A bill for an act

relating to appropriations; appropriating money for environment and natural resources; modifying disposition of certain revenue; authorizing certain sales; modifying and creating certain accounts; modifying and establishing certain fees and surcharges; establishing an off-highway vehicle safety and conservation program; modifying decorative bough provisions; modifying percentage of gasoline use attributable to all-terrain vehicles; modifying trail designation requirements; eliminating sunset of sustainable forest resources provisions; amending Minnesota Statutes 2006, sections 16A.531, subdivision 1a; 84.025, subdivision 9; 84.026, subdivision 1; 84.0855, subdivisions 1, 2; 84.780; 84.927, subdivision 2; 84D.13, subdivision 7; 86B.415, subdivisions 1, 2, 3, 4, 5, 7; 86B.706, subdivision 2; 88.642, subdivision 1; 88.6435, subdivision 1; 89.22, subdivision 2; 97A.071, subdivision 2; 97A.075; 97A.475, subdivision 7; 97C.081, subdivision 3; 168.013, subdivisions 1d, 1g, 8; 296A.18, subdivision 4; Laws 2003, chapter 128, article 1, section 169; proposing coding for new law in Minnesota Statutes, chapters 84; 84D; 89; repealing Minnesota Statutes 2006, sections 89A.11; 93.2236.

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

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 "2008" and "2009" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2008, or June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the fiscal year ending June 30, 2007, are effective the day following final enactment.

		APPROPRIATIONS Available for the Year Ending June 30	
		2008	**2009**
Sec. 2. **POLLUTION CONTROL AGENCY**			
Subdivision 1. **Total Appropriation**	$	**95,811,000** $	**96,167,000**

Appropriations by Fund

	2008	2009
General	25,022,000	25,111,000
State Government Special Revenue	48,000	48,000
Environmental	59,725,000	59,922,000
Remediation	11,016,000	11,086,000

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

Subd. 2. **Water**		37,513,000	37,471,000

Appropriations by Fund

General	19,151,000	19,179,000
State Government Special Revenue	48,000	48,000
Environmental	18,314,000	18,244,000

$2,348,000 the first year and $2,348,000 the second year are for the clean water partnership program. Any balance remaining in the first year does not cancel and is available for the second year. This appropriation may be used for grants to local units of government for the purpose of restoring impaired waters listed under section 303(d) of the federal Clean Water Act in accordance with adopted total maximum daily loads (TMDL's), including implementation of approved clean water partnership diagnostic study work plans that will assist in restoration of such impaired waters.

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

$480,000 the first year and $480,000 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.

$10,570,000 the first year and $10,570,000 the second year are to implement the requirements of Minnesota Statutes, chapter 114D. Of this amount, $1,860,000 each year is for statewide assessments of surface water quality and trends and $8,710,000 each year is to develop TMDL's and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list.

$1,035,000 the first year and $1,035,000 the second year are to provide regulatory services to the ethanol, mining, and other developing economic sectors. This is a onetime appropriation.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2009, for clean water partnership, individual sewage treatment systems (ISTS), Minnesota River, total maximum daily loads (TMDL's), stormwater contracts or grants, and local and basinwide water quality protection contracts or grants in this subdivision are available until June 30, 2011.

Subd. 3. **Air**	11,003,000	11,270,000

Appropriations by Fund		
General	1,140,000	1,140,000
Environmental	9,863,000	10,130,000

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.

$1,140,000 the first year and $1,140,000 the second year are to provide regulatory services to the ethanol, mining, and other developing economic sectors. This is a onetime appropriation.

Subd. 4. **Land**	18,081,000	18,151,000

Appropriations by Fund		
Environmental	7,065,000	7,065,000
Remediation	11,016,000	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 30, 2009.

$3,616,000 the first year and $3,616,000 the second year are transferred from the petroleum tank fund to the remediation fund for appropriation to the commissioner 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 health assessments, drinking water advisories, and public information activities for areas contaminated by hazardous releases.

Subd. 5. **Multimedia**			5,154,000	5,186,000
Appropriations by Fund				
General	3,113,000	3,145,000		
Environmental	2,041,000	2,041,000		

$825,000 the first year and $825,000 the second year are to provide regulatory services to the ethanol, mining, and other developing economic sectors. This is a onetime appropriation.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2009, for total maximum daily load (TMDL) contracts or grants are available until June 30, 2011.

Subd. 6. **Environmental Assistance**	22,442,000	22,442,000

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

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 under Minnesota Statutes, section 473.843, and not otherwise appropriated, is appropriated to the agency for the purposes of Minnesota Statutes, section 473.844.

$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.

$1,500,000 the first year and $1,500,000 the second year are from the environmental fund to promote the use of alternative fuels; reduce pollutant emissions and greenhouse gases; increase efficiency of transportation fleets; and accelerate transition to cleaner energy sources. This is a onetime appropriation.

Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2009, for environmental assistance grants awarded under Minnesota Statutes, section 115A.0716, and for 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, 2011.

Subd. 7. **Administrative Support**	1,618,000	1,647,000

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. 3. **NATURAL RESOURCES**

Subdivision 1. **Total Appropriation**	**$ 240,686,000**	**$ 246,216,000**

Appropriations by Fund

	2008	2009
General	82,015,000	85,770,000
Natural Resources	75,036,000	74,814,000
Game and Fish	83,335,000	85,332,000
Remediation	100,000	100,000
Permanent School	200,000	200,000

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

Subd. 2. **Land and Mineral Resources Management**			11,559,000	11,561,000

Appropriations by Fund		
General	6,445,000	9,415,000
Natural Resources	3,551,000	551,000
Game and Fish	1,363,000	1,395,000
Permanent School	200,000	200,000

$475,000 the first year and $475,000 the second year are for iron ore cooperative research. Of this amount, $200,000 the first year is from the minerals management account in the natural resources fund and $275,000 the first year is from the general fund. $237,500 the first year and $237,500 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.

$2,800,000 the first year is from the minerals management account in the natural resources fund for use as provided in Minnesota Statutes, section 93.2236, paragraph (c).

$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.

$2,896,000 the second year is for management of state-administered mineral resources.

$701,000 the first year and $701,000 the second year are to support the land records management system. Of this amount, $326,000 the first year and $326,000 the second year are from the game and fish fund and $375,000 the first year and $375,000 the second year are from the natural resources fund.

Subd. 3. **Water Resources Management**			13,169,000	13,354,000

Appropriations by Fund		
General	12,889,000	13,074,000
Natural Resources	280,000	280,000

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

$65,000 the first year and $65,000 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.

$5,000 the first year and $5,000 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.

$125,000 the first year and $125,000 the second year are for the construction of ring dikes under Minnesota Statutes, section 103F.161. The ring dikes may be publicly or privately owned. Any unencumbered balance does not cancel at the end of the first year and is available for the second year.

$773,000 the first year and $773,000 the second year are a onetime appropriation for the purpose of addressing surface and groundwater issues related to the development and expansion of ethanol production.

$820,000 the first year and $820,000 the second year are to support the identification of impaired waters and develop plans to address those impairments, as required by the federal Clean Water Act.

Subd. 4. **Forest Management**	43,973,000	44,355,000

Appropriations by Fund		
General	25,683,000	25,698,000
Natural Resources	18,033,000	18,393,000
Game and Fish	257,000	264,000

$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.

$18,033,000 the first year and $18,393,000 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.

$1,180,000 the first year and $780,000 the second year are for the Forest Resources Council for implementation of the Sustainable Forest Resources Act. Of this amount, $200,000 is available in the first year as a onetime appropriation to conduct a study of options and make recommendations to the legislature for addressing the fragmentation and parcelization of large blocks of private forest land in the state and $200,000 is available in the first year as a onetime appropriation for the Forest Resources Research Advisory Committee under Minnesota Statutes, section 89A.08, to provide direction on research topics recommended by the Governor's Task Force on the Competitiveness of Minnesota's Primary Forest Products Industry.

$350,000 the first year and $350,000 the second year are for the FORIST timber management information system, other information systems, and for increased forestry management.

$257,000 the first year and $264,000 the second year are from the game and fish fund to implement ecological classification systems (ECS) standards on forested landscapes. This appropriation is from revenue deposited in the game and fish fund under Minnesota Statutes, section 297A.94, paragraph (e), clause (1).

$2,000,000 the first year and $2,000,000 the second year are for general fund investments in forest management. Of this amount, $1,500,000 the first year and $1,500,000 the second year are to support additional technical and cost-share assistance to nonindustrial private forest (NIPF) landowners and $500,000 the first year and $500,000 the second year are to address escalating land asset management demands, such as boundary disputes, access easements, and sale, exchange, and acquisition of forest lands.

$55,000 the first year and $55,000 the second year are to develop and implement a statewide information and education campaign regarding the proposed statewide ban on the transport, storage, or use of nonapproved firewood on state-administered lands.

$50,000 the first year and $100,000 the second year are from the natural resources fund for forest road maintenance in support of all-terrain vehicle trails.

Subd. 5. **Parks and Recreation Management**			35,194,000	36,012,000

Appropriations by Fund

General	20,613,000	20,976,000
Natural Resources	14,581,000	15,036,000

$640,000 the first year and $640,000 the second year are from the water recreation account in the natural resources fund for state park water access projects.

$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).

$500,000 the first year and $750,000 the second year are from the natural resources fund for park maintenance work, resource management projects, and conservation education for park users.

Subd. 6. **Trails and Waterways Management**			28,712,000	28,917,000

Appropriations by Fund

General	1,798,000	1,818,000
Natural Resources	24,795,000	24,905,000
Game and Fish	2,119,000	2,194,000

$7,924,000 the first year and $7,924,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid.

The additional money under this paragraph 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.

$1,140,000 the first year and $1,132,000 the second year are from the natural resources fund for off-highway vehicle grants-in-aid. Of this amount, $790,000 the first year and $882,000 the second year are from the all-terrain vehicle account; $150,000 each year is from the off-highway motorcycle account; and $200,000 the first year and $100,000 the second year are 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.

$261,000 the first year and $261,000 the second year are from the water recreation account in the natural resources fund for a safe harbor program on Lake Superior.

$742,000 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).

$32,000 the first year and $107,000 the second year are from the game and fish fund for expenditures on water access sites according to the requirements of the federal sport and fish restoration program.

Subd. 7. **Fish and Wildlife Management**	60,580,000	62,952,000

Appropriations by Fund		
General	3,463,000	3,513,000
Natural Resources	1,876,000	1,876,000
Game and Fish	55,241,000	56,563,000

$410,000 the first year and $418,000 the second year are for resource population surveys in the 1837 treaty area. Of this amount, $274,000 the first year and $288,000 the second year are from the game and fish fund.

$8,061,000 the first year and $8,167,000 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). Of this amount, $575,000 the first year and $575,000 the second year are for accelerating programs and efforts to preserve, restore, and enhance grassland/wetland complexes on public and private lands. Notwithstanding Minnesota Statutes, section 297A.94, this appropriation may be used for 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.

$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.

$108,000 the first year and $108,000 the second year are from the game and fish fund for costs associated with administering fishing contest permits.

$132,000 the first year and $132,000 the second year are to accelerate wildlife health programs and to prevent the spread of disease from livestock and poultry to the wildlife population. $66,000 of this amount is permanent.

$575,000 the first year and $575,000 the second year are for accelerating programs and efforts to preserve, restore, and enhance grassland/wetland complexes on public and private lands.

$100,000 the first year and $100,000 the second year are from the game and fish fund to expand the roadsides for wildlife program.

Subd. 8. **Ecological Services**			13,554,000	15,377,000

Appropriations by Fund		
General	5,399,000	5,457,000
Natural Resources	4,273,000	5,969,000
Game and Fish	3,882,000	3,951,000

$1,194,000 the first year and $1,227,000 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.

$1,588,000 the first year and $1,588,000 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).

$710,000 the first year and $2,050,000 the second year are from the invasive species account and $75,000 the first year and $400,000 the second year are from the game and fish fund for law enforcement and water access inspection to prevent the spread of invasive species, grants to manage invasive plants in public waters, and management of terrestrial invasive species on state-administered lands.

$85,000 the first year and $85,000 the second year are a onetime appropriation for the purpose of addressing surface and groundwater issues related to the development and expansion of ethanol production.

$810,000 the first year and $810,000 the second year are to support the identification of impaired waters and develop plans to address those impairments, as required by the federal Clean Water Act.

Subd. 9. **Enforcement**	30,221,000	30,897,000

Appropriations by Fund

General	3,536,000	3,592,000
Natural Resources	7,163,000	7,320,000
Game and Fish	19,422,000	19,885,000
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.

$100,000 the first year and $100,000 the second year are from the remediation fund for solid waste enforcement activities under Minnesota Statutes, section 116.073.

$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).

$225,000 the first year and $225,000 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, $213,000 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.

$15,000 the first year is from the off-highway motorcycle account in the natural resources fund to produce an interactive CD-ROM training tool for the off-highway motorcycle education and training program under Minnesota Statutes, section 84.791.

$15,000 the first year and $5,000 the second year are from the off-road vehicle account in the natural resources fund to establish the off-road vehicle environment and safety education and training program under Minnesota Statutes, section 84.8015.

$50,000 the first year and $225,000 the second year are from the natural resources fund for grants to qualifying off-highway vehicle organizations to assist in safety and environmental education and monitoring trails on public lands. Of this appropriation, $25,000 each year is for administration of these grants.

Overtime must be distributed to conservation officers at historical levels; however, a reasonable reduction or addition may be made to the officer's allocation, if justified, based on an individual officer's workload. If funding for enforcement is reduced because of an unallotment, the overtime bank may be reduced in proportion to reductions made in other areas of the budget.

Subd. 10. **Operations Support**			3,724,000	3,791,000
Appropriations by Fund				
General	2,189,000	2,227,000		

Natural Resources	484,000	484,000
Game and Fish	1,051,000	1,080,000

$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. 4. **BOARD OF WATER AND SOIL RESOURCES** **$ 22,369,000 $ 22,728,000**

$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 that would be raised by a levy under Minnesota Statutes, section 103B.3369.

$3,566,000 the first year and $3,566,000 the second year are for grants to 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.

$3,285,000 the first year and $3,285,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. Of this amount, at least $1,500,000 the first year and $1,500,000 the second year are for grants for cost-sharing contracts for water quality management on feedlots. 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. This appropriation is available until expended. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

$100,000 the first year and $100,000 the second year are for a grant to the Red River Basin Commission to develop a Red River basin plan and to coordinate water management activities in the states and provinces bordering the Red River. The unencumbered balance in the first year does not cancel but is available for the second year.

$105,000 the first year and $105,000 the second year are for a grant to Area II, Minnesota River Basin Projects, for floodplain management, including administration of programs. If the appropriation in either year is insufficient, the appropriation in the other year is available for it.

$5,450,000 the first year and $5,450,000 the second year are for implementation of the Clean Water Legacy Act as follows: $1,500,000 each year is for targeted nonpoint restoration cost-share and incentive payments, of which up to $1,400,000 each year is available for grants. The grant funds are available until expended; $2,000,000 each year is for targeted nonpoint restoration and protection and technical, compliance, and engineering assistance activities, of which up to $1,700,000 each year is available for grants; $200,000 each year is for reporting and evaluating applied soil and water conservation practices; $750,000 each year is for grants to implement county individual sewage treatment system programs; and $1,000,000 each year is for grants to support local nonpoint source protection activities related to lake and river protection and management. All of the money appropriated in this paragraph as grants to local governments shall be administered through the Board of Water and Soil Resources' local water resources protection and management program under Minnesota Statutes, section 103B.3369.

$1,060,000 the first year and $1,060,000 the second year may be spent for the following purposes to support implementation of the Wetland Conservation Act: $500,000 each year is to make grants to local units of governments to improve response to major wetland violations; $500,000 each year is for staffing to provide adequate state oversight and technical support to local governments administering the Wetland Conservation Act; and $60,000 each year is for staff to monitor and enforce wetland replacement and wetland bank sites.

$60,000 is to develop a comprehensive state wetland restoration vision and plan. This is a onetime appropriation. All of the money appropriated in this paragraph as grants to local governments shall be administered through the Board of Water and Soil Resources' local water resources protection and management program under Minnesota Statutes, section 103B.3369.

$450,000 in the first year and $800,000 the second year are to implement recommendations of the Drainage Work Group to enhance public drainage and modernization as follows: $150,000 the first year is to develop guidelines for drainage records preservation and modernization; $500,000 the second year is for cost-share grants to local governments for records modernization; and $300,000 each year is to provide assistance to local drainage management officials and to update the Minnesota Public Drainage Manual. All of the money appropriated in this paragraph as grants to local governments shall be administered through the Board of Water and Soil Resources' local water resources protection and management program under Minnesota Statutes, section 103B.3369.

Sec. 5. **METROPOLITAN COUNCIL**	**$**	**7,870,000**	**$**	**7,870,000**

Appropriations by Fund

	2008	2009
General	3,300,000	3,300,000
Natural Resources	4,570,000	4,570,000

$3,300,000 the first year and $3,300,000 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).

Sec. 6. **MINNESOTA CONSERVATION CORPS**	**$**	**840,000**	**$**	**840,000**

Appropriations by Fund

	2008	2009
General	350,000	350,000
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. 7. **LEGISLATIVE-CITIZEN COMMISSION ON MINNESOTA RESOURCES**	**$**	**23,366,000**	**$**	**28,866,000**

Appropriations by Fund

	2008	2009

State Land and Water Conservation Account (LAWCON)	500,000	-0-
Environment and Natural Resources Trust Fund	22,866,000	22,866,000

$22,866,000 from the trust fund and $500,000 from the state land and water conservation account the first year and $22,866,000 from the trust fund the second year are available for projects and programs under Minnesota Statutes, chapter 116P, and the Minnesota Constitution, article XI, section 14.

ARTICLE 2
ENVIRONMENT AND NATURAL RESOURCES POLICY

Section 1. Minnesota Statutes 2006, section 16A.531, subdivision 1a, is amended to read:

Subd. 1a. **Revenues.** The following revenues must be deposited in the environmental fund:

(1) all revenue from the motor vehicle transfer fee imposed under section 115A.908;

(2) all fees collected under section 116.07, subdivision 4d;

(3) all money collected by the Pollution Control Agency in enforcement matters as provided in section 115.073;

(4) all revenues from license fees for individual sewage treatment systems under section 115.56;

(5) all loan repayments deposited under section 115A.0716;

(6) all revenue from pollution prevention fees imposed under section 115D.12;

(7) all loan repayments deposited under section 116.994;

(8) all fees collected under section 116C.834;

(9) revenue collected from the solid waste management tax pursuant to chapter 297H;

(10) fees collected under section 473.844; ~~and~~

(11) interest accrued on the fund; and

(12) money received in the form of gifts, grants, reimbursement, or appropriation from any source for any of the purposes provided in subdivision 2, except federal grants.

Sec. 2. Minnesota Statutes 2006, section 84.025, subdivision 9, is amended to read:

Subd. 9. **Professional services support account.** The commissioner of natural resources may bill the various programs carried out by the commissioner for the costs of providing them with professional support services. <u>Except as provided under section 89.421,</u> receipts must be credited to a special account in the state treasury and are appropriated to the commissioner to pay the costs for which the billings were made.

The commissioner of natural resources shall submit to the commissioner of finance before the start of each fiscal year a work plan showing the estimated work to be done during the coming year, the estimated cost of doing the work, and the positions and fees that will be necessary. This account is exempted from statewide and agency indirect cost payments.

Sec. 3. Minnesota Statutes 2006, section 84.026, subdivision 1, is amended to read:

Subdivision 1. **Contracts.** The commissioner of natural resources is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed natural resources services by the department. The contracts shall specify the services to be provided. <u>Except as provided under section 89.421,</u> funds generated in a contractual agreement made pursuant to this section shall be deposited in the special revenue fund and are appropriated to the department for purposes of providing the services specified in the contracts. The commissioner shall report revenues collected and expenditures made under this subdivision to the chairs of the Committees on Ways and Means in the house and Finance in the senate by January 1 of each odd-numbered year.

Sec. 4. Minnesota Statutes 2006, section 84.0855, subdivision 1, is amended to read:

Subdivision 1. **Sales authorized; gift certificates.** The commissioner may sell natural resources-related publications and maps;<u> forest resource assessment products;</u> federal migratory waterfowl, junior duck, and other federal stamps; and other nature-related merchandise, and may rent or sell items for the convenience of persons using Department of Natural Resources facilities or services. The commissioner may sell gift certificates for any items rented or sold. Notwithstanding section 16A.1285, a fee charged by the commissioner under this section may include a reasonable amount in excess of the actual cost to support Department of Natural Resources programs. The commissioner may advertise the availability of a program or item offered under this section.

Sec. 5. Minnesota Statutes 2006, section 84.0855, subdivision 2, is amended to read:

Subd. 2. **Receipts; appropriation.** Except as provided under section 89.421, money received by the commissioner under this section or to buy supplies for the use of volunteers, may be credited to one or more special accounts in the state treasury and is appropriated to the commissioner for the purposes for which the money was received. Money received from sales at the state fair shall be available for state fair related costs. Money received from sales of intellectual property and software products or services shall be available for development, maintenance, and support of software products and systems.

Sec. 6. Minnesota Statutes 2006, section 84.780, is amended to read:

84.780 OFF-HIGHWAY VEHICLE DAMAGE ACCOUNT.

(a) The off-highway vehicle damage account is created in the natural resources fund. Money in the off-highway vehicle damage account is appropriated to the commissioner of natural resources for the repair or restoration of property damaged by the operation of off-highway vehicles in an ~~unpermitted~~ illegal area after August 1, 2003, and for the costs of administration for this section. Before the commissioner may make a payment from this account, the commissioner must determine whether the damage to the property was caused by the ~~unpermitted~~ illegal use of off-highway vehicles, that the applicant has made reasonable efforts to identify the responsible individual and obtain payment from the individual, and that the applicant has made reasonable efforts to prevent reoccurrence. ~~By June 30, 2008, the commissioner of finance must transfer the remaining balance in the account to the off-highway motorcycle account under section 84.794, the off-road vehicle account under section 84.803, and the all-terrain vehicle account under section 84.927. The amount transferred to each account must be proportionate to the amounts received in the damage account from the relevant off-highway vehicle accounts.~~

(b) Determinations of the commissioner under this section may be made by written order and are exempt from the rulemaking provisions of chapter 14. Section 14.386 does not apply.

(c) ~~This section expires July 1, 2008~~ These funds are available until expended.

Sec. 7. **[84.9011] OFF-HIGHWAY VEHICLE SAFETY AND CONSERVATION PROGRAM.**

Subdivision 1. **Creation.** The commissioner of natural resources shall establish a program to promote the safe and responsible operation of off-highway vehicles in a manner that does not harm the environment. The commissioner shall coordinate the program through the regional offices of the Department of Natural Resources.

Subd. 2. **Purpose.** The purpose of the program is to encourage off-highway vehicle clubs to assist, on a volunteer basis, in improving, maintaining, and monitoring of trails on state forest land and other public lands.

Subd. 3. **Agreements.** (a) The commissioner shall enter into informal agreements with off-highway vehicle clubs for volunteer services to maintain, make improvements to, and monitor trails on state forest land and other public lands. The off-highway vehicle clubs shall promote the operation of off-highway vehicles in a safe and responsible manner that complies with the laws and rules that relate to the operation of off-highway vehicles.

(b) The off-highway vehicle clubs may provide assistance to the department in locating, recruiting, and training instructors for off-highway vehicle training programs.

(c) The commissioner may provide assistance to enhance the comfort and safety of volunteers and to facilitate the implementation and administration of the safety and conservation program.

Subd. 4. **Worker displacement prohibited.** The commissioner may not enter into any agreement that has the purpose of or results in the displacement of public employees by volunteers participating in the off-highway safety and conservation program under this section. The commissioner must certify to the appropriate bargaining agent that the work performed by a volunteer will not result in the displacement of currently employed workers or workers on seasonal layoff or layoff from a substantially equivalent position, including partial displacement such as reduction in hours of nonovertime work, wages, or other employment benefits.

Sec. 8. Minnesota Statutes 2006, section 84.927, subdivision 2, is amended to read:

Subd. 2. **Purposes.** Subject to appropriation by the legislature, money in the all-terrain vehicle account may only be spent for:

(1) the education and training program under section 84.925;

(2) administration, enforcement, and implementation of sections 84.773 to 84.929;

(3) acquisition, maintenance, and development of vehicle trails and use areas;

(4) grant-in-aid programs to counties and municipalities to construct and maintain all-terrain vehicle trails and use areas;

(5) grants-in-aid to local safety programs; ~~and~~

(6) enforcement and public education grants to local law enforcement agencies~~.~~; and

(7) maintenance of minimum-maintenance forest roads according to section 89.71, subdivision 5, and county forest roads within state forest boundaries as defined under section 89.021.

The distribution of funds made available through grant-in-aid programs must be guided by the statewide comprehensive outdoor recreation plan.

Sec. 9. Minnesota Statutes 2006, section 84D.13, subdivision 7, is amended to read:

Subd. 7. **Satisfaction of civil penalties.** A civil penalty is due and a watercraft license suspension is effective 30 days after issuance of the civil citation. A civil penalty collected under this section is payable to the commissioner and must be credited to the ~~water recreation account~~ invasive species account.

Sec. 10. **[84D.15] INVASIVE SPECIES ACCOUNT.**

Subdivision 1. **Creation.** The invasive species account is created in the state treasury in the natural resources fund.

Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under section 86B.415, subdivision 7, and licenses for trailers with a gross vehicle weight of 3,000 pounds or less and towed recreational vehicles under section 168.013, subdivisions 1d and 1g, shall be deposited in the invasive species account. Each year, the commissioner of finance shall transfer from the game and fish fund to the invasive species account, the annual surcharge collected on nonresident fishing licenses under section 97A.475, subdivision 7, paragraph (b).

Subd. 3. **Use of money in account.** Money credited to the invasive species account in subdivision 2 shall be used for management of invasive species and implementation of this chapter as it pertains to aquatic invasive species, including control, public awareness, law enforcement, assessment and monitoring, management planning, and research.

Sec. 11. Minnesota Statutes 2006, section 86B.415, subdivision 1, is amended to read:

Subdivision 1. **Watercraft 19 feet or less.** The fee for a watercraft license for watercraft 19 feet or less in length is $27 plus a $15 surcharge except:

(1) for watercraft, other than personal watercraft, 19 feet in length or less that is offered for rent or lease, the fee is $9 plus a $5 surcharge;

(2) for a canoe, kayak, sailboat, sailboard, paddle boat, or rowing shell 19 feet in length or less, the fee is $10.50 plus a $5 surcharge;

(3) for a watercraft 19 feet in length or less used by a nonprofit corporation for teaching boat and water safety, the fee is as provided in subdivision 4;

(4) for a watercraft owned by a dealer under a dealer's license, the fee is as provided in subdivision 5;

(5) for a personal watercraft, the fee is $37.50 plus a $15 surcharge; and

(6) for a watercraft less than 17 feet in length, other than a watercraft listed in clauses (1) to (5), the fee is $18 plus a $10 surcharge.

Sec. 12. Minnesota Statutes 2006, section 86B.415, subdivision 2, is amended to read:

Subd. 2. **Watercraft over 19 feet.** Except as provided in subdivisions 3, 4, and 5, the watercraft license fee:

(1) for a watercraft more than 19 feet but less than 26 feet in length is $45 plus a $15 surcharge;

(2) for a watercraft 26 feet but less than 40 feet in length is $67.50 plus a $15 surcharge; and

(3) for a watercraft 40 feet in length or longer is $90 plus a $15 surcharge.

Sec. 13. Minnesota Statutes 2006, section 86B.415, subdivision 3, is amended to read:

Subd. 3. **Watercraft over 19 feet for hire.** The license fee for a watercraft more than 19 feet in length for hire with an operator is $75 plus a $15 surcharge each.

Sec. 14. Minnesota Statutes 2006, section 86B.415, subdivision 4, is amended to read:

Subd. 4. **Watercraft used by nonprofit corporation for teaching.** The watercraft license fee for a watercraft used by a nonprofit organization for teaching boat and water safety is $4.50 plus a $5 surcharge each.

Sec. 15. Minnesota Statutes 2006, section 86B.415, subdivision 5, is amended to read:

Subd. 5. **Dealer's license.** There is no separate fee for watercraft owned by a dealer under a dealer's license. The fee for a dealer's license is $67.50 plus a $15 surcharge.

Sec. 16. Minnesota Statutes 2006, section 86B.415, subdivision 7, is amended to read:

Subd. 7. **Watercraft surcharge.** ~~A $5 surcharge is placed on each watercraft licensed~~ The surcharge placed on each watercraft under subdivisions 1 to 5 shall be used for control, public awareness, law enforcement, monitoring, and research of aquatic invasive species ~~such as zebra mussel, purple loosestrife, and Eurasian water milfoil in public waters and public wetlands~~.

Sec. 17. Minnesota Statutes 2006, section 86B.706, subdivision 2, is amended to read:

Subd. 2. **Money deposited in account.** The following shall be deposited in the state treasury and credited to the water recreation account:

(1) fees and surcharges from titling and licensing of watercraft under this chapter;

(2) fines, installment payments, and forfeited bail according to section 86B.705, subdivision 2;

(3) ~~civil penalties according to section 84D.13;~~

~~(4)~~ mooring fees and receipts from the sale of marine gas at state-operated or state-assisted small craft harbors and mooring facilities according to section 86A.21;

~~(5)~~ (4) the unrefunded gasoline tax attributable to watercraft use under section 296A.18; and

~~(6)~~ (5) fees for permits issued to control or harvest aquatic plants other than wild rice under section 103G.615, subdivision 2.

Sec. 18. Minnesota Statutes 2006, section 88.642, subdivision 1, is amended to read:

Subdivision 1. **Written consent.** No person shall cut, harvest, remove, transport, or possess for decorative purposes or for sale more than three decorative trees, more than ~~100~~ 25 pounds of decorative boughs, or more than ~~100~~ 25 pounds of any other decorative materials without the written consent of the owner or authorized agent of the private or public land on which the decorative materials were cut or harvested. The written consent shall be on a form furnished or otherwise approved by the commissioner of natural resources and shall contain the legal description of the land where the decorative materials were cut or harvested, as well as the name of the legal owner of the land or the owner's authorized agent. The written consent must be carried by every person cutting, harvesting, removing, possessing, or transporting any decorative materials, or in any way aiding therein, and must be exhibited to any officer at the officer's request at any time.

Sec. 19. Minnesota Statutes 2006, section 88.6435, subdivision 1, is amended to read:

Subdivision 1. **Permits.** A person may not buy more than ~~100~~ 25 pounds of decorative boughs in any calendar year without a bough buyer's permit issued by the commissioner of natural resources. ~~The annual fee for a permit for a resident or nonresident to buy decorative boughs is $25. The annual fee may be reduced to $10 if the buyer attends an approved annual workshop or other orientation session for balsam bough harvesters and buyers.~~ The commissioner shall charge a fee for the permit that covers the commissioner's cost of issuing the permit. A permit may not be granted until the permit holder has completed a presale conference with the state appraiser designated to supervise the cutting.

Sec. 20. Minnesota Statutes 2006, section 89.22, subdivision 2, is amended to read:

Subd. 2. **Receipts to ~~natural resources~~ special revenue fund.** Fees collected under subdivision 1 shall be credited to ~~a forest land use account in the natural resources fund~~ the special revenue fund and are annually appropriated to the commissioner to recoup the costs of developing, operating, and maintaining facilities necessary for the specified uses in subdivision 1 or to prevent or mitigate resource impacts of those uses.

EFFECTIVE DATE. This section is effective July 1, 2007, and applies to fees collected according to Minnesota Statutes, section 89.22, subdivision 1, after August 1, 2006.

Sec. 21. **[89.421] FOREST RESOURCE ASSESSMENT PRODUCTS AND SERVICES ACCOUNT.**

Subdivision 1. **Creation.** The forest resource assessment products and services account is created in the state treasury in the natural resources fund.

Subd. 2. **Receipts.** Money received from forest resource assessment product sales and services provided by the commissioner under sections 84.025, subdivision 9; 84.026; and 84.0855 shall be credited to the forest resource assessment products and services account. Forest resource assessment products and services include the sale of aerial photography, remote sensing, and satellite imagery products and services.

Subd. 3. **Use of money in account.** Money credited to the forest resource assessment products and services account under subdivision 2 is annually appropriated to the commissioner and shall be used to maintain the staff and facilities producing the aerial photography, remote sensing, and satellite imagery products and services.

Sec. 22. Minnesota Statutes 2006, section 97A.071, subdivision 2, is amended to read:

Subd. 2. **Revenue from small game license surcharge and lifetime licenses.** Revenue from the small game surcharge and $6.50 annually from the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license issued under sections 97A.473, subdivisions 3 and 5, and 97A.474, subdivision 3, shall be credited to the wildlife acquisition account ~~and~~. The money in the account is appropriated to the commissioner and shall be used ~~by the commissioner~~ only for the purposes of this section, and acquisition and development of wildlife lands under section 97A.145 and maintenance of the lands, in accordance with appropriations made by the legislature.

Sec. 23. Minnesota Statutes 2006, section 97A.075, is amended to read:

97A.075 USE OF LICENSE REVENUES.

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 (4), (5), (9), (11), (13), and (14), and 3, clauses (2), (3), and (7), 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. Money in the account is appropriated to the commissioner 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. Money in the account is appropriated to the commissioner 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.

Subd. 2. **Minnesota migratory waterfowl stamp.** (a) Ninety percent of the revenue from the Minnesota migratory waterfowl stamps must be credited to the waterfowl habitat improvement account. Money in the account is appropriated to the commissioner and may be used only for:

(1) development of wetlands and lakes in the state and designated waterfowl management lakes for maximum migratory waterfowl production including habitat evaluation, the construction of dikes, water control structures and impoundments, nest

cover, rough fish barriers, acquisition of sites and facilities necessary for development and management of existing migratory waterfowl habitat and the designation of waters under section 97A.101;

(2) management of migratory waterfowl;

(3) development, restoration, maintenance, or preservation of migratory waterfowl habitat;

(4) acquisition of and access to structure sites; and

(5) the promotion of waterfowl habitat development and maintenance, including promotion and evaluation of government farm program benefits for waterfowl habitat.

(b) Money in the account may not be used for costs unless they are directly related to a specific parcel of land or body of water under paragraph (a), clause (1), (3), (4), or (5), or to specific management activities under paragraph (a), clause (2).

Subd. 3. **Trout and salmon stamp.** (a) Ninety percent of the revenue from trout and salmon stamps must be credited to the trout and salmon management account. Money in the account <u>is appropriated to the commissioner and </u>may be used only for:

(1) the development, restoration, maintenance, improvement, protection, and preservation of habitat for trout and salmon in trout streams and lakes, including, but not limited to, evaluating habitat; stabilizing eroding stream banks; adding fish cover; modifying stream channels; managing vegetation to protect, shade, or reduce runoff on stream banks; and purchasing equipment to accomplish these tasks;

(2) rearing trout and salmon, including utility and service costs associated with coldwater hatchery buildings and systems; stocking trout and salmon in streams and lakes and Lake Superior; and monitoring and evaluating stocked trout and salmon;

(3) acquisition of easements and fee title along trout waters;

(4) identifying easement and fee title areas along trout waters; and

(5) research and special management projects on trout streams, trout lakes, and Lake Superior and portions of its tributaries.

(b) Money in the account may not be used for costs unless they are directly related to a specific parcel of land or body of water under paragraph (a), to specific fish rearing activities under paragraph (a), clause (2), or for costs associated with supplies and equipment to implement trout and salmon management activities under paragraph (a).

Subd. 4. **Pheasant stamp.** (a) Ninety percent of the revenue from pheasant stamps must be credited to the pheasant habitat improvement account. Money in the account <u>is appropriated to the commissioner and </u>may be used only for:

(1) the development, restoration, and maintenance of suitable habitat for ringnecked pheasants on public and private land including the establishment of nesting cover, winter cover, and reliable food sources;

(2) reimbursement of landowners for setting aside lands for pheasant habitat;

(3) reimbursement of expenditures to provide pheasant habitat on public and private land;

(4) the promotion of pheasant habitat development and maintenance, including promotion and evaluation of government farm program benefits for pheasant habitat; and

(5) the acquisition of lands suitable for pheasant habitat management and public hunting.

(b) Money in the account may not be used for:

(1) costs unless they are directly related to a specific parcel of land under paragraph (a), clause (1), (3), or (5), or to specific promotional or evaluative activities under paragraph (a), clause (4); or

(2) any personnel costs, except that prior to July 1, 2009, personnel may be hired to provide technical and promotional assistance for private landowners to implement conservation provisions of state and federal programs.

Subd. 5. **Turkey stamps.** (a) Ninety percent of the revenue from turkey stamps must be credited to the wild turkey management account. Money in the account is appropriated to the commissioner and may be used only for:

(1) the development, restoration, and maintenance of suitable habitat for wild turkeys on public and private land including forest stand improvement and establishment of nesting cover, winter roost area, and reliable food sources;

(2) acquisitions of, or easements on, critical wild turkey habitat;

(3) reimbursement of expenditures to provide wild turkey habitat on public and private land;

(4) trapping and transplantation of wild turkeys; and

(5) the promotion of turkey habitat development and maintenance, population surveys and monitoring, and research.

(b) Money in the account may not be used for:

(1) costs unless they are directly related to a specific parcel of land under paragraph (a), clauses (1) to (3), a specific trap and transplant project under paragraph (a), clause (4), or to specific promotional or evaluative activities under paragraph (a), clause (5); or

(2) any permanent personnel costs.

Sec. 24. Minnesota Statutes 2006, 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) to take fish by angling, $34;

(2) to take fish by angling limited to seven consecutive days selected by the licensee, $24;

(3) to take fish by angling for a 72-hour period selected by the licensee, $20;

(4) 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, $46;

(5) to take fish by angling for a 24-hour period selected by the licensee, $8.50; and

(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, $35.

(b) A $2 surcharge shall be added to all nonresident fishing licenses, except licenses issued under paragraph (a), clause (5). An additional commission may not be assessed on this surcharge.

Sec. 25. Minnesota Statutes 2006, section 97C.081, subdivision 3, is amended to read:

Subd. 3. **Contests requiring a permit.** (a) A person must have a permit from the commissioner to conduct a fishing contest that does not meet the criteria in subdivision 2. ~~Permits shall be issued without a fee.~~ 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. Receipts collected from this fee shall be credited to the game and fish fund. 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.

(b) 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, the commissioner may require the applicant to furnish the commissioner evidence of financial responsibility in the form of a surety bond or bank letter of credit in the amount of $25,000.

Sec. 26. Minnesota Statutes 2006, section 168.013, subdivision 1d, is amended to read:

Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater than 3,000 pounds, the annual tax is based on total gross weight and is 30 percent of the

Minnesota base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds or less, and when the gross weight of a trailer is more than 15,000 pounds, the tax for the first eight years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life the tax is 75 percent of the Minnesota base rate prescribed by subdivision 1e.

(b) Farm trailers with a gross weight in excess of 10,000 pounds and as described in section 168.011, subdivision 17, are taxed as farm trucks as prescribed in subdivision 1c.

(c) Effective on and after July 1, 2001, trailers registered at a gross vehicle weight of 3,000 pounds or less must display a distinctive plate. The registration on the license plate is valid for the life of the trailer only if it remains registered at the same gross vehicle weight. The onetime registration tax for trailers registered for the first time in Minnesota is $55. For trailers registered in Minnesota before July 1, 2001, and for which:

(1) registration is desired for the remaining life of the trailer, the registration tax is $25; or

(2) permanent registration is not desired, the biennial registration tax is $10 for the first renewal if registration is renewed between and including July 1, 2001, and June 30, 2003. These trailers must be issued permanent registration at the first renewal on or after July 1, 2003, and the registration tax is $20.

For trailers registered at a gross weight of 3,000 pounds or less before July 1, 2001, but not renewed until on or after July 1, 2003, the registration tax is $20 and permanent registration must be issued.

(d) A $5 surcharge is placed on initial registration of trailers under paragraph (c) and the money collected, less the amount needed to pay the cost of collection of the surcharge, shall be credited to the invasive species account under section 84D.15. The amount necessary to pay the cost of collection of the surcharge is appropriated to the state registrar of motor vehicles.

Sec. 27. Minnesota Statutes 2006, section 168.013, subdivision 1g, is amended to read:

Subd. 1g. **Recreational vehicle.** (a) Self-propelled recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight and the tax shall be graduated according to the Minnesota base rate schedule prescribed in subdivision 1e, but in no event less than $20, except as otherwise provided in this subdivision.

(b) For all self-propelled recreational vehicles, the tax for the ninth and succeeding years of vehicle life shall be 75 percent of the tax imposed in the Minnesota base rate schedule.

(c) Towed recreational vehicles shall be separately licensed and taxed annually on the basis of total gross weight at 30 percent of the Minnesota base rate prescribed in subdivision 1e but in no event less than $5.

(d) Notwithstanding any law to the contrary, all trailers and semitrailers taxed pursuant to this section shall be exempt from any wheelage tax now or hereafter imposed by any political subdivision or political subdivisions.

<u>(e) A $5 surcharge is placed on initial licensure and renewal of towed recreational vehicles under paragraph (c) and the money collected, less the amount needed to pay the cost of collection of the surcharge, shall be credited to the invasive species account under section 84D.15. The amount necessary to pay the cost of collection of the surcharge is appropriated to the state registrar of motor vehicles.</u>

Sec. 28. Minnesota Statutes 2006, section 168.013, subdivision 8, is amended to read:

Subd. 8. **Tax proceeds to highway user fund; fee proceeds to vehicle services account.** (a) Unless otherwise specified in this chapter, the net proceeds of the registration tax imposed under this chapter must be collected by the commissioner, paid into the state treasury, and credited to the highway user tax distribution fund<u>, except as provided for the surcharge collected for trailers with a gross vehicle weight of 3,000 pounds or less under subdivision 1d and towed recreational vehicles under subdivision 1g</u>.

(b) All fees collected under this chapter, unless otherwise specified, must be deposited in the vehicle services operating account in the special revenue fund under section 299A.705.

Sec. 29. Minnesota Statutes 2006, section 296A.18, subdivision 4, is amended to read:

Subd. 4. **All-terrain vehicle.** Approximately ~~0.15~~ <u>0.27</u> of one percent of all gasoline received in or produced or brought into this state, except gasoline used for aviation purposes, is being used for the operation of all-terrain vehicles in this state, and of the total revenue derived from the imposition of the gasoline fuel tax, ~~0.15~~ <u>0.27</u> of one percent is the amount of tax on fuel used in all-terrain vehicles operated in this state.

Sec. 30. Laws 2003, chapter 128, article 1, section 169, is amended to read:

Sec. 169. **CONTINUOUS TRAIL DESIGNATION.**

(a) The commissioner of natural resources shall locate, plan, design, map, construct, designate, and sign a new trail for use by all-terrain vehicles and off-highway motorcycles of not less than 70 continuous miles in length on any land owned by the state or in cooperation with any county on land owned by that county or on a combination of any of these lands. This new trail shall be ready for use by ~~April 1, 2007~~ June 30, 2009.

(b) All funding for this new trail shall come from the all-terrain vehicle dedicated account and is appropriated each year as needed.

(c) This new trail shall have at least two areas of access complete with appropriate parking for vehicles and trailers and enough room for loading and unloading all-terrain vehicles. Some existing trails, that are strictly all-terrain vehicle trails, and are not inventoried forest roads, may be incorporated into the design of this new all-terrain vehicle trail. This new trail may be of a continuous loop design and shall provide for spurs to other all-terrain vehicle trails as long as those spurs do not count toward the 70 continuous miles of this new all-terrain vehicle trail. Four rest areas shall be provided along the way.

Sec. 31. **REPEALER.**

(a) Minnesota Statutes 2006, section 89A.11, is repealed.

(b) Minnesota Statutes 2006, section 93.2236, is repealed.

EFFECTIVE DATE. Paragraph (a) of this section is effective July 1, 2007. Paragraph (b) of this section is effective July 1, 2008.