigation of agricultural land is \$20 for years in which:

(1) there is no appropriation of water under the permit; or

(2) the permit is suspended for more than seven consecutive days between May 1 and October 1.

(g) The commissioner shall waive the water-use permit fee for installations and projects that use storm water runoff or where public entities are diverting water to treat a water quality issue and returning the water to its source without using the water for any other purpose, unless the commissioner determines that the proposed use adversely affects surface water or groundwater.

(h) A surcharge of \$30 per million gallons in addition to the fee prescribed in paragraph (a) shall be applied to the volume of water used in each of the months of June, July, and August that exceeds the volume of water used in January for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge for municipalities with more than one permit shall be determined based on the total appropriations from all permits that supply a common distribution system.

Sec. 118. Minnesota Statutes 2016, section 103G.271, subdivision 6a, is amended to read:

Subd. 6a. **Fees for past unpermitted appropriations.** An entity that appropriates water without a required permit under subdivision 1 must pay the applicable water-use permit processing fee specified in subdivision 6 for the period during which the unpermitted appropriation occurred. The fees for unpermitted appropriations are

required for the previous seven calendar years after being notified of the need for a permit. This fee is in addition to any other fee or penalty assessed. The commissioner may waive payment of fees for past unpermitted appropriations for a residential system permitted under subdivision 5, paragraph (b), or for a hydroelectric or hydromechanical facility that temporarily diverts a water of the state from its natural channel.

Sec. 119. Minnesota Statutes 2016, section 103G.271, subdivision 7, is amended to read:

Subd. 7. **Transfer of permit.** A water-use permit may be transferred to a successive owner of real property if the permittee conveys the real property where the source of water is located. The new owner must notify the commissioner immediately after the conveyance and request transfer of the permit. The commissioner must not deny the transfer of a permit if the permittee is in compliance with all permit conditions and the permit meets the requirements of sections 103G.255 to 103G.301.

Sec. 120. Minnesota Statutes 2016, section 103G.287, subdivision 1, is amended to read:

Subdivision 1. **Applications for groundwater appropriations; preliminary well construction approval.** (a) Groundwater use permit applications are not complete until the applicant has supplied:

(1) a water well record as required by section 103I.205, subdivision 9, information on the subsurface geologic formations penetrated by the well and the formation or aquifer that will serve as the water source, and geologic information from test holes drilled to locate the site of the production well;

(2) the maximum daily, seasonal, and annual pumpage rates and volumes being requested;

(3) information on groundwater quality in terms of the measures of quality commonly specified for the proposed water use and details on water treatment necessary for the proposed use;

(4) the results of an aquifer test completed according to specifications approved by the commissioner. The test must be conducted at the maximum pumping rate requested in the application and for a length of time adequate to assess or predict impacts to other wells and surface water and groundwater resources. The permit applicant is responsible for all costs related to the aquifer test, including the construction of groundwater and surface water monitoring installations, and water level readings before, during, and after the aquifer test; and

(5) the results of any assessments conducted by the commissioner under paragraph (c).

(b) The commissioner may waive an application requirement in this subdivision if the information provided with the application is adequate to determine whether the proposed appropriation and use of water is sustainable and will protect ecosystems, water quality, and the ability of future generations to meet their own needs.

(c) The commissioner shall provide an assessment of a proposed well needing a groundwater appropriation permit. The commissioner shall evaluate the information submitted as required under section 103I.205, subdivision 1, paragraph (f), and determine whether the anticipated appropriation request is likely to meet the applicable requirements of this chapter. If the appropriation request is likely to meet applicable requirements, the commissioner shall provide the person submitting the information with a letter providing preliminary approval to construct the well and the requirements, including test-well information, that will be needed to obtain the permit.

(d) The commissioner must provide an applicant denied a groundwater use permit or issued a groundwater use permit that is reduced or restricted from the original request with all information the commissioner used in making the determination, including hydrographs, flow tests, aquifer tests, topographic maps, field reports, photographs, and proof of equipment calibration.

Sec. 121. Minnesota Statutes 2016, section 103G.411, is amended to read:

103G.411 STIPULATION OF LOW-WATER MARK.

If the state is a party in a civil action relating to the navigability or ownership of the bed of a body of water, river, or stream, the commissioner, in behalf of the state, ~~with the approval of the attorney general,~~ may agree by written stipulation with a riparian owner who is a party to the action on the location of the ordinary low-water mark on the riparian land of the party. After the stipulation is executed by all parties, it must be presented to the judge of the district court where the action is pending for approval. If the stipulation is approved, the judge shall make and enter an order providing that the final judgment when entered shall conform to the location of the ordinary, low-water mark as provided for in the stipulation as it relates to the parties to the stipulation.

Sec. 122. Minnesota Statutes 2016, section 114D.25, is amended by adding a subdivision to read:

Subd. 6. **Impaired waters list; public notice and process.** The commissioner of the Pollution Control Agency must allow at least 60 days for public comment after publishing the draft impaired waters list required under the federal Clean Water Act. In making impairment designations, the Pollution Control Agency must use available water-quality data that takes into consideration recent relevant pollutant reductions resulting from controls on municipal point sources and nonpoint sources.

Sec. 123. **[115.542] NOTICE REQUIREMENTS FOR PUBLICLY OWNED WASTEWATER TREATMENT FACILITIES.**

Subdivision 1. **Definitions.** For the purpose of this section, the following terms have the meanings given:

(1) "permit" means a national pollutant discharge elimination system (NPDES) permit or state disposal system (SDS) permit; and

(2) "permit applicant" means a person or entity submitting an application for a new permit or renewal, modification, or revocation of an existing permit for a publicly owned wastewater treatment facility.

Subd. 2. **Applicability.** This section applies to all draft permits and permits for publicly owned wastewater treatment facilities for which the commissioner of the Pollution Control Agency makes a preliminary determination whether to issue or deny.

Subd. 3. **Notice requirements.** The commissioner of the Pollution Control Agency must provide a permit applicant with a copy of the draft permit and any fact sheets required by agency rules at least 30 days before the distribution and public notice of the permit application and preliminary determination.

Subd. 4. **Permitting efficiency.** The commissioner must prepare and issue a public notice of a completed application and the commissioner's preliminary determination as to whether the permit should be issued or denied. The public comment period must be at least 60 days for permit applications under this section. Notwithstanding section 116.03, it is the goal of the state that Tier 2 permits for publicly owned wastewater treatment facilities be issued or denied within 210 days following submission of a permit application.

Sec. 124. Minnesota Statutes 2016, section 115B.39, subdivision 2, is amended to read:

Subd. 2. Definitions. (a) In addition to the definitions in this subdivision, the definitions in sections 115A.03 and 115B.02 apply to sections 115B.39 to 115B.445, except as specifically modified in this subdivision.

(b) "Cleanup order" means a consent order between responsible persons and the agency or an order issued by the United States Environmental Protection Agency under section 106 of the federal Superfund Act.

(c) "Closure" means actions to prevent or minimize the threat to public health and the environment posed by a mixed municipal solid waste disposal facility that has stopped accepting waste by controlling the sources of releases or threatened releases at the facility. "Closure" includes removing contaminated equipment and liners; applying final cover; grading and seeding final cover; installing wells, borings, and other monitoring devices; constructing groundwater and surface water diversion structures; and installing gas control systems and site security systems, as necessary. The commissioner may authorize use of final cover that includes processed materials that meet the requirements in Code of Federal Regulations, title 40, section 503.32, paragraph (a).

(d) "Closure upgrade" means construction activity that will, at a minimum, modify an existing cover so that it satisfies current rule requirements for mixed municipal solid waste land disposal facilities.

(e) "Contingency action" means organized, planned, or coordinated courses of action to be followed in case of fire, explosion, or release of solid waste, waste by-products, or leachate that could threaten human health or the environment.

(f) "Corrective action" means steps taken to repair facility structures including liners, monitoring wells, separation equipment, covers, and aeration devices and to bring the facility into compliance with design, construction, groundwater, surface water, and air emission standards.

(g) "Custodial" or "custodial care" means actions taken for the care, maintenance, and monitoring of closure actions at a mixed municipal solid waste disposal facility after completion of the postclosure period.

(h) "Decomposition gases" means gases produced by chemical or microbial activity during the decomposition of solid waste.

~~(h)~~ (i) "Dump materials" means nonhazardous mixed municipal solid wastes disposed at a Minnesota waste disposal site other than a qualified facility prior to 1973.

~~(i)~~ (j) "Environmental response action" means response action at a qualified facility or priority qualified facility, including corrective action, closure, postclosure care; contingency action; environmental studies, including remedial investigations and feasibility studies; engineering, including remedial design; removal; remedial action; site construction; and other similar cleanup-related activities.

~~(j)~~ (k) "Environmental response costs" means:

(1) costs of environmental response action, not including legal or administrative expenses; and

(2) costs required to be paid to the federal government under section 107(a) of the federal Superfund Act, as amended.

(l) "Owner or operator of a priority qualified facility" means a person, personal representative, trustee, beneficiary, partnership, sole proprietorship, firm, limited liability company, cooperative, association, corporation, or other entity that:

(1) has possession of, holds title to, or owns a controlling interest in a priority qualified facility;

(2) participates in decision making related to compliance with federal and state environmental laws and regulations for a priority qualified facility; or

(3) has authority or control to make decisions regarding state and federal environmental laws and regulations for a priority qualified facility.

(m) "Priority qualified facility" means:

(1) a qualified facility:

(i) that is listed on the National Priorities List pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act;

(ii) that is listed on the Permanent List of Priorities pursuant to the Minnesota Environmental Response and Liability Act;

(iii) for which a binding agreement pursuant to section 115B.40, subdivision 4, has not been entered into between the owner or operator of the qualified facility and the commissioner; and

(iv) that is not an excluded facility pursuant to section 115B.405; and

(2) property located within 750 feet from the boundary of a facility described in clause (1), including any contiguous property:

(i) that is listed on the Permanent List of Priorities pursuant to the Minnesota Environmental Response and Liability Act, as of the effective date of this section;

(ii) where mixed municipal solid waste was disposed of within the boundaries of the property, which disposal did not occur under a permit from the agency; and

(iii) for which the commissioner determines an environmental response action is necessary to protect public health or welfare or the environment at and in the vicinity of the facility described in clause (1).

~~(n)~~ (n) "Postclosure" or "postclosure care" means actions taken for the care, maintenance, and monitoring of closure actions at a mixed municipal solid waste disposal facility.

~~(o)~~ (o) "Qualified facility" means a mixed municipal solid waste disposal facility as described in the most recent agency permit, including adjacent property used for solid waste disposal that did not occur under a permit from the agency, that:

(1)(i) is or was permitted by the agency;

(ii) stopped accepting solid waste, except demolition debris, for disposal by April 9, 1994; and

(iii) stopped accepting demolition debris for disposal by June 1, 1994, except that demolition debris may be accepted until May 1, 1995, at a permitted area where disposal of demolition debris is allowed, if the area where the demolition debris is deposited is at least 50 feet from the fill boundary of the area where mixed municipal solid waste was deposited; ~~or~~

(2) is or was permitted by the agency; and

(i) stopped accepting waste by January 1, 2000, except that demolition debris, industrial waste, and municipal solid waste combustor ash may be accepted until January 1, 2001, at a permitted area where disposal of such waste is allowed, if the area where the waste is deposited is at least 50 feet from the fill boundary of the area where mixed municipal solid waste was deposited; or

(ii) stopped accepting waste by January 1, 2019, and is located in a county that meets all applicable recycling goals in section 115A.551 and that has arranged for all mixed municipal solid waste generated in the county to be delivered to and processed by a resource recovery facility located in the county for at least 20 years; or

(3) is or was permitted by the agency and stopped accepting waste for disposal by January 1, 2009, and for which the postclosure care period ended on July 26, 2013.

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

Sec. 125. Minnesota Statutes 2016, section 115B.40, subdivision 4, is amended to read:

Subd. 4. **Qualified facility not under cleanup order; duties.** (a) The owner or operator of a qualified facility that is not subject to a cleanup order shall:

(1) complete closure activities at the facility, or enter into a binding agreement with the commissioner to do so, as provided in paragraph (e), within one year from the date the owner or operator is notified by the commissioner under subdivision 3 of the closure activities that are necessary to properly close the facility in compliance with facility's permit, closure orders, or enforcement agreement with the agency, and with the solid waste rules in effect at the time the facility stopped accepting waste;

(2) undertake or continue postclosure and custodial care at the facility until the date of notice of compliance under subdivision 7;

(3) in the case of qualified facilities defined in section 115B.39, subdivision 2, paragraph ~~(4)~~ (o), clause (1), transfer to the commissioner of revenue for deposit in the remediation fund established in section 116.155 any funds required for proof of financial responsibility under section 116.07, subdivision 4h, that remain after facility closure and any postclosure care and response action undertaken by the owner or operator at the facility including, if proof of financial responsibility is provided through a letter of credit or other financial instrument or mechanism that does not accumulate money in an account, the amount that would have accumulated had the owner or operator utilized a trust fund, less any amount used for closure, postclosure care, and response action at the facility; ~~and~~

(4) in the case of qualified facilities defined in section 115B.39, subdivision 2, paragraph ~~(4)~~ (o), clause (2), transfer to the commissioner of revenue for deposit in the remediation fund established in section 116.155 an amount of cash that is equal to the sum of their approved current contingency action cost estimate and the present value of their approved estimated remaining postclosure care costs required for proof of financial responsibility under section 116.07, subdivision 4h; and

(5) in the case of qualified facilities defined in section 115B.39, subdivision 2, paragraph (o), clause (3), transfer to the commissioner of revenue for deposit in the remediation fund established in section 116.155 an amount of cash that is equal to the sum of their approved current contingency action cost estimate and any funds required for proof of financial responsibility under section 116.07, subdivision 4h, that remain after facility closure and any postclosure and custodial care and response action undertaken by the owner or operator at the facility.

(b) The owner or operator of a qualified facility that is not subject to a cleanup order shall:

(1) in the case of qualified facilities defined in section 115B.39, subdivision 2, paragraph ~~(4)~~ (o), clause (1), provide the commissioner with a copy of all applicable comprehensive general liability insurance policies and other liability policies relating to property damage, certificates, or other evidence of insurance coverage held during the life of the facility; and

(2) enter into a binding agreement with the commissioner to:

(i) in the case of qualified facilities defined in section 115B.39, subdivision 2, paragraph ~~(h)~~ (o), clause (1), take any actions necessary to preserve the owner or operator's rights to payment or defense under insurance policies included in clause (1); cooperate with the commissioner in asserting claims under the policies; and, within 60 days of a request by the commissioner, but no earlier than July 1, 1996, assign only those rights under the policies related to environmental response costs;

(ii) cooperate with the commissioner or other persons acting at the direction of the commissioner in taking additional environmental response actions necessary to address releases or threatened releases and to avoid any action that interferes with environmental response actions, including allowing entry to the property and to the facility's records and allowing entry and installation of equipment; and

(iii) refrain from developing or altering the use of property described in any permit for the facility except after consultation with the commissioner and in conformance with any conditions established by the commissioner for that property, including use restrictions, to protect public health and welfare and the environment.

(c) The owner or operator of a qualified facility defined in section 115B.39, subdivision 2, paragraph ~~(h)~~ (o), clause (1), that is a political subdivision may use a portion of any funds established for response at the facility, which are available directly or through a financial instrument or other financial arrangement, for closure or postclosure care at the facility if funds available for closure or postclosure care are inadequate and shall assign the rights to any remainder to the commissioner.

(d) The agreement required in paragraph (b), clause (2), must be in writing and must apply to and be binding upon the successors and assigns of the owner. The owner shall record the agreement, or a memorandum approved by the commissioner that summarizes the agreement, with the county recorder or registrar of titles of the county where the property is located.

(e) A binding agreement entered into under paragraph (a), clause (1), may include a provision that the owner or operator will reimburse the commissioner for the costs of closing the facility to the standard required in that clause.

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

Sec. 126. **[115B.406] PRIORITY QUALIFIED FACILITIES.**

Subdivision 1. **Legislative findings.** The legislature recognizes the need to protect the public health and welfare and the environment at priority qualified facilities. To implement a timely and effective cleanup and prevent multiparty litigation, the legislature finds it is in the public interest to direct the commissioner of the Pollution Control Agency to take environmental response actions that the commissioner deems reasonable and necessary to protect the public health or welfare or the environment at priority qualified facilities and to acquire real property interests at priority qualified facilities to ensure the completion and long-term effectiveness of environmental response actions.

Subd. 2. **Notifying owner or operator of priority qualified facility.** Within 30 days after the effective date of this section, or within 30 days after section 115B.39, subdivision 2, paragraph (m), applies to a facility, whichever is later, the commissioner must notify the owner or operator of a qualified facility that the facility is a priority qualified facility under section 115B.39, subdivision 2, paragraph (m). Within 60 days after being notified under this subdivision, the owner or operator of a priority qualified facility must enter into a binding agreement with the commissioner according to section 115B.40, subdivision 4, paragraph (b).

Subd. 3. **State response.** If the owner or operator of a priority qualified facility fails to enter into a binding agreement according to subdivision 2:

(1) the commissioner must assume all obligations for environmental response actions under the federal Superfund Act and any federal or state cleanup orders and undertake further action under section 115B.40, subdivision 1, at or related to the priority qualified facility that the commissioner deems reasonable and necessary;

(2) the commissioner must not seek recovery against responsible persons who are not the owner or operator of a priority qualified facility of any costs incurred by the commissioner for environmental response action at or related to the facility, except as provided under section 115B.40, subdivision 7, paragraph (b), clause (2), item (i) or (ii); and

(3) the commissioner and the attorney general must communicate with the United States Environmental Protection Agency regarding the manner and procedure for the state's assumption of federal obligations at the priority qualified facility.

Subd. 4. **Civil penalty.** An owner or operator of a priority qualified facility is subject to a civil penalty in an amount to be determined by the court of not more than \$20,000 per day for each day that the owner or operator fails to comply with subdivision 2. The penalty ceases to accrue when the owner or operator enters into a binding agreement with the commissioner according to section 115B.40, subdivision 4, paragraph (b), and a payment agreement for environmental response costs incurred by the commissioner at or related to the priority qualified facility. The civil penalty may be recovered by an action brought by the attorney general in the name of the state in connection with an action to recover expenses of the agency under subdivision 7 or by a separate action in the District Court of Ramsey County. All penalties recovered under this subdivision must be deposited in the remediation fund.

Subd. 5. **Disqualification; permits.** If an owner or operator of a priority qualified facility that is not a local government unit fails to comply with subdivision 2, the owner or operator is ineligible to obtain or renew a state or local permit or license to engage in a business that manages solid waste. Failure of an owner or operator of a priority qualified facility that is not a local government unit to comply with subdivision 2 is prima facie evidence of the lack of fitness of the owner or operator to conduct any solid waste business and is grounds for revocation of any solid waste permit or license held by the owner or operator.

Subd. 6. **Duty to provide information.** Any person that the commissioner determines has information regarding the priority qualified facility or the owner or operator of the priority qualified facility must furnish to the commissioner any information that person may have or may reasonably obtain that is relevant to the priority qualified facility or the owner or operator of the priority qualified facility. The commissioner upon presentation of credentials may examine and copy any books, papers, records, memoranda, or data of a person that has a duty to provide information to the commissioner and may enter upon any property, public or private, to take any action authorized by this section, including obtaining information from a person that has a duty to provide the information.

Subd. 7. **Recovering expenses.** Any reasonable and necessary expenses incurred by the commissioner pursuant to this section, including all environmental response costs and administrative and legal expenses, may be recovered in a civil action brought by the attorney general against the owner or operator of a priority qualified facility. The commissioner's certification of expenses is prima facie evidence that the expenses are reasonable and necessary. Any expenses incurred pursuant to this section that are recovered by the attorney general, including any award of attorney fees, must be deposited in the remediation fund.

Subd. 8. **Claims prohibited.** The owner or operator of a priority qualified facility is barred from bringing any claim based on contract, tort, or statute or using any remedy available under any other provision of state law, including common law, for personal injury, disease, economic loss, environmental response costs incurred by the

owner or operator, environmental response costs incurred by the state, or legal and administrative expenses arising out of a release or threat of release of any hazardous substance, pollutant, contaminant, or decomposition gases related to the priority qualified facility.

Subd. 9. **Environmental response costs; liens.** All environmental response costs, including administrative and legal expenses, incurred by the commissioner at a priority qualified facility constitute a lien in favor of the state upon any real property located in the state, other than homestead property, owned by the owner or operator of the priority qualified facility who is subject to the requirements of section 115B.40, subdivision 4 or 5. A lien under this subdivision attaches when the environmental response costs are first incurred. Notwithstanding section 514.672, a lien under this subdivision continues until the lien is satisfied or six years after completion of construction of the final environmental response action, not including operation and maintenance. Notice, filing, and release of the lien are governed by sections 514.671 to 514.676, except where those requirements specifically are related to only cleanup action expenses as defined in section 514.671. Relative priority of a lien under this subdivision is governed by section 514.672, except that a lien attached to property that was included in any permit for the priority qualified facility takes precedence over all other liens regardless of when the other liens were or are perfected. Amounts received to satisfy all or a part of a lien must be deposited in the remediation fund.

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

Sec. 127. **[115B.407] ACQUISITION AND DISPOSITION OF REAL PROPERTY AT PRIORITY QUALIFIED FACILITIES.**

(a) The commissioner may acquire interests in real property by donation or eminent domain at all or a portion of a priority qualified facility. Condemnation under this section includes acquisition of fee title or an easement. After acquiring an interest in real property under this section, the commissioner must take environmental response actions at the priority qualified facility according to sections 115B.39 to 115B.414 after the legislature makes an appropriation for that purpose.

(b) The commissioner may dispose of real property acquired under this section according to section 115B.17, subdivision 16.

(c) Chapter 117 governs condemnation proceedings by the commissioner under this section. The exceptions under section 117.189 apply to the use of eminent domain authority under this section.

(d) The state is not liable under this chapter solely as a result of acquiring an interest in real property under this section.

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

Sec. 128. **[115B.408] DEPOSIT OF PROCEEDS.**

All amounts paid to the state under sections 115B.406 and 115B.407 must be deposited in the state treasury and credited to the remediation fund.

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

Sec. 129. Minnesota Statutes 2016, section 115C.021, subdivision 1, is amended to read:

Subdivision 1. **General rule.** Except as provided in subdivisions 2 to ~~4~~ 5, a person is responsible for a release from a tank if the person is an owner or operator of the tank at any time during or after the release.

Sec. 130. Minnesota Statutes 2016, section 115C.021, is amended by adding a subdivision to read:

Subd. 5. **Heating fuel oil vendor.** A heating fuel oil vendor is not a responsible person for a heating fuel oil release at a residential location if the release was caused solely by the failure of a tank owned by the homeowner.

Sec. 131. Minnesota Statutes 2016, section 116.03, subdivision 2b, is amended to read:

Subd. 2b. **Permitting efficiency.** (a) It is the goal of the state that environmental and resource management permits be issued or denied within 90 days for Tier 1 permits or 150 days for Tier 2 permits following submission of a permit application. The commissioner of the Pollution Control Agency shall establish management systems designed to achieve the goal. For the purposes of this section, "Tier 1 permits" are permits that do not require individualized actions or public comment periods, and "Tier 2 permits" are permits that require individualized actions or public comment periods.

(b) The commissioner shall prepare an annual permitting efficiency report that includes statistics on meeting the goal in paragraph (a) and the criteria for ~~Tier 1 and~~ Tier 2 by permit categories. The report is due August 1 each year. For permit applications that have not met the goal, the report must state the reasons for not meeting the goal. In stating the reasons for not meeting the goal, the commissioner shall separately identify delays caused by the responsiveness of the proposer, lack of staff, scientific or technical disagreements, or the level of public engagement. The report must specify the number of days from initial submission of the application to the day of determination that the application is complete. The report must aggregate the data for the year and assess whether program or system changes are necessary to achieve the goal. The report must be posted on the agency's Web site and submitted to the governor and the chairs and ranking minority members of the house of representatives and senate committees having jurisdiction over environment policy and finance.

(c) The commissioner shall allow electronic submission of environmental review and permit documents to the agency.

(d) ~~Beginning July 1, 2011,~~ Within 30 business days of application for a permit subject to paragraph (a), the commissioner of the Pollution Control Agency shall notify the ~~project proposer~~ permit applicant, in writing, whether the application is complete or incomplete. If the commissioner determines that an application is incomplete, the notice to the applicant must enumerate all deficiencies, citing specific provisions of the applicable rules and statutes, and advise the applicant on how the deficiencies can be remedied. If the commissioner determines that the application is complete, the notice must confirm the application's Tier 1 or Tier 2 permit status. If the commissioner believes that a complete application for a Tier 2 construction permit cannot be issued within the 150-day goal, the commissioner must provide notice to the applicant with the commissioner's notice that the application is complete and, upon request of the applicant, provide the permit applicant with a schedule estimating when the agency will begin drafting the permit and issue the public notice of the draft permit. This paragraph does not apply to an application for a permit that is subject to a grant or loan agreement under chapter 446A.

(e) For purposes of this subdivision, "permit professional" means an individual not employed by the Pollution Control Agency who:

- (1) has a professional license issued by the state of Minnesota in the subject area of the permit;
- (2) has at least ten years of experience in the subject area of the permit; and
- (3) abides by the duty of candor applicable to employees of the Pollution Control Agency under agency rules and complies with all applicable requirements under chapter 326.

(f) Upon the agency's request, an applicant relying on a permit professional must participate in a meeting with the agency before submitting an application:

(1) at least two weeks prior to the preapplication meeting, the applicant must submit at least the following:

(i) project description, including, but not limited to, scope of work, primary emissions points, discharge outfalls, and water intake points;

(ii) location of the project, including county, municipality, and location on the site;

(iii) business schedule for project completion; and

(iv) other information requested by the agency at least four weeks prior to the scheduled meeting; and

(2) during the preapplication meeting, the agency shall provide for the applicant at least the following:

(i) an overview of the permit review program;

(ii) a determination of which specific application or applications will be necessary to complete the project;

(iii) a statement notifying the applicant if the specific permit being sought requires a mandatory public hearing or comment period;

(iv) a review of the timetable established in the permit review program for the specific permit being sought; and

(v) a determination of what information must be included in the application, including a description of any required modeling or testing.

(g) The applicant may select a permit professional to undertake the preparation of the permit application and draft permit.

(h) If a preapplication meeting was held, the agency shall, within seven business days of receipt of an application, notify the applicant and submitting permit professional that the application is complete or is denied, specifying the deficiencies of the application.

(i) Upon receipt of notice that the application is complete, the permit professional shall submit to the agency a timetable for submitting a draft permit. The permit professional shall submit a draft permit on or before the date provided in the timetable. Within 60 days after the close of the public comment period, the commissioner shall notify the applicant whether the permit can be issued.

(j) Nothing in this section shall be construed to modify:

(1) any requirement of law that is necessary to retain federal delegation to or assumption by the state; or

(2) the authority to implement a federal law or program.

(k) The permit application and draft permit shall identify or include as an appendix all studies and other sources of information used to substantiate the analysis contained in the permit application and draft permit. The commissioner shall request additional studies, if needed, and the ~~project proposer~~ permit applicant shall submit all additional studies and information necessary for the commissioner to perform the commissioner's responsibility to review, modify, and determine the completeness of the application and approve the draft permit.

Sec. 132. Minnesota Statutes 2016, section 116.03, is amended by adding a subdivision to read:

Subd. 7. Draft permits; public notice. When public notice of a draft individual Tier 2 permit is required, the commissioner must provide to the applicant a draft permit for review by the applicant within 30 days after determining the proposal conforms to all federal and state laws and rules, unless the permit applicant and the commissioner mutually agree to a different date. The commissioner must consider all comments submitted by the applicant before issuing the permit.

Sec. 133. Minnesota Statutes 2016, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. Permit fees. (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of developing, reviewing, and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The fee schedule must reflect reasonable and routine direct and indirect costs associated with permitting, implementation, and enforcement. The agency may impose an additional enforcement fee to be collected for a period of up to two years to cover the reasonable costs of implementing and enforcing the conditions of a permit under the rules of the agency. Any money collected under this paragraph shall be deposited in the environmental fund.

(b) Notwithstanding paragraph (a), the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to a notification, permit, or license requirement under this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or rules adopted thereunder. The annual fee shall be used to pay for all direct and indirect reasonable costs, including legal costs, required to develop and administer the notification, permit, or license program requirements of this chapter, subchapters I and V of the federal Clean Air Act, United States Code, title 42, section 7401 et seq., or rules adopted thereunder. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; and providing information to the public about these activities.

(c) The agency shall set fees that:

(1) will result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); and each pollutant, except carbon monoxide, for which a national primary ambient air quality standard has been promulgated;

(2) may result in the collection, in the aggregate, from the sources listed in paragraph (b), of an amount not less than \$25 per ton of each pollutant not listed in clause (1) that is regulated under this chapter or air quality rules adopted under this chapter; and

(3) shall collect, in the aggregate, from the sources listed in paragraph (b), the amount needed to match grant funds received by the state under United States Code, title 42, section 7405 (section 105 of the federal Clean Air Act).

The agency must not include in the calculation of the aggregate amount to be collected under clauses (1) and (2) any amount in excess of 4,000 tons per year of each air pollutant from a source. The increase in air permit fees to match federal grant funds shall be a surcharge on existing fees. The commissioner may not collect the surcharge after the grant funds become unavailable. In addition, the commissioner shall use nonfee funds to the extent practical to match the grant funds so that the fee surcharge is minimized.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year. The revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(e) Any money collected under paragraphs (b) to (d) must be deposited in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) Permit applicants who wish to construct, reconstruct, or modify a ~~facility~~ project may offer to reimburse the agency for the costs of staff time or consultant services needed to expedite the preapplication process and permit development process through the final decision on the permit, including the analysis of environmental review documents. The reimbursement shall be in addition to permit application fees imposed by law. When the agency determines that it needs additional resources to develop the permit application in an expedited manner, and that expediting the development is consistent with permitting program priorities, the agency may accept the reimbursement. The commissioner must give the applicant an estimate of costs to be incurred by the commissioner. The estimate must include a brief description of the tasks to be performed, a schedule for completing the tasks, and the estimated cost for each task. The applicant and the commissioner must enter into a written agreement detailing the estimated costs for the expedited permit decision-making process to be incurred by the agency. The agreement must also identify staff anticipated to be assigned to the project. The commissioner must not issue a permit until the applicant has paid all fees in full. The commissioner must refund any unobligated balance of fees paid. Reimbursements accepted by the agency are appropriated to the agency for the purpose of developing the permit or analyzing environmental review documents. Reimbursement by a permit applicant shall precede and not be contingent upon issuance of a permit; shall not affect the agency's decision on whether to issue or deny a permit, what conditions are included in a permit, or the application of state and federal statutes and rules governing permit determinations; and shall not affect final decisions regarding environmental review.

(g) The fees under this subdivision are exempt from section 16A.1285.

Sec. 134. Minnesota Statutes 2016, section 116.0714, is amended to read:

116.0714 NEW OPEN AIR SWINE BASINS.

The commissioner of the Pollution Control Agency or a county board shall not approve any permits for the construction of new open air swine basins, except that existing facilities may use one basin of less than 1,000,000 gallons as part of a permitted waste treatment program for resolving pollution problems or to allow conversion of an existing basin of less than 1,000,000 gallons to a different animal type, provided all standards are met. This section expires June 30, ~~2017~~ 2022.

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

Sec. 135. Minnesota Statutes 2016, section 116C.03, subdivision 2, is amended to read:

Subd. 2. **Membership.** The members of the board are the commissioner of administration, the commissioner of commerce, the commissioner of the Pollution Control Agency, the commissioner of natural resources, the commissioner of agriculture, the commissioner of health, the commissioner of employment and economic development, the commissioner of transportation, and the chair of the Board of Water and Soil Resources, ~~and a representative of the governor's office designated by the governor.~~ The governor shall appoint ~~five~~ members from

the general public to the board, one from each congressional district, subject to the advice and consent of the senate. At least ~~two of the five~~ four public members must have knowledge of and be conversant in ~~water management issues in the state~~ environmental review or permitting. The governor must appoint the chair of the board. Notwithstanding the provisions of section 15.06, subdivision 6, members of the board may not delegate their powers and responsibilities as board members to any other person. Members appointed under this subdivision must not be registered lobbyists or legislators.

Sec. 136. Minnesota Statutes 2016, section 116C.04, subdivision 2, is amended to read:

Subd. 2. **Jurisdiction.** (a) The board shall determine which environmental problems of interdepartmental concern to state government shall be considered by the board. The board shall initiate interdepartmental investigations into those matters that it determines are in need of study. Topics for investigation may include but need not be limited to ~~future population and settlement patterns~~, air and water resources and quality, solid waste management, transportation and utility corridors, ~~economically productive open space~~, energy policy and need, ~~growth and development, and land use~~ and planning.

(b) The board shall review programs of state agencies that significantly affect the environment and coordinate those it determines are interdepartmental in nature, and insure agency compliance with state environmental policy.

(c) The board may review environmental rules and criteria for granting and denying permits by state agencies and may resolve conflicts involving state agencies with regard to programs, rules, permits and procedures significantly affecting the environment, provided that such resolution of conflicts is consistent with state environmental policy.

~~(d) State agencies shall submit to the board all proposed legislation of major significance relating to the environment and the board shall submit a report to the governor and the legislature with comments on such major environmental proposals of state agencies.~~

Sec. 137. Minnesota Statutes 2016, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. **When prepared.** (a) Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment, and sociological effects that cannot be avoided should the action be implemented. To ensure its use in the decision-making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

~~(b)~~ (b) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section. A mandatory environmental assessment worksheet ~~shall~~ is not be required for the expansion of an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b), or the conversion of an ethanol plant to a biobutanol facility or the expansion of a biobutanol facility as defined in section 41A.15, subdivision 2d, based on the capacity of the expanded or converted facility to produce alcohol fuel, but must be required if the ethanol plant or biobutanol facility meets or exceeds thresholds of other categories of actions for which environmental assessment worksheets must be prepared. The responsible governmental unit for an ethanol plant or biobutanol facility project for which an environmental assessment worksheet is prepared ~~shall be~~ is the state agency with the greatest responsibility for supervising or approving the project as a whole.

(c) A mandatory environmental impact statement ~~shall is not be~~ required for a facility or plant located outside the seven-county metropolitan area that produces less than 125,000,000 gallons of ethanol, biobutanol, or cellulosic biofuel annually, or produces less than 400,000 tons of chemicals annually, if the facility or plant is: an ethanol plant, as defined in section 41A.09, subdivision 2a, paragraph (b); a biobutanol facility, as defined in section 41A.15, subdivision 2d; or a cellulosic biofuel facility. A facility or plant that only uses a cellulosic feedstock to produce chemical products for use by another facility as a feedstock ~~shall is not be~~ considered a fuel conversion facility as used in rules adopted under this chapter.

~~(b)~~ (d) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet by publishing the notice in at least one newspaper of general circulation in the geographic area where the project is proposed, by posting the notice on a Web site that has been designated as the official publication site for publication of proceedings, public notices, and summaries of a political subdivision in which the project is proposed, or in any other manner determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30-day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15-day period by not more than 15 additional days upon the request of the responsible governmental unit.

~~(e)~~ (e) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 100 individuals who reside or own property in the state, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chair may extend the 15-day period by not more than 15 additional days upon request of the responsible governmental unit.

~~(d)~~ (f) Except in an environmentally sensitive location where Minnesota Rules, part 4410.4300, subpart 29, item B, applies, the proposed action is exempt from environmental review under this chapter and rules of the board, if:

(1) the proposed action is:

- (i) an animal feedlot facility with a capacity of less than 1,000 animal units; or
- (ii) an expansion of an existing animal feedlot facility with a total cumulative capacity of less than 1,000 animal units;

(2) the application for the animal feedlot facility includes a written commitment by the proposer to design, construct, and operate the facility in full compliance with Pollution Control Agency feedlot rules; and

(3) the county board holds a public meeting for citizen input at least ten business days ~~prior to~~ before the Pollution Control Agency or county issuing a feedlot permit for the animal feedlot facility unless another public meeting for citizen input has been held with regard to the feedlot facility to be permitted. The exemption in this paragraph is in addition to other exemptions provided under other law and rules of the board.

(e) (g) The board may, ~~prior to~~ before final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(f) (h) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, ~~which that~~, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content, and level of detail of the statement as well as the alternatives ~~which that~~ are appropriate for consideration in the statement. In addition, the permits ~~which that~~ will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(g) (i) The responsible governmental unit shall, to the extent practicable, avoid duplication and ensure coordination between state and federal environmental review and between environmental review and environmental permitting. Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement. When an environmental impact statement is prepared for a project requiring multiple permits for which two or more agencies' decision processes include either mandatory or discretionary hearings before a hearing officer ~~prior to~~ before the agencies' decision on the permit, the agencies may, notwithstanding any law or rule to the contrary, conduct the hearings in a single consolidated hearing process if requested by the proposer. All agencies having jurisdiction over a permit that is included in the consolidated hearing shall participate. The responsible governmental unit shall establish appropriate procedures for the consolidated hearing process, including procedures to ensure that the consolidated hearing process is consistent with the applicable requirements for each permit regarding the rights and duties of parties to the hearing, and shall utilize the earliest applicable hearing procedure to initiate the hearing. All agencies having jurisdiction over a permit identified in the draft environmental assessment worksheet scoping document must begin reviewing any permit application upon publication of the notice of preparation of the environmental impact statement.

(h) (j) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement. If an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

(i) (k) The proposer of a specific action may include in the information submitted to the responsible governmental unit a preliminary draft environmental impact statement under this section on that action for review, modification, and determination of completeness and adequacy by the responsible governmental unit. A preliminary draft environmental impact statement prepared by the project proposer and submitted to the responsible governmental unit shall identify or include as an appendix all studies and other sources of information used to substantiate the analysis contained in the preliminary draft environmental impact statement. The responsible governmental unit shall require additional studies, if needed, and obtain from the project proposer all additional studies and information necessary for the responsible governmental unit to perform its responsibility to review, modify, and determine the completeness and adequacy of the environmental impact statement.

Sec. 138. Minnesota Statutes 2016, section 116D.04, subdivision 5b, is amended to read:

Subd. 5b. **Review of environmental assessment worksheets and environmental impact statements.** By December 1, ~~2012~~ 2018, and every ~~five~~ three years thereafter, the Environmental Quality Board, Pollution Control Agency, Department of Natural Resources, and Department of Transportation, after consultation with political subdivisions, shall submit to the governor and the chairs of the house of representatives and senate committees having jurisdiction over environment and natural resources a list of mandatory environmental assessment worksheet and mandatory environmental impact statement categories for which the agency or a political subdivision is designated as the responsible government unit, and for each worksheet or statement category, a document including:

- (1) intended historical purposes of the category;
- (2) whether projects that fall within the category are also subject to local, state, or federal permits; and
- (3) an analysis of and recommendations for whether the mandatory category should be modified, eliminated, or unchanged based on its intended outcomes and relationship to existing permits or other federal, state, or local laws or ordinances.

Sec. 139. Minnesota Statutes 2016, section 116D.04, subdivision 10, is amended to read:

Subd. 10. **Review.** A person aggrieved by a final decision on the need for an environmental assessment worksheet, the need for an environmental impact statement, or the adequacy of an environmental impact statement is entitled to judicial review of the decision under sections 14.63 to 14.68. A petition for a writ of certiorari by an aggrieved person for judicial review under sections 14.63 to 14.68 must be filed with the Court of Appeals and served on the responsible governmental unit not more than 30 days after the ~~party receives the final decision and order of the~~ responsible governmental unit provides notice of the decision in the EQB Monitor. Proceedings for review under this section must be instituted by serving a petition for a writ of certiorari personally or by certified mail upon the responsible governmental unit and by promptly filing the proof of service in the Office of the Clerk of the Appellate Courts and the matter will proceed in the manner provided by the Rules of Civil Appellate Procedure. A copy of the petition must be provided to the attorney general at the time of service. Copies of the writ must be served, personally or by certified mail, upon the responsible governmental unit and the project proposer. The filing of the writ of certiorari does not stay the enforcement of any other governmental action, provided that the responsible governmental unit may stay enforcement or the Court of Appeals may order a stay upon terms it deems proper. A bond may be required under section 562.02 unless at the time of hearing on the application for the bond the petitioner-relator has shown that the claim is likely to succeed on the merits. The board may initiate judicial review of decisions referred to herein and the board or a project proposer may intervene as of right in any proceeding brought under this subdivision.

Sec. 140. Minnesota Statutes 2016, section 116D.045, subdivision 1, is amended to read:

Subdivision 1. **Assessment.** The board ~~shall~~ must by rule adopt procedures to:

- (1) assess the proposer of a specific action for the responsible governmental unit's reasonable costs of preparing, reviewing, and distributing the environmental impact statement. The costs ~~shall~~ must be determined by the responsible governmental unit ~~pursuant~~ according to the rules ~~promulgated~~ adopted by the board; and
- (2) authorize a responsible governmental unit to allow a proposer of a specific action to prepare a draft environmental impact statement according to section 116D.04, subdivision 2a, paragraph (i).

Sec. 141. Minnesota Statutes 2016, section 160.06, is amended to read:

160.06 TRAIL OR PORTAGE DEDICATION.

Any trail or portage between public or navigable bodies of water or from public or navigable water to a public highway in this state ~~which that~~ has been in continued and uninterrupted use by the general public for 15 years or more as a trail or portage for the purposes of travel, ~~shall be is~~ deemed to have been dedicated to the public as a trail or portage. This section ~~shall apply~~ applies only to forest trails on established ~~state water trails~~ canoe routes and the public ~~shall have~~ has the right to use the same for ~~the purposes of~~ travel to the same extent as public highways. The width of all trails and portages dedicated by user ~~shall be is~~ eight feet on each side of the centerline of the trail or portage.

Sec. 142. Minnesota Statutes 2016, section 168.1295, subdivision 1, is amended to read:

Subdivision 1. **General requirements and procedures.** (a) The commissioner shall issue state parks and trails plates to an applicant who:

- (1) is a registered owner of a passenger automobile, recreational vehicle, one ton pickup truck, or motorcycle;
 - (2) pays a fee of \$10 to cover the costs of handling and manufacturing the plates;
 - (3) pays the registration tax required under section 168.013;
 - (4) pays the fees required under this chapter;
 - (5) contributes a minimum of ~~\$50~~ \$60 annually to the state parks and trails donation account established in section 85.056; and
 - (6) complies with this chapter and rules governing registration of motor vehicles and licensing of drivers.
- (b) The state parks and trails plate application must indicate that the contribution specified under paragraph (a), clause (5), is a minimum contribution to receive the plate and that the applicant may make an additional contribution to the account.
- (c) State parks and trails plates may be personalized according to section 168.12, subdivision 2a.

Sec. 143. Minnesota Statutes 2016, section 282.018, subdivision 1, is amended to read:

Subdivision 1. **Land on or adjacent to public waters.** (a) All land which is the property of the state as a result of forfeiture to the state for nonpayment of taxes, regardless of whether the land is held in trust for taxing districts, and which borders on or is adjacent to meandered lakes and other public waters and watercourses, and the live timber growing or being thereon, is hereby withdrawn from sale except as hereinafter provided. The authority having jurisdiction over the timber on any ~~such of these~~ lands may sell the timber as otherwise provided by law for cutting and removal under ~~such the~~ conditions as the authority may prescribe in accordance with approved, sustained yield forestry practices. The authority having jurisdiction over the timber shall reserve ~~such the~~ timber and impose ~~such the~~ conditions as the authority deems necessary for the protection of watersheds, wildlife habitat, shorelines, and scenic features. Within the area in Cook, Lake, and St. Louis counties described in the Act of Congress approved July 10, 1930 (46 Stat. 1020), the timber on tax-forfeited lands shall be subject to like restrictions as are now imposed by that act on federal lands.

(b) Of all tax-forfeited land bordering on or adjacent to meandered lakes and other public waters and watercourses and so withdrawn from sale, a strip two rods in width, the ordinary high-water mark being the waterside boundary thereof, and the land side boundary thereof being a line drawn parallel to the ordinary high-water mark and two rods distant landward therefrom, hereby is reserved for public travel thereon, and whatever the conformation of the shore line or conditions require, the authority having jurisdiction over ~~such~~ these lands shall reserve a wider strip for ~~such~~ these purposes.

(c) Any tract or parcel of land which has 150 feet or less of waterfront may be sold by the authority having jurisdiction over the land, in the manner otherwise provided by law for the sale of ~~such~~ the lands, if the authority determines that it is in the public interest to do so. Any tract or parcel of land within a plat of record bordering on or adjacent to meandered lakes and other public waters and watercourses may be sold by the authority having jurisdiction over the land, in the manner otherwise provided by law for the sale of the lands, if the authority determines that it is in the public interest to do so. If the authority having jurisdiction over the land is not the commissioner of natural resources, the land may not be offered for sale without the prior approval of the commissioner of natural resources.

(d) Where the authority having jurisdiction over lands withdrawn from sale under this section is not the commissioner of natural resources, the authority may submit proposals for disposition of the lands to the commissioner. The commissioner of natural resources shall evaluate the lands and their public benefits and make recommendations on the proposed dispositions to the committees of the legislature with jurisdiction over natural resources. The commissioner shall include any recommendations of the commissioner for disposition of lands withdrawn from sale under this section over which the commissioner has jurisdiction. The commissioner's recommendations may include a public sale, sale to a private party, acquisition by the Department of Natural Resources for public purposes, or a cooperative management agreement with, or transfer to, another unit of government.

Sec. 144. Minnesota Statutes 2016, section 282.04, subdivision 1, is amended to read:

Subdivision 1. **Timber sales; land leases and uses.** (a) The county auditor, with terms and conditions set by the county board, may sell timber upon any tract that may be approved by the natural resources commissioner. The sale of timber shall be made for cash at not less than the appraised value determined by the county board to the highest bidder after not less than one week's published notice in an official paper within the county. Any timber offered at the public sale and not sold may thereafter be sold at private sale by the county auditor at not less than the appraised value thereof, until the time as the county board may withdraw the timber from sale. The appraised value of the timber and the forestry practices to be followed in the cutting of said timber shall be approved by the commissioner of natural resources.

(b) Payment of the full sale price of all timber sold on tax-forfeited lands shall be made in cash at the time of the timber sale, except in the case of oral or sealed bid auction sales, the down payment shall be no less than 15 percent of the appraised value, and the balance shall be paid prior to entry. In the case of auction sales that are partitioned and sold as a single sale with predetermined cutting blocks, the down payment shall be no less than 15 percent of the appraised price of the entire timber sale which may be held until the satisfactory completion of the sale or applied in whole or in part to the final cutting block. The value of each separate block must be paid in full before any cutting may begin in that block. With the permission of the county contract administrator the purchaser may enter unpaid blocks and cut necessary timber incidental to developing logging roads as may be needed to log other blocks provided that no timber may be removed from an unpaid block until separately scaled and paid for. If payment is provided as specified in this paragraph as security under paragraph (a) and no cutting has taken place on the contract, the county auditor may credit the security provided, less any down payment required for an auction sale under this paragraph, to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited, provided the request and transfer is made within the same calendar year as the security was received.

(c) The county board may sell any timber, including biomass, as appraised or scaled. Any parcels of land from which timber is to be sold by scale of cut products shall be so designated in the published notice of sale under paragraph (a), in which case the notice shall contain a description of the parcels, a statement of the estimated quantity of each species of timber, and the appraised price of each species of timber for 1,000 feet, per cord or per piece, as the case may be. In those cases any bids offered over and above the appraised prices shall be by percentage, the percent bid to be added to the appraised price of each of the different species of timber advertised on the land. The purchaser of timber from the parcels shall pay in cash at the time of sale at the rate bid for all of the timber shown in the notice of sale as estimated to be standing on the land, and in addition shall pay at the same rate for any additional amounts which the final scale shows to have been cut or was available for cutting on the land at the time of sale under the terms of the sale. Where the final scale of cut products shows that less timber was cut or was available for cutting under terms of the sale than was originally paid for, the excess payment shall be refunded from the forfeited tax sale fund upon the claim of the purchaser, to be audited and allowed by the county board as in case of other claims against the county. No timber, except hardwood pulpwood, may be removed from the parcels of land or other designated landings until scaled by a person or persons designated by the county board and approved by the commissioner of natural resources. Landings other than the parcel of land from which timber is cut may be designated for scaling by the county board by written agreement with the purchaser of the timber. The county board may, by written agreement with the purchaser and with a consumer designated by the purchaser when the timber is sold by the county auditor, and with the approval of the commissioner of natural resources, accept the consumer's scale of cut products delivered at the consumer's landing. No timber shall be removed until fully paid for in cash. Small amounts of timber not exceeding ~~\$3,000~~ 500 cords in appraised ~~valuation~~ volume may be sold for not less than the full appraised value at private sale to individual persons without first publishing notice of sale or calling for bids, provided that in case of a sale involving a total appraised value of more than \$200 the sale shall be made subject to final settlement on the basis of a scale of cut products in the manner above provided and not more than two of the sales, directly or indirectly to any individual shall be in effect at one time.

(d) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations or organized subdivisions of the state at public or private sale, and at the prices and under the terms as the county board may prescribe, for use as cottage and camp sites and for agricultural purposes and for the purpose of taking and removing of hay, stumps, sand, gravel, clay, rock, marl, and black dirt from the land, and for garden sites and other temporary uses provided that no leases shall be for a period to exceed ten years; provided, further that any leases involving a consideration of more than \$12,000 per year, except to an organized subdivision of the state shall first be offered at public sale in the manner provided herein for sale of timber. Upon the sale of any leased land, it shall remain subject to the lease for not to exceed one year from the beginning of the term of the lease. Any rent paid by the lessee for the portion of the term cut off by the cancellation shall be refunded from the forfeited tax sale fund upon the claim of the lessee, to be audited and allowed by the county board as in case of other claims against the county.

(e) As directed by the county board, the county auditor may lease tax-forfeited land to individuals, corporations, or organized subdivisions of the state at public or private sale, at the prices and under the terms as the county board may prescribe, for the purpose of taking and removing for use for road construction and other purposes tax-forfeited stockpiled iron-bearing material. The county auditor must determine that the material is needed and suitable for use in the construction or maintenance of a road, tailings basin, settling basin, dike, dam, bank fill, or other works on public or private property, and that the use would be in the best interests of the public. No lease shall exceed ten years. The use of a stockpile for these purposes must first be approved by the commissioner of natural resources. The request shall be deemed approved unless the requesting county is notified to the contrary by the commissioner of natural resources within six months after receipt of a request for approval for use of a stockpile. Once use of a stockpile has been approved, the county may continue to lease it for these purposes until approval is withdrawn by the commissioner of natural resources.

(f) The county auditor, with the approval of the county board is authorized to grant permits, licenses, and leases to tax-forfeited lands for the depositing of stripping, lean ores, tailings, or waste products from mines or ore milling plants, or to use for facilities needed to recover iron-bearing oxides from tailings basins or stockpiles, or for a buffer area needed for a mining operation, upon the conditions and for the consideration and for the period of time, not exceeding 25 years, as the county board may determine. The permits, licenses, or leases are subject to approval by the commissioner of natural resources.

(g) Any person who removes any timber from tax-forfeited land before said timber has been scaled and fully paid for as provided in this subdivision is guilty of a misdemeanor.

(h) The county auditor may, with the approval of the county board, and without first offering at public sale, grant leases, for a term not exceeding 25 years, for the removal of peat and for the production or removal of farm-grown closed-loop biomass as defined in section 216B.2424, subdivision 1, or short-rotation woody crops from tax-forfeited lands upon the terms and conditions as the county board may prescribe. Any lease for the removal of peat, farm-grown closed-loop biomass, or short-rotation woody crops from tax-forfeited lands must first be reviewed and approved by the commissioner of natural resources if the lease covers 320 or more acres. No lease for the removal of peat, farm-grown closed-loop biomass, or short-rotation woody crops shall be made by the county auditor pursuant to this section without first holding a public hearing on the auditor's intention to lease. One printed notice in a legal newspaper in the county at least ten days before the hearing, and posted notice in the courthouse at least 20 days before the hearing shall be given of the hearing.

(i) Notwithstanding any provision of paragraph (c) to the contrary, the St. Louis County auditor may, at the discretion of the county board, sell timber to the party who bids the highest price for all the several kinds of timber, as provided for sales by the commissioner of natural resources under section 90.14. Bids offered over and above the appraised price need not be applied proportionately to the appraised price of each of the different species of timber.

(j) In lieu of any payment or deposit required in paragraph (b), as directed by the county board and under terms set by the county board, the county auditor may accept an irrevocable bank letter of credit in the amount equal to the amount otherwise determined in paragraph (b). If an irrevocable bank letter of credit is provided under this paragraph, at the written request of the purchaser, the county may periodically allow the bank letter of credit to be reduced by an amount proportionate to the value of timber that has been harvested and for which the county has received payment. The remaining amount of the bank letter of credit after a reduction under this paragraph must not be less than 20 percent of the value of the timber purchased. If an irrevocable bank letter of credit or cash deposit is provided for the down payment required in paragraph (b), and no cutting of timber has taken place on the contract for which a letter of credit has been provided, the county may allow the transfer of the letter of credit to any other contract issued to the contract holder by the county under this chapter to which the contract holder requests in writing that it be credited.

Sec. 145. Minnesota Statutes 2016, section 296A.18, subdivision 6a, is amended to read:

Subd. 6a. **Computation of nonhighway use amounts.** The nonhighway use amounts determined in subdivisions 2 to 6 must be transferred from the highway user tax distribution fund to the accounts as provided for in sections 84.794, 84.803, 84.83, 84.927, and 86B.706. These amounts, together with interest and penalties for delinquency in payment, paid or collected pursuant to the provisions of this chapter, must be computed for each six-month period ending June 30 and December 31 and must be transferred on November 1 and ~~June~~ April 1 following each six-month period.

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

Sec. 146. **[477A.21] RIPARIAN PROTECTION AID.**

Subdivision 1. Definitions. For purposes of this section, the following terms have the meanings given:

(1) "buffer protection map" has the meaning given under section 103F.48, subdivision 1; and

(2) "public watercourses" means public waters and public drainage systems subject to riparian protection requirements under section 103F.48.

Subd. 2. Certifications to commissioner. (a) The Board of Water and Soil Resources must certify to the commissioner of revenue, on or before July 1 each year, which counties and watershed districts have affirmed their jurisdiction under section 103F.48 and the proportion of centerline miles of public watercourses, and miles of public drainage system ditches on the buffer protection map, within each county and each watershed district within the county with affirmed jurisdiction.

(b) On or before July 1 each year, the commissioner of natural resources shall certify to the commissioner of revenue the statewide and countywide number of centerline miles of public watercourses and miles of public drainage system ditches on the buffer protection map.

Subd. 3. Distribution. (a) A county that is certified under subdivision 2, or that portion of a county containing a watershed district certified under subdivision 2, is eligible to receive aid under this section to enforce and implement the riparian protection and water quality practices under section 103F.48. Each county's preliminary aid amount is equal to the proportion calculated under paragraph (b) multiplied by the appropriation received each year by the commissioner for purposes of payments under this section.

(b) The commissioner must compute each county's proportion. A county's proportion is equal to the ratio of the sum in clause (1) to the sum in clause (2):

(1) the sum of the total number of acres in the county classified as class 2a under section 273.13, subdivision 23, the countywide number of centerline miles of public watercourses on the buffer protection map, and the countywide number of miles of public drainage system ditches on the buffer protection map; and

(2) the sum of the statewide total number of acres classified as class 2a under section 273.13, subdivision 23, the statewide total number of centerline miles of public watercourses on the buffer protection map, and the statewide total number of public drainage system miles on the buffer protection map.

(c) Aid to a county must not be greater than \$200,000 or less than \$50,000. If the sum of the preliminary aids payable to counties under paragraph (a) is greater or less than the appropriation received by the commissioner, the commissioner of revenue must calculate the percentage of adjustment necessary so that the total of the aid under paragraph (a) equals the total amount received by the commissioner, subject to the minimum and maximum amounts specified in this paragraph. The minimum and maximum amounts under this paragraph must be adjusted by the ratio of the actual amount appropriated to \$10,000,000.

(d) If only a portion of a county is certified as eligible to receive aid under subdivision 2, the aid otherwise payable to that county under this section must be multiplied by a fraction, the numerator of which is the buffer protection map miles of the certified watershed districts contained within the county and the denominator of which is the total buffer protection map miles of the county.

(e) Any aid that would otherwise be paid to a county or portion of a county that is not certified under subdivision 2 shall be paid to the Board of Water and Soil Resources for enforcing and implementing the riparian protection and water quality practices under section 103F.48.

Subd. 4. **Payments.** The commissioner of revenue must compute the amount of riparian protection aid payable to each eligible county and to the Board of Water and Soil Resources under this section. On or before August 1 each year, the commissioner must certify the amount to be paid to each county and the Board of Water and Soil Resources in the following year, except that the payments for 2017 must be certified by July 15, 2017. The commissioner must pay riparian protection aid to counties and to the Board of Water and Soil Resources in the same manner and at the same time as aid payments under section 477A.015.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to aids payable in 2017 and thereafter.

Sec. 147. Laws 2000, chapter 486, section 4, as amended by Laws 2001, chapter 182, section 2, is amended to read:

Sec. 4. **[BOATHOUSE LEASES; SOUDAN UNDERGROUND MINE STATE PARK.]**

(a) In 1965, United States Steel Corporation conveyed land to the state of Minnesota that was included in the Soudan underground mine state park, with certain lands at Stuntz Bay subject to leases outstanding for employee boathouse sites.

(b) Notwithstanding Minnesota Statutes, sections 85.011, 85.012, subdivision 1, and 86A.05, subdivision 2, upon the expiration of a boathouse lease described under paragraph (a), the commissioner of natural resources shall offer a new lease to the party in possession at the time of lease expiration, or, if there has been a miscellaneous lease issued by the Department of Natural Resources due to expiration of a lease described under paragraph (a), upon its expiration to the lessee. The new lease shall be issued under the terms and conditions of Minnesota Statutes, section 92.50, ~~with the following limitations except as follows:~~

(1) the term of the lease shall be for the lifetime of the party being issued a renewed lease and, if transferred, for the lifetime of the party to whom the lease is transferred;

(2) the new lease shall provide that the lease may be transferred only once and the transfer must be to a person within the third degree of kindred or first cousin according to civil law; ~~and~~

(3) the commissioner shall limit the number of lessees per lease to no more than two persons who have attained legal age; ~~and~~

(4) the lease amount must not exceed 50 percent of the average market rate, based on comparable private lease rates, as determined once every five years per lease.

At the time of the new lease, the commissioner may offer, and after agreement with the leaseholder, lease equivalent alternative sites to the leaseholder.

(c) The commissioner shall not cancel a boathouse lease described under paragraphs (a) and (b) except for noncompliance with the lease agreement.

~~(d) By January 15, 2001, the commissioner of natural resources shall report to the senate and house environment and natural resources policy and finance committees on boathouse leases in state parks. The report shall include information on:~~

~~(1) the number of boathouse leases;~~

~~(2) the number of leases that have forfeited;~~

~~(3) the expiration dates of the leases;~~

~~(4) the historical significance of the boathouses;~~

~~(5) recommendations on the inclusion of the land described in paragraph (d) within the park boundary; and~~

~~(6) any other relevant information on the leases.~~

(d) The commissioner must issue a written receipt to the lessee for each lease payment.

(e) The commissioner of natural resources shall contact U.S. X. Corporation and local units of government regarding the inclusion of the following lands within Soudan underground mine state park:

(1) all lands located South of Vermillion Lake shoreline in Section 13, Township 62 North, Range 15 West;

(2) all lands located South of Vermillion Lake shoreline in the S1/2-SE1/4 of Section 14, Township 62 North, Range 15 West;

(3) NE1/4-SE1/4 and E1/2-NE1/4 of Section 22, Township 62 North, Range 15 West;

(4) all lands located South of Vermillion Lake shoreline in Section 23, Township 62 North, Range 15 West;

(5) all of Section 24, Township 62 North, Range 15 West;

(6) all lands North of trunk highway No. 169 located in Section 25, Township 62 North, Range 15 West;

(7) all lands North of trunk highway No. 169 located in Section 26, Township 62 North, Range 15 West;

(8) NE1/4-SE1/4 and SE1/4-NE1/4 of Section 27, Township 62 North, Range 15 West; and

(9) NW1/4 of Section 19, Township 62 North, Range 14 West.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to monthly lease payments made on or after that date.

Sec. 148. Laws 2013, chapter 114, article 4, section 105, is amended to read:

Sec. 105. **RULES; SILICA SAND.**

(a) The commissioner of the Pollution Control Agency ~~shall~~ may adopt rules pertaining to the control of particulate emissions from silica sand projects. The rulemaking is exempt from Minnesota Statutes, section 14.125.

(b) The commissioner of natural resources shall adopt rules pertaining to the reclamation of silica sand mines. The rulemaking is exempt from Minnesota Statutes, section 14.125.

(c) By January 1, 2014, the Department of Health shall adopt an air quality health-based value for silica sand.

(d) The Environmental Quality Board ~~shall~~ may amend its rules for environmental review, adopted under Minnesota Statutes, chapter 116D, for silica sand mining and processing to take into account the increased activity in the state and concerns over the size of specific operations. The Environmental Quality Board shall consider whether the requirements of Minnesota Statutes, section 116C.991, should remain part of the environmental review requirements for silica sand and whether the requirements should be different for different geographic areas of the state. The rulemaking is exempt from Minnesota Statutes, section 14.125.

Sec. 149. Laws 2015, First Special Session chapter 4, article 4, section 136, is amended to read:

Sec. 136. **WILD RICE WATER QUALITY STANDARDS.**

(a) Until the commissioner of the Pollution Control Agency amends rules refining the wild rice water quality standard in Minnesota Rules, part 7050.0224, subpart 2, to consider all independent research and publicly funded research and to include criteria for identifying waters and a list of waters subject to the standard, implementation of the wild rice water quality standard in Minnesota Rules, part 7050.0224, subpart 2, shall be limited to the following, unless the permittee requests additional conditions:

(1) when issuing, modifying, or renewing national pollutant discharge elimination system (NPDES) or state disposal system (SDS) permits, the agency shall endeavor to protect wild rice, and in doing so shall be limited by the following conditions:

(i) the agency shall not require permittees to expend money for design or implementation of sulfate treatment technologies or other forms of sulfate mitigation; and

(ii) the agency may require sulfate minimization plans in permits; and

(2) the agency shall not list waters containing natural beds of wild rice as impaired for sulfate under section 303(d) of the federal Clean Water Act, United States Code, title 33, section 1313, until the rulemaking described in this paragraph takes effect.

(b) Upon the rule described in paragraph (a) taking effect, the agency may reopen permits issued or reissued after the effective date of this section as needed to include numeric permit limits based on the wild rice water quality standard.

(c) The commissioner shall complete the rulemaking described in paragraph (a) by January 15, ~~2018~~ 2019.

Sec. 150. Laws 2015, First Special Session chapter 4, article 4, section 146, is amended to read:

Sec. 146. **INITIAL IMPLEMENTATION; WAIVERS.**

A soil and water conservation district must grant a conditional compliance waiver under Minnesota Statutes, section 103F.48, to landowners or authorized agents who have applied for and maintained eligibility for financial or technical assistance within one year of the dates listed in Minnesota Statutes, section 103F.48, subdivision 3, paragraph (e), according to Minnesota Statutes, section 103F.48. A conditional compliance waiver also must be granted to landowners who are subject to a drainage proceeding commenced under Minnesota Statutes, sections 103E.011, subdivision 5; 103E.021, subdivision 6; and 103E.715. The conditional compliance waiver is valid until financial or technical assistance is available for buffer or alternative practices installation, but not later than November 1, 2018. A landowner or authorized agent that has filed a parcel-specific riparian protection compliance plan with the soil and water conservation district by November 1, 2017, shall be granted a conditional compliance waiver until July 1, 2018.

Sec. 151. Laws 2016, chapter 189, article 3, section 26, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective May 1, ~~2017~~ 2018.

EFFECTIVE DATE. This section is effective retroactively from April 30, 2017.

Sec. 152. Laws 2016, chapter 189, article 3, section 46, is amended to read:

Sec. 46. **PREScribed BURN REQUIREMENTS; REPORT.**

The commissioner of natural resources, in cooperation with prescribed burning professionals, nongovernmental organizations, and local and federal governments, must develop criteria for certifying an entity to conduct a prescribed burn under ~~a general~~ an open burning permit. The certification requirements must include training, equipment, and experience requirements and include an apprentice program to allow entities without experience to become certified. The commissioner must establish provisions for decertifying entities. The commissioner must not require additional certification or requirements for burns conducted as part of normal agricultural practices not currently subject to prescribed burn specifications. The commissioner must submit a report with recommendations and any legislative changes needed to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources by January 15, 2017.

Sec. 153. **DEMOLITION DEBRIS LANDFILL PERMITTING.**

A solid waste permit issued by the Pollution Control Agency to an existing class I demolition debris landfill facility that is operating under the Pollution Control Agency Demolition Landfill Guidance, issued August 2005, is extended pursuant to Minnesota Rules, part 7001.0160, for a period of five years, unless a new permit is issued for the facility by the Pollution Control Agency after the effective date of this section.

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

Sec. 154. **ENVIRONMENTAL QUALITY BOARD MEMBERSHIP TRANSITION.**

(a) Until the governor has appointed members of the Environmental Quality Board from each congressional district as required under this act, this section governs membership of the board.

(b) The citizen members of the board as of July 1, 2017, shall continue to serve until the expiration of their terms.

(c) No later than October 1, 2017, the governor shall appoint board members from the First, Second, Seventh, and Eighth Congressional Districts for terms to begin January 2, 2018.

(d) No later than October 1, 2018, the governor shall appoint a board member from the Third Congressional District for a term to begin January 8, 2019.

(e) No later than October 1, 2019, the governor shall appoint a board member from the Fourth Congressional District for a term to begin January 7, 2020.

(f) No later than October 1, 2020, the governor shall appoint a board member from the Fifth Congressional District for a term to begin January 5, 2021.

(g) No later than October 1, 2021, the governor shall appoint a commissioner from the Sixth Congressional District for a term to begin January 4, 2022.

Sec. 155. **SAND DUNES STATE FOREST MANAGEMENT.**

Subdivision 1. **Forest management.** When managing the Sand Dunes State Forest, the commissioner of natural resources must:

(1) not convert additional land to oak savanna or convert oak savanna to nonforest land unless it is done as a result of a contract entered into before the effective date of this section;

(2) require all prairie seeds planted to be from native species of a local ecotype to Sherburne or Benton County; and

(3) comply with the Minnesota Forest Resources Council's guidelines for aesthetics in residential areas.

Subd. 2. Prescribed burns; notification. At least 40 days before conducting a prescribed burn, the commissioner must:

(1) publish a notice in a newspaper of general circulation in the area;

(2) notify the county and township in writing; and

(3) notify residents within a quarter mile of the prescribed burn in writing.

Subd. 3. School trust lands. Nothing in this section restricts the ability of the commissioner or the school trust lands director from managing school trust lands within the Sand Dunes State Forest for long-term economic return.

Subd. 4. Township road. If the commissioner of natural resources finds that any portion of 233rd Avenue within the Sand Dunes State Forest is not owned by the township, the commissioner must convey an easement over and across state-owned lands administered by the commissioner to the township under Minnesota Statutes, section 84.63, for the width of 233rd Avenue.

Subd. 5. Sunset. This section expires two years from the day following final enactment.

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

Sec. 156. HILL-ANNEX MINE STATE PARK MANAGEMENT AND OPERATION PLAN.

(a) The commissioner of natural resources must work with the commissioner of the Iron Range Resources and Rehabilitation Board and representatives from the city of Calumet, Itasca County, and the Western Mesabi Mine Planning Board to create an alternate operating model for local management and operation of Hill-Annex Mine State Park until mining resumes on the property. The commissioner of natural resources must submit a management and operation plan to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources by January 15, 2018.

(b) In fiscal year 2018 and fiscal year 2019, the level of service and hours of operation at Hill-Annex Mine State Park must be maintained at fiscal year 2016 levels.

Sec. 157. BASE BUDGET REPORT.

(a) The commissioners of natural resources and the Pollution Control Agency must each submit a report that contains the details of their base budgets, by fiscal year, including:

(1) appropriation riders for the previous biennium and the year the rider was first used;

(2) anticipated appropriation riders for the fiscal years 2020-2021 biennium;

(3) statutory appropriations; and

(4) an explanation on the use of funds for each appropriation not covered by a rider.

(b) The reports must be submitted to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over environment and natural resources by October 15, 2018.

Sec. 158. **RULEMAKING; MINNOW LICENSES.**

The commissioner of natural resources shall amend Minnesota Rules, part 6254.0100, subpart 2, to conform with Minnesota Statutes, section 97C.501, subdivision 1. The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388.

Sec. 159. **CANCELLATION OF PERMITS.**

Water-use permits issued before July 1, 2017, for water use exempted under Minnesota Statutes, section 103G.271, subdivision 1, paragraph (b), clause (3), are canceled effective July 1, 2017.

Sec. 160. **RULEMAKING; EFFLUENT LIMITATION COMPLIANCE.**

(a) The commissioner of the Pollution Control Agency shall amend Minnesota Rules, part 7001.0150, subpart 2, item A, by inserting the following:

"For a municipality that constructs a publicly owned treatment works facility to comply with a new or modified effluent limitation, compliance with any new or modified effluent limitation adopted after construction begins that would require additional capital investment is required no sooner than 16 years after the date of initiation of operation of the facility."

(b) The commissioner may use the good cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply, except as provided under Minnesota Statutes, section 14.388.

Sec. 161. **DISPOSITION OF PROCEEDS; ST. LOUIS COUNTY ENVIRONMENTAL TRUST FUND.**

Notwithstanding Minnesota Statutes, chapter 282, and any other law relating to the disposition of proceeds from the sale of tax-forfeited land, the St. Louis County Board must deposit any money received from the sale of tax-forfeited land purchased by the Fond du Lac Band of Lake Superior Chippewa with money appropriated under Laws 2014, chapter 256, article 1, section 2, subdivision 3, paragraph (a), into an environmental trust fund established by the county. The principal from the sale of the land may not be expended. The county may spend interest earned on the principal only for purposes related to improving natural resources.

EFFECTIVE DATE; LOCAL APPROVAL. This section is effective the day after the St. Louis County Board and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

Sec. 162. **MINNOW IMPORTATION RISK REPORT.**

By January 15, 2018, the commissioner of natural resources must report to the chairs of the legislative committees with jurisdiction over natural resources regarding potential risks of importing golden shiner minnows into Minnesota. The commissioner of natural resources must coordinate with the University of Minnesota and may use a third party to produce the report. The report must:

(1) review the Arkansas bait certification program to determine specific risks and potential mitigation measures of allowing the importation of golden shiner minnows by a person that holds a Minnesota wholesale minnow dealers license issued under Minnesota Statutes, section 97C.501, subdivision 2; and

(2) include recommendations on testing protocols or procedures needed to protect Minnesota's waters from invasive species and fish disease introduction.

Sec. 163. **ACTION TO OBTAIN ACCESS PROHIBITED; CLEARWATER COUNTY.**

Before July 1, 2018, the commissioner of natural resources must not initiate a civil action to obtain access to Island Lake FMHA Wildlife Management Area in Clearwater County.

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

Sec. 164. **RULES LIMITING USE OF LEAD SHOT PROHIBITED.**

Until July 1, 2019, the commissioner of natural resources shall not adopt rules further restricting the use of lead shot.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to rules adopted on or after that date.

Sec. 165. **REVISOR'S INSTRUCTION.**

In Minnesota Statutes and Minnesota Rules, the revisor of statutes shall replace all references to Minnesota Statutes, section 115B.39, subdivision 2, paragraph (l), with Minnesota Statutes, section 115B.39, subdivision 2, paragraph (o), and shall make all other necessary changes to preserve the meaning of the text and to conform with the paragraph relettering in this act.

Sec. 166. **REPEALER.**

(a) Minnesota Statutes 2016, sections 84.026, subdivision 3; 97B.031, subdivision 5; 97C.701, subdivisions 1a and 6; 97C.705; 97C.711; 116C.03, subdivision 3a; and 116C.04, subdivision 3, are repealed.

(b) Minnesota Rules, parts 6258.0100; 6258.0200; 6258.0300; 6258.0400; 6258.0500; 6258.0600; 6258.0700, subparts 1, 4, and 5; 6258.0800; and 6258.0900, are repealed."

Delete the title and insert:

"A bill for an act relating to state government; appropriating money for environment, natural resources, and tourism purposes; modifying fees; providing for disposition of certain receipts; modifying grant, contract, and lease provisions; modifying state park permit requirements; modifying water safety provisions; modifying provisions to take, possess, and transport wildlife; modifying duties and authority; modifying Minnesota Naturalist Corps provisions; modifying prescribed burn provisions; modifying timber sales provisions; providing for certain hearings, appeals, and reviews; modifying buffer requirements; modifying landfill cleanup program; modifying tax-forfeited land provisions; providing for riparian protection aid; modifying the Water Law; modifying invasive species provisions; modifying off-highway vehicle provisions; modifying permit and license requirements; modifying Petroleum Tank Release Cleanup Act; extending ban on open air swine basins; modifying environmental review; modifying Environmental Quality Board; requiring reports; requiring rulemaking; amending Minnesota Statutes 2016, sections 84.01, by adding a subdivision; 84.027, subdivisions 14a, 14b; 84.788, subdivision 2; 84.793, subdivision 1; 84.8031; 84.82, subdivisions 2, 3; 84.8205, subdivision 1; 84.922, subdivision 5; 84.925, subdivision 1; 84.9256, subdivisions 1, 2; 84.9275, subdivision 1; 84.946, subdivision 2, by adding a subdivision; 84.992,

subdivisions 3, 4, 5, 6; 84D.03, subdivisions 3, 4; 84D.04, subdivision 1; 84D.05, subdivision 1; 84D.108, subdivision 2a, by adding subdivisions; 84D.11, by adding a subdivision; 85.052, subdivision 1; 85.053, subdivisions 8, 10; 85.054, by adding a subdivision; 85.055, subdivision 1; 85.22, subdivision 2a; 85.32, subdivision 1; 86B.301, subdivision 2; 86B.313, subdivision 1; 86B.701, subdivision 3; 88.01, subdivision 28; 88.523; 89.39; 90.01, subdivisions 8, 12, by adding a subdivision; 90.041, subdivision 2; 90.051; 90.101, subdivision 2; 90.14; 90.145, subdivision 2; 90.151, subdivision 1; 90.162; 90.252; 93.25, subdivision 2; 93.47, subdivision 4; 93.481, subdivision 2; 93.50; 94.343, subdivision 9; 94.344, subdivision 9; 97A.015, subdivisions 39, 43, 45, 52, 53, by adding a subdivision; 97A.045, subdivision 10; 97A.055, subdivision 2; 97A.075, subdivision 1; 97A.137, subdivision 5; 97A.201, subdivision 2, by adding a subdivision; 97A.225, subdivision 8; 97A.301, subdivision 1; 97A.338; 97A.420, subdivision 1; 97A.421, subdivision 2a; 97A.441, subdivision 1; 97A.473, subdivisions 2, 2a, 2b, 4, 5, 5a; 97A.474, subdivision 2; 97A.475, subdivisions 2, 3, 6, 7, 8, 45; 97B.031, subdivision 6; 97B.071; 97B.405; 97B.431; 97B.516; 97B.655, subdivision 1; 97C.081, subdivision 3; 97C.355, subdivisions 2, 2a; 97C.401, subdivision 2; 97C.501, subdivision 1; 97C.701, by adding a subdivision; 103F.48, subdivisions 1, 3; 103G.005, subdivisions 10b, 10h, by adding a subdivision; 103G.222, subdivisions 1, 3; 103G.223; 103G.2242, subdivisions 1, 2; 103G.2372, subdivision 1; 103G.271, subdivisions 1, 6, 6a, 7; 103G.287, subdivision 1; 103G.411; 114D.25, by adding a subdivision; 115B.39, subdivision 2; 115B.40, subdivision 4; 115C.021, subdivision 1, by adding a subdivision; 116.03, subdivision 2b, by adding a subdivision; 116.07, subdivision 4d; 116.0714; 116C.03, subdivision 2; 116C.04, subdivision 2; 116D.04, subdivisions 2a, 5b, 10; 116D.045, subdivision 1; 160.06; 168.1295, subdivision 1; 282.018, subdivision 1; 282.04, subdivision 1; 296A.18, subdivision 6a; Laws 2000, chapter 486, section 4, as amended; Laws 2013, chapter 114, article 4, section 105; Laws 2015, First Special Session chapter 4, article 4, sections 136; 146; Laws 2016, chapter 189, article 3, sections 6; 26; 46; proposing coding for new law in Minnesota Statutes, chapters 85; 93; 115; 115B; 477A; repealing Minnesota Statutes 2016, sections 84.026, subdivision 3; 97B.031, subdivision 5; 97C.701, subdivisions 1a, 6; 97C.705; 97C.711; 116C.03, subdivision 3a; 116C.04, subdivision 3; Minnesota Rules, parts 6258.0100; 6258.0200; 6258.0300; 6258.0400; 6258.0500; 6258.0600; 6258.0700, subparts 1, 4, 5; 6258.0800; 6258.0900."

We request the adoption of this report and repassage of the bill.

Senate Conferees: BILL INGEBRIGTSEN, CARRIE RUUD, TORREY N. WESTROM, ANDREW MATHEWS and DAVID J. TOMASSONI.

House Conferees: DAN FABIAN, MARK UGLEM, JOSH HEINTZEMAN, CHRIS SWEDZINSKI and ROB ECKLUND.

Fabian moved that the report of the Conference Committee on S. F. No. 844 be adopted and that the bill be repassed as amended by the Conference Committee.

A roll call was requested and properly seconded.

Pursuant to rule 1.50, Peppin moved that the House be allowed to continue in session after 12:00 midnight. The motion prevailed.

The question recurred on the Fabian motion and the roll was called. There were 83 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Albright	Backer	Barr, R.	Christensen	Davids	Drazkowski
Anderson, P.	Bahr, C.	Bennett	Cornish	Dean, M.	Ecklund
Anderson, S.	Baker	Bliss	Daniels	Dettmer	Erickson

Fabian	Heintzeman	Layman	Nash	Poppe	Theis
Fenton	Hertaus	Lien	Neu	Poston	Torkelson
Franke	Hoppe	Lohmer	Newberger	Pugh	Uglen
Franson	Howe	Loon	Nornes	Quam	Urdahl
Garofalo	Jessup	Loonan	O'Driscoll	Rarick	Vogel
Green	Johnson, B.	Lucero	O'Neill	Runbeck	West
Grossell	Jurgens	Lueck	Pelowski	Sandstede	Whelan
Gruenhagen	Kiel	Marquart	Peppin	Schomacker	Wills
Gunther	Knoblach	McDonald	Petersburg	Scott	Zerwas
Haley	Koznick	Metsa	Peterson	Smith	Spk. Daudt
Hamilton	Kresha	Miller	Pierson	Swedzinski	

Those who voted in the negative were:

Allen	Clark	Hilstrom	Lesch	Nelson	Sundin
Anselmo	Considine	Hornstein	Liebling	Olson	Wagenius
Becker-Finn	Fischer	Hortman	Lillie	Omar	
Bernardy	Flanagan	Johnson, C.	Mahoney	Pinto	
Bly	Freiberg	Koegel	Moran	Sauke	
Carlson, L.	Hansen	Kunesh-Podein	Murphy, E.	Schultz	

The motion prevailed.

S. F. No. 844, A bill for an act relating to environment; providing for certain demolition debris landfill permitting.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 83 yeas and 51 nays as follows:

Those who voted in the affirmative were:

Albright	Dettmer	Hamilton	Lohmer	O'Neill	Scott
Anderson, P.	Drazkowski	Heintzeman	Loon	Pelowski	Smith
Anderson, S.	Ecklund	Hertaus	Loonan	Peppin	Swedzinski
Backer	Erickson	Hoppe	Lucero	Petersburg	Theis
Bahr, C.	Fabian	Howe	Lueck	Peterson	Torkelson
Baker	Fenton	Jessup	Marquart	Pierson	Uglen
Barr, R.	Franke	Johnson, B.	McDonald	Poppe	Urdahl
Bennett	Franson	Jurgens	Metsa	Poston	Vogel
Bliss	Garofalo	Kiel	Miller	Pugh	West
Christensen	Green	Knoblach	Nash	Quam	Whelan
Cornish	Grossell	Koznick	Neu	Rarick	Wills
Daniels	Gruenhagen	Kresha	Newberger	Runbeck	Zerwas
Davids	Gunther	Layman	Nornes	Sandstede	Spk. Daudt
Dean, M.	Haley	Lien	O'Driscoll	Schomacker	

Those who voted in the negative were:

Allen	Becker-Finn	Carlson, A.	Considine	Fischer	Halverson
Anselmo	Bernardy	Carlson, L.	Davnie	Flanagan	Hansen
Applebaum	Bly	Clark	Dehn, R.	Freiberg	Hausman

Hilstrom	Kunesh-Podein	Mahoney	Murphy, M.	Rosenthal	Wagenius
Hornstein	Lee	Mariani	Nelson	Sauke	Ward
Hortman	Lesch	Masin	Olson	Schultz	Youakim
Johnson, C.	Liebling	Maye Quade	Omar	Slocum	
Johnson, S.	Lillie	Moran	Pinto	Sundin	
Koegel	Loeffler	Murphy, E.	Pryor	Thissen	

The bill was repassed, as amended by Conference, and its title agreed to.

Kresha 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.

REPORTS FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Peppin for the Committee on Rules and Legislative Administration offered the following resolution and moved its adoption:

Be It Resolved, by the House of Representatives of the State of Minnesota, that the Chief Clerk is directed to correct and approve the Journal of the House for the last day of the 2017 Regular Session.

Be It Further Resolved that the Chief Clerk is authorized to include in the Journal for the last day of the 2017 Regular Session any proceedings, including subsequent proceedings and any legislative interim committees or commissions created or appointments made to them by legislative action or by law.

The motion prevailed and the resolution was adopted.

Peppin for the Committee on Rules and Legislative Administration offered the following resolution and moved its adoption:

Be It Resolved, by the House of Representatives of the State of Minnesota, that it retains the use of parking lots C, D, N, and the state office building parking ramp for members and employees of the House of Representatives during the time between adjournment in 2017 and the convening of the House of Representatives in 2018. The Sergeant at Arms is directed to manage the use of the lots and ramp while the House of Representatives is adjourned. The Controller of the House may continue to deduct from the check of any legislator or legislative employee a sum adequate to cover the exercise of the parking privilege.

The motion prevailed and the resolution was adopted.

Peppin for the Committee on Rules and Legislative Administration offered the following resolution and moved its adoption:

Be It Resolved, by the House of Representatives of the State of Minnesota, that during the time between adjournment in 2017 and the convening of the House of Representatives in 2018, the Chief Clerk and Chief Sergeant at Arms under the direction of the Speaker shall maintain House facilities in the Capitol Complex. To the extent practicable during ongoing construction, the House chamber, retiring room, hearing and conference rooms, and offices shall be set up and made ready for legislative use and reserved for the House and its committees. Those rooms may be reserved for use by others that are not in conflict with use by the House. The House Chamber, retiring room, and hearing rooms may be used by YMCA Youth in Government, Girls' State, Young Leaders Organization, and 4-H Leadership Conference.

The motion prevailed and the resolution was adopted.

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 that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 707, A bill for an act relating to state government; appropriating money from outdoor heritage fund, clean water fund, parks and trails fund, and arts and cultural heritage fund; providing for riparian protection aid; modifying requirements for expending money from legacy funds; modifying and extending prior appropriations; requiring reports; amending Minnesota Statutes 2016, sections 16A.127, subdivision 8; 85.53, by adding subdivisions; 97A.056, subdivision 3, by adding subdivisions; 114D.50, subdivision 4, by adding subdivisions; 129D.17, subdivision 4, by adding subdivisions; Laws 2012, chapter 264, article 1, section 2, subdivision 5, as amended; Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended; Laws 2016, chapter 172, article 1, section 2, subdivisions 2, 4; proposing coding for new law in Minnesota Statutes, chapter 477A; repealing Minnesota Statutes 2016, section 97A.056, subdivision 8.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

CAL R. LUDEMAN, Secretary of the Senate

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 8.

A Senate concurrent resolution relating to adjournment of the Senate and House of Representatives until 2018.

CAL R. LUDEMAN, Secretary of the Senate

SUSPENSION OF RULES

Peppin moved that the rules be so far suspended that Senate Concurrent Resolution No. 8 be now considered and be placed upon its adoption. The motion prevailed.

SENATE CONCURRENT RESOLUTION NO. 8

A Senate concurrent resolution relating to adjournment of the Senate and House of Representatives until 2018.

Be It Resolved, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon their adjournments on May 22, 2017, the Senate may set its next day of meeting for Tuesday, February 20, 2018, at 12:00 noon and the House of Representatives may set its next day of meeting for Tuesday, February 20, 2018, at 12:00 noon.

2. By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Peppin moved that Senate Concurrent Resolution No. 8 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 8 was adopted.

SUSPENSION OF JOINT RULE 2.06

Peppin moved that Joint Rule 2.06 be suspended for the purpose of allowing Conference Committees to meet past midnight. The motion prevailed.

MOTIONS AND RESOLUTIONS

Murphy, E., moved that the name of Bernardy be added as an author on H. F. No. 21. The motion prevailed.

Freiberg moved that the name of Bernardy be added as an author on H. F. No. 95. The motion prevailed.

Thissen moved that the name of Bernardy be added as an author on H. F. No. 142. The motion prevailed.

Omar moved that the name of Bernardy be added as an author on H. F. No. 189. The motion prevailed.

Wagenius moved that the name of Bernardy be added as an author on H. F. No. 190. The motion prevailed.

Bly moved that the name of Bernardy be added as an author on H. F. No. 276. The motion prevailed.

Wagenius moved that the name of Bernardy be added as an author on H. F. No. 355. The motion prevailed.

Moran moved that the name of Bernardy be added as an author on H. F. No. 356. The motion prevailed.

Halverson moved that the name of Bernardy be added as an author on H. F. No. 410. The motion prevailed.

Peterson moved that the name of Bernardy be added as an author on H. F. No. 627. The motion prevailed.

Freiberg moved that the name of Bernardy be added as an author on H. F. No. 748. The motion prevailed.

Murphy, E., moved that the name of Bernardy be added as an author on H. F. No. 887. The motion prevailed.

Hansen moved that the name of Bernardy be added as an author on H. F. No. 1427. The motion prevailed.

Bernardy moved that her name be stricken as an author on H. F. No. 1434. The motion prevailed.

Becker-Finn moved that the name of Bernardy be added as an author on H. F. No. 1642. The motion prevailed.

Bernardy moved that her name be stricken as an author on H. F. No. 1663. The motion prevailed.

Thissen moved that the name of Bernardy be added as an author on H. F. No. 1813. The motion prevailed.

Thissen moved that the name of Bernardy be added as an author on H. F. No. 1846. The motion prevailed.

Bly moved that the name of Bernardy be added as an author on H. F. No. 1901. The motion prevailed.

Bernardy moved that her name be stricken as an author on H. F. No. 1956. The motion prevailed.

Lesch moved that the name of Bernardy be added as an author on H. F. No. 2116. The motion prevailed.

Becker-Finn moved that the name of Bernardy be added as an author on H. F. No. 2228. The motion prevailed.

Hausman moved that the name of Bernardy be added as an author on H. F. No. 2283. The motion prevailed.

Murphy, E., moved that the name of Bernardy be added as an author on H. F. No. 2334. The motion prevailed.

Murphy, E., moved that the name of Bernardy be added as an author on H. F. No. 2505. The motion prevailed.

Omar moved that the name of Bernardy be added as an author on H. F. No. 2521. The motion prevailed.

Omar moved that the name of Bernardy be added as an author on H. F. No. 2558. The motion prevailed.

Thissen moved that the name of Bernardy be added as an author on H. F. No. 2580. The motion prevailed.

Bly moved that the name of Bernardy be added as an author on H. F. No. 2596. The motion prevailed.

Hausman moved that the name of Bernardy be added as an author on H. F. No. 2599. The motion prevailed.

Flanagan moved that the name of Bernardy be added as an author on H. F. No. 2647. The motion prevailed.

Murphy, E., moved that the name of Bernardy be added as an author on H. F. No. 2692. The motion prevailed.

Freiberg moved that the name of Bernardy be added as an author on H. F. No. 2694. The motion prevailed.

Drazkowski moved that the name of Pugh be added as an author on H. F. No. 2699. The motion prevailed.

Hansen moved that the name of Bernardy be added as an author on H. F. No. 2704. The motion prevailed.

Allen moved that the name of Loeffler be added as an author on H. F. No. 2705. The motion prevailed.

Liebling moved that the name of Clark be added as an author on H. F. No. 2714. The motion prevailed.

Lohmer moved that H. F. No. 601 be returned to its author. The motion prevailed.

ADJOURNMENT

Peppin moved that when the House adjourns today it adjourn until 8:00 a.m., Monday, May 22, 2017. The motion prevailed.

Peppin moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 8:00 a.m., Monday, May 22, 2017.

PATRICK D. MURPHY, Chief Clerk, House of Representatives

