A bill for an act

relating to state government; appropriating money for environment, natural resources, and energy; establishing fees; providing for disposition of certain fees; modifying certain insurance form requirements; modifying and establishing assessments for certain regulatory expenses; amending Minnesota Statutes 2008, sections 45.027, subdivision 1; 60A.315, subdivision 6; 61A.02, subdivisions 2, 2a; 61A.072, subdivision 11; 70A.06, subdivision 2; 84.415, subdivision 5, by adding a subdivision; 84.63; 84.631; 84.632; 85.015, subdivision 1b; 85.019, by adding a subdivision; 93.481, subdivisions 1, 3, 5, 7; 97A.075, subdivision 1; 103G.301, subdivisions 2, 3; 115A.1314, subdivision 2; 216B.62, subdivisions 3, 4, 5, by adding subdivisions; 237.295, subdivisions 2, 3, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 93; repealing Minnesota Statutes 2008, section 60A.315, subdivisions 1, 2, 3, 4, 5; Laws 2008, chapter 363, article 5, section 30.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1
ENVIRONMENT AND NATURAL RESOURCES

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

		2010		2011		Total
General	$	114,530,000	$	114,282,000	$	228,812,000
State Government Special Revenue		48,000		48,000		96,000
Environmental		63,359,000		63,619,000		126,978,000
Natural Resources		81,428,000		80,328,000		161,756,000
Game and Fish		91,483,000		91,083,000		182,566,000
Remediation		11,186,000		11,186,000		22,372,000
Permanent School		200,000		200,000		400,000

Clean Water	24,551,000	48,175,000	72,726,000
Parks and Trails	6,536,000	13,642,000	20,178,000
Environment and Natural Resources Trust	25,622,000	25,622,000	51,244,000
Total	**$ 421,137,000**	**$ 450,379,000**	**$ 871,516,000**

Sec. 2. **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 "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations for the fiscal year ending June 30, 2009, are effective the day following final enactment.

	APPROPRIATIONS Available for the Year Ending June 30	
	2010	**2011**

Sec. 3. **POLLUTION CONTROL AGENCY**

Subdivision 1. **Total Appropriation**	**$ 97,747,000**	**$ 109,419,000**

Appropriations by Fund

	2010	2011
General	10,341,000	10,341,000
State Government Special Revenue	48,000	48,000
Environmental	63,359,000	63,619,000
Remediation	11,086,000	11,086,000
Clean Water	12,913,000	24,325,000

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

Subd. 2. **Water**	37,975,000	49,387,000

Appropriations by Fund

General	6,433,000	6,433,000
State Government Special Revenue	48,000	48,000

Environmental	18,581,000	18,581,000
Clean Water	12,913,000	24,325,000

$1,498,000 the first year and $1,498,000 the second year are for the clean water partnership program. This appropriation may be used for grants to local units of government for the purpose of protecting and improving water resources according to Minnesota Statutes, chapter 114D. The appropriation in the second year is available for grants in the first year.

$2,324,000 the first year and $2,324,000 the second year must be distributed as grants to delegated counties to administer the county feedlot program. Distribution of funds must be as provided in Laws 2005, First Special Session chapter 1, article 2, section 2, subdivision 2. The commissioner, in consultation with the Minnesota Association of County Feedlot Officers executive team, may use up to five percent of the annual appropriation for initiatives to enhance existing delegated county feedlot programs, information and education, or technical assistance to reduce feedlot-related pollution hazards. Any money remaining after the first year is available for the second year.

$335,000 the first year and $335,000 the second year are for community technical assistance and education, including grants and technical assistance to communities for local and basinwide water quality protection.

$405,000 the first year and $405,000 the second year are for subsurface sewage treatment system (SSTS) administration and grants. Of this amount, $86,000 each year is for assistance to counties through grants for SSTS program administration. Any unexpended balance in the first year does not cancel but is available in the second year.

$740,000 the first year and $740,000 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. Of this amount, $48,000 each year is for administration of individual septic tank fees, as provided in this article.

$12,913,000 the first year and $24,325,000 the second year are from the clean water fund for allowable activities under the Minnesota Constitution, article XI, section 15. The clean water fund appropriation is distributed as follows:

(1) $3,725,000 in fiscal year 2010 and $7,450,000 in fiscal year 2011 for assessment and monitoring, which includes $375,000 over the biennium for endocrine disruptor monitoring and analysis;

(2) $7,688,000 in fiscal year 2010 and $15,375,000 in fiscal year 2011 for total maximum daily load (TMDL) development, which includes $1,688,000 over the biennium for database development and rulemaking;

(3) $750,000 in fiscal year 2010 and $1,500,000 in fiscal year 2011 for

groundwater assessment and drinking water protection; and

(4) $750,000 in fiscal year 2010 for a restoration project in the lower St. Louis River and Duluth harbor.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2011, as grants or contracts for clean water partnership, SSTS's, surface and groundwater assessments, TMDL's, stormwater, and local basinwide water quality protection in this subdivision are available until June 30, 2013.

Subd. 3. **Air**	11,871,000	12,131,000

Appropriations by Fund		
Environmental	11,871,000	12,131,000

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.

$200,000 the first year and $200,000 the second year are from the environmental fund for a monitoring program under Minnesota Statutes, section 116.454.

$125,000 the first year and $125,000 the second year are from the environmental fund for monitoring ambient air for hazardous pollutants in the metropolitan area.

Subd. 4. **Land**	18,502,000	18,502,000

Appropriations by Fund		
General	500,000	500,000

Environmental	6,916,000	6,916,000
Remediation	11,086,000	11,086,000

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 finance that maximizes the utilization of resources and appropriately allocates the money between the two departments. This appropriation is available until June 20, 2011.

$3,616,000 the first year and $3,616,000 the second year are from the petroleum tank fund to be transferred to the remediation fund for purposes of the leaking underground storage tank program to protect the land.

$252,000 the first year and $252,000 the second year are from the remediation fund to be transferred to the Department 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.

$500,000 each year is for environmental health tracking and biomonitoring. Of this amount, $450,000 each year is for transfer to the Department of Health.

Subd. 5. **Environmental Assistance and Cross-Media**			28,005,000	28,005,000
Appropriations by Fund				
General	2,014,000	2,014,000		
Environmental	25,991,000	25,991,000		

$14,500,000 each year is from the environmental fund for SCORE block grants to counties.

$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.

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.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2011, as contracts or grants for surface and groundwater assessments; 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, 2013.

Before the governor makes budget recommendations to the legislature in 2011, the Pollution Control Agency must report on revenues received and expenditures made under Minnesota Statutes, section 115A.1314, subdivision 2, during fiscal years 2010 and 2011 and request that the governor recommend a direct appropriation for the purposes of that section.

Subd. 6. **Administrative Support**	1,394,000	1,394,000

Appropriations by Fund		
	2010	2011
General	1,394,000	1,394,000

The commissioner may transfer money from the environmental fund to the remediation fund as necessary for the purposes of the remediation fund under Minnesota Statutes, section 116.155, subdivision 2.

Sec. 4. **NATURAL RESOURCES**

Subdivision 1. **Total Appropriation**	**$**	**260,160,000**	**$**	**272,737,000**

Appropriations by Fund		
	2010	2011
General	76,806,000	76,806,000
Natural Resources	76,230,000	75,130,000
Game and Fish	93,677,000	93,277,000
Remediation	100,000	100,000
Permanent School	200,000	200,000
Parks and Trails	10,664,000	22,258,000
Clean Water	2,483,000	4,966,000

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

The commissioner shall reduce general fund spending specified in the subdivisions that follow by $1,933,000 in fiscal year 2010 and $1,933,000 in fiscal year 2011. These amounts shall be canceled by January 1 of each year. If on that date an insufficient amount has been canceled, the commissioner of finance shall cancel the balance from the operations support appropriation in subdivision 9.

Subd. 2. **Land and Mineral Resources Management**	10,398,000	10,398,000

Appropriations by Fund

General	3,351,000	3,351,000
Natural Resources	5,461,000	5,461,000
Game and Fish	1,386,000	1,386,000
Permanent School	200,000	200,000

$1,202,000 the first year and $1,202,000 the second year are from the mining administration account in the natural resources fund to cover the costs associated with issuing mining permits.

$612,000 each year is from the dedicated receipts account in the natural resources fund to cover the costs associated with issuing licenses for land and water crossings and road easements.

$351,000 the first year and $351,000 the second year are for iron ore cooperative research. Of this amount, $200,000 each year is from the minerals management account in the natural resources fund. $175,500 the first year and $175,500 the second year are available only as matched by $1 of nonstate money for each $1 of state money. The match may be cash or in-kind.

$86,000 the first year and $86,000 the second year are for minerals cooperative environmental research, of which $43,000 the first year and $43,000 the second year are available only as matched by $1 of nonstate money for each $1 of state money. The match may be cash or in-kind.

$2,696,000 the first year and $2,696,000 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.

$200,000 the first year and $200,000 the second year are from the state forest suspense account in the permanent school fund to accelerate land exchanges, land sales, and commercial leasing of school trust lands and to identify, evaluate, and lease construction aggregate located on school trust lands. This appropriation is to be used for securing maximum long-term economic return from the school trust lands consistent with fiduciary responsibilities and sound natural resources conservation and management principles.

Subd. 3. **Water Resources Management** 13,127,000 14,117,000

Appropriations by Fund		
General	11,422,000	11,422,000
Natural Resources	280,000	280,000
Clean Water	1,425,000	2,415,000

$1,425,000 the first year and $2,415,000 the second year are from the clean water fund for allowable activities under the Minnesota Constitution, article XI, section 15. The clean water fund appropriation is distributed as follows:

(1) $1,050,000 the first year and $1,665,000 the second year for work assisting in water quality assessment, total maximum daily load study and implementation, and watershed restoration and protection; and

(2) $375,000 the first year and $750,000 the second year for drinking water planning and protection activities.

$210,000 the first year and $210,000 the second year are for grants for up to 50 percent of the cost of implementation of the Red River mediation agreement.

Subd. 4. **Forest Management** 40,109,000 38,759,000

Appropriations by Fund		
General	26,452,000	26,452,000
Natural Resources	12,193,000	11,093,000
Game and Fish	1,464,000	1,214,000

$2,000,000 each year is to maintain forest management operations. This is a onetime appropriation.

$250,000 in fiscal year 2010 is from the heritage enhancement account in the game and fish fund to complete a study designed to help manage Minnesota's forest lands. This is a onetime appropriation.

$950,000 in the first year and $950,000 the second year are from the heritage enhancement account in the game and fish fund to maintain and expand the ecological classification system program on state forest lands and prevent the introduction and spread of invasive species on state lands. This is a onetime appropriation.

$7,217,000 the first year and $7,217,000 the second year are for prevention, presuppression, and suppression costs of emergency firefighting and other costs incurred under Minnesota Statutes, section 88.12. If the appropriation for either year is insufficient to cover all costs of presuppression and suppression, the amount necessary to pay for these costs during the biennium is appropriated from the general fund.

By November 15 of each year, the commissioner of natural resources shall submit a report to the chairs 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 shall be deposited into the general fund.

$12,193,000 the first year and $11,093,000 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.

$780,000 the first year and $780,000 the second year are for the Forest Resources Council for implementation of the Sustainable Forest Resources Act.

Subd. 5. **Parks and Trails Management** 79,256,000 90,850,000

Appropriations by Fund

General	23,207,000	23,207,000
Natural Resources	43,191,000	43,191,000
Game and Fish	2,194,000	2,194,000
Parks and Trails	10,664,000	22,258,000

$10,664,000 the first year and $22,258,000 the second year are from the parks and trails fund for use as specified in Minnesota Statutes, section 97A.056, and as authorized under the Minnesota Constitution, article XI, section 15. Of this amount, $4,128,000 the first year and $8,616,000 the second year are for grants for regional parks and trails. Any unencumbered balance does not cancel at the end of the first year and is available in the second year.

$470,000 the first year and $470,000 the second year are from the natural resources fund to increase nature-based outdoor recreation participation. Of this amount, $280,000 each year is from the water recreation account, $55,000 each year is from the snowmobile trails and enforcement account, $75,000 each year is from the nongame wildlife account, and $60,000 each year is from the state parks account.

$1,400,000 the first year and $1,400,000 the second year are from the water recreation account in the natural resources fund for enhancing public water access facilities. Of this amount, $100,000 is a onetime appropriation to provide downloadable GPS coordinates and river gauge data interpretation. The base appropriation is $1,300,000.

The appropriation in Laws 2003, chapter 128, article 1, section 5, subdivision 6, from the water recreation account in the natural resources fund for a cooperative project with the United States Army Corps of Engineers to develop the Mississippi Whitewater Park is available until June 30, 2010. The project must be designed to prevent the spread of aquatic invasive species.

$3,996,000 the first year and $3,996,000 the second year are from the natural resources fund for state 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).

$8,424,000 the first year and $8,424,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for the snowmobile grants-in-aid program. This additional money may be used for new grant-in-aid trails. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

$1,360,000 the first year and $1,360,000 the second year are from the natural resources fund for the off-highway vehicle grants-in-aid program. Of this amount, $1,110,000 each year is from the all-terrain vehicle account; $150,000 each year is from the off-highway motorcycle account; and $100,000 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.

$760,000 the first year and $760,000 the second year are from the natural resources fund for state trail operations. This appropriation is from the revenue deposited in the natural resources fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (2).

Subd. 6. **Fish and Wildlife Management**			66,319,000	67,119,000
Appropriations by Fund				
General	600,000	600,000		
Natural Resources	2,096,000	2,096,000		
Game and Fish	63,623,000	63,473,000		
Clean Water	0	950,000		

$950,000 the second year is from the clean water fund for allowable activities under the Minnesota Constitution, article XI, section 15. These funds are appropriated for work assisting in water quality assessment, total maximum daily load study and implementation, and watershed restoration and protection.

$220,000 the first year and $220,000 the second year are from the nongame wildlife account in the natural resources fund for gray wolf management and research.

$285,000 the first year and $285,000 the second year are from the walleye stamp account in the game and fish fund for the purposes specified under Minnesota Statutes, section 97A.075, subdivision 6.

$600,000 the first year and $600,000 the second year are to accelerate wildlife health programs. This is a onetime appropriation.

$1,790,000 the first year and $1,790,000 the second year are from the wildlife acquisition surcharge account for only the purposes specified in Minnesota Statutes, section 97A.071, subdivision 2a. This appropriation is available until spent.

$8,167,000 the first year and $8,167,000 the second year are from the heritage enhancement account in the game and fish fund only for activities that improve, enhance, or protect fish and wildlife resources as specified in Minnesota Statutes, section 297A.94, paragraph (e), clause (1). Notwithstanding Minnesota Statutes, section 297A.94, money under this paragraph may be used for expanding hunter and angler recruitment and retention and public land user facilities.

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.

$830,000 the first year and $830,000 the second year are from the trout and salmon management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 3.

$1,353,000 the first year and $1,353,000 the second year are from the deer habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (b).

$715,000 the first year and $715,000 the second year are from the deer and bear management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 1, paragraph (c).

$700,000 the first year and $700,000 the second year are from the waterfowl habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 2.

$875,000 the first year and $875,000 the second year are from the pheasant habitat improvement account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 4.

$172,000 the first year and $172,000 the second year are from the wild turkey management account for only the purposes specified in Minnesota Statutes, section 97A.075, subdivision 5. Of this amount, $8,000 the first year and $8,000 the second year are appropriated from the game and fish fund for transfer to the wild turkey management account for purposes specified in Minnesota Statutes, section 97A.075, subdivision 5.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2011, for aquatic restoration grants and wildlife habitat grants are available until June 30, 2012.

Subd. 7. **Ecological Services**	15,533,000	16,076,000

Appropriations by Fund

General	6,530,000	6,530,000
Natural Resources	3,994,000	3,994,000

Game and Fish	3,951,000	3,951,000
Clean Water	1,058,000	1,601,000

$1,058,000 the first year and $1,601,000 the second year are from the clean water fund for allowable activities under the Minnesota Constitution, article XI, section 15. These funds are appropriated for work assisting in water quality assessment, total maximum daily load study and implementation, and watershed restoration and protection.

$1,223,000 the first year and $1,223,000 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 information, education, and promotion.

$1,636,000 the first year and $1,636,000 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).

$2,142,000 the first year and $2,142,000 the second year are from the invasive species account and $500,000 each year is appropriated from the game and fish fund to the invasive species account for management, public awareness, assessment and monitoring research, law enforcement, 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.

Subd. 8. **Enforcement**		31,705,000	31,705,000

Appropriations by Fund		
General	3,104,000	3,104,000
Natural Resources	8,531,000	8,531,000
Game and Fish	19,970,000	19,970,000
Remediation	100,000	100,000

$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.

$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.

$1,164,000 the first year and $1,164,000 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).

$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.

Subd. 9. **Operations Support**			3,713,000	3,713,000

Appropriations by Fund

General	2,140,000	2,140,000
Natural Resources	484,000	484,000
Game and Fish	1,089,000	1,089,000

$270,000 the first year and $270,000 the second year are from the natural resources fund for grants to be divided equally between the city of St. Paul for the Como Zoo and Conservatory and the city of Duluth for the Duluth Zoo. This appropriation is from the revenue deposited to the fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (5).

Sec. 5. **BOARD OF WATER AND SOIL RESOURCES**	**$**	**27,189,000**	**$**	**38,591,000**

Appropriations by Fund

	2010	2011
General	15,739,000	15,491,000
Clean Water	11,450,000	23,100,000

$11,450,000 the first year and $23,100,000 the second year are from the clean water fund for allowable activities under the Minnesota Constitution, article XI, section 15. The clean water fund appropriation is distributed as follows:

(1) $8,500,000 the first year and $16,200,000 the second year for nonpoint source pollution

reduction projects and technical assistance to protect, enhance, and restore water quality in lakes, rivers, and streams, and to protect groundwater and drinking water. $7,975,000 the first year and $15,140,000 the second year are available for grants;

(2) $750,000 the first year and $2,500,000 the second year for local resource conservation and preservation grants to develop and implement water resource protection and restoration measures that address imminent threats or that meet or exceed state standards for lakes, rivers, streams, and groundwater;

(3) $620,000 the first year and $1,250,000 the second year for state oversight, support, and accountability reporting of local government implementation;

(4) $1,250,000 the first year and $2,500,000 the second year for feedlot water quality improvement grants; and

(5) $330,000 the first year and $650,000 the second year for technical assistance and grants to protect, enhance, and restore water quality in hydrologically altered drainage systems.

$4,102,000 the first year and $4,102,000 the second year are for natural resources block grants to local governments. 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. 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.

$3,566,000 the first year and $3,566,000 the second year are for grants requested by soil and water conservation districts for general purposes, nonpoint engineering, and implementation of the reinvest in Minnesota conservation reserve program. Upon approval of the board, expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts. Any district requesting a grant under this paragraph shall maintain a Web page that publishes, at a minimum, its annual plan, annual report, annual audit, and annual budget, including membership dues and meeting notices and minutes.

$2,585,000 the first year and $2,585,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control, water quality management, and establishing and maintaining riparian vegetation buffers of restored native prairie and restored prairie.

$100,000 the first year and $100,000 the second year are available for county cooperative weed management programs and to restore native plants in selected invasive species management sites by providing local native seeds and plants to landowners for implementation. This appropriation is available until expended. If the appropriation in either year is insufficient, the appropriation in the other year is available for it. Any unencumbered balance in the board's program of grants does not cancel at the end of the first year and is available for the second year for the same grant program. Notwithstanding Minnesota Statutes, section 103C.501, a balance in the board's cost-share program is available for $150,000 each year for evaluating and reporting on performance, financial, and activity information of local water management entities as provided for in Minnesota Statutes, section 103B.102.

$500,000 the first year and $500,000 the second year are for implementation and enforcement of the Wetland Conservation Act.

The appropriations for grants in this section are available until expended. If an appropriation for grants in either year is insufficient, the appropriation in the other year is available for it.

Sec. 6. **METROPOLITAN COUNCIL** $ 14,939,000 $ 22,607,000

Appropriations by Fund

	2010	2011
General	3,645,000	3,645,000
Natural Resources	4,570,000	4,570,000
Parks and Trails	6,536,000	13,642,000
Clean Water	188,000	750,000

$3,645,000 the first year and $3,645,000 the second year are for metropolitan area regional parks maintenance and operations.

$4,570,000 the first year and $4,570,000 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).

$6,536,000 the first year and $13,642,000 the second year are from the parks and trails fund for allowable activities under the Minnesota Constitution, article XI, section 15. These funds are appropriated for activities that carry out the council's adopted regional parks policy plan.

$188,000 the first year and $750,000 the second year are from the clean water fund for allowable activities under the Minnesota Constitution, article XI, section 15. These funds are appropriated for implementation of the master water supply plan developed under Minnesota Statutes, section 473.1565.

Sec. 7. **MINNESOTA CONSERVATION CORPS** **$** **941,000** **$** **941,000**

Appropriations by Fund		
	2010	2011
General	451,000	451,000
Natural Resources	490,000	490,000

The Minnesota Conservation Corps 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. 8. **ZOOLOGICAL BOARD** **$** **6,499,000** **$** **6,499,000**

Appropriations by Fund		
	2010	2011

General	6,361,000	6,361,000
Natural Resources	138,000	138,000

$138,000 the first year and $138,000 the second year are from the natural resources fund from the revenue deposited under Minnesota Statutes, section 297A.94, paragraph (e), clause (5).

Sec. 9. **SCIENCE MUSEUM OF MINNESOTA**	**$**	**1,187,000**	**$**	**1,187,000**
Sec. 10. **LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES**	**$**	**25,662,000**	**$**	**25,662,000**

This appropriation is from the environment and natural resources trust fund.

Sec. 11. Minnesota Statutes 2008, section 84.415, subdivision 5, is amended to read:

Subd. 5. ~~Fee~~ **Fees; disposition.** (a) In the event the construction of such lines causes damage to timber or other property of the state on or along the same, the license or permit shall also provide for payment to the commissioner of finance of the amount thereof as may be determined by the commissioner.

(b) The application fee specified in Minnesota Rules, chapter 6135, is credited to the general fund.

~~All money received under such licenses or permits~~ (c) The utility crossing fees specified in Minnesota Rules, chapter 6135, shall be credited to the fund to which other income or proceeds of sale from such land would be credited, if provision therefor be made by law, otherwise to the general fund.

(d) Money received under subdivision 6 must be deposited in the land management account in the natural resources fund. Money in the land management account of the natural resources fund is appropriated to the commissioner of natural resources to cover the costs incurred for issuing and monitoring utility licenses.

Sec. 12. Minnesota Statutes 2008, section 84.415, is amended by adding a subdivision to read:

Subd. 6. **Supplemental application fee and monitoring fee.** (a) In addition to the application fee and utility crossing fees specified in Minnesota Rules, chapter 6135, the commissioner of natural resources shall assess the applicant for a utility license the following fees:

(1) a supplemental application fee of $1,500 for a public water crossing license and a supplemental application fee of $4,500 for a public lands crossing license, to cover reasonable costs for reviewing the application and preparing the license; and

(2) a monitoring fee to cover the projected reasonable costs for monitoring the construction of the utility line and preparing special terms and conditions of the license to ensure proper construction. The commissioner must give the applicant an estimate of the monitoring fee before the applicant submits the fee.

(b) The applicant shall pay fees under this subdivision to the commissioner of natural resources. The commissioner shall not issue the license until the applicant has paid all fees in full.

(c) Upon completion of construction, the commissioner shall refund any remaining balance left between the fee assessed for monitoring and the amount used by the commissioner in monitoring the construction of the utility line. The commissioner shall not return the application fees, even if the application is withdrawn or denied.

Sec. 13. Minnesota Statutes 2008, section 84.63, is amended to read:

84.63 CONVEYANCE OF INTERESTS IN LANDS TO STATE AND FEDERAL GOVERNMENTS.

(a) Notwithstanding any existing law to the contrary, the commissioner of natural resources is hereby authorized on behalf of the state to convey to the United States or to the state of Minnesota or any of its subdivisions, upon state-owned lands under the administration of the commissioner of natural resources, permanent or temporary easements for specified periods or otherwise for trails, highways, roads including limitation of right of access from the lands to adjacent highways and roads, flowage for development of fish and game resources, stream protection, flood control, and necessary appurtenances thereto, such conveyances to be made upon such terms and conditions including provision for reversion in the event of non-user as the commissioner of natural resources may determine.

(b) In addition to the fee for the market value of the easement, the commissioner of natural resources shall assess the applicant the following fees:

(1) an application fee of $2,000 to cover reasonable costs for reviewing the application and preparing the easement; and

(2) a monitoring fee to cover the projected reasonable costs for monitoring the construction of the easement and preparing special terms and conditions for the easement.

The commissioner must give the applicant an estimate of the monitoring fee before the applicant submits the fee.

(c) The applicant shall pay these fees to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid in full the application fee, the monitoring fee, and the market value payment for the easement.

(d) Upon completion of construction, the commissioner shall refund any remaining balance left between the monitoring fee assessed and the amount used by the commissioner in monitoring the construction of the easement. The commissioner shall not return the application fee, even if the application is withdrawn or denied.

(e) Money received under paragraph (b) must be deposited in the land management account in the natural resources fund. Money in the land management account of the natural resources fund is appropriated to the commissioner of natural resources to cover the reasonable costs incurred for issuing and monitoring easements.

Sec. 14. Minnesota Statutes 2008, section 84.631, is amended to read:

84.631 ROAD EASEMENTS ACROSS STATE LANDS.

(a) Except as provided in section 85.015, subdivision 1b, the commissioner, on behalf of the state, may convey a road easement across state land under the commissioner's jurisdiction other than school trust land, to a private person requesting an easement for access to property owned by the person only if the following requirements are met: (1) there are no reasonable alternatives to obtain access to the property; and (2) the exercise of the easement will not cause significant adverse environmental or natural resource management impacts.

(b) The commissioner shall:

(1) require the applicant to pay the market value of the easement;

(2) provide that the easement reverts to the state in the event of nonuse; and

(3) impose other terms and conditions of use as necessary and appropriate under the circumstances.

(c) An applicant shall submit ~~a~~ an application fee of ~~up to~~ $2,000 with each application for a road easement across state land. ~~The commissioner must give the applicant an estimate of the costs of the road easement before the applicant submits the fee.~~ The application fee is nonrefundable, even if the application is withdrawn or denied.

(d) In addition to the payment for the market value of the easement and the application fee, the commissioner of natural resources shall assess the applicant a monitoring fee to cover the projected reasonable costs for monitoring the construction of the easement and preparing special terms and conditions for the easement. The commissioner must give the applicant an estimate of the monitoring fee before the applicant submits the fee. The applicant shall pay the application and monitoring fees to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid in full the application fee, the monitoring fee, and the market value payment for the easement.

(e) Upon completion of construction, the commissioner shall refund any remaining balance left between the monitoring fee assessed and the amount used by the commissioner in monitoring the construction of the easement.

(f) Fees collected under ~~paragraph~~ paragraphs (c) and (d) must be deposited in the land management account in the natural resources fund. Money in the land management account of the natural resources fund is appropriated to the commissioner of natural resources to cover the reasonable costs incurred under this section.

Sec. 15. Minnesota Statutes 2008, section 84.632, is amended to read:

84.632 CONVEYANCE OF UNNEEDED STATE EASEMENTS.

(a) Notwithstanding section 92.45, the commissioner of natural resources may, in the name of the state, release all or part of an easement acquired by the state upon application of a landowner whose property is burdened with the easement if the easement is not needed for state purposes.

(b) All or part of an easement may be released by payment of consideration of not less than $500, to be determined by the commissioner. For the market value of the easement to be released, the release must be in a form approved by the attorney general.

(c) Money received ~~for release of the easement~~ under paragraph (b) must be credited to the account from which money was expended for purchase of the easement. If there is no specific account, the money must be credited to the land acquisition account established in section 94.165.

(d) In addition to payment under paragraph (b), the commissioner of natural resources shall assess a landowner who applies for a release under this section an application fee of $2,000 for reviewing the application and preparing the release of easement. The applicant shall pay the application fee to the commissioner of natural resources. The commissioner shall not issue the release of easement until the applicant has paid the application fee in full. The commissioner shall not return the application fee, even if the application is withdrawn or denied.

(e) Money received under paragraph (d) must be deposited in the land management account in the natural resources fund. Money in the land management account of the natural resources fund is appropriated to the commissioner of natural resources to cover the reasonable costs incurred under this section.

Sec. 16. Minnesota Statutes 2008, section 85.015, subdivision 1b, is amended to read:

Subd. 1b. **Easements for ingress and egress.** (a) Notwithstanding section 16A.695, when a trail is established under this section, a private property owner who has a preexisting right of ingress and egress over the trail right-of-way is granted~~, without charge,~~ a permanent easement for ingress and egress purposes only. The easement is limited to the preexisting crossing and reverts to the state upon abandonment. Nothing in this subdivision is intended to diminish or alter any written or recorded easement that existed before the state acquired the land for the trail.

(b) The commissioner of natural resources shall assess the applicant an application fee of $2,000 for reviewing the application and preparing the easement. The applicant shall pay the application fee to the commissioner of natural resources. The commissioner shall not issue the easement until the applicant has paid the application fee in full. The commissioner shall not return the application fee, even if the application is withdrawn or denied.

(c) Money received under paragraph (b) must be deposited in the land management account in the natural resources fund. Money in the land management account of the natural resources fund is appropriated to the commissioner of natural resources to cover the reasonable costs incurred under this section.

Sec. 17. Minnesota Statutes 2008, section 85.019, is amended by adding a subdivision to read:

Subd. 4d. **Parks and trails fund grant program.** The commissioner shall administer a program to provide grants from the parks and trails fund to units of government for acquisition and betterment of public land and improvements to support parks, outdoor recreation areas, and trails deemed to be of regional or statewide significance. Recipients must provide a nonstate match of at least one-quarter of total eligible project costs. The commissioner shall make payment to a unit of government upon receiving documentation of reimbursable expenditures. Two and one-half percent of the grant funds may be used for administration of the grants including expenses related to gathering public input for grant criteria and priorities.

Sec. 18. Minnesota Statutes 2008, section 93.481, subdivision 1, is amended to read:

Subdivision 1. **Prohibition against mining without permit; application for permit.** Except as provided in this subdivision, after June 30, 1975, no person shall engage in or carry out a mining operation for metallic minerals within the state unless the person has first obtained a permit to mine from the commissioner. Any person engaging in or carrying out a mining operation as of the effective date of the rules promulgated under section 93.47 shall apply for a permit to mine within 180 days after the effective date of such rules. Any such existing mining operation may continue during the pendency of the application for the permit to mine. The person applying for a permit shall apply on forms prescribed by the commissioner and shall submit such information as the commissioner may require, including but not limited to the following:

~~(a)~~ (1) a proposed plan for the reclamation or restoration, or both, of any mining area affected by mining operations to be conducted on and after the date on which permits are required for mining under this section;

~~(b)~~ (2) a certificate issued by an insurance company authorized to do business in the United States that the applicant has a public liability insurance policy in force for the mining operation for which the permit is sought, or evidence that the applicant has satisfied other state or federal self-insurance requirements, to provide personal injury and property damage protection in an amount adequate to compensate any persons who might be damaged as a result of the mining operation or any reclamation or restoration operations connected with the mining operation;

(3) an application fee of:

(i) $25,000 for a permit to mine for a taconite mining operation;

(ii) $50,000 for a permit to mine for a nonferrous metallic minerals operation;

(iii) $10,000 for a permit to mine for a scram mining operation; or

(iv) $5,000 for a permit to mine for a peat operation;

~~(c)~~ (4) a bond which may be required pursuant to section 93.49; and

~~(d)~~ (5) a copy of the applicant's advertisement of the ownership, location, and boundaries of the proposed mining area and reclamation or restoration operations, which advertisement shall be published in a legal newspaper in the locality of the proposed site at least once a week for four successive weeks before the application is filed, except that if the application is for a permit to conduct lean ore stockpile removal the advertisement need be published only once.

Sec. 19. Minnesota Statutes 2008, section 93.481, subdivision 3, is amended to read:

Subd. 3. **Term of permit; amendment.** A permit issued by the commissioner pursuant to this section shall be granted for the term determined necessary by the commissioner for the completion of the proposed mining operation, including reclamation or restoration. A permit may be amended upon written application to the commissioner. <u>A permit amendment application fee must be submitted with the written application. The permit amendment application fee is ten percent of the amount provided for in subdivision 1, clause (3), for an application for the applicable permit to mine.</u> If the commissioner determines that the proposed amendment constitutes a substantial change to the permit, the person applying for the amendment shall publish notice in the same manner as for a new permit, and a hearing shall be held if written objections are received in the same manner as for a new permit. An amendment may be granted by the commissioner if the commissioner determines that lawful requirements have been met.

Sec. 20. Minnesota Statutes 2008, section 93.481, subdivision 5, is amended to read:

Subd. 5. **Assignment.** A permit may not be assigned or otherwise transferred without the written approval of the commissioner. <u>A permit assignment application fee must be submitted with the written application. The permit assignment application fee is ten percent of the amount provided for in subdivision 1, clause (3), for an application for the applicable permit to mine.</u>

Sec. 21. Minnesota Statutes 2008, section 93.481, subdivision 7, is amended to read:

Subd. 7. **Mining administration account.** The mining administration account is established as an account in the natural resources fund. ~~Ferrous mining administrative~~ Fees charged to owners, operators, or managers of mines <u>under sections 93.481 and 93.482</u> shall be credited to the account and may be appropriated to the commissioner to cover the costs of providing and monitoring permits to mine ~~ferrous metals under this section~~. <u>Interest accruing from investment of the account remains with the account until appropriated.</u>

<u>EFFECTIVE DATE.</u> <u>This section is effective the day following final enactment.</u>

Sec. 22. **<u>[93.482] RECLAMATION FEES.</u>**

<u>Subdivision 1.</u> **<u>Annual permit to mine fee.</u>** <u>(a) The commissioner shall charge every person holding a permit to mine an annual permit fee. The fee is payable to the commissioner by June 30 of each year, beginning in 2009.</u>

<u>(b) The annual permit to mine fee for a taconite mining operation is $60,000 if the operation had production within the past calendar year to the year in which payment is due and $30,000 if there has been no production within the past calendar year.</u>

<u>(c) The annual permit to mine fee for a nonferrous metallic minerals mining operation is $75,000 if the operation had production within the past calendar year to the</u>

year in which payment is due and $37,500 if there has been no production within the past calendar year.

(d) The annual permit to mine fee for a scram mining operation is $5,000 if the operation had production within the past calendar year to the year in which payment is due and $2,500 if there has been no production within the past calendar year.

(e) the annual permit to mine fee for a peat mining operation is $1,000 if the operation had production within the past calendar year to the year in which payment is due and $500 if there has been no production within the past calendar year.

Subd. 2. **Supplemental application fee for taconite and nonferrous metallic minerals mining operation.** (a) In addition to the application fee specified in section 93.481, the commissioner shall assess a person submitting an application for a permit to mine for a taconite or a nonferrous metallic minerals mining operation the reasonable costs for reviewing the application and preparing the permit to mine. For nonferrous metallic minerals mining, the commissioner shall assess reasonable costs for monitoring the constructing of the mining facilities.

(b) The commissioner must give the applicant an estimate of the supplemental application fee under this subdivision. The estimate must include a brief description of the tasks to be performed and the estimated cost of each task. The application fee under section 93.481 shall be subtracted from the estimate of costs to determine the supplemental application fee.

(c) The applicant and the commissioner shall enter into a written agreement to cover the estimated costs to be incurred by the commissioner.

(d) The commissioner shall not issue the permit to mine until the applicant has paid all fees in full. Upon completion of construction of a nonferrous metallic minerals facility, the commissioner shall refund any remaining balance between the fee assessed for monitoring construction and the amount used by the commissioner in monitoring construction of the mining facilities.

Subd. 3. **Reclamation fee on taconite iron ore produced.** (a) For the purposes of this subdivision:

(1) "fee owner" means a person having any right, title, or interest in any minerals or mineral rights in this state from which taconite iron ore is mined. Fee owner does not include the United States, the state, or the University of Minnesota;

(2) "taconite iron ore" means a ferruginous chert or ferruginous slate in the form of compact siliceous rock, in which the iron oxide is so finely disseminated that substantially all of the iron bearing particles of merchantable grade are smaller than 20 mesh; and

(3) "ton" means a gross ton of 2,240 pounds.

(b) A fee owner is subject to a reclamation fee of $.0075 per ton of taconite iron ore mined from the minerals or mineral rights owned by the fee owner.

(c) The fee owner shall make payment to the commissioner no later than January 20 of each calendar year for ore removed during the previous calendar year. The fee owner is liable for the payment of the reclamation fee. The fee owner may enter into an agreement with the mining operator to make the payment on their behalf from royalties due and owing or other financial terms.

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

Sec. 23. Minnesota Statutes 2008, 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), (11), (13), (15), (16), and (17), and 3, clauses (2), (3), (4), (9), (11), (12), and (13), 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 shall be used 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 shall be used 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 at the end of a fiscal year exceeds $2,500,000 for the first time, $750,000 is canceled to the unappropriated balance of the game and fish fund.~~ The commissioner must inform the legislative chairs of the natural resources finance committees every two years on how the money for emergency deer feeding and wild cervidae health management has been spent.

~~Thereafter,~~ 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.

Sec. 24. Minnesota Statutes 2008, section 103G.301, subdivision 2, is amended to read:

Subd. 2. **Permit application fees.** (a) A permit application fee to defray the costs of receiving, recording, and processing the application must be paid for a permit authorized under this chapter and for each request to amend or transfer an existing permit. Fees established under this subdivision, unless specified in paragraph (c), shall be compliant with section 16A.1285.

(b) ~~The fee for a project appropriating~~ Proposed projects that require water in excess of 100 million gallons per year must be assessed fees to recover the ~~reasonable~~ costs ~~of preparing and processing the permit, including costs~~ incurred to evaluate the project and the costs incurred for environmental review. Fees collected under this paragraph must be credited to an account in the natural resources fund and are appropriated to the commissioner ~~for fiscal years 2008 and 2009~~.

(c) The fee to apply for a permit to appropriate water, ~~other than a permit subject to the~~ in addition to any fee under paragraph (b); a permit to construct or repair a dam that is subject to dam safety inspection; or a state general permit ~~or to apply for the state water bank program~~ is $150. The application fee for a permit to work in public waters or to divert waters for mining must be at least $150, but not more than $1,000~~, according to a schedule of fees adopted under section 16A.1285~~.

Sec. 25. Minnesota Statutes 2008, section 103G.301, subdivision 3, is amended to read:

Subd. 3. **Field inspection fees.** (a) In addition to the application fee, the commissioner may charge a field inspection fee for:

(1) projects requiring a mandatory environmental assessment under chapter 116D;

(2) projects undertaken without a required permit or application; and

(3) projects undertaken in excess of limitations established in an issued permit.

(b) The fee must be at least $100 but not more than actual inspection costs.

(c) The fee is to cover actual costs related to a permit applied for under this chapter or for a project undertaken without proper authorization.

(d) The commissioner shall establish a schedule of field inspection fees under section 16A.1285. The schedule must include actual costs related to field inspection, including investigations of the area affected by the proposed activity, analysis of the proposed activity, consultant services, and subsequent monitoring, if any, of the activity authorized by the permit. Fees collected under this subdivision must be credited to an account in the natural resources fund and are appropriated to the commissioner.

Sec. 26. Minnesota Statutes 2008, section 115A.1314, subdivision 2, is amended to read:

Subd. 2. **Creation of account; appropriations.** (a) The electronic waste account is established in the environmental fund. The commissioner of revenue must deposit receipts from the fee established in subdivision 1 in the account. Any interest earned on the account must be credited to the account. Money from other sources may be credited to the account. Beginning in the second program year and continuing each program year thereafter, as of the last day of each program year, the commissioner ~~of revenue~~ shall determine the total amount of the variable fees that were collected. ~~By July 15, 2009, and each July 15 thereafter, the commissioner of the Pollution Control Agency shall inform the commissioner of revenue of the amount necessary to operate the program in the new program year.~~ To the extent that the total fees collected by the commissioner ~~of revenue~~ in connection with this section exceed the amount the commissioner ~~of the Pollution Control Agency~~ determines necessary to operate the program for the new program year, the commissioner ~~of revenue~~ shall refund on a pro rata basis, to all manufacturers who paid any fees for the previous program year, the amount of fees collected by the commissioner ~~of revenue~~ in excess of the amount necessary to operate the program for the new program year. No individual refund is required of amounts of $100 or less for a fiscal year. Manufacturers who report collections less than 50 percent of their obligation for the previous program year are not eligible for a refund. ~~Amounts not refunded pursuant to this paragraph shall remain in the account. The commissioner of revenue shall issue refunds by August 10. In lieu of issuing a refund, the commissioner of revenue may grant credit against a manufacturer's variable fee due by September 1.~~

(b) Until June 30, ~~2009~~ 2011, money in the account is annually appropriated to the Pollution Control Agency:

(1) for the purpose of implementing sections 115A.1312 to 115A.1330, including transfer to the commissioner of revenue to carry out the department's duties under section 115A.1320, subdivision 2, and transfer to the commissioner of administration for responsibilities under section 115A.1324; and

(2) to the commissioner of the Pollution Control Agency to be distributed on a competitive basis through contracts with counties outside the 11-county metropolitan area, as defined in paragraph (c), and with private entities that collect for recycling covered electronic devices in counties outside the 11-county metropolitan area, where the

collection and recycling is consistent with the respective county's solid waste plan, for the purpose of carrying out the activities under sections 115A.1312 to 115A.1330. In awarding competitive grants under this clause, the commissioner must give preference to counties and private entities that are working cooperatively with manufacturers to help them meet their recycling obligations under section 115A.1318, subdivision 1.

(c) The 11-county metropolitan area consists of the counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington, and Wright.

Sec. 27. **REPEALER.**

Laws 2008, chapter 363, article 5, section 30, is repealed.

ARTICLE 2
ENERGY

Section 1. **SUMMARY OF APPROPRIATIONS.**

The amounts shown in this section summarize direct appropriations, by fund, made in this article.

		2010		2011		Total
General	$	27,740,000	$	26,740,000	$	54,480,000
Petroleum Tank Cleanup		1,084,000		1,084,000		2,168,000
Workers' Compensation		751,000		751,000		1,502,000
Special Revenue		300,000		300,000		600,000
Total	**$**	**29,875,000**	**$**	**28,875,000**	**$**	**58,750,000**

Sec. 2. **ENERGY FINANCE 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 "2010" and "2011" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is fiscal years 2010 and 2011. Appropriations for the fiscal year ending June 30, 2009, are effective the day following final enactment.

	APPROPRIATIONS Available for the Year Ending June 30	
	2010	2011

Sec. 3. **DEPARTMENT OF COMMERCE**

Subdivision 1. **Total Appropriation**	**$**	**24,442,000**	**$**	**23,442,000**

Appropriations by Fund

	2010	2011
General	22,307,000	21,307,000
Petroleum Cleanup	1,084,000	1,084,000
Workers' Compensation	751,000	751,000
Special Revenue	300,000	300,000

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

Subd. 2. **Financial Examinations**	6,637,000	6,637,000
Subd. 3. **Petroleum Tank Release Cleanup Board**	1,084,000	1,084,000

This appropriation is from the petroleum tank release cleanup fund.

Subd. 4. **Administrative Services**	4,300,000	4,300,000
Subd. 5. **Telecommunication**	1,010,000	1,010,000
Subd. 6. **Market Assurance**	7,121,000	7,121,000

Appropriations by Fund

General	6,370,000	6,370,000
Workers' Compensation	751,000	751,000

Subd. 7. **Office of Energy Security**	3,990,000	2,990,000
Subd. 8. **Telecommunications Access Minnesota**	300,000	300,000

$300,000 the first year and $300,000 the second year are for transfer to the commissioner of human services to supplement the ongoing operational expenses of the Minnesota Commission Serving Deaf and Hard-of-Hearing People. This appropriation is from the telecommunication access Minnesota fund, and is added to the commission's base. This appropriation consolidates, and is not in addition to, appropriation language from Laws 2006, chapter 282, article 11, section 4, and Laws 2007, chapter 57, article 2, section 3, subdivision 7.

Sec. 4. **PUBLIC UTILITIES COMMISSION**	**$**	**5,433,000**	**$**	**5,433,000**

Sec. 5. Minnesota Statutes 2008, section 45.027, subdivision 1, is amended to read:

Subdivision 1. **General powers.** In connection with the duties and responsibilities entrusted to the commissioner, and Laws 1993, chapter 361, section 2, the commissioner of commerce may:

(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate any law, rule, or order related to the duties and responsibilities entrusted to the commissioner;

(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;

(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the duties and responsibilities entrusted to the commissioner;

(4) conduct investigations and hold hearings for the purpose of compiling information related to the duties and responsibilities entrusted to the commissioner;

(5) examine the books, accounts, records, and files of every licensee, and of every person who is engaged in any activity regulated; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;

(6) publish information which is contained in any order issued by the commissioner; ~~and~~

(7) require any person subject to duties and responsibilities entrusted to the commissioner, to report all sales or transactions that are regulated. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction~~.~~; and

(8) assess a licensee the necessary expenses of the investigation performed by the department when an investigation is made by order of the commissioner. The cost of the investigation shall be determined by the commissioner and is based on the salary cost of investigators or assistants and at an average rate per day or fraction thereof so as to provide for the total cost of the investigations. All money collected must be deposited into the general fund.

Sec. 6. Minnesota Statutes 2008, section 60A.315, subdivision 6, is amended to read:

Subd. 6. **Audits; penalties.** The commissioner is authorized to conduct audits and investigations under section 45.027 ~~and this chapter~~ to determine if the insurers are complying with Minnesota law in the issuance of policies described under ~~this section~~ sections 61A.02, 61A.72, and 70A.06. If the policy filings contain provisions that are inconsistent with or violate Minnesota law, the commissioner may take action against the insurer under section 45.027. The commissioner shall assess the insurer for the costs of the investigation performed by the department and shall deposit all such assessments into the revolving fund established under section 60A.03.

Sec. 7. Minnesota Statutes 2008, section 61A.02, subdivision 2, is amended to read:

Subd. 2. **Approval required.** (a) Except as otherwise authorized pursuant to subdivision 2a, no ~~policy or certificate of life insurance or~~ annuity contract, issued to an individual, group, or multiple employer trust, nor any rider of any kind or description which is made a part thereof shall be issued or delivered in this state, or be issued by a life insurance company organized under the laws of this state, until the form of the same has been approved by the commissioner. In making a determination under this section, the commissioner may require the insurer to provide rates and advertising materials related to policies or contracts, certificates, or similar evidence of coverage issued or delivered in this state.

(b) Subdivisions 1 to 5 apply to a policy, certificate of insurance, or similar evidence of coverage issued to a Minnesota resident or issued to provide coverage to a Minnesota resident. Subdivisions 1 to 5 do not apply to a certificate of insurance or similar evidence of coverage that meets the conditions of section 61A.093, subdivision 2.

(c) No policy or certificate of life insurance issued to an individual, group, or multiple employer trust, nor any rider of any kind or description that is made a part thereof shall be issued or delivered in this state, or be issued by a life insurance company organized under the laws of this state, until the form of the same has been filed with the commissioner. Subdivisions 2a to 5 do not apply to these policies, certificates, and riders.

Sec. 8. Minnesota Statutes 2008, section 61A.02, subdivision 2a, is amended to read:

Subd. 2a. **Expedited procedure for ~~life or~~ annuity contracts; form and rate filing reviews.** (a) An insurer may file ~~a life or~~ an annuity contract, rates, or forms and all related riders of any kind or description with the commissioner for a review under this subdivision. Any review must be completed within 60 days of receipt of a completed filing. The cost of any actuarial review must be paid by the insurer submitting the filing under this subdivision.

(b) If a filing has been disapproved and is resubmitted, the cover letter must note the disapproval and any changes made since the earlier filing, with an explanation of why the new filing should be approved. Resubmission of disapproved forms should, where possible, be made within 90 days of disapproval.

(c) The filer may request a hearing within ten days of receiving a final disapproval. Within 20 days of the receipt of the request, the commissioner shall schedule a date for the hearing, which must occur within 30 days of the scheduling. At least ten days' written notice of the hearing must be given to all interested parties. All hearings must be conducted in accordance with chapter 14.

(d) The hearing officer may order a prehearing conference for the resolution or simplification of issues, to be held no less than three days before the scheduled date of a hearing.

(e) All actuaries used by the commissioner to review filings submitted by insurers pursuant to this subdivision, whether employed by the department or secured by contract, must be members of the American Academy of Actuaries. The commissioner may contract with actuaries to review filings submitted by insurers under this subdivision, and shall assess the applicant for the costs of this review. Payments received by the commissioner under this subdivision shall be deposited in the revolving fund established under section 60A.03.

(f) Except for the change in timing for the review of completed filings found in paragraph (a) and the expedited hearing procedures found in paragraph (c), nothing in this subdivision shall be construed as changing the statutory and regulatory standards for approval or disapproval of filings.

Sec. 9. Minnesota Statutes 2008, section 61A.072, subdivision 11, is amended to read:

Subd. 11. **Filing requirement.** The filing ~~and prior approval~~ of forms containing an accelerated benefit is required prior to issuance or delivery in this state.

Sec. 10. Minnesota Statutes 2008, section 70A.06, subdivision 2, is amended to read:

Subd. 2. **Policy form filings.** ~~No policy form shall be delivered or issued for delivery unless it has been filed with the commissioner and either (i) the commissioner has approved it or (ii) 60 days have elapsed and the commissioner has not disapproved it as misleading or violative of public policy, which period may be extended by the commissioner for an additional period not to exceed 60 days.~~ Every licensed insurer and every rate service organization licensed under section 70A.14 shall file with the commissioner all forms and all changes and amendments of forms made by it for use in this state not later than their effective date. No forms contained in a filing shall become effective unless they have been filed with the commissioner.

Sec. 11. Minnesota Statutes 2008, section 216B.62, subdivision 3, is amended to read:

Subd. 3. **Assessing all public utilities.** The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to ~~(1)~~ public utilities under ~~section 216A.085,~~ sections 216A.085 and 216B.01 to 216B.67, other than amounts chargeable to public utilities under subdivision 2 ~~or~~, 6, ~~and (2) alternative energy engineering activity under section 216C.261~~ 7, or 8. The remainder~~, except the amount assessed against cooperatives and municipalities for alternative energy engineering activity under subdivision 5,~~ shall be assessed by the commission and department to the several public utilities in proportion to their respective gross operating revenues from retail sales of gas or electric service within the state during the last calendar year. The assessment shall be paid into the state treasury within 30 days after the bill has been transmitted via mail, personal delivery, or electronic service to the several public utilities, which shall constitute notice of the assessment and demand of payment thereof. The total amount which may be assessed to the public utilities, under authority of this subdivision, shall not exceed one-sixth of one percent of the total gross operating revenues of the public utilities during the calendar year from retail sales of gas or electric service within the state. The assessment for the third quarter of each fiscal year shall be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed.

Sec. 12. Minnesota Statutes 2008, section 216B.62, subdivision 4, is amended to read:

Subd. 4. **Objections.** Within 30 days after the date of the transmittal of any bill as provided by ~~subdivisions~~ subdivision 2 ~~and~~, 3, 7, or 8, the public utility against which the bill has been rendered may file with the commission objections setting out the grounds upon which it is claimed the bill is excessive, erroneous, unlawful or invalid.

The commission shall within 60 days hold a hearing and issue an order in accordance with its findings. The order shall be appealable in the same manner as other final orders of the commission.

Sec. 13. Minnesota Statutes 2008, section 216B.62, subdivision 5, is amended to read:

Subd. 5. **Assessing cooperatives and municipals.** The commission and department may charge cooperative electric associations, generation and transmission cooperative electric associations, municipal power agencies, and municipal electric utilities their proportionate share of the expenses incurred in the review and disposition of resource plans, adjudication of service area disputes, proceedings under section 216B.1691, 216B.2425, or 216B.243, and the costs incurred in the adjudication of complaints over service standards, practices, and rates. Cooperative electric associations electing to become subject to rate regulation by the commission pursuant to section 216B.026, subdivision 4, are also subject to this section. Neither a cooperative electric association nor a municipal electric utility is liable for costs and expenses in a calendar year in excess of the limitation on costs that may be assessed against public utilities under subdivision 2. A cooperative electric association, generation and transmission cooperative electric association, municipal power agency, or municipal electric utility may object to and appeal bills of the commission and department as provided in subdivision 4.

~~The department shall assess cooperatives and municipalities for the costs of alternative energy engineering activities under section 216C.261. Each cooperative and municipality shall be assessed in proportion that its gross operating revenues for the sale of gas and electric service within the state for the last calendar year bears to the total of those revenues for all public utilities, cooperatives, and municipalities.~~

Sec. 14. Minnesota Statutes 2008, section 216B.62, is amended by adding a subdivision to read:

Subd. 7. **Assessing all utilities.** The department shall assess public utilities, cooperative electric associations, and municipal utilities for the costs of activities under chapter 216C. The department shall not assess for costs of grants, loans, or other aids or for costs that can be recovered through other assessment authority. Each public utility, cooperative, and municipal utility shall be assessed in the proportion that its gross operating revenue for the sale of gas and electric service within the state for the last calendar year bears to the total of those revenues for all public utilities, cooperatives, and municipalities.

Sec. 15. Minnesota Statutes 2008, section 216B.62, is amended by adding a subdivision to read:

Subd. 8. **Audit investigation costs.** The audit investigation account is created as a separate account in the special revenue fund in the state treasury. If the commission, in a proceeding upon its own motion, on complaint, or upon an application to it, determines that it is necessary, in order to carry out its duties imposed under this chapter or chapter 216, 216A, 216E, 216F, or 216G, to conduct an investigation or audit of any public utility operations, practices, or policies requiring specialized technical professional investigative services for the inquiry, the commission may seek authority from the Department of Management and Budget to incur costs reasonably attributable to the specialized services. If approved by the department, the commission shall render separate bills to the public utility for the costs incurred for the technical professional investigative services. The bill constitutes notice of the assessment and demand of payment. The amount of a bill assessed by the commission under this subdivision must be paid by the public utility into the state treasury within 30 days from the date of assessment. Money received under this subdivision shall be credited to the audit investigation account.

Sec. 16. Minnesota Statutes 2008, section 237.295, subdivision 2, is amended to read:

Subd. 2. **Assessment of costs.** The department and commission shall quarterly, at least 30 days before the start of each quarter, estimate the total of their expenditures in the performance of their duties relating to telephone companies, other than amounts chargeable to telephone companies under subdivision 1, 5, ~~or~~ 6, or 7. The remainder must be assessed by the department to the telephone companies operating in this state in proportion to their respective gross jurisdictional operating revenues during the last calendar year. The assessment must be paid into the state treasury within 30 days after the bill has been transmitted via mail, personal delivery, or electronic service to the telephone companies. The bill constitutes notice of the assessment and demand of payment. The total amount that may be assessed to the telephone companies under this subdivision may not exceed three-eighths of one percent of the total gross jurisdictional operating revenues during the calendar year. The assessment for the third quarter of each fiscal year must be adjusted to compensate for the amount by which actual expenditures by the commission and department for the preceding fiscal year were more or less than the estimated expenditures previously assessed. A telephone company with gross jurisdictional operating revenues of less than $5,000 is exempt from assessments under this subdivision.

Sec. 17. Minnesota Statutes 2008, section 237.295, subdivision 3, is amended to read:

Subd. 3. **Objection.** Within 30 days after the date of the transmittal of any bill as provided by subdivisions 1, 2, 5, ~~and~~ 6, or 7, the parties to the proceeding, against which the bill has been assessed, may file with the commission objections setting out the grounds upon which it is claimed the bill is excessive, erroneous, unlawful, or invalid. The commission shall within 60 days issue an order in accordance with its findings. The order is appealable in the same manner as other final orders of the commission.

Sec. 18. Minnesota Statutes 2008, section 237.295, is amended by adding a subdivision to read:

Subd. 7. **Audit investigation costs.** The audit investigation account is created as a separate account in the special revenue fund in the state treasury. If the commission, in a proceeding upon its own motion, on complaint, or upon an application to it, determines it is necessary, in order to carry out its duties imposed under this chapter or chapter 216 or 216A, to conduct an investigation or audit of any telephone company or telecommunications carrier's operations, practices, or policies requiring specialized technical professional investigative services for the inquiry, the commission may seek authority from the Department of Management and Budget to incur costs reasonably attributable to the specialized services. The commission shall render separate bills to telephone companies and telecommunications carriers for the costs of the technical professional investigative services. The bill constitutes notice of the assessment and demand of payment. The amount of a bill assessed by the commission under this subdivision must be paid by the telephone company or telecommunications carrier into the state treasury within 30 days from the date of assessment. Money received under this subdivision shall be credited to the audit investigation account.

Sec. 19. **REPEALER.**

Minnesota Statutes 2008, section 60A.315, subdivisions 1, 2, 3, 4, and 5, are repealed.

APPENDIX
Article locations in 09-0952

ARTICLE 1 ENVIRONMENT AND NATURAL RESOURCES .... Page.Ln 1.16
ARTICLE 2 ENERGY .... Page.Ln 36.10