A bill for an act

relating to legacy; appropriating money to maintain dedicated funding website; amending Minnesota Statutes 2016, sections 85.53, by adding a subdivision; 97A.056, subdivisions 1, 15, by adding subdivisions; 114D.50, by adding a subdivision; 129D.17, by adding a subdivision; Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended; Laws 2016, chapter 172, article 1, section 2, subdivisions 2, 4; repealing Minnesota Statutes 2016, section 97A.056, subdivision 8.

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

ARTICLE 1

OUTDOOR HERITAGE FUND

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the outdoor heritage fund for the fiscal year indicated for each purpose. The figures "2018" and "2019" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2018, and June 30, 2019, respectively. The "first year" is fiscal year 2018. The "second year" is fiscal year 2019. The "biennium" is fiscal years 2018 and 2019, respectively. The appropriations in this article are onetime appropriations.

	APPROPRIATIONS Available for the Year Ending June 30	
	2018	**2019**
Sec. 2. **OUTDOOR HERITAGE FUND**		
Subdivision 1. **Total Appropriation**	**$ 104,478,000**	**$ 585,000**

Notwithstanding Minnesota Statutes, section 97A.056, subdivision 23, this appropriation is from the outdoor heritage fund. The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. **Prairies**	30,862,000	-0-

(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase IX

$4,437,000 the first year is to the commissioner of natural resources to acquire in fee and restore lands for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating the Wildlife Management Area Acquisition - Phase IX

$5,603,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes,

section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project - Phase VII

$1,901,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire land in fee for native prairie, wetland, and savanna and to restore and enhance grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. No later than 180 days after The Nature Conservancy's fiscal year ends, The Nature Conservancy must submit to the Lessard-Sams Outdoor Heritage Council annual income statements and balance sheets for income and expenses from land acquired with this appropriation. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in Minnesota Prairie Conservation Plan.

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

$2,683,000 the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements and restore

lands in the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan, and the acquisitions must be consistent with the priorities in Minnesota Prairie Conservation Plan.

(e) Cannon River Headwaters Habitat Complex - Phase VII

$1,436,000 the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire in fee and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Accelerated Native Prairie Bank Protection - Phase VI

$2,481,000 the first year is to the commissioner of natural resources to acquire permanent conservation easements to implement the strategies in Minnesota Prairie

Conservation Plan to protect and restore native prairie. Of this amount, up to $140,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(g) Reinvest In Minnesota (RIM) Buffers for Wildlife and Water - Phase VII

$5,333,000 the first year is to the Board of Water and Soil Resources to restore habitat and acquire permanent conservation easements under Minnesota Statutes, section 103F.515, to protect, restore, and enhance habitat by expanding the riparian-buffer program of the clean water fund for at least equal wildlife benefits from buffers on private land. Of this amount, up to $858,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley - Phase III

$1,908,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Prairie

Chicken Society to acquire land in fee and restore and enhance lands in the southern Red River valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or to be designated and managed as waterfowl-production areas in Minnesota in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquiring lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase IX

$3,950,000 the first year is to the commissioner of natural resources to accelerate restoration and enhancement of prairies, grasslands, and savannas on wildlife management areas, scientific and natural areas, native prairie bank land, bluff prairies on state forest land in southeastern Minnesota, and United States Fish and Wildlife Service waterfowl-production area and refuge lands. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(j) Anoka Sandplain Habitat Restoration and Enhancement - Phase V

$1,130,000 the first year is to the commissioner of natural resources for agreements to acquire permanent conservation easements and to restore and enhance wildlife

habitat on public lands in Anoka, Benton, Isanti, Morrison, and Stearns Counties as follows: $41,000 is to the Anoka Conservation District, $231,000 is to the Isanti County Soil and Water Conservation District, $345,000 is to Great River Greening, $163,000 is to the Stearns County Soil and Water Conservation District, and $350,000 is to Minnesota Land Trust. Up to $40,000 to Minnesota Land Trust is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements, restorations, and enhancements must be provided as part of the required accomplishment plan.

Subd. 3. **Forests**	17,324,000	-0-

(a) Carnelian Creek Conservation Corridor

$2,458,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements in Washington County. Of this amount, up to $30,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements and an annual public hunting and fishing plan must be provided as part of the required accomplishment plan.

(b) Laurentian Forest - St. Louis County Habitat Project

$2,400,000 the first year is to the commissioner of natural resources for

agreements with the Minnesota Deer Hunters Association in cooperation with The Conservation Fund and St. Louis County to acquire land in fee to be transferred to St. Louis County for wildlife habitat purposes. The amount is for agreements as follows: $2,292,000 to the Minnesota Deer Hunter Association and $108,000 to The Conservation Fund. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Southeast Minnesota Protection and Restoration - Phase V

$2,375,000 the first year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8; to acquire land in fee for scientific and natural areas under Minnesota Statutes, section 86A.05, subdivision 5; to acquire land in fee for state forest purposes under Minnesota Statutes, section 86A.05, subdivision 7; to acquire permanent conservation easements; and to restore and enhance prairie, grassland, forest, and savanna. The amount is for agreements as follows: $1,000,000 to The Nature Conservancy, $675,000 to The Trust for Public Land, and $700,000 to Minnesota Land Trust. Up to $80,000 to Minnesota Land Trust is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. No later than 180 days after the The Nature Conservancy's fiscal year ends, The Nature Conservancy must

submit to the Lessard-Sams Outdoor Heritage Council annual income statements and balance sheets for income and expenses from land acquired in fee with this appropriation and not transferred to the state or a local governmental unit. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(d) Minnesota Forests for the Future - Phase V

$2,291,000 the first year is to the commissioner of natural resources to acquire easements for forest, wetland, and shoreline habitat through working forest permanent conservation easements under the Minnesota forests for the future program pursuant to Minnesota Statutes, section 84.66. A conservation easement acquired with money appropriated under this paragraph must comply with Minnesota Statutes, section 97A.056, subdivision 13. The accomplishment plan must include an easement monitoring and enforcement plan. Of this amount, up to $72,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(e) State Forest Acquisitions - Phase IV

$1,000,000 the first year is to the commissioner of natural resources to acquire lands in fee for wildlife habitat purposes in the Richard J. Dorer Memorial Hardwood State Forest under Minnesota Statutes, section 86A.05, subdivision 7. A list of proposed land

acquisitions must be provided as part of the required accomplishment plan.

(f) Critical Shoreland Protection Program - Phase IV

$1,700,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements along rivers and lakes in the northern forest region. Of this amount, up to $120,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed permanent conservation easements must be provided as part of the required accomplishment plan.

(g) Bushmen Lake

$4,600,000 the first year is to the commissioner of natural resources for an agreement with The Conservation Fund in cooperation with the United States Forest Service to acquire lands in fee adjacent to Bushmen Lake in St. Louis County to be managed for wildlife habitat purposes. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Forest Pest Response

$500,000 the first year is to the commissioner of agriculture to identify, prevent, and, in consultation with the Forest Resources Council, protect Minnesota forests by rapidly and effectively responding to the threat or presence of plant pests, including emerald ash

borer. The commissioner of agriculture may transfer all or part of this appropriation to the commissioner of natural resources and shall award grants to local units of government or other entities.

Subd. 4. **Wetlands**	28,869,000	-0-

(a) Accelerating Waterfowl-Production Area Acquisition - Phase IX

$5,500,000 the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl-production areas in Minnesota in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Shallow Lakes and Wetland Protection Program - Phase VI

$5,750,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire land in fee and restore prairie lands, wetlands, and land-buffering shallow lakes for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) RIM Wetlands Partnership - Phase VIII

$10,398,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to $306,000 is for

establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Wild-Rice Shoreland Protection Program - Phase V

$750,000 the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements on wild-rice lake shoreland habitat for native wild-rice bed protection. Of this amount, up to $59,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report by the Board of Water and Soil Resources.

(e) Accelerated Shallow Lakes and Wetlands Enhancement - Phase IX

$1,755,000 the first year is to the commissioner of natural resources to enhance and restore shallow lakes and wetland habitat statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Living Shallow Lakes and Wetland Initiative - Phase VI

$4,716,000 the first year is to the commissioner of natural resources for an agreement with Ducks Unlimited to restore and enhance shallow lakes and wetlands on public lands and wetlands under permanent conservation easement for wildlife

management purposes. A list of proposed shallow-lake enhancements and wetland restorations must be provided as part of the required accomplishment plan.

Subd. 5. **Habitats**	26,554,000	-0-

(a) Mississippi Headwaters Habitat Corridor Partnership - Phase III

$1,617,000 the first year is to the commissioner of natural resources to acquire lands in fee and restore wildlife habitat in the Mississippi headwaters and for agreements as follows: $60,000 to the Mississippi Headwaters Board and $1,557,000 to The Trust for Public Land. $779,000 the first year is to the Board of Water and Soil Resources to acquire lands in permanent conservation easements and to restore wildlife habitat. Up to $59,000 to the Board of Water and Soil Resources is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed acquisitions must be included as part of the required accomplishment plan.

(b) Fisheries Habitat Protection on Strategic North-Central Minnesota Lakes - Phase III

$1,716,000 the first year is to the commissioner of natural resources to acquire land in permanent conservation easements to sustain healthy fish habitat on coldwater lakes in Aitkin, Cass, Crow Wing, and Hubbard Counties for agreements as follows: $113,000 to the Leech Lake Area Watershed Foundation and $1,603,000 to Minnesota Land Trust. Up to $120,000 to Minnesota Land Trust is for establishing a monitoring and enforcement

fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the required accomplishment plan.

(c) Goose Prairie

$600,000 the first year is to the commissioner of natural resources for an agreement with the Wild Rice Watershed District, in cooperation with the Department of Natural Resources, to enhance aquatic and upland habitat in and adjacent to the Goose Prairie Marsh Wildlife Management Area in Clay County. A list of proposed land enhancements must be provided as part of the required accomplishment plan.

(d) Minnesota Trout Unlimited Coldwater Fish Habitat Enhancement and Restoration - Phase IX

$2,403,000 the first year is to the commissioner of natural resources for an agreement with Minnesota Trout Unlimited to restore or enhance habitat for trout and other species in and along coldwater rivers, lakes, and streams in Minnesota. A list of proposed restorations and enhancements must be provided as part of the required accomplishment plan.

(e) DNR Stream Habitat - Phase II

$2,166,000 the first year is to the commissioner of natural resources to restore and enhance habitat in degraded streams and critical aquatic-species habitat and to facilitate fish passage. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(f) St. Louis River Restoration Initiative - Phase IV

$3,392,000 the first year is to the commissioner of natural resources to restore aquatic habitats in the St. Louis River estuary. Of this appropriation, up to $226,000 is for an agreement with Minnesota Land Trust. A list of proposed restorations must be provided as part of the required accomplishment plan.

(g) Shell Rock River Watershed Habitat Restoration Program - Phase VI

$1,779,000 the first year is to the commissioner of natural resources for an agreement with the Shell Rock River Watershed District to acquire land in fee and restore and enhance aquatic habitat in the Shell Rock River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(h) Lake Wakanda Enhancement Project

$921,000 the first year is to the commissioner of natural resources for an agreement with Kandiyohi County to enhance aquatic habitat in and adjacent to Lake Wakanda in Kandiyohi County. A list of proposed land enhancements must be provided as part of the required accomplishment plan.

(i) Wolverton Creek Habitat Restoration

$1,877,000 the first year is to the commissioner of natural resources for an agreement with the Buffalo-Red River Watershed District to acquire permanent conservation easements and restore and enhance aquatic and upland habitat associated with Wolverton Creek in the Buffalo-Red

River watershed. A list of proposed acquisitions, restorations, and enhancements must be provided as part of the required accomplishment plan.

(j) Conservation Partners Legacy Grant Program: Statewide and Metro Habitat - Phase IX

$9,294,000 the first year is to the commissioner of natural resources for a program to provide competitive matching grants of up to $400,000 to local, regional, state, and national organizations for enhancing, restoring, or protecting forests, wetlands, prairies, or habitat for fish, game, or wildlife in Minnesota. Of this amount, up to $2,660,000 is for grants in the seven-county metropolitan area and cities with a population of 50,000 or greater. Grants must not be made for activities required to fulfill the duties of owners of lands subject to conservation easements. Grants must not be for projects that have a total project cost exceeding $575,000. Of the total appropriation, $634,000 may be spent for personnel costs and other direct and necessary administrative costs. Grantees may acquire land or interests in land. Easements must be permanent. Grants may not be used to establish easement stewardship accounts. Land acquired in fee must be open to hunting and fishing during the open season unless otherwise provided by law. The program must require a match of at least ten percent from nonstate sources for all grants. The match may be cash or in-kind resources. For grant applications of $25,000 or less, the commissioner must provide a separate,

simplified application process. Subject to Minnesota Statutes, the commissioner must, when evaluating projects of equal value, give priority to organizations that have a history of receiving or a charter to receive private contributions for local conservation or habitat projects. If acquiring land in fee or a conservation easement, priority must be given to projects associated with or within one mile of existing wildlife management areas under Minnesota Statutes, section 86A.05, subdivision 8; scientific and natural areas under Minnesota Statutes, sections 84.033 and 86A.05, subdivision 5; or aquatic management areas under Minnesota Statutes, sections 86A.05, subdivision 14, and 97C.02. All restoration or enhancement projects must be on land permanently protected by a permanent covenant ensuring perpetual maintenance and protection of restored and enhanced habitat, by a conservation easement, or by public ownership, or must be in public waters as defined in Minnesota Statutes, section 103G.005, subdivision 15. Priority must be given to restoration and enhancement projects on public lands. Minnesota Statutes, section 97A.056, subdivision 13, applies to grants awarded under this paragraph. This appropriation is available until June 30, 2021. No less than five percent of the amount of each grant must be held back from reimbursement until the grant recipient has completed a grant accomplishment report by the deadline and in the form prescribed by and satisfactory to the Lessard-Sams Outdoor Heritage Council. The commissioner must provide notice of the grant

program in the game and fish law summary prepared under Minnesota Statutes, section 97A.051, subdivision 2.

Subd. 6. **Administration**	879,000	585,000

(a) Contract Management

$150,000 the first year is to the commissioner of natural resources for contract management duties assigned in this section. The commissioner must provide an accomplishment plan in the form specified by the Lessard-Sams Outdoor Heritage Council for expending this appropriation. The accomplishment plan must include a copy of the grant contract template and reimbursement manual. No money may be expended before the Lessard-Sams Outdoor Heritage Council approves the accomplishment plan.

(b) Legislative Coordinating Commission

$571,000 the first year and $578,000 the second year is to the Legislative Coordinating Commission for Lessard-Sams Outdoor Heritage Council administrative expenses and for compensating and reimbursing expenses of council members. This appropriation is available until June 30, 2019. Minnesota Statutes, section 16A.281, applies to this appropriation.

(c) Technical Evaluation Panel

$150,000 the first year is to the commissioner of natural resources for a technical evaluation panel to conduct up to 20 restoration and enhancement evaluations under Minnesota Statutes, section 97A.056, subdivision 10.

(d) Legacy Website

$8,000 the first year and $7,000 the second year are to the Legislative Coordinating Commission for the website required in Minnesota Statutes, section 3.303, subdivision 10.

Subd. 7. **Appropriation Availability**

Money appropriated in this section may not be spent on activities unless they are directly related to and necessary for a specific appropriation and are specified in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council. Money appropriated in this section must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Unless otherwise provided, the amounts in this section are available until June 30, 2020. For acquiring real property, the amounts in this section are available until June 30, 2021, if a binding agreement with a landowner or purchase agreement is entered into by June 30, 2020, and closed no later than June 30, 2021. Appropriations for restoration or enhancement are available until June 30, 2022, or five years after acquisition, whichever is later, so that initial restoration or enhancement work can be completed. If a project receives at least 15 percent of its funding from federal funds, the appropriation period may be extended to equal the availability of federal funding to a maximum of six years, provided the federal funding was confirmed and included in the first draft accomplishment plan. Money appropriated for fee title acquisition of land may be used to restore,

enhance, and provide for public use of the land acquired with the appropriation. Public use facilities must have no more than a minimal impact on habitat in acquired lands.

Subd. 8. **Payment Conditions and Capital Equipment Expenditures**

All agreements referred to in this section must be administered on a reimbursement basis unless otherwise provided in this section. Notwithstanding Minnesota Statutes, section 16A.41, expenditures directly related to each appropriation's purpose made on or after July 1, 2017, or the date of accomplishment plan approval, whichever is later, are eligible for reimbursement unless otherwise provided in this section. For the purposes of administering appropriations and legislatively authorized agreements paid out of the outdoor heritage fund, an expense must be considered reimbursable by the administering agency when the recipient presents the agency with an invoice or binding agreement with the landowner and the recipient attests that the goods have been received or the landowner agreement is binding. Periodic reimbursement must be made upon receiving documentation that the items articulated in the accomplishment plan approved by the Lessard-Sams Outdoor Heritage Council have been achieved, including partial achievements as evidenced by progress reports approved by the Lessard-Sams Outdoor Heritage Council. Reasonable amounts may be advanced to projects to accommodate cash-flow needs, support future management of acquired lands, or match a federal share. The advances must

be approved as part of the accomplishment plan. Capital equipment expenditures for specific items over $10,000 must be itemized in and approved as part of the accomplishment plan.

Subd. 9. **Mapping**

Each direct recipient of money appropriated in this section, as well as each recipient of a grant awarded pursuant to this section, must provide geographic information to the Lessard-Sams Outdoor Heritage Council for mapping any lands acquired in fee with money appropriated in this section and open to public taking of fish and game. The commissioner of natural resources must include the lands acquired in fee with money appropriated in this section on maps showing public recreation opportunities. Maps must include information on and acknowledgment of the outdoor heritage fund, including a notation of any restrictions.

Sec. 3. Minnesota Statutes 2016, section 97A.056, subdivision 1, is amended to read:

Subdivision 1. **Outdoor heritage fund.** (a) An outdoor heritage fund, under article XI, section 15, of the Minnesota Constitution, is established as an account in the state treasury. All money earned by the outdoor heritage fund must be credited to the fund. At least 99 percent of the money appropriated from the fund must be expended to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife. Money appropriated from the outdoor heritage fund shall not be spent to acquire property by eminent domain unless the owner requests that the owner's property be acquired by eminent domain.

(b) Land and interests in land acquired with money from the outdoor heritage fund must comply in all respects with the Minnesota Constitution. All determinations for fee title land acquisition must be based on benefiting all Minnesotans as the outdoor heritage fund is dedicated for all Minnesotans. Lands acquired in fee with appropriations from the outdoor heritage fund must be open to the public taking of fish and game, unless otherwise provided

by law, which is a valued part of our heritage that shall be forever preserved for the people and shall be managed by law and regulation for the public good in the same manner as lands owned by the state. On lands acquired in fee by appropriation from the outdoor heritage fund, the right of the people to take fish and game shall not be infringed or impaired by lack of access, lack of opportunity, diminished quality, or as a result of special or exclusive privilege that does not benefit all Minnesotans.

Sec. 4. Minnesota Statutes 2016, section 97A.056, subdivision 15, is amended to read:

Subd. 15. **Land acquisition restrictions.** (a) An interest in real property, including, but not limited to, an easement or fee title, that is acquired with money appropriated from the outdoor heritage fund must be used in perpetuity or for the specific term of an easement interest for the purpose for which the appropriation was made, including the provisions of article XI, section 15; and article XIII, section 12, of the Minnesota Constitution to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game, and wildlife for the benefit of all Minnesotans, and with regard to fee title acquisition to be open to the public taking of fish and game during the open season, unless otherwise provided by law, for the public good and the right of the public to take game and fish on these lands shall not be impaired or diminished in quality or experience directly or indirectly. The ownership of the interest in real property transfers to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or accomplishment plan; ~~or~~ (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation; or (3) the right of the people for the benefit of all Minnesotans on land acquired in fee to take fish and game during the open season as provided by law is impaired, restricted, or quality diminished by lack of access, or grant of special or exclusive privilege or franchise or otherwise.

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

(1) the interest must be at least equal in fair market value, as certified by the commissioner of natural resources, to the interest being replaced; and

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

(c) A recipient of funding who acquires an interest in real property under paragraph (a) must separately record a notice of funding restrictions in the appropriate local government office where the conveyance of the interest in real property is filed. The notice of funding agreement must contain:

(1) a legal description of the interest in real property covered by the funding agreement;

(2) a reference to the underlying funding agreement;

(3) a reference to this section; and

(4) the following statement: "This interest in real property shall be administered in accordance with the terms, conditions, and purposes of the grant agreement controlling the acquisition of the property. The interest in real property, or any portion of the interest in real property, shall not be sold, transferred, pledged, or otherwise disposed of or further encumbered without obtaining the prior written approval of the Lessard-Sams Outdoor Heritage Council or its successor. The ownership of the interest in real property transfers to the state if: (1) the holder of the interest in real property fails to comply with the terms and conditions of the grant agreement or accomplishment plan; ~~or~~ (2) restrictions are placed on the land that preclude its use for the intended purpose as specified in the appropriation; or (3) the right to take fish and game during the open season as provided by law is impaired, restricted, or quality diminished by lack of access or grant of special or exclusive privilege or franchise or otherwise."

Sec. 5. Minnesota Statutes 2016, section 97A.056, is amended by adding a subdivision to read:

Subd. 22. **Revenues.** (a) A recipient must disclose to the Lessard-Sams Outdoor Heritage Council and the commissioner all revenues that are received by the recipient before the availability of the appropriation ends and that are generated from activities on land acquired in fee title or easement, restored, or enhanced with money from the outdoor heritage fund. The revenues must be disclosed to the council and commissioner no later than 60 days after the availability of the appropriation ends.

(b) For all revenues disclosed under paragraph (a), a recipient must:

(1) use the revenues to protect, restore, or enhance wetlands, prairies, forests, or habitat for fish, game, or wildlife according to the appropriation purposes and the approved accomplishment plan;

(2) use the revenues for other purposes as approved in the accomplishment plan by the Lessard-Sams Outdoor Heritage Council; or

(3) transfer the revenues to the outdoor heritage fund no later than 60 days after the availability of the appropriation ends, unless otherwise approved by the council.

(c) Paragraph (b), clause (3), does not apply to the state and its departments and agencies.

Sec. 6. Minnesota Statutes 2016, section 97A.056, is amended by adding a subdivision to read:

Subd. 23. **Maximum appropriation.** No more than 95 percent of the projected balance in the outdoor heritage fund may be appropriated in a fiscal year.

Sec. 7. Laws 2015, First Special Session chapter 2, article 1, section 2, subdivision 2, as amended by Laws 2016, chapter 172, article 1, section 5, is amended to read:

Subd. 2. **Prairies**	40,948,000	-0-
(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase VII		
$4,570,000 in the first year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land and permanent conservation		

easement acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Acquisition - Phase VII

$7,452,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire land in fee for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Minnesota Prairie Recovery Project - Phase VI

$4,032,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy to acquire native prairie, wetlands, and savanna and restore and enhance grasslands, wetlands, and savanna. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. Annual income statements and balance sheets for income and expenses from land acquired with this appropriation must be submitted to the Lessard-Sams Outdoor Heritage Council no later than 180 days following the close of The

Nature Conservancy's fiscal year. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities identified in the Minnesota Prairie Conservation Plan.

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

$3,430,000 in the first year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Accelerated Native Prairie Bank Protection - Phase IV

$3,740,000 in the first year is to the commissioner of natural resources to implement the Minnesota Prairie Conservation Plan through the acquisition of permanent conservation easements to protect native prairie and grasslands. Up to $165,000 is for establishing monitoring and enforcement funds

as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(f) Minnesota Buffers for Wildlife and Water - Phase V

$4,544,000 in the first year is to the Board of Water and Soil Resources to acquire permanent conservation easements to protect and enhance habitat by expanding the clean water fund riparian buffer program for at least equal wildlife benefits from buffers on private land. Up to ~~$72,500~~ $728,000 is for establishing a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(g) Cannon River Headwaters Habitat Complex - Phase V

$1,380,000 in the first year is to the commissioner of natural resources for an agreement with The Trust for Public Land to acquire and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are

eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley

$1,800,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever in cooperation with the Minnesota Prairie Chicken Society to acquire and restore lands in the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or for designation and management as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Protecting and Restoring Minnesota's Important Bird Areas

$1,730,000 in the first year is to the commissioner of natural resources for agreements to acquire conservation easements within important bird areas identified in the Minnesota Prairie Conservation Plan, to be used as follows: $408,000 is to Audubon Minnesota and $1,322,000 is to Minnesota Land Trust, of which up to $100,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent

conservation easements must be provided as part of the final report.

(j) Wild Rice River Corridor Habitat Restoration

$2,270,000 in the first year is to the commissioner of natural resources for an agreement with the Wild Rice Watershed District to acquire land in fee and permanent conservation easement and to `restore river and related habitat in the Wild Rice River corridor. A list of proposed acquisitions and restorations must be provided as part of the required accomplishment plan.

(k) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VII

$4,880,000 in the first year is to the commissioner of natural resources to accelerate the restoration and enhancement of prairie communities on wildlife management areas, scientific and natural areas, state forest land, and land under native prairie bank easements. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(l) Enhanced Public Land Grasslands - Phase II

$1,120,000 in the first year is to the commissioner of natural resources for an agreement with Pheasants Forever to enhance and restore habitat on public lands. A list of proposed land restorations and enhancements must be provided as part of the final report.

EFFECTIVE DATE. This section is effective retroactively from July 1, 2015.

Sec. 8. Laws 2016, chapter 172, article 1, section 2, subdivision 2, is amended to read:

Subd. 2. **Prairies**	-0-	31,000,000

(a) DNR Wildlife Management Area and Scientific and Natural Area Acquisition - Phase VIII

$3,250,000 the second year is to the commissioner of natural resources to acquire land in fee for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, and to acquire land in fee for scientific and natural area purposes under Minnesota Statutes, section 86A.05, subdivision 5. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Accelerating Wildlife Management Area Acquisition - Phase VIII

$5,229,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore lands for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(c) Martin County/Fox Lake Wildlife Management Area Acquisition

$1,000,000 the second year is to the commissioner of natural resources for an agreement with Fox Lake Conservation League, Inc. to acquire land in fee and restore strategic prairie grassland, wetland, and other wildlife habitat for wildlife management area purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

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

$2,754,000 the second year is to the commissioner of natural resources for an agreement with The Nature Conservancy in cooperation with the United States Fish and Wildlife Service to acquire land in fee or permanent conservation easements and restore lands within the Northern Tallgrass Prairie Habitat Preservation Area in western Minnesota for addition to the Northern Tallgrass Prairie National Wildlife Refuge. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(e) Cannon River Headwaters Habitat Complex - Phase VI

$583,000 the second year is to the commissioner of natural resources for an

agreement with The Trust for Public Land to acquire land in fee and restore lands in the Cannon River watershed for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(f) Accelerated Native Prairie Bank Protection - Phase V

$2,541,000 the second year is to the commissioner of natural resources to implement the Minnesota Prairie Conservation Plan through the acquisition of permanent conservation easements to protect and restore native prairie. Of this amount, up to $120,000 is for establishing monitoring and enforcement funds as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of permanent conservation easements must be provided as part of the final report.

(g) Reinvest In Minnesota (RIM) Buffers for Wildlife and Water - Phase VI

$6,708,000 the second year is to the Board of Water and Soil Resources to acquire

permanent conservation easements and restore habitat under Minnesota Statutes, section 103F.515, to protect, restore, and enhance habitat by expanding the clean water fund riparian buffer program for at least equal wildlife benefits from buffers on private land. Of this amount, up to ~~$130,000~~ $1,079,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(h) Prairie Chicken Habitat Partnership of the Southern Red River Valley - Phase II

$2,269,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever, in cooperation with the Minnesota Prairie Chicken Society, to acquire land in fee and restore and enhance lands in the southern Red River Valley for wildlife management purposes under Minnesota Statutes, section 86A.05, subdivision 8, or for designation and management as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(i) Grassland Conservation Partnership - Phase II

$1,475,000 the second year is to the commissioner of natural resources for an agreement with The Conservation Fund, in cooperation with Minnesota Land Trust, to acquire permanent conservation easements and restore high priority grassland, prairie, and wetland habitats as follows: $64,000 to The Conservation Fund; and $1,411,000 to Minnesota Land Trust, of which up to $100,000 is for establishing a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. Subject to evaluation criteria in Minnesota Rules, part 6136.0900, priority must be given to acquisition of lands that are eligible for the native prairie bank under Minnesota Statutes, section 84.96, or lands adjacent to protected native prairie. A list of proposed acquisitions must be provided as part of the required accomplishment plan and must be consistent with the priorities in the Minnesota Prairie Conservation Plan.

(j) Accelerated Prairie Restoration and Enhancement on DNR Lands - Phase VIII

$3,983,000 the second year is to the commissioner of natural resources to accelerate restoration and enhancement of prairies, grasslands, and savannas on wildlife management areas, scientific and natural areas, native prairie bank land, and bluff prairies on state forest land in southeastern Minnesota. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(k) Anoka Sandplain Habitat Restoration and Enhancement - Phase IV

$1,208,000 the second year is to the commissioner of natural resources for agreements to restore and enhance wildlife habitat on public lands in Anoka, Isanti, Morrison, Sherburne, and Todd Counties as follows: $93,000 to Anoka Conservation District; $25,000 to Isanti County Parks and Recreation Department; $813,000 to Great River Greening; and $277,000 to the National Wild Turkey Federation. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

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

Sec. 9. Laws 2016, chapter 172, article 1, section 2, subdivision 4, is amended to read:

Subd. 4. **Wetlands**	-0-	31,055,000

(a) Accelerating the Waterfowl Production Area Acquisition - Phase VIII

$5,650,000 the second year is to the commissioner of natural resources for an agreement with Pheasants Forever to acquire in fee and restore and enhance wetlands and grasslands to be designated and managed as waterfowl production areas in Minnesota, in cooperation with the United States Fish and Wildlife Service. A list of proposed land acquisitions must be provided as part of the required accomplishment plan.

(b) Shallow Lake and Wetland Protection Program - Phase V

$5,801,000 the second year is to the commissioner of natural resources for an agreement with Ducks Unlimited to acquire in fee and restore prairie lands, wetlands, and land buffering shallow lakes for wildlife

management purposes under Minnesota Statutes, section 86A.05, subdivision 8. A list of proposed acquisitions must be provided as part of the required accomplishment plan.

(c) RIM Wetlands Partnership - Phase VII

$13,808,000 the second year is to the Board of Water and Soil Resources to acquire lands in permanent conservation easements and to restore wetlands and native grassland habitat under Minnesota Statutes, section 103F.515. Of this amount, up to ~~$195,000~~ $410,000 is to establish a monitoring and enforcement fund as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of permanent conservation easements must be provided as part of the final report.

(d) Wetland Habitat Protection Program - Phase II

$1,629,000 the second year is to the commissioner of natural resources for an agreement with Minnesota Land Trust to acquire permanent conservation easements in high-priority wetland habitat complexes in the prairie and forest/prairie transition regions. Of this amount, up to $180,000 is to establish a monitoring and enforcement fund, as approved in the accomplishment plan and subject to Minnesota Statutes, section 97A.056, subdivision 17. A list of proposed easement acquisitions must be provided as part of the final report.

(e) Accelerated Shallow Lakes and Wetlands Enhancement - Phase VIII

$2,167,000 the second year is to the commissioner of natural resources to enhance

and restore shallow lakes and wetland habitat statewide. A list of proposed land restorations and enhancements must be provided as part of the required accomplishment plan.

(f) Marsh Lake - Phase II

$2,000,000 the second year is to the commissioner of natural resources to modify the dam at Marsh Lake for improved habitat management and to return the historic outlet of the Pomme de Terre River to Lac Qui Parle.

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

Sec. 10. **REPEALER.**

Minnesota Statutes 2016, section 97A.056, subdivision 8, is repealed.

ARTICLE 2

CLEAN WATER FUND

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

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the clean water fund and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2018" and "2019" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. The appropriations in this article are onetime.

	APPROPRIATIONS Available for the Year Ending June 30	
	2018	**2019**
Sec. 2. **CLEAN WATER**		
Subdivision 1. **Total Appropriation**	**$ 100,497,000**	**$ 111,116,000**

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

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2018 appropriations are available until June 30, 2019, and fiscal year 2019 appropriations are available until June 30, 2020. If a project receives federal funds, the period of the appropriation is extended to equal the availability of federal funding.

Subd. 3. **Disability Access**

Where appropriate, grant recipients of clean water funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Sec. 3. **DEPARTMENT OF AGRICULTURE** **$ 8,208,000 $ 9,208,000**

(a) $350,000 the first year and $350,000 the second year are to increase monitoring for pesticides and pesticide degradates in surface

water and groundwater and to use data collected to assess pesticide use practices.

(b) $2,085,000 the first year and $2,086,000 the second year are for monitoring and evaluating trends in the concentration of nitrate in groundwater in areas vulnerable to groundwater degradation; promoting, developing, and evaluating regional and crop-specific nutrient best management practices; assessing best management practice adoption; education and technical support from University of Minnesota Extension; grants to support agricultural demonstration and implementation activities; and other actions to protect groundwater from degradation from nitrate. This appropriation is available until June 30, 2022.

(c) $75,000 the first year and $75,000 the second year are for administering clean water funds managed through the agriculture best management practices loan program. Any unencumbered balance at the end of the second year shall be added to the corpus of the loan fund.

(d) $1,125,000 the first year and $1,125,000 the second year are for technical assistance, research, and demonstration projects on proper implementation of best management practices and more precise information on nonpoint contributions to impaired waters and for grants to support on-farm demonstration of agricultural practices. This appropriation is available until June 30, 2022.

(e) $663,000 the first year and $662,000 the second year are for research to quantify and

reduce agricultural contributions to impaired waters and for development and evaluation of best management practices to protect and restore water resources. This appropriation is available until June 30, 2022.

(f) $50,000 the first year and $50,000 the second year are for a research inventory database containing water-related research activities. Costs for information technology development or support for this research inventory database may be paid to the Office of MN.IT Services. This appropriation is available until June 30, 2022.

(g) $2,000,000 the first year and $3,000,000 the second year are to implement the Minnesota agricultural water quality certification program statewide. Funds appropriated in this paragraph are available until June 30, 2021.

(h) $110,000 the first year and $110,000 the second year are to provide funding for a regional irrigation water quality specialist through University of Minnesota Extension.

(i) $750,000 the first year and $750,000 the second year are for grants to the Board of Regents of the University of Minnesota to fund the Forever Green Agriculture Initiative and to protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. This appropriation is available until June 30, 2022.

(j) $1,000,000 the first year and $1,000,000 the second year are for pesticide testing of private wells where nitrate is detected, as part of the Township Testing Program. This appropriation is available until June 30, 2022.

(k) A portion of the funds in this section may be used for programs to train state and local outreach staff in the intersection between agricultural economics and agricultural conservation.

Sec. 4. **PUBLIC FACILITIES AUTHORITY**	**$**	**7,125,000**	**$**	**10,125,000**

(a) $7,000,000 the first year and $10,000,000 the second year are for the point source implementation grants program under Minnesota Statutes, section 446A.073. This appropriation is available until June 30, 2022.

(b) $125,000 the first year and $125,000 the second year are for small community wastewater treatment grants and loans under Minnesota Statutes, section 446A.075. This appropriation is available until June 30, 2022.

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

Sec. 5. **POLLUTION CONTROL AGENCY**	**$**	**26,835,000**	**$**	**27,722,000**

(a) $8,275,000 the first year and $8,275,000 the second year are for completion of needed statewide assessments of surface water quality

and trends according to Minnesota Statutes, chapter 114D. Of this amount, $125,000 the first year and $125,000 the second year are for grants to the Red River Watershed Management Board to enhance and expand the existing water quality and watershed monitoring river watch activities in the schools in the Red River of the North. The Red River Watershed Management Board shall provide a report to the commissioner of the Pollution Control Agency and the legislative committees and divisions with jurisdiction over environment and natural resources finance and policy and the clean water fund by February 15, 2019, on the expenditure of this appropriation.

(b) $9,904,000 the first year and $10,145,000 the second year are to develop watershed restoration and protection strategies (WRAPS), which include total maximum daily load (TMDL) studies and TMDL implementation plans for waters listed on the United States Environmental Protection Agency approved impaired waters list in accordance with Minnesota Statutes, chapter 114D. The agency shall complete an average of ten percent of the TMDLs each year over the biennium.

(c) $1,181,000 the first year and $1,182,000 the second year are for groundwater assessment, including enhancing the ambient monitoring network, modeling, and evaluating trends, including the reassessment of groundwater that was assessed ten to 15 years ago and found to be contaminated.

(d) $750,000 the first year and $750,000 the second year are for implementation of the St. Louis River System Area of Concern Remedial Action Plan. This appropriation must be matched at a rate of 65 percent nonstate money to 35 percent state money.

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

(f) $900,000 the first year and $900,000 the second year are for national pollutant discharge elimination system wastewater and storm water TMDL implementation efforts.

(g) $3,500,000 the first year and $3,745,000 the second year are for enhancing the county-level delivery systems for subsurface sewage treatment system (SSTS) activities necessary to implement Minnesota Statutes, sections 115.55 and 115.56, for protection of groundwater, including base grants for all counties with SSTS programs and competitive grants to counties with specific plans to significantly reduce water pollution by reducing the number of systems that are an imminent threat to public health or safety or are otherwise failing. Counties that receive base grants must report the number of sewage noncompliant properties upgraded through SSTS replacement, connection to a centralized sewer system, or other means, including property abandonment or buy-out. Counties also must report the number of existing SSTS compliance inspections conducted in areas under county jurisdiction. These required reports are to be part of established annual

reporting for SSTS programs. Counties that conduct SSTS inventories or those with an ordinance in place that requires an SSTS to be inspected as a condition of transferring property or as a condition of obtaining a local permit must be given priority for competitive grants under this paragraph. Of this amount, $1,000,000 each year is available to counties for grants to low-income landowners to address systems that pose an imminent threat to public health or safety or fail to protect groundwater. A grant awarded under this paragraph may not exceed $40,000 for the biennium. A county receiving a grant under this paragraph must submit a report to the agency listing the projects funded, including an account of the expenditures.

(h) $275,000 the first year and $275,000 the second year are for accelerated implementation of MS4 permit requirements including additional technical assistance to municipalities experiencing difficulties understanding and implementing the basic requirements of the municipal storm water program.

(i) $800,000 the first year and $1,200,000 the second year are for a grant program for sanitary sewer projects that are included in the draft or any updated Voyageurs National Park Clean Water Project Comprehensive Plan to restore the water quality of waters in Voyageurs National Park. Grants must be awarded to local government units for projects approved by the Voyageurs National Park Clean Water Joint Powers Board and must be

matched by at least 25 percent from sources other than the clean water fund.

(j) $200,000 the first year and $200,000 the second year are for coordination with the state of Wisconsin and the National Park Service on comprehensive phosphorous reduction activities in the Minnesota portion of Lake St. Croix on the St. Croix River. The commissioner must work with the St. Croix Basin Water Resources Planning Team and the St. Croix River Association to implement the water monitoring and phosphorous reduction activities.

(k) $50,000 the first year and $50,000 the second year are to support activities of the Clean Water Council according to Minnesota Statutes, section 114D.30, subdivision 1.

(l) Notwithstanding Minnesota Statutes, section 16A.28, the appropriations in this section are available until June 30, 2022.

Sec. 6. **DEPARTMENT OF NATURAL RESOURCES**	**$**	**8,550,000**	**$**	**8,550,000**

(a) $1,950,000 the first year and $1,950,000 the second year are for stream flow monitoring.

(b) $1,250,000 the first year and $1,250,000 the second year are for lake Index of Biological Integrity (IBI) assessments.

(c) $135,000 the first year and $135,000 the second year are for assessing mercury and other contaminants of fish, including monitoring to track the status of impaired waters over time.

(d) $1,940,000 the first year and $1,940,000 the second year are for developing targeted, science-based watershed restoration and protection strategies.

(e) $1,375,000 the first year and $1,375,000 the second year are for water supply planning, aquifer protection, and monitoring activities.

(f) $1,000,000 the first year and $1,000,000 the second year are for technical assistance to support local implementation of nonpoint source restoration and protection activities.

(g) $675,000 the first year and $675,000 the second year are for applied research and tools, including watershed hydrologic modeling; maintaining and updating spatial data for watershed boundaries, streams, and water bodies and integrating high-resolution digital elevation data; and assessing effectiveness of forestry best management practices for water quality.

(h) $125,000 the first year and $125,000 the second year are for developing county geologic atlases.

(i) $100,000 the first year and $100,000 the second year are for maintenance and updates to buffer maps and for technical guidance on buffer map interpretation to local units of government for implementation of buffer requirements. Maps must be provided to local units of government and made available to landowners on the Department of Natural Resources' Web site.

Sec. 7. **BOARD OF WATER AND SOIL RESOURCES** **$ 44,879,000 $ 50,621,000**

(a) $4,875,000 the first year and $4,875,000 the second year are for a pilot program to provide performance-based grants to local government units. The grants may be used to implement projects that protect, enhance, and restore surface water quality in lakes, rivers, and streams; protect groundwater from degradation; and protect drinking water sources. Projects must be identified in a comprehensive watershed plan developed under the One Watershed, One Plan or metropolitan surface water management frameworks or groundwater plans. Grant recipients must identify a nonstate match and may use other legacy funds to supplement projects funded under this paragraph.

(b) $10,070,000 the first year and $13,812,000 the second year are for grants to protect and restore surface water and drinking water; to keep water on the land; to protect, enhance, and restore water quality in lakes, rivers, and streams; and to protect groundwater and drinking water, including feedlot water quality and subsurface sewage treatment system projects and stream bank, stream channel, shoreline restoration, and ravine stabilization projects. The projects must use practices demonstrated to be effective, be of long-lasting public benefit, include a match, and be consistent with total maximum daily load (TMDL) implementation plans, watershed restoration and protection strategies (WRAPS), or local water management plans or their equivalents. A portion of these funds may be used to seek administrative efficiencies

through shared resources by multiple local governmental units.

(c) $4,000,000 the first year and $4,000,000 the second year are for accelerated implementation, including local resource protection and enhancement grants and statewide program enhancements of supplements for technical assistance, citizen and community outreach, compliance, and training and certification.

(d) $950,000 the first year and $950,000 the second year are to provide state oversight and accountability, evaluate results, provide implementation tools, and measure the value of conservation program implementation by local governments, including submission to the legislature by March 1 each even-numbered year a biennial report prepared by the board, in consultation with the commissioners of natural resources, health, agriculture, and the Pollution Control Agency, detailing the recipients, the projects funded under this section, and the amount of pollution reduced.

(e) $2,500,000 the first year and $2,500,000 the second year are to provide assistance, oversight, and grants for supporting local governments in implementing and complying with riparian protection and excessive soil loss requirements.

(f) $3,875,000 the first year and $5,875,000 the second year are to restore or preserve permanent conservation on riparian buffers adjacent to lakes, rivers, streams, and tributaries, to keep water on the land in order

to decrease sediment, pollutant, and nutrient transport; reduce hydrologic impacts to surface waters; and increase infiltration for groundwater recharge. This appropriation may be used for restoration of riparian buffers permanently protected by easements purchased with this appropriation or contracts to achieve permanent protection for riparian buffers or stream bank restorations when the riparian buffers have been restored. Up to $1,920,000 is for deposit in a monitoring and enforcement account.

(g) $1,750,000 the first year and $1,750,000 the second year are for permanent conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for fee title acquisition to permanently protect groundwater supply sources on wellhead protection areas or for otherwise ensuring long-term protection of groundwater supply sources as described under alternative management tools in the Department of Agriculture's Nitrogen Fertilizer Management Plan, including low nitrogen cropping systems or implementing nitrogen fertilizer best management practices. Priority must be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where drinking water protection plans have identified specific activities that will achieve long-term protection, and on lands with expiring Conservation Reserve Program

contracts. Up to $105,000 is for deposit in a monitoring and enforcement account.

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

(i) $2,100,000 the first year and $2,100,000 the second year are for assistance, oversight, and grants to local governments to transition local water management plans to a watershed approach as provided for in Minnesota Statutes, chapters 103B, 103C, 103D, and 114D.

(j) $750,000 the first year and $750,000 the second year are for technical assistance and grants for the conservation drainage program in consultation with the Drainage Work Group, coordinated under Minnesota Statutes, section 103B.101, subdivision 13, that includes projects to improve multipurpose water management under Minnesota Statutes, section 103E.015.

(k) $1,500,000 the first year and $1,500,000 the second year are to purchase and restore permanent conservation sites via easements or contracts to treat and store water on the land for water quality improvement purposes and related technical assistance. This work may be done in cooperation with the United States Department of Agriculture with a first priority use to accomplish a conservation reserve enhancement program, or equivalent, in the state. Up to $2,880,000 is for deposit in a monitoring and enforcement account.

(l) $1,000,000 the first year and $1,000,000 the second year are to purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but threatened with degradation. Up to $60,000 is for deposit in a monitoring and enforcement account.

(m) $425,000 the first year and $425,000 the second year are for a program to systematically collect data and produce county, watershed, and statewide estimates of soil erosion caused by water and wind along with tracking adoption of conservation measures, including cover crops, to address erosion.

(n) $11,000,000 the first year and $11,000,000 the second year are for payments to soil and water conservation districts for the purposes of Minnesota Statutes, sections 103C.321 and 103C.331. From this appropriation, each soil and water conservation district shall receive an increase in its base funding of $100,000 per year. Money remaining after the base increase is available for matching grants to soil and water conservation districts based on county allocations to soil and water conservation districts. The board and other agencies may reduce the amount of grants to a county by an amount equal to any reduction in the county's allocation to a soil and water conservation district from the county's previous year allocation when the board determines that the reduction was disproportionate.

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

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

(q) The board shall require grantees to specify the outcomes that will be achieved by the grants prior to any grant awards.

(r) The appropriations in this section are available until June 30, 2022. Returned grant funds shall be regranted consistent with the purposes of this section.

Sec. 8. **DEPARTMENT OF HEALTH**	**$**	**3,660,000**	**$**	**3,665,000**

(a) $1,100,000 the first year and $1,100,000 the second year are for addressing public health concerns related to contaminants found in Minnesota drinking water for which no health-based drinking water standards exist, including accelerating the development of health risk limits and improving the capacity of the department's laboratory to analyze unregulated contaminants.

(b) $1,900,000 the first year and $1,900,000 the second year are for protection of drinking water sources.

(c) $110,000 the first year and $115,000 the second year are for cost-share assistance to public and private well owners for up to 50 percent of the cost of sealing unused wells.

(d) $125,000 the first year and $125,000 the second year are to develop and deliver groundwater restoration and protection strategies for use on a watershed scale for use in local water planning efforts and to provide resources to local governments for drinking water source protection activities.

(e) $325,000 the first year and $325,000 the second year are for studying the occurrence and magnitude of contaminants in private wells and developing guidance and outreach to reduce risks to private-well owners.

(f) $100,000 the first year and $100,000 the second year are for evaluating and addressing the risks from viruses in water supplies.

(g) Unless otherwise specified, the appropriations in this section are available until June 30, 2021.

Sec. 9. **METROPOLITAN COUNCIL**	**$ 1,225,000**	**$ 1,225,000**	

(a) $975,000 the first year and $975,000 the second year are to implement projects that address emerging drinking-water supply threats, provide cost-effective regional solutions, leverage interjurisdictional coordination, support local implementation of water supply reliability projects, and prevent degradation of groundwater resources in the metropolitan area. These projects will provide to communities:

(1) potential solutions to leverage regional water use through use of surface water, storm water, wastewater, and groundwater;

(2) an analysis of infrastructure requirements for different alternatives;

(3) development of planning level cost estimates, including capital cost and operation cost;

(4) identification of funding mechanisms and an equitable cost-sharing structure for regionally beneficial water supply development projects; and

(5) development of subregional groundwater models.

(b) $250,000 the first year and $250,000 the second year are for the water demand reduction grant program to encourage implementation of water demand reduction measures by municipalities in the metropolitan area to ensure the reliability and protection of drinking water supplies.

Sec. 10. **LEGISLATURE** **$** **15,000**

$15,000 the first year is for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Sec. 11. Minnesota Statutes 2016, section 114D.50, is amended by adding a subdivision to read:

Subd. 7. **Maximum appropriation.** No more than 95 percent of the projected balance in the clean water fund may be appropriated in a fiscal year.

ARTICLE 3

PARKS AND TRAILS FUND

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

The sums shown in the columns marked "Appropriations" are appropriated to the agencies and for the purposes specified in this article. The appropriations are from the parks and trails fund and are available for the fiscal years indicated for each purpose. The figures "2018" and "2019" used in this article mean that the appropriations listed under them are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. All appropriations in this article are onetime.

	APPROPRIATIONS Available for the Year Ending June 30	
	2018	**2019**
Sec. 2. **PARKS AND TRAILS**		
Subdivision 1. **Total Appropriation**	**$ 41,989,000**	**$ 47,775,000**

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

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must be spent in accordance with Minnesota Management and Budget's Guidance to Agencies on Legacy Fund Expenditure. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2018 appropriations are available until June 30, 2020, and fiscal year 2019 appropriations are available until June 30, 2021. If a project receives federal funds, the time period of the

appropriation is extended to equal the availability of federal funding.

Subd. 3. **Disability Access**

Where appropriate, grant recipients of parks and trails funds, in consultation with the Council on Disability and other appropriate governor-appointed disability councils, boards, committees, and commissions, should make progress toward providing greater access to programs, print publications, and digital media for people with disabilities related to the programs the recipient funds using appropriations made in this article.

Sec. 3. **DEPARTMENT OF NATURAL RESOURCES** **$ 25,398,000 $ 28,884,000**

(a) $16,584,000 the first year and $18,891,000 the second year are for state parks, recreation areas, and trails to:

(1) connect people to the outdoors;

(2) acquire land and create opportunities;

(3) maintain existing holdings; and

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

(b) $8,293,000 the first year and $9,445,000 the second year are for grants for parks and trails of regional significance outside the seven-county metropolitan area under Minnesota Statutes, section 85.535. The grants awarded under this paragraph shall be based on the lists of recommended projects submitted to the legislative committees under Minnesota Statutes, section 85.536,

subdivision 10, from the Greater Minnesota Regional Parks and Trails Commission established under Minnesota Statutes, section 85.536. Grants funded under this paragraph must support parks and trails of regional or statewide significance that meet the applicable definitions and criteria for regional parks and trails contained in the Greater Minnesota Regional Parks and Trails Strategic Plan adopted by the Greater Minnesota Regional Parks and Trails Commission on April 22, 2015. Grant recipients identified under this paragraph must submit a grant application to the commissioner of natural resources. Up to 2.5 percent of the appropriation may be used by the commissioner for the actual cost of issuing and monitoring the grants for the commission. Of the amount appropriated, $424,000 in fiscal year 2018 and $399,000 in fiscal year 2019 are for the Greater Minnesota Regional Parks and Trails Commission to carry out its duties under Minnesota Statutes, section 85.536, including the continued development of a statewide system plan for regional parks and trails outside the seven-county metropolitan area.

(c) By January 15, 2018, the Greater Minnesota Regional Parks and Trails Commission shall submit a list of projects that contains the commission's recommendations for funding from the parks and trails fund for fiscal year 2019 to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the

environment and natural resources and the parks and trails fund.

(d) By January 15, 2018, the Greater Minnesota Regional Parks and Trails Commission shall submit a report that contains the commission's criteria for funding from the parks and trails fund, including the criteria used to determine if a park or trail is of regional significance, to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over the environment and natural resources and the parks and trails fund.

(e) $521,000 the first year and $548,000 the second year are for coordination and projects between the department, the Metropolitan Council, and the Greater Minnesota Regional Parks and Trails Commission; enhanced Web-based information for park and trail users; and support of activities of the Parks and Trails Legacy Advisory Committee.

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

(g) The implementing agencies receiving appropriations under this section shall give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 4. **METROPOLITAN COUNCIL** **$ 16,584,000 $ 18,891,000**

(a) $16,584,000 the first year and $18,891,000 the second year are for distribution according to Minnesota Statutes, section 85.53, subdivision 3.

(b) Money appropriated under this section and distributed to implementing agencies must be used only to fund the list of projects approved by the elected representatives of each of the metropolitan parks implementing agencies. Projects funded by the money appropriated under this section must be substantially consistent with the project descriptions and dollar amounts approved by each elected body. Any funds remaining after completion of the listed projects may be spent by the implementing agencies on projects to support parks and trails.

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

(d) The implementing agencies receiving appropriations under this section shall give consideration to contracting with Conservation Corps Minnesota for restoration, maintenance, and other activities.

Sec. 5. **LEGISLATURE** **$** **7,000**

$7,000 the first year is for the Legislative Coordinating Commission for the Web site required in Minnesota Statutes, section 3.303, subdivision 10.

Sec. 6. Minnesota Statutes 2016, section 85.53, is amended by adding a subdivision to read:

Subd. 6. **Maximum appropriation.** No more than 95 percent of the projected balance in the parks and trails fund may be appropriated in a fiscal year.

Sec. 7. **SAUK RIVER REGIONAL PARK GRANT EXTENSION.**

The appropriation in Laws 2013, chapter 137, article 3, section 3, paragraph (c), clause (9), from the parks and trails fund for trail enhancement, land acquisition, and other improvements at Sauk River Regional Park is available until June 30, 2022.

EFFECTIVE DATE. This section is effective retroactively from June 30, 2016.

Sec. 8. **HYLAND-BUSH-ANDERSON LAKES REGIONAL PARK RESERVE GRANT EXTENSION.**

The appropriations for fiscal years 2014 and 2015 in Laws 2013, chapter 137, article 3, section 4, paragraph (c), from the parks and trails fund for grants to the city of Bloomington to reconstruct parking lots at the Hyland-Bush-Anderson Lakes Park Reserve are available until June 30, 2018.

EFFECTIVE DATE. This section is effective retroactively from June 30, 2016.

Sec. 9. **ANOKA COUNTY AND DAKOTA COUNTY REALLOCATIONS.**

Notwithstanding Laws 2013, chapter 137, article 3, section 4, paragraph (o), and Laws 2015, First Special Session chapter 2, article 3, section 4, paragraph (b):

(1) Anoka County may allocate $438,000 of its share of the distribution for fiscal year 2017 funds under Minnesota Statutes, section 85.53, subdivision 3, to Bunker Hills Regional Park in accordance with the most recent priority rankings that Anoka County has submitted to the Metropolitan Council; and

(2) Dakota County may allocate $180,000 of its share of the distribution under Minnesota Statutes, section 85.53, subdivision 3, designated for the Vermillion River Regional Greenway to the phase 2 improvement to Whitetail Woods Regional Park in Dakota County.

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

ARTICLE 4

ARTS AND CULTURAL HERITAGE FUND

Section 1. **APPROPRIATIONS.**

The sums shown in the columns marked "Appropriations" are appropriated to the entities and for the purposes specified in this article. The appropriations are from the arts and cultural heritage fund, and are available for the fiscal years indicated for allowable activities under the Minnesota Constitution, article XI, section 15. The figures "2018" and "2019" used in this article mean that the appropriations listed under the figure are available for the fiscal year ending June 30, 2018, or June 30, 2019, respectively. "The first year" is fiscal year 2018. "The second year" is fiscal year 2019. "The biennium" is fiscal years 2018 and 2019. All appropriations in this article are onetime.

	APPROPRIATIONS Available for the Year Ending June 30	
	2018	**2019**
Sec. 2. **ARTS AND CULTURAL HERITAGE**		
Subdivision 1. **Total Appropriation**	**$ 57,331,000**	**$ 66,033,000**

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

Subd. 2. **Availability of Appropriation**

Money appropriated in this article may not be spent on activities unless they are directly related to and necessary for a specific appropriation. Money appropriated in this article must not be spent on indirect costs or other institutional overhead charges that are not directly related to and necessary for a specific appropriation. Notwithstanding Minnesota Statutes, section 16A.28, and unless otherwise specified in this article, fiscal year 2018 appropriations are available until June 30, 2019, and fiscal year 2019 appropriations are available until June 30, 2020. If a project

receives federal funds, the time period of the appropriation is extended to equal the availability of federal funding.

Any unencumbered balance remaining under this section in the first year does not cancel, but is available for the second year of the biennium.

Subd. 3. **Minnesota State Arts Board**	26,245,000	31,736,000

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

(b) **Arts and Arts Access Initiatives**

$20,700,000 the first year and $25,589,000 the second year are to support Minnesota artists and arts organizations in creating, producing, and presenting high-quality arts activities; to preserve, maintain, and interpret art forms and works of art so that they are accessible to Minnesota audiences; to overcome barriers to accessing high-quality arts activities; and to instill the arts into the community and public life in this state.

(c) **Arts Education**

$4,115,000 the first year and $4,610,000 the second year are for high-quality, age-appropriate arts education for Minnesotans of all ages to develop knowledge, skills, and understanding of the arts.

(d) **Arts and Cultural Heritage**

$1,430,000 the first year and $1,537,000 the second year are for events and activities that represent, preserve, and maintain the diverse cultural arts traditions, including folk and traditional artists and art organizations, represented in this state.

(e) Up to 4.5 percent of the funds appropriated in paragraphs (b) to (d) may be used by the board for administering grant programs, delivering technical services, providing fiscal oversight for the statewide system, and ensuring accountability.

(f) Up to 30 percent of the remaining total appropriation to each of the categories listed in paragraphs (b) to (d) is for grants to the regional arts councils. Notwithstanding any other provision of law, regional arts council grants or other arts council grants for touring programs, projects, or exhibits must ensure the programs, projects, or exhibits are able to tour in their own region as well as all other regions of the state.

Subd. 4. **Department of Education**	2,200,000	2,200,000

These amounts are appropriated to the commissioner of education for grants to the 12 Minnesota regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of

Minnesota. These funds shall be allocated using the formula in Minnesota Statutes, section 134.355, subdivisions 3, 4, and 5, with the remaining 25 percent to be distributed to all qualifying systems in an amount proportionate to the number of qualifying system entities in each system. For purposes of this subdivision, "qualifying system entity" means a public library, a regional library system, a regional library system headquarters, a county, or an outreach service program. These funds may be used to sponsor programs provided by regional libraries or to provide grants to local arts and cultural heritage programs for programs in partnership with regional libraries. These funds must be distributed in ten equal payments per year. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered on or before June 30, 2019, as grants or contracts in this subdivision are available until June 30, 2021.

Subd. 5. **Minnesota Historical Society**	13,096,000	16,652,000

(a) These amounts are appropriated to the governing board of the Minnesota Historical Society to preserve and enhance access to Minnesota's history and its cultural and historical resources. Grant agreements entered into by the Minnesota Historical Society and other recipients of appropriations in this subdivision must ensure that these funds are used to supplement and not substitute for traditional sources of funding. Funds directly appropriated to the Minnesota Historical Society must be used to supplement, and not substitute for, traditional sources of funding.

Notwithstanding Minnesota Statutes, section 16A.28, for historic preservation projects that improve historic structures, the amounts are available until June 30, 2021. The Minnesota Historical Society or grant recipients of the Minnesota Historical Society using arts and cultural heritage funds under this subdivision must give consideration to Conservation Corps Minnesota and Northern Bedrock Conservation Corps, or an organization carrying out similar work, for projects with the potential to need historic preservation services.

(b) **Historical Grants and Programs**

(1) Statewide Historic and Cultural Grants

$5,381,000 the first year and $6,947,000 the second year are for history programs and projects operated or conducted by or through local, county, regional, or other historical or cultural organizations or for activities to preserve significant historic and cultural resources. Funds are to be distributed through a competitive grant process. The Minnesota Historical Society shall administer these funds using established grant mechanisms, with assistance from the advisory committee created under Laws 2009, chapter 172, article 4, section 2, subdivision 4, paragraph (b), item (ii).

(2) Statewide History Programs

$5,025,000 the first year and $6,905,000 the second year are for programs and purposes related to the historical and cultural heritage of the state of Minnesota, conducted by the Minnesota Historical Society.

(3) History Partnerships

$2,000,000 the first year and $2,200,000 the second year are for partnerships involving multiple organizations, which may include the Minnesota Historical Society, to preserve and enhance access to Minnesota's history and cultural heritage in all regions of the state.

(4) Statewide Survey of Historical and Archaeological Sites

$300,000 the first year and $300,000 the second year are for a contract or contracts to be awarded on a competitive basis to conduct statewide surveys of Minnesota's sites of historical, archaeological, and cultural significance. Results of the surveys must be published in a searchable form and available to the public on a cost-free basis. The Minnesota Historical Society, the Office of the State Archaeologist, and the Indian Affairs Council shall each appoint a representative to an oversight board to select contractors and direct the conduct of the surveys. The oversight board shall consult with the Departments of Transportation and Natural Resources.

(5) Digital Library

$300,000 the first year and $300,000 the second year are for a digital library project to preserve, digitize, and share Minnesota images, documents, and historical materials. The Minnesota Historical Society shall cooperate with the Minitex interlibrary loan system and shall jointly share this appropriation for these purposes.

(6) Fort Snelling Chapel

$90,000 the first year is for a grant to the Fort Snelling Memorial Chapel Foundation to restore the stained glass in the historic Fort Snelling Memorial Chapel in Bloomington.

Subd. 6. **Department of Administration**	10,488,000	9,500,000

(a) These amounts are appropriated to the commissioner of administration for grants to the named organizations for the purposes specified in this subdivision. The commissioner of administration may use a portion of this appropriation for costs that are directly related to and necessary to the administration of grants in this section.

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

(c) **Public Television**

$4,150,000 the first year and $3,900,000 the second year are for grants to the Minnesota Public Television Association for production and acquisition grants according to Minnesota Statutes, section 129D.18. Of this amount, $650,000 in the first year is for a grant to Twin Cities Public Television to produce the Vietnam: Minnesota Remembers project. Any production costs associated with this project incurred on or after February 1, 2017, are eligible for reimbursement under this section as long as these funds are available under subdivision 2.

(d) **Minnesota Public Radio**

$1,500,000 the first year and $1,700,000 the second year are for Minnesota Public Radio to create programming and expand news service on Minnesota's cultural heritage and history.

(e) **Association of Minnesota Public Educational Radio Stations**

$1,500,000 the first year and $1,700,000 the second year are appropriated for a grant to the Association of Minnesota Public Educational Radio Stations for production and acquisition grants in accordance with Minnesota Statutes, section 129D.19.

(f) **Como Park Zoo**

$1,000,000 the first year and $1,200,000 the second year are for a grant to the Como Park Zoo and Conservatory for program development that features education programs and habitat enhancement, special exhibits, music appreciation programs, and historical garden access and preservation.

(g) **Lake Superior Zoo**

$75,000 the first year and $75,000 the second year are for a grant to the Lake Superior Zoo to develop new regionally significant educational exhibits and programs.

(h) **Science Museum of Minnesota**

$600,000 the first year and $600,000 the second year are to the Science Museum of Minnesota for arts, arts education, and arts access and to preserve Minnesota's history and cultural heritage, including student and teacher outreach, statewide educational initiatives, and community-based exhibits that preserve Minnesota's history and cultural heritage.

(i) **Wilderness Inquiry**

$250,000 the first year and $250,000 the second year are for grants to Wilderness Inquiry to preserve Minnesota's outdoor history, culture, and heritage by connecting Minnesota youth to natural resources.

(j) **Veterans Memorial Grants**

$200,000 the first year is for a competitive grants program to provide grants to local units of government for veterans memorials to preserve the culture and heritage of Minnesota. The local unit of government must provide a nonstate cash match equal to the amount of the grant received under this paragraph.

(k) **Medal of Honor Commemorative Memorial**

$250,000 the first year is to complete design and construction of a memorial in the Capitol area to honor all Minnesota Medal of Honor recipients. This appropriation is not available until the commissioner determines that at least $250,000 is committed to the project from nonstate sources, and there are sufficient resources to complete the project, as required in Minnesota Statutes, section 16A.502, and Laws 2016, chapter 189, article 13, section 64.

(l) **Big Marine Lake Veterans Rest Camp**

$278,000 the first year is for a grant to the Big Marine Lake Veterans Rest Camp to develop and build a welcome center that supports the mission, programs, and safety of the Veterans Rest Camp to provide Minnesota's cultural, historical, and recreational activities to veterans, their families, and their guests.

(m) **Camp Legionville**

$222,000 the first year is for a grant to Camp Legionville to update the dining facility to allow the camp to continue to provide an overnight facility with programs for youth, veterans, and the public related to Minnesota's cultural, historical, and recreational activities.

(n) **Green Giant Museum**

$300,000 the first year and $75,000 the second year are for a grant to the city of Blue Earth to predesign, design, construct, furnish, and equip the Green Giant Museum to preserve the culture and history of Minnesota.

(o) **State Archeologist Non-Indian Remains Project**

$108,000 the first year is for the Office of the State Archaeologist Non-Indian Remains Analysis and Reburial project.

(p) **Governor's Council on Developmental Disabilities**

$55,000 the first year is for the digital enhancement project of the Governor's Council on Developmental Disabilities.

Subd. 7. **Minnesota Zoo**	1,550,000	1,950,000

These amounts are appropriated to the Minnesota Zoological Board for programs and development of the Minnesota Zoological Garden and for providing access and education related to programs on the cultural heritage of Minnesota.

Subd. 8. **Minnesota Humanities Center**	2,495,000	2,495,000

(a) These amounts are appropriated to the Board of Directors of the Minnesota Humanities Center for the purposes specified

in this subdivision. The Minnesota Humanities Center may use up to 4.5 percent of the following grants to cover the cost of administering, planning, evaluating, and reporting these grants. The Minnesota Humanities Center must develop a written plan to issue the grants in this subdivision and shall submit the plan for review and approval by the Department of Administration. The written plan must require the Humanities Center to create and adhere to grant policies that are similar to those established pursuant to Minnesota Statutes, section 16B.97, subdivision 4, paragraph (a), clause (1).

No grants awarded in this subdivision may be used for travel outside the state of Minnesota. The grant agreement must specify the repercussions for failing to comply with the grant agreement.

(b) **Programs and Purposes**

$1,000,000 the first year and $1,000,000 the second year are for programs and purposes of the Minnesota Humanities Center. Of this amount, $100,000 each year may be used for the veterans' voices program.

The Minnesota Humanities Center may consider museums and organizations celebrating the identities of Minnesotans for grants from these funds.

(c) **Civics Programs**

$200,000 the first year and $200,000 the second year are for grants to the Minnesota Civic Education Coalition: Minnesota Civic Youth, the Learning Law and Democracy

Foundation, and YMCA Youth in Government to conduct civics education programs for the civic and cultural development of Minnesota youth. Civics education is the study of constitutional principles and the democratic foundation of our national, state, and local institutions and the study of political processes and structures of government, grounded in the understanding of constitutional government under the rule of law.

(d) **Council on Disability**

$45,000 the first year and $45,000 the second year are for a grant to the Minnesota State Council on Disability to produce and broadcast programs to preserve Minnesota's disability history and culture and to conduct celebrations of the Americans with Disabilities Act. These funds are available until June 30, 2020.

(e) **Fanka Arts Program**

$150,000 each year is for a Fanka arts grant program to one or more community organizations that participate in statewide Somali arts and cultural programs that provide arts education, workshops, mentor programs, or community presentations and community engagement events. The funding must be used for Fanka programs to provide arts education and workshops, mentor programs, and community presentations and community engagement events throughout Minnesota.

(f) **Somali Museum of Minnesota**

$150,000 each year is for a grant to the Somali Museum of Minnesota for the Heritage Arts and Cultural Vitality programs for classes,

exhibits, presentations, and outreach about the Somali community and heritage in Minnesota.

(g) **Children's Museum Grants**

$950,000 the first year and $950,000 the second year are for arts and cultural heritage grants to children's museums.

Of this amount, $500,000 the first year and $500,000 the second year are for the Minnesota Children's Museum, $150,000 each year is for the Duluth Children's Museum, $150,000 each year is for the Grand Rapids Children's Museum, and $150,000 each year is for the Southern Minnesota Children's Museum.

Subd. 9. **Indian Affairs Council**	1,250,000	1,500,000

(a) These amounts are appropriated to the Indian Affairs Council for the purposes identified in this subdivision.

(b) **Grants to Preserve Dakota and Ojibwe Language**

$550,000 the first year and $700,000 the second year are for grants for programs that preserve Dakota and Ojibwe Indian language and to foster educational programs in Dakota and Ojibwe languages.

(c) **Language Immersion**

$275,000 the first year and $275,000 the second year are for grants of $137,500 each year to the Niigaane Ojibwe Immersion School and the Wicoie Nandagikendan urban immersion project.

(d) **Competitive Grants for Language Immersion**

$200,000 the first year and $300,000 the second year are for competitive grants for language immersion programs.

(e) **Graves Protection**

$100,000 each year is for the Indian Affairs Council to carry out responsibilities under Minnesota Statutes, section 307.08, to comply with Public Law 101-601, the Native American Graves Protection and Repatriation Act, and to develop an osteology laboratory and repository for American Indian human remains.

(f) **Why Treaties Matter Exhibit**

$125,000 each year is to partner and collaborate with the Minnesota Humanities Center for the Why Treaties Matter Exhibit. The Minnesota Humanities Center will be the fiscal agent for this exhibit.

Subd. 10. **Legislature**	7,000	-0-

This amount is appropriated to the Legislative Coordinating Commission to operate the Web site for dedicated funds required under Minnesota Statutes, section 3.303, subdivision 10.

Sec. 3. Minnesota Statutes 2016, section 129D.17, is amended by adding a subdivision to read:

Subd. 5. **Maximum appropriation.** No more than 95 percent of the projected balance in the arts and cultural heritage fund may be appropriated in a fiscal year.