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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 1202

February 19, 2007

Authored by Juhnke, Finstad, Ozment, Cornish, Hansen and others
The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to appropriations; appropriating money for environment, natural
1.3 resources, and agriculture; modifying disposition of certain revenue and funds;
1.4 modifying certain grant and loan requirements; modifying use of Minnesota
1.5 grown label; modifying and creating certain funds and accounts; eliminating
1.6 the aquatic pest control license; modifying permit and safeguard requirements;
1.7 modifying and establishing certain fees and surcharges; creating a food
1.8 safety and defense task force; providing for NextGen energy; establishing an
1.9 off-highway vehicle safety and conservation program; modifying decorative
1.10 bough provisions; modifying percentage of gasoline use attributable to all-terrain
1.11 vehicles; modifying trail designation requirements; eliminating sunset of
1.12 sustainable forest resources provisions; amending Minnesota Statutes 2006,
1.13 sections 16A.531, subdivision 1a; 17.03, subdivision 3; 17.101, subdivision 2;
1.14 17.102, subdivisions 1, 3, 4, by adding subdivisions; 17.117, subdivisions 5a, 5b;
1.15 18B.33, subdivision 1; 18B.34, subdivision 1; 18B.345; 18C.305, by adding a
1.16 subdivision; 18E.03, subdivision 4; 28A.082, subdivision 1; 41B.03, subdivision
1.17 1; 41B.043, subdivisions 2, 3, 4; 41B.046, subdivision 4; 41B.047; 41B.055;
1.18 41B.06; 41C.05, subdivision 2; 84.025, subdivision 9; 84.026, subdivision 1;
1.19 84.0855, subdivisions 1, 2; 84.780; 84.927, subdivision 2; 84D.13, subdivision 7;
1.20 86B.415, subdivisions 1, 2, 3, 4, 5, 7; 86B.706, subdivision 2; 88.642, subdivision
1.21 1; 88.6435, subdivision 1; 89.22, subdivision 2; 97A.071, subdivision 2;
1.22 97A.075; 97A.475, subdivision 7; 97C.081, subdivision 3; 168.013, subdivisions
1.23 1d, 1g, 8; 296A.18, subdivision 4; Laws 2003, chapter 128, article 1, section 169;
1.24 proposing coding for new law in Minnesota Statutes, chapters 28A; 41A; 84;
1.25 84D; 89; repealing Minnesota Statutes 2006, sections 17.109; 18B.315; 18C.425,
1.26 subdivision 5; 41B.043, subdivision 1a; 89A.11; 93.2236.

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

1.28 **ARTICLE 1**
1.29 **ENVIRONMENT, NATURAL RESOURCES, AND AGRICULTURE**
1.30 **APPROPRIATIONS**

1.31 Section 1. **SUMMARY OF APPROPRIATIONS.**

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

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

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

3.5	<u>Appropriations by Fund</u>	
3.6	<u>General</u>	<u>19,151,000</u> <u>19,179,000</u>
3.7	<u>State Government</u>	
3.8	<u>Special Revenue</u>	<u>48,000</u> <u>48,000</u>
3.9	<u>Environmental</u>	<u>18,314,000</u> <u>18,244,000</u>

3.10 \$2,348,000 the first year and \$2,348,000
 3.11 the second year are for the clean water
 3.12 partnership program. Any balance remaining
 3.13 in the first year does not cancel and
 3.14 is available for the second year. This
 3.15 appropriation may be used for grants to
 3.16 local units of government for the purpose
 3.17 of restoring impaired waters listed under
 3.18 section 303(d) of the federal Clean Water
 3.19 Act in accordance with adopted total
 3.20 maximum daily loads (TMDL's), including
 3.21 implementation of approved clean water
 3.22 partnership diagnostic study work plans that
 3.23 will assist in restoration of such impaired
 3.24 waters.

3.25 \$335,000 the first year and \$335,000 the
 3.26 second year are for community technical
 3.27 assistance and education, including grants
 3.28 and technical assistance to communities for
 3.29 local and basinwide water quality protection.

3.30 \$405,000 the first year and \$405,000 the
 3.31 second year are for individual sewage
 3.32 treatment system (ISTS) administration and
 3.33 grants. Of this amount, \$86,000 each year
 3.34 is for assistance to counties through grants
 3.35 for ISTS program administration. Any

4.1 unexpended balance in the first year does not
4.2 cancel but is available in the second year.

4.3 \$480,000 the first year and \$480,000 the
4.4 second year are from the environmental
4.5 fund to address the need for continued
4.6 increased activity in the areas of new
4.7 technology review, technical assistance
4.8 for local governments, and enforcement
4.9 under Minnesota Statutes, sections 115.55
4.10 to 115.58, and to complete the requirements
4.11 of Laws 2003, chapter 128, article 1, section
4.12 165. Of this amount, \$48,000 each year is for
4.13 administration of individual septic tank fees.

4.14 \$10,570,000 the first year and \$10,570,000
4.15 the second year are to implement the
4.16 requirements of Minnesota Statutes, chapter
4.17 114D. Of this amount, \$1,860,000 each
4.18 year is for statewide assessments of surface
4.19 water quality and trends and \$8,710,000
4.20 each year is to develop TMDL's and TMDL
4.21 implementation plans for waters listed on
4.22 the United States Environmental Protection
4.23 Agency approved impaired waters list.

4.24 \$1,035,000 the first year and \$1,035,000
4.25 the second year are to provide regulatory
4.26 services to the ethanol, mining, and other
4.27 developing economic sectors. This is a
4.28 onetime appropriation.

4.29 \$2,324,000 the first year and \$2,324,000
4.30 the second year are for grants to delegated
4.31 counties to administer the county feedlot
4.32 program. Distribution of the funds must
4.33 be conducted according to the following
4.34 three-part formula:

5.1 (1) Number of feedlots in the county: 60
5.2 percent of the total appropriation must
5.3 be distributed according to the number of
5.4 feedlots that are required to be registered in
5.5 the county. Grants awarded under this clause
5.6 must be matched with a combination of local
5.7 cash and in-kind contributions.

5.8 (2) Minimum program requirements: 25
5.9 percent of the total appropriation must be
5.10 distributed based on the county (i) conducting
5.11 an annual number of inspections at feedlots
5.12 that is equal to or greater than seven percent
5.13 of the total number of registered feedlots that
5.14 are required to be registered in the county;
5.15 and (ii) meeting noninspection minimum
5.16 program requirements as identified in the
5.17 county feedlot work plan form. Counties that
5.18 do not meet the inspection requirement must
5.19 not receive 50 percent of the eligible funding
5.20 under this clause. Counties must receive
5.21 funding under this clause according to a
5.22 scoring system checklist administered by the
5.23 agency. The commissioner, in consultation
5.24 with the Minnesota Association of County
5.25 Feedlot Officers executive team, shall make
5.26 a final decision regarding any appeal by a
5.27 county regarding the terms and conditions
5.28 of this clause.

5.29 (3) Performance credits: 15 percent of
5.30 the total appropriation must be distributed
5.31 according to work that has been done by
5.32 the counties during the fiscal year. The
5.33 amount must be determined by the number
5.34 of performance credits a county accumulates
5.35 during the year based on a performance
5.36 credit matrix jointly agreed upon by the

6.1 commissioner in consultation with the
6.2 Minnesota Association of County Feedlot
6.3 Officers executive team. To receive an award
6.4 under this clause, the county must meet the
6.5 requirements of clause (2)(i) and achieve
6.6 90 percent of the requirements according to
6.7 clause (2)(ii). The rate of reimbursement
6.8 per performance credit item must not exceed
6.9 \$200. Delegated counties are eligible for a
6.10 minimum grant of \$7,500. To receive the
6.11 full \$7,500 amount, a county must meet the
6.12 requirements under clause (2). Nondelegated
6.13 counties that apply for delegation shall
6.14 receive a grant prorated according to the
6.15 number of full quarters remaining in the
6.16 program year from the date of commissioner
6.17 approval of the delegation. Funds for awards
6.18 to any newly delegated counties must be
6.19 made out of the appropriation reserved
6.20 for this clause. The commissioner, in
6.21 consultation with the Minnesota Association
6.22 of County Feedlot Officers executive team,
6.23 may decide to use funds reserved for this
6.24 clause in an amount not to exceed five
6.25 percent of the total annual appropriation
6.26 for initiatives to enhance existing delegated
6.27 county feedlot programs, information and
6.28 education, or technical assistance efforts
6.29 to reduce feedlot related pollution hazards.
6.30 Any funds remaining after distribution under
6.31 clauses (1) and (2) must be transferred
6.32 for purposes of this clause. Any money
6.33 remaining after the first year is available for
6.34 the second year.
6.35 Notwithstanding Minnesota Statutes, section
6.36 16A.28, the appropriations encumbered

7.1 under contract on or before June 30, 2009,
 7.2 for clean water partnership, individual
 7.3 sewage treatment systems (ISTS), Minnesota
 7.4 River, total maximum daily loads (TMDL's),
 7.5 stormwater contracts or grants, and local and
 7.6 basinwide water quality protection contracts
 7.7 or grants in this subdivision are available
 7.8 until June 30, 2011.

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

7.10 Appropriations by Fund

7.11 <u>General</u>	<u>1,140,000</u>	<u>1,140,000</u>
7.12 <u>Environmental</u>	<u>9,863,000</u>	<u>10,130,000</u>

7.13 Up to \$150,000 the first year and \$150,000
 7.14 the second year may be transferred from the
 7.15 environmental fund to the small business
 7.16 environmental improvement loan account
 7.17 established in Minnesota Statutes, section
 7.18 116.993.

7.19 \$200,000 the first year and \$200,000 the
 7.20 second year are from the environmental fund
 7.21 for a monitoring program under Minnesota
 7.22 Statutes, section 116.454.

7.23 \$125,000 the first year and \$125,000 the
 7.24 second year are from the environmental fund
 7.25 for monitoring ambient air for hazardous
 7.26 pollutants in the metropolitan area.

7.27 \$1,140,000 the first year and \$1,140,000
 7.28 the second year are to provide regulatory
 7.29 services to the ethanol, mining, and other
 7.30 developing economic sectors. This is a
 7.31 onetime appropriation.

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

8.1	<u>Appropriations by Fund</u>		
8.2	<u>Environmental</u>	<u>7,065,000</u>	<u>7,065,000</u>
8.3	<u>Remediation</u>	<u>11,016,000</u>	<u>11,086,000</u>

8.4 All money for environmental response,
 8.5 compensation, and compliance in the
 8.6 remediation fund not otherwise appropriated
 8.7 is appropriated to the commissioners of the
 8.8 Pollution Control Agency and agriculture
 8.9 for purposes of Minnesota Statutes, section
 8.10 115B.20, subdivision 2, clauses (1), (2),
 8.11 (3), (6), and (7). At the beginning of each
 8.12 fiscal year, the two commissioners shall
 8.13 jointly submit an annual spending plan to
 8.14 the commissioner of finance that maximizes
 8.15 the utilization of resources and appropriately
 8.16 allocates the money between the two
 8.17 departments. This appropriation is available
 8.18 until June 30, 2009.

8.19 \$3,616,000 the first year and \$3,616,000
 8.20 the second year are transferred from the
 8.21 petroleum tank fund to the remediation fund
 8.22 for appropriation to the commissioner for
 8.23 purposes of the leaking underground storage
 8.24 tank program to protect the land.

8.25 \$252,000 the first year and \$252,000 the
 8.26 second year are from the remediation fund to
 8.27 be transferred to the Department of Health
 8.28 for health assessments, drinking water
 8.29 advisories, and public information activities
 8.30 for areas contaminated by hazardous releases.

8.31	<u>Subd. 5. Multimedia</u>	<u>5,154,000</u>	<u>5,186,000</u>
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8.32	<u>Appropriations by Fund</u>		
8.33	<u>General</u>	<u>3,113,000</u>	<u>3,145,000</u>
8.34	<u>Environmental</u>	<u>2,041,000</u>	<u>2,041,000</u>

9.1 \$825,000 the first year and \$825,000 the
 9.2 second year are to provide regulatory
 9.3 services to the ethanol, mining, and other
 9.4 developing economic sectors. This is a
 9.5 onetime appropriation.

9.6 Notwithstanding Minnesota Statutes, section
 9.7 16A.28, the appropriations encumbered
 9.8 under contract on or before June 30, 2009, for
 9.9 total maximum daily load (TMDL) contracts
 9.10 or grants are available until June 30, 2011.

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

9.12 \$14,000,000 each year is from the
 9.13 environmental fund for SCORE block grants
 9.14 to counties.

9.15 Any unencumbered grant and loan balances
 9.16 in the first year do not cancel but are available
 9.17 for grants and loans in the second year.

9.18 All money deposited in the environmental
 9.19 fund for the metropolitan solid waste landfill
 9.20 fee under Minnesota Statutes, section
 9.21 473.843, and not otherwise appropriated, is
 9.22 appropriated to the agency for the purposes
 9.23 of Minnesota Statutes, section 473.844.

9.24 \$119,000 the first year and \$119,000 the
 9.25 second year are from the environmental
 9.26 fund for environmental assistance grants
 9.27 or loans under Minnesota Statutes, section
 9.28 115A.0716.

9.29 \$1,500,000 the first year and \$1,500,000 the
 9.30 second year are from the environmental fund
 9.31 to promote the use of alternative fuels; reduce
 9.32 pollutant emissions and greenhouse gases;
 9.33 increase efficiency of transportation fleets;

10.1 and accelerate transition to cleaner energy
 10.2 sources. This is a onetime appropriation.
 10.3 Notwithstanding Minnesota Statutes, section
 10.4 16A.28, the appropriations encumbered
 10.5 under contract on or before June 30,
 10.6 2009, for environmental assistance grants
 10.7 awarded under Minnesota Statutes, section
 10.8 115A.0716, and for technical and research
 10.9 assistance under Minnesota Statutes,
 10.10 section 115A.152, technical assistance
 10.11 under Minnesota Statutes, section 115A.52,
 10.12 and pollution prevention assistance under
 10.13 Minnesota Statutes, section 115D.04, are
 10.14 available until June 30, 2011.

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

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

10.21 **Sec. 4. NATURAL RESOURCES**

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

Appropriations by Fund

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

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

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

11.1	<u>Appropriations by Fund</u>		
11.2	<u>General</u>	<u>6,445,000</u>	<u>9,415,000</u>
11.3	<u>Natural Resources</u>	<u>3,551,000</u>	<u>551,000</u>
11.4	<u>Game and Fish</u>	<u>1,363,000</u>	<u>1,395,000</u>
11.5	<u>Permanent School</u>	<u>200,000</u>	<u>200,000</u>

11.6 \$475,000 the first year and \$475,000 the
 11.7 second year are for iron ore cooperative
 11.8 research. Of this amount, \$200,000 the
 11.9 first year is from the minerals management
 11.10 account in the natural resources fund and
 11.11 \$275,000 the first year is from the general
 11.12 fund. \$237,500 the first year and \$237,500
 11.13 the second year are available only as matched
 11.14 by \$1 of nonstate money for each \$1 of state
 11.15 money. The match may be cash or in-kind.

11.16 \$86,000 the first year and \$86,000 the
 11.17 second year are for minerals cooperative
 11.18 environmental research, of which \$43,000
 11.19 the first year and \$43,000 the second year are
 11.20 available only as matched by \$1 of nonstate
 11.21 money for each \$1 of state money. The
 11.22 match may be cash or in-kind.

11.23 \$2,800,000 the first year is from the minerals
 11.24 management account in the natural resources
 11.25 fund for use as provided in Minnesota
 11.26 Statutes, section 93.2236, paragraph (c).

11.27 \$200,000 the first year and \$200,000 the
 11.28 second year are from the state forest suspense
 11.29 account in the permanent school fund to
 11.30 accelerate land exchanges, land sales, and
 11.31 commercial leasing of school trust lands and
 11.32 to identify, evaluate, and lease construction
 11.33 aggregate located on school trust lands. This
 11.34 appropriation is to be used for securing
 11.35 maximum long-term economic return

12.1 from the school trust lands consistent with
 12.2 fiduciary responsibilities and sound natural
 12.3 resources conservation and management
 12.4 principles.

12.5 \$2,896,000 the second year is for
 12.6 management of state-administered mineral
 12.7 resources.

12.8 \$701,000 the first year and \$701,000 the
 12.9 second year are to support the land records
 12.10 management system. Of this amount,
 12.11 \$326,000 the first year and \$326,000 the
 12.12 second year are from the game and fish fund
 12.13 and \$375,000 the first year and \$375,000 the
 12.14 second year are from the natural resources
 12.15 fund.

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

	<u>Appropriations by Fund</u>		
12.17			
12.18	<u>General</u>	<u>12,889,000</u>	<u>13,074,000</u>
12.19	<u>Natural Resources</u>	<u>280,000</u>	<u>280,000</u>

12.20 \$210,000 the first year and \$210,000 the
 12.21 second year are for grants for up to 50
 12.22 percent of the cost of implementing the Red
 12.23 River mediation agreement.

12.24 \$65,000 the first year and \$65,000 the
 12.25 second year are for a grant to the Mississippi
 12.26 Headwaters Board for up to 50 percent of
 12.27 the cost of implementing the comprehensive
 12.28 plan for the upper Mississippi within areas
 12.29 under the board's jurisdiction.

12.30 \$5,000 the first year and \$5,000 the second
 12.31 year are for payment to the Leech Lake Band
 12.32 of Chippewa Indians to implement the band's
 12.33 portion of the comprehensive plan for the
 12.34 upper Mississippi.

13.1 \$125,000 the first year and \$125,000 the
 13.2 second year are for the construction of ring
 13.3 dikes under Minnesota Statutes, section
 13.4 103F.161. The ring dikes may be publicly
 13.5 or privately owned. Any unencumbered
 13.6 balance does not cancel at the end of the first
 13.7 year and is available for the second year.

13.8 \$773,000 the first year and \$773,000 the
 13.9 second year are a onetime appropriation
 13.10 for the purpose of addressing surface
 13.11 and groundwater issues related to the
 13.12 development and expansion of ethanol
 13.13 production.

13.14 \$820,000 the first year and \$820,000 the
 13.15 second year are to support the identification
 13.16 of impaired waters and develop plans to
 13.17 address those impairments, as required by
 13.18 the federal Clean Water Act.

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

13.20	<u>Appropriations by Fund</u>		
13.21	<u>General</u>	<u>25,683,000</u>	<u>25,698,000</u>
13.22	<u>Natural Resources</u>	<u>18,033,000</u>	<u>18,393,000</u>
13.23	<u>Game and Fish</u>	<u>257,000</u>	<u>264,000</u>

13.24 \$7,217,000 the first year and \$7,217,000
 13.25 the second year are for prevention,
 13.26 presuppression, and suppression costs of
 13.27 emergency firefighting and other costs
 13.28 incurred under Minnesota Statutes, section
 13.29 88.12. If the appropriation for either
 13.30 year is insufficient to cover all costs of
 13.31 presuppression and suppression, the amount
 13.32 necessary to pay for these costs during the
 13.33 biennium is appropriated from the general
 13.34 fund.

14.1 By November 15 of each year, the
14.2 commissioner of natural resources shall
14.3 submit a report to the chairs of the house
14.4 and senate committees and divisions having
14.5 jurisdiction over environment and natural
14.6 resources finance, identifying all firefighting
14.7 costs incurred and reimbursements received
14.8 in the prior fiscal year. These appropriations
14.9 may not be transferred. Any reimbursement
14.10 of firefighting expenditures made to the
14.11 commissioner from any source other than
14.12 federal mobilizations shall be deposited into
14.13 the general fund.

14.14 \$18,033,000 the first year and \$18,393,000
14.15 the second year are from the forest
14.16 management investment account in the
14.17 natural resources fund for only the purposes
14.18 specified in Minnesota Statutes, section
14.19 89.039, subdivision 2.

14.20 \$1,180,000 the first year and \$780,000 the
14.21 second year are for the Forest Resources
14.22 Council for implementation of the
14.23 Sustainable Forest Resources Act. Of this
14.24 amount, \$200,000 is available in the first
14.25 year as a onetime appropriation to conduct a
14.26 study of options and make recommendations
14.27 to the legislature for addressing the
14.28 fragmentation and parcelization of large
14.29 blocks of private forest land in the state
14.30 and \$200,000 is available in the first year
14.31 as a onetime appropriation for the Forest
14.32 Resources Research Advisory Committee
14.33 under Minnesota Statutes, section 89A.08,
14.34 to provide direction on research topics
14.35 recommended by the Governor's Task Force

15.1 on the Competitiveness of Minnesota's
15.2 Primary Forest Products Industry.
15.3 \$350,000 the first year and \$350,000 the
15.4 second year are for the FORIST timber
15.5 management information system, other
15.6 information systems, and for increased
15.7 forestry management.
15.8 \$257,000 the first year and \$264,000 the
15.9 second year are from the game and fish
15.10 fund to implement ecological classification
15.11 systems (ECS) standards on forested
15.12 landscapes. This appropriation is from
15.13 revenue deposited in the game and fish fund
15.14 under Minnesota Statutes, section 297A.94,
15.15 paragraph (e), clause (1).
15.16 \$2,000,000 the first year and \$2,000,000
15.17 the second year are for general fund
15.18 investments in forest management. Of
15.19 this amount, \$1,500,000 the first year and
15.20 \$1,500,000 the second year are to support
15.21 additional technical and cost-share assistance
15.22 to nonindustrial private forest (NIPF)
15.23 landowners and \$500,000 the first year and
15.24 \$500,000 the second year are to address
15.25 escalating land asset management demands,
15.26 such as boundary disputes, access easements,
15.27 and sale, exchange, and acquisition of forest
15.28 lands.
15.29 \$55,000 the first year and \$55,000 the
15.30 second year are to develop and implement
15.31 a statewide information and education
15.32 campaign regarding the proposed statewide
15.33 ban on the transport, storage, or use of
15.34 nonapproved firewood on state-administered
15.35 lands.

16.1	<u>\$50,000 the first year and \$100,000 the</u>		
16.2	<u>second year are from the natural resources</u>		
16.3	<u>fund for forest road maintenance in support</u>		
16.4	<u>of all-terrain vehicle trails.</u>		
16.5	<u>Subd. 5. Parks and Recreation Management</u>	<u>35,194,000</u>	<u>36,012,000</u>
16.6	<u>Appropriations by Fund</u>		
16.7	<u>General</u>	<u>20,613,000</u>	<u>20,976,000</u>
16.8	<u>Natural Resources</u>	<u>14,581,000</u>	<u>15,036,000</u>
16.9	<u>\$640,000 the first year and \$640,000 the</u>		
16.10	<u>second year are from the water recreation</u>		
16.11	<u>account in the natural resources fund for state</u>		
16.12	<u>park water access projects.</u>		
16.13	<u>\$3,996,000 the first year and \$3,996,000 the</u>		
16.14	<u>second year are from the natural resources</u>		
16.15	<u>fund for state park and recreation area</u>		
16.16	<u>operations. This appropriation is from the</u>		
16.17	<u>revenue deposited in the natural resources</u>		
16.18	<u>fund under Minnesota Statutes, section</u>		
16.19	<u>297A.94, paragraph (e), clause (2).</u>		
16.20	<u>\$500,000 the first year and \$750,000 the</u>		
16.21	<u>second year are from the natural resources</u>		
16.22	<u>fund for park maintenance work, resource</u>		
16.23	<u>management projects, and conservation</u>		
16.24	<u>education for park users.</u>		
16.25	<u>Subd. 6. Trails and Waterways Management</u>	<u>28,712,000</u>	<u>28,917,000</u>
16.26	<u>Appropriations by Fund</u>		
16.27	<u>General</u>	<u>1,798,000</u>	<u>1,818,000</u>
16.28	<u>Natural Resources</u>	<u>24,795,000</u>	<u>24,905,000</u>
16.29	<u>Game and Fish</u>	<u>2,119,000</u>	<u>2,194,000</u>
16.30	<u>\$7,924,000 the first year and \$7,924,000</u>		
16.31	<u>the second year are from the snowmobile</u>		
16.32	<u>trails and enforcement account in the natural</u>		
16.33	<u>resources fund for snowmobile grants-in-aid.</u>		
16.34	<u>The additional money under this paragraph</u>		
16.35	<u>may be used for new grant-in-aid trails. Any</u>		

17.1 unencumbered balance does not cancel at the
 17.2 end of the first year and is available for the
 17.3 second year.

17.4 \$1,140,000 the first year and \$1,132,000 the
 17.5 second year are from the natural resources
 17.6 fund for off-highway vehicle grants-in-aid.

17.7 Of this amount, \$790,000 the first year
 17.8 and \$882,000 the second year are from the
 17.9 all-terrain vehicle account; \$150,000 each
 17.10 year is from the off-highway motorcycle
 17.11 account; and \$200,000 the first year and
 17.12 \$100,000 the second year are from the
 17.13 off-road vehicle account. Any unencumbered
 17.14 balance does not cancel at the end of the first
 17.15 year and is available for the second year.

17.16 \$261,000 the first year and \$261,000 the
 17.17 second year are from the water recreation
 17.18 account in the natural resources fund for a
 17.19 safe harbor program on Lake Superior.

17.20 \$742,000 the first year and \$760,000 the
 17.21 second year are from the natural resources
 17.22 fund for state trail operations. This
 17.23 appropriation is from the revenue deposited
 17.24 in the natural resources fund under Minnesota
 17.25 Statutes, section 297A.94, paragraph (e),
 17.26 clause (2).

17.27 \$32,000 the first year and \$107,000 the
 17.28 second year are from the game and fish
 17.29 fund for expenditures on water access sites
 17.30 according to the requirements of the federal
 17.31 sport and fish restoration program.

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

17.33 Appropriations by Fund
 17.34 General 3,463,000 3,513,000

18.1	<u>Natural Resources</u>	<u>1,876,000</u>	<u>1,876,000</u>
18.2	<u>Game and Fish</u>	<u>55,241,000</u>	<u>56,563,000</u>

18.3 \$410,000 the first year and \$418,000 the
18.4 second year are for resource population
18.5 surveys in the 1837 treaty area. Of this
18.6 amount, \$274,000 the first year and \$288,000
18.7 the second year are from the game and fish
18.8 fund.

18.9 \$8,061,000 the first year and \$8,167,000
18.10 the second year are from the heritage
18.11 enhancement account in the game and
18.12 fish fund for only the purposes specified
18.13 in Minnesota Statutes, section 297A.94,
18.14 paragraph (e), clause (1). Of this amount,
18.15 \$575,000 the first year and \$575,000 the
18.16 second year are for accelerating programs
18.17 and efforts to preserve, restore, and enhance
18.18 grassland/wetland complexes on public and
18.19 private lands. Notwithstanding Minnesota
18.20 Statutes, section 297A.94, this appropriation
18.21 may be used for hunter and angler recruitment
18.22 and retention and public land user facilities.

18.23 Notwithstanding Minnesota Statutes, section
18.24 84.943, \$13,000 the first year and \$13,000
18.25 the second year from the critical habitat
18.26 private sector matching account may be used
18.27 to publicize the critical habitat license plate
18.28 match program.

18.29 \$8,000 the first year and \$8,000 the second
18.30 year are appropriated from the game and
18.31 fish fund for transfer to the wild turkey
18.32 management account for purposes specified
18.33 in Minnesota Statutes, section 97A.075,
18.34 subdivision 5.

19.1 \$108,000 the first year and \$108,000 the
 19.2 second year are from the game and fish
 19.3 fund for costs associated with administering
 19.4 fishing contest permits.

19.5 \$132,000 the first year and \$132,000 the
 19.6 second year are to accelerate wildlife health
 19.7 programs and to prevent the spread of
 19.8 disease from livestock and poultry to the
 19.9 wildlife population. \$66,000 of this amount
 19.10 is permanent.

19.11 \$575,000 the first year and \$575,000 the
 19.12 second year are for accelerating programs
 19.13 and efforts to preserve, restore, and enhance
 19.14 grassland/wetland complexes on public and
 19.15 private lands.

19.16 \$100,000 the first year and \$100,000 the
 19.17 second year are from the game and fish fund
 19.18 to expand the roadsides for wildlife program.

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

19.20	<u>Appropriations by Fund</u>		
19.21	<u>General</u>	<u>5,399,000</u>	<u>5,457,000</u>
19.22	<u>Natural Resources</u>	<u>4,273,000</u>	<u>5,969,000</u>
19.23	<u>Game and Fish</u>	<u>3,882,000</u>	<u>3,951,000</u>

19.24 \$1,194,000 the first year and \$1,227,000 the
 19.25 second year are from the nongame wildlife
 19.26 management account in the natural resources
 19.27 fund for the purpose of nongame wildlife
 19.28 management. Notwithstanding Minnesota
 19.29 Statutes, section 290.431, \$100,000 the first
 19.30 year and \$100,000 the second year may be
 19.31 used for nongame information, education,
 19.32 and promotion.

19.33 \$1,588,000 the first year and \$1,588,000
 19.34 the second year are from the heritage
 19.35 enhancement account in the game and

20.1 fish fund for only the purposes specified
 20.2 in Minnesota Statutes, section 297A.94,
 20.3 paragraph (e), clause (1).

20.4 \$710,000 the first year and \$2,050,000 the
 20.5 second year are from the invasive species
 20.6 account and \$75,000 the first year and
 20.7 \$400,000 the second year are from the
 20.8 game and fish fund for law enforcement
 20.9 and water access inspection to prevent
 20.10 the spread of invasive species, grants to
 20.11 manage invasive plants in public waters, and
 20.12 management of terrestrial invasive species
 20.13 on state-administered lands.

20.14 \$85,000 the first year and \$85,000 the
 20.15 second year are a onetime appropriation
 20.16 for the purpose of addressing surface
 20.17 and groundwater issues related to the
 20.18 development and expansion of ethanol
 20.19 production.

20.20 \$810,000 the first year and \$810,000 the
 20.21 second year are to support the identification
 20.22 of impaired waters and develop plans to
 20.23 address those impairments, as required by
 20.24 the federal Clean Water Act.

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

20.26	<u>Appropriations by Fund</u>		
20.27	<u>General</u>	<u>3,536,000</u>	<u>3,592,000</u>
20.28	<u>Natural Resources</u>	<u>7,163,000</u>	<u>7,320,000</u>
20.29	<u>Game and Fish</u>	<u>19,422,000</u>	<u>19,885,000</u>
20.30	<u>Remediation</u>	<u>100,000</u>	<u>100,000</u>

20.31 \$1,082,000 the first year and \$1,082,000 the
 20.32 second year are from the water recreation
 20.33 account in the natural resources fund for
 20.34 grants to counties for boat and water safety.

21.1 \$100,000 the first year and \$100,000 the
21.2 second year are from the remediation fund
21.3 for solid waste enforcement activities under
21.4 Minnesota Statutes, section 116.073.

21.5 \$315,000 the first year and \$315,000 the
21.6 second year are from the snowmobile
21.7 trails and enforcement account in the
21.8 natural resources fund for grants to local
21.9 law enforcement agencies for snowmobile
21.10 enforcement activities.

21.11 \$1,164,000 the first year and \$1,164,000
21.12 the second year are from the heritage
21.13 enhancement account in the game and
21.14 fish fund for only the purposes specified
21.15 in Minnesota Statutes, section 297A.94,
21.16 paragraph (e), clause (1).

21.17 \$225,000 the first year and \$225,000
21.18 the second year are from the natural
21.19 resources fund for grants to county law
21.20 enforcement agencies for off-highway
21.21 vehicle enforcement and public education
21.22 activities based on off-highway vehicle use
21.23 in the county. Of this amount, \$213,000 each
21.24 year is from the all-terrain vehicle account,
21.25 \$11,000 each year is from the off-highway
21.26 motorcycle account, and \$1,000 each year
21.27 is from the off-road vehicle account. The
21.28 county enforcement agencies may use
21.29 money received under this appropriation
21.30 to make grants to other local enforcement
21.31 agencies within the county that have a high
21.32 concentration of off-highway vehicle use. Of
21.33 this appropriation, \$25,000 each year is for
21.34 administration of these grants.

22.1 \$15,000 the first year is from the off-highway
 22.2 motorcycle account in the natural resources
 22.3 fund to produce an interactive CD-ROM
 22.4 training tool for the off-highway motorcycle
 22.5 education and training program under
 22.6 Minnesota Statutes, section 84.791.

22.7 \$15,000 the first year and \$5,000 the second
 22.8 year are from the off-road vehicle account
 22.9 in the natural resources fund to establish
 22.10 the off-road vehicle environment and safety
 22.11 education and training program under
 22.12 Minnesota Statutes, section 84.8015.

22.13 \$50,000 the first year and \$225,000 the
 22.14 second year are from the natural resources
 22.15 fund for grants to qualifying off-highway
 22.16 vehicle organizations to assist in safety and
 22.17 environmental education and monitoring
 22.18 trails on public lands. Of this appropriation,
 22.19 \$25,000 each year is for administration of
 22.20 these grants.

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

22.30 Subd. 10. Operations Support 3,724,000 3,791,000

22.31	<u>Appropriations by Fund</u>		
22.32	<u>General</u>	<u>2,189,000</u>	<u>2,227,000</u>
22.33	<u>Natural Resources</u>	<u>484,000</u>	<u>484,000</u>
22.34	<u>Game and Fish</u>	<u>1,051,000</u>	<u>1,080,000</u>

23.1 \$270,000 the first year and \$270,000 the
 23.2 second year are from the natural resources
 23.3 fund for grants to be divided equally between
 23.4 the city of St. Paul for the Como Zoo
 23.5 and Conservatory and the city of Duluth
 23.6 for the Duluth Zoo. This appropriation
 23.7 is from the revenue deposited to the fund
 23.8 under Minnesota Statutes, section 297A.94,
 23.9 paragraph (e), clause (5).

23.10 **Sec. 5. BOARD OF WATER AND SOIL**
 23.11 **RESOURCES** **\$ 22,369,000 \$ 22,728,000**

23.12 \$4,102,000 the first year and \$4,102,000 the
 23.13 second year are for natural resources block
 23.14 grants to local governments. The board may
 23.15 reduce the amount of the natural resources
 23.16 block grant to a county by an amount equal to
 23.17 any reduction in the county's general services
 23.18 allocation to a soil and water conservation
 23.19 district from the county's previous year
 23.20 allocation when the board determines that
 23.21 the reduction was disproportionate. Grants
 23.22 must be matched with a combination of local
 23.23 cash or in-kind contributions. The base grant
 23.24 portion related to water planning must be
 23.25 matched by an amount that would be raised
 23.26 by a levy under Minnesota Statutes, section
 23.27 103B.3369.

23.28 \$3,566,000 the first year and \$3,566,000 the
 23.29 second year are for grants to soil and water
 23.30 conservation districts for general purposes,
 23.31 nonpoint engineering, and implementation
 23.32 of the reinvest in Minnesota conservation
 23.33 reserve program. Upon approval of the
 23.34 board, expenditures may be made from these
 23.35 appropriations for supplies and services

24.1 benefiting soil and water conservation
24.2 districts.

24.3 \$3,285,000 the first year and \$3,285,000
24.4 the second year are for grants to soil and
24.5 water conservation districts for cost-sharing
24.6 contracts for erosion control and water
24.7 quality management. Of this amount, at least
24.8 \$1,500,000 the first year and \$1,500,000 the
24.9 second year are for grants for cost-sharing
24.10 contracts for water quality management on
24.11 feedlots. Any unencumbered balance in the
24.12 board's program of grants does not cancel
24.13 at the end of the first year and is available
24.14 for the second year for the same grant
24.15 program. This appropriation is available
24.16 until expended. If the appropriation in either
24.17 year is insufficient, the appropriation in the
24.18 other year is available for it.

24.19 \$100,000 the first year and \$100,000 the
24.20 second year are for a grant to the Red
24.21 River Basin Commission to develop a Red
24.22 River basin plan and to coordinate water
24.23 management activities in the states and
24.24 provinces bordering the Red River. The
24.25 unencumbered balance in the first year does
24.26 not cancel but is available for the second
24.27 year.

24.28 \$105,000 the first year and \$105,000
24.29 the second year are for a grant to Area
24.30 II, Minnesota River Basin Projects,
24.31 for floodplain management, including
24.32 administration of programs. If the
24.33 appropriation in either year is insufficient, the
24.34 appropriation in the other year is available
24.35 for it.

25.1 \$5,450,000 the first year and \$5,450,000
25.2 the second year are for implementation of
25.3 the Clean Water Legacy Act as follows:
25.4 \$1,500,000 each year is for targeted
25.5 nonpoint restoration cost-share and incentive
25.6 payments, of which up to \$1,400,000 each
25.7 year is available for grants. The grant funds
25.8 are available until expended; \$2,000,000
25.9 each year is for targeted nonpoint restoration
25.10 and protection and technical, compliance,
25.11 and engineering assistance activities,
25.12 of which up to \$1,700,000 each year is
25.13 available for grants; \$200,000 each year is
25.14 for reporting and evaluating applied soil
25.15 and water conservation practices; \$750,000
25.16 each year is for grants to implement
25.17 county individual sewage treatment system
25.18 programs; and \$1,000,000 each year is for
25.19 grants to support local nonpoint source
25.20 protection activities related to lake and
25.21 river protection and management. All of
25.22 the money appropriated in this paragraph
25.23 as grants to local governments shall be
25.24 administered through the Board of Water
25.25 and Soil Resources' local water resources
25.26 protection and management program under
25.27 Minnesota Statutes, section 103B.3369.
25.28 \$1,060,000 the first year and \$1,060,000 the
25.29 second year may be spent for the following
25.30 purposes to support implementation of the
25.31 Wetland Conservation Act: \$500,000 each
25.32 year is to make grants to local units of
25.33 governments to improve response to major
25.34 wetland violations; \$500,000 each year is for
25.35 staffing to provide adequate state oversight
25.36 and technical support to local governments

26.1 administering the Wetland Conservation
 26.2 Act; and \$60,000 each year is for staff to
 26.3 monitor and enforce wetland replacement
 26.4 and wetland bank sites.

26.5 \$60,000 is to develop a comprehensive
 26.6 state wetland restoration vision and plan.

26.7 This is a onetime appropriation. All of
 26.8 the money appropriated in this paragraph
 26.9 as grants to local governments shall be
 26.10 administered through the Board of Water
 26.11 and Soil Resources' local water resources
 26.12 protection and management program under
 26.13 Minnesota Statutes, section 103B.3369.

26.14 \$450,000 in the first year and \$800,000
 26.15 the second year are to implement
 26.16 recommendations of the Drainage Work
 26.17 Group to enhance public drainage and
 26.18 modernization as follows: \$150,000 the first
 26.19 year is to develop guidelines for drainage
 26.20 records preservation and modernization;
 26.21 \$500,000 the second year is for cost-share
 26.22 grants to local governments for records
 26.23 modernization; and \$300,000 each year
 26.24 is to provide assistance to local drainage
 26.25 management officials and to update the
 26.26 Minnesota Public Drainage Manual. All of
 26.27 the money appropriated in this paragraph
 26.28 as grants to local governments shall be
 26.29 administered through the Board of Water
 26.30 and Soil Resources' local water resources
 26.31 protection and management program under
 26.32 Minnesota Statutes, section 103B.3369.

26.33	Sec. 6. <u>ZOOLOGICAL BOARD</u>	<u>\$</u>	<u>6,950,000</u>	<u>\$</u>	<u>7,078,000</u>
26.34	<u>Appropriations by Fund</u>				
26.35	<u>2008</u>	<u>2009</u>			

27.1	<u>General</u>	<u>6,813,000</u>	<u>6,940,000</u>
27.2	<u>Natural Resources</u>	<u>137,000</u>	<u>138,000</u>

27.3 \$137,000 the first year and \$138,000 the
 27.4 second year are from the natural resources
 27.5 fund from the revenue deposited under
 27.6 Minnesota Statutes, section 297A.94,
 27.7 paragraph (e), clause (5). This is a onetime
 27.8 appropriation.

27.9	Sec. 7. <u>SCIENCE MUSEUM OF</u>			
27.10	<u>MINNESOTA</u>	\$	<u>1,000,000</u>	\$ <u>1,000,000</u>

27.11	Sec. 8. <u>METROPOLITAN COUNCIL</u>	\$	<u>7,870,000</u>	\$ <u>7,870,000</u>
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27.12	<u>Appropriations by Fund</u>		
27.13		<u>2008</u>	<u>2009</u>
27.14	<u>General</u>	<u>3,300,000</u>	<u>3,300,000</u>
27.15	<u>Natural Resources</u>	<u>4,570,000</u>	<u>4,570,000</u>

27.16 \$3,300,000 the first year and \$3,300,000
 27.17 the second year are for metropolitan area
 27.18 regional parks maintenance and operations.
 27.19 \$4,570,000 the first year and \$4,570,000 the
 27.20 second year are from the natural resources
 27.21 fund for metropolitan area regional parks
 27.22 and trails maintenance and operations. This
 27.23 appropriation is from the revenue deposited
 27.24 in the natural resources fund under Minnesota
 27.25 Statutes, section 297A.94, paragraph (e),
 27.26 clause (3).

27.27	Sec. 9. <u>MINNESOTA CONSERVATION</u>			
27.28	<u>CORPS</u>	\$	<u>840,000</u>	\$ <u>840,000</u>

27.29	<u>Appropriations by Fund</u>		
27.30		<u>2008</u>	<u>2009</u>
27.31	<u>General</u>	<u>350,000</u>	<u>350,000</u>
27.32	<u>Natural Resources</u>	<u>490,000</u>	<u>490,000</u>

27.33 The Minnesota Conservation Corps may
 27.34 receive money appropriated from the

28.1 natural resources fund under this section
 28.2 only as provided in an agreement with the
 28.3 commissioner of natural resources.

28.4 **Sec. 10. LEGISLATIVE-CITIZEN**
 28.5 **COMMISSION ON MINNESOTA**
 28.6 **RESOURCES**

\$ 23,366,000 \$ 28,866,000

28.7 Appropriations by Fund

28.8		<u>2008</u>	<u>2009</u>
28.9	<u>State Land and</u>		
28.10	<u>Water Conservation</u>		
28.11	<u>Account</u>		
28.12	<u>(LAWCON)</u>	<u>500,000</u>	<u>-0-</u>
28.13	<u>Environment and</u>		
28.14	<u>Natural Resources</u>		
28.15	<u>Trust Fund</u>	<u>22,866,000</u>	<u>22,866,000</u>

28.16 \$22,866,000 from the trust fund and
 28.17 \$500,000 from the state land and water
 28.18 conservation account the first year and
 28.19 \$22,866,000 from the trust fund the second
 28.20 year are available for projects and programs
 28.21 under Minnesota Statutes, chapter 116P,
 28.22 and the Minnesota Constitution, article XI,
 28.23 section 14.

28.24 **Sec. 11. DEPARTMENT OF AGRICULTURE**

28.25 **Subdivision 1. Total Appropriation** **\$ 47,028,000 \$ 47,262,000**

28.26 Appropriations by Fund

28.27		<u>2008</u>	<u>2009</u>
28.28	<u>General</u>	<u>46,640,000</u>	<u>46,874,000</u>
28.29	<u>Remediation</u>	<u>388,000</u>	<u>388,000</u>

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

28.33 **Subd. 2. Protection Services** **14,677,000 14,795,000**

28.34 Appropriations by Fund

28.35	<u>General</u>	<u>14,289,000</u>	<u>14,407,000</u>
28.36	<u>Remediation</u>	<u>388,000</u>	<u>388,000</u>

29.1 \$388,000 the first year and \$388,000 the
 29.2 second year are from the remediation fund
 29.3 for administrative funding for the voluntary
 29.4 cleanup program.

29.5 \$800,000 the first year and \$800,000 the
 29.6 second year are for research, evaluation,
 29.7 and effectiveness monitoring of agricultural
 29.8 practices in restoring impaired waters.

29.9 \$200,000 the first year and \$200,000
 29.10 the second year are for management and
 29.11 coordination activities that contribute
 29.12 to restoring impaired waters, including
 29.13 technical assistance in the development of
 29.14 total maximum daily load (TMDL) plans.

29.15 \$263,000 the first year and \$267,000 the
 29.16 second year are for additional invasive
 29.17 species control activities.

29.18 \$90,000 the first year and \$92,000 the second
 29.19 year are for additional meat inspection
 29.20 activities.

29.21 \$346,000 the first year and \$205,000 the
 29.22 second year are for electronic inspection
 29.23 system costs for dairy and food inspections.

29.24 \$120,000 the first year and \$123,000 the
 29.25 second year are for emergency planning
 29.26 activities.

29.27 \$141,000 the first year and \$143,000 the
 29.28 second year are for livestock premise
 29.29 identification activities that increase the
 29.30 state's ability to respond to animal health
 29.31 emergencies.

29.32 Subd. 3. **Agricultural Marketing and**
 29.33 **Development**

6,082,000

6,156,000

30.1 \$136,000 the first year and \$136,000 the
30.2 second year are for transfer to the Minnesota
30.3 grown account and may be used as grants
30.4 for Minnesota grown promotion under
30.5 Minnesota Statutes, section 17.102. Grants
30.6 may be made for one year. Notwithstanding
30.7 Minnesota Statutes, section 16A.28, the
30.8 appropriations encumbered under contract
30.9 on or before June 30, 2009, for Minnesota
30.10 grown grants in this paragraph are available
30.11 until June 30, 2011. The balance in the
30.12 Minnesota grown matching account in the
30.13 agricultural fund is canceled to the Minnesota
30.14 grown account in the agricultural fund and
30.15 the Minnesota grown matching account is
30.16 abolished.

30.17 \$80,000 the first year and \$80,000 the
30.18 second year are for grants to farmers for
30.19 demonstration projects involving sustainable
30.20 agriculture as authorized in Minnesota
30.21 Statutes, section 17.116. Of the amount
30.22 for grants, up to \$20,000 may be used for
30.23 dissemination of information about the
30.24 demonstration projects. Notwithstanding
30.25 Minnesota Statutes, section 16A.28, the
30.26 appropriations encumbered under contract
30.27 on or before June 30, 2009, for sustainable
30.28 agriculture grants in this paragraph are
30.29 available until June 30, 2011.

30.30 \$100,000 the first year and \$100,000
30.31 the second year are to provide training
30.32 and technical assistance to county and
30.33 town officials relating to livestock siting
30.34 issues and local zoning and land use
30.35 planning, including a checklist template that
30.36 would clarify the federal, state, and local

31.1 government requirements for consideration
 31.2 of an animal agriculture modernization
 31.3 or expansion project. In developing the
 31.4 training and technical assistance program,
 31.5 the commissioner may seek assistance from
 31.6 the local planning assistance center of the
 31.7 Department of Administration and shall seek
 31.8 guidance, advice, and support of livestock
 31.9 producer organizations, general agricultural
 31.10 organizations, local government associations,
 31.11 academic institutions, other government
 31.12 agencies, and others with expertise in land
 31.13 use and agriculture.

31.14 \$103,000 the first year and \$106,000 the
 31.15 second year are for additional integrated pest
 31.16 management activities.

31.17 \$1,250,000 the first year and \$1,250,000
 31.18 the second year are for the agricultural best
 31.19 management practices loan program. At
 31.20 least \$1,000,000 each year is available for
 31.21 pass-thru to local governments and lenders
 31.22 for low-interest loans.

31.23	<u>Subd. 4. Value-Added Agricultural Products</u>	<u>20,268,000</u>	<u>20,268,000</u>
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31.24	<u>\$15,168,000 the first year and \$15,168,000</u>		
31.25	<u>the second year are for ethanol producer</u>		
31.26	<u>payments under Minnesota Statutes, section</u>		
31.27	<u>41A.09. If the total amount for which</u>		
31.28	<u>all producers are eligible in a quarter</u>		
31.29	<u>exceeds the amount available for payments,</u>		
31.30	<u>the commissioner shall make payments</u>		
31.31	<u>on a pro rata basis. If the appropriation</u>		
31.32	<u>exceeds the total amount for which all</u>		
31.33	<u>producers are eligible in a fiscal year for</u>		
31.34	<u>scheduled payments and for deficiencies</u>		
31.35	<u>in payments during previous fiscal years,</u>		

32.1 the balance in the appropriation is available
32.2 to the commissioner for value-added
32.3 agricultural programs, including the product
32.4 processing and marketing grant program
32.5 under Minnesota Statutes, section 17.101,
32.6 subdivision 5. The appropriation remains
32.7 available until spent.

32.8 \$100,000 the first year and \$100,000 the
32.9 second year are for ethanol combustion
32.10 efficiency grants under Minnesota Statutes,
32.11 section 41A.09, subdivision 9.

32.12 \$5,000,000 the first year and \$5,000,000 the
32.13 second year are for grants to promote the
32.14 installation of gasification technologies and
32.15 to lessen dependency on fossil energy. This
32.16 appropriation is available until spent. For
32.17 the purpose of this paragraph, "gasification"
32.18 means the conversion of a feedstock
32.19 (biomass) to a combustible gas. The process
32.20 is completed via thermal decomposition of
32.21 organics in the absence of or with very small
32.22 amounts of air. Grants shall be awarded by
32.23 the commissioner of agriculture according to
32.24 the recommendations of a panel consisting
32.25 of six people with expertise related to the
32.26 subject who will examine applications. Each
32.27 of the following individuals shall appoint a
32.28 member to the panel:

32.29 (1) commissioner of agriculture;
32.30 (2) commissioner of commerce;
32.31 (3) commissioner of employment and
32.32 economic development;
32.33 (4) commissioner of the Pollution Control
32.34 Agency;

33.1 (5) the majority leader of the senate; and
 33.2 (6) the speaker of the house.
 33.3 Grants shall be awarded in a competitive
 33.4 process adopted by the commissioner with
 33.5 advice from the panel. A grant shall pay
 33.6 up to 20 percent of the total project cost,
 33.7 with a minimum of \$50,000 and a maximum
 33.8 of \$500,000 award to each applicant. At
 33.9 least 25 projects shall be granted. Investor
 33.10 cost-share must be at least 50 percent and
 33.11 applicant's facilities must be at least 51
 33.12 percent Minnesota-owned. Projects must
 33.13 have a qualified engineer certification on
 33.14 the technology and fuel source. Grantees
 33.15 shall provide reports at the request of the
 33.16 commissioner. The commissioner's costs in
 33.17 administering the program may be paid from
 33.18 the appropriation.

33.19 **Subd. 5. Administration and Financial**
 33.20 **Assistance**

6,001,000

6,043,000

33.21 \$1,005,000 the first year and \$1,005,000
 33.22 the second year are for continuation of
 33.23 the dairy development and profitability
 33.24 enhancement and dairy business planning
 33.25 grant programs established under Laws
 33.26 1997, chapter 216, section 7, subdivision
 33.27 2, and Laws 2001, First Special Session
 33.28 chapter 2, section 9, subdivision 2, and to
 33.29 administer a dairy investment tax credit
 33.30 program. The commissioner may allocate
 33.31 the available sums among permissible
 33.32 activities, including efforts to improve the
 33.33 quality of milk produced in the state in the
 33.34 proportions that the commissioner deems
 33.35 most beneficial to Minnesota's dairy farmers.
 33.36 The commissioner must submit a work plan

34.1 detailing plans for expenditures under this
34.2 program to the chairs of the house and senate
34.3 committees dealing with agricultural policy
34.4 and budget on or before the start of each
34.5 fiscal year. If significant changes are made
34.6 to the plans in the course of the year, the
34.7 commissioner must notify the chairs.

34.8 \$50,000 the first year and \$50,000 the second
34.9 year are for grants to the Northern Crops
34.10 Institute. The appropriation may be spent to
34.11 purchase equipment.

34.12 \$19,000 the first year and \$19,000 the
34.13 second year are for grants to the Minnesota
34.14 Livestock Breeders Association.

34.15 Aid payments to county and district
34.16 agricultural societies and associations
34.17 under Minnesota Statutes, section 38.02,
34.18 subdivision 1, shall be disbursed not later
34.19 than July 15. These payments are the amount
34.20 of aid owed by the state for an annual fair
34.21 held in the previous calendar year.

34.22 \$65,000 the first year and \$65,000 the second
34.23 year are for annual grants to the Northern
34.24 Minnesota Forage-Turf Seed Advisory
34.25 Committee for basic and applied research on
34.26 the improved production of forage and turf
34.27 seed related to new and improved varieties.
34.28 The grant recipient may subcontract with a
34.29 qualified third party for some or all of the
34.30 basic and applied research.

34.31 \$200,000 the first year and \$200,000 the
34.32 second year are for grants to Second Harvest
34.33 Heartland on behalf of Minnesota's six
34.34 Second Harvest food banks for the purchase
34.35 of milk for distribution to Minnesota's food

35.1 shelves and other charitable organizations
35.2 that are eligible to receive food from the food
35.3 banks. Milk purchased under the grants must
35.4 be acquired from Minnesota milk processors
35.5 and based on low-cost bids. The milk must be
35.6 allocated to each Second Harvest food bank
35.7 serving Minnesota according to the formula
35.8 used in the distribution of United States
35.9 Department of Agriculture commodities
35.10 under the Emergency Food Assistance
35.11 Program (TEFAP). Second Harvest
35.12 Heartland must submit quarterly reports
35.13 to the commissioner on forms prescribed
35.14 by the commissioner. The reports must
35.15 include, but are not limited to, information
35.16 on the expenditure of funds, the amount
35.17 of milk purchased, and the organizations
35.18 to which the milk was distributed. Second
35.19 Harvest Heartland may enter into contracts
35.20 or agreements with food banks for shared
35.21 funding or reimbursement of the direct
35.22 purchase of milk. Each food bank receiving
35.23 money from this appropriation may use up to
35.24 two percent of the grant for administrative
35.25 expenses.
35.26 \$100,000 the first year and \$100,000 the
35.27 second year are for transfer to the Board of
35.28 Trustees of the Minnesota State Colleges and
35.29 Universities for mental health counseling
35.30 support to farm families and business
35.31 operators through farm business management
35.32 programs at Central Lakes College and
35.33 Ridgewater College.
35.34 \$18,000 the first year and \$18,000 the
35.35 second year are for grants to the Minnesota
35.36 Horticultural Society.

37.1 organizations. This subdivision is intended to relate to every function and duty which
37.2 devolves upon the commissioner.

37.3 (b) The commissioner may apply for, receive, and disburse federal funds made
37.4 available to the state by federal law or regulation for any purpose related to the powers
37.5 and duties of the commissioner. All money received by the commissioner under this
37.6 paragraph shall be deposited in the state treasury and is appropriated to the commissioner
37.7 for the purposes for which it was received. Money received under this paragraph does not
37.8 cancel and is available for expenditure according to federal law. The commissioner may
37.9 contract with and enter into grant agreements with persons, organizations, educational
37.10 institutions, firms, corporations, other state agencies, and any agency or instrumentality of
37.11 the federal government to carry out agreements made with the federal government relating
37.12 to the expenditure of money under this paragraph. Bid requirements under chapter 16C do
37.13 not apply to contracts under this paragraph.

37.14 Sec. 3. Minnesota Statutes 2006, section 17.101, subdivision 2, is amended to read:

37.15 Subd. 2. **Agricultural development grants and contracts.** In order to carry out
37.16 the duties in subdivision 1, the commissioner, in addition to whatever other resources
37.17 the department may commit, shall make grants and enter into contracts to fulfill the
37.18 obligations of subdivision 1. The commissioner may enter into partnerships or seek gifts to
37.19 carry out subdivision 1. The commissioner may contract with, among others, agricultural
37.20 commodity organizations, the University of Minnesota, and agriculture related businesses
37.21 to fulfill the duties. The commissioner shall make permanent rules for the administration
37.22 of these grants and contracts. The rules shall specify at a minimum:

- 37.23 (a) eligibility criteria;
- 37.24 (b) application procedures;
- 37.25 (c) provisions for application review and project approval;
- 37.26 (d) provisions for program monitoring and review for all approved grants and
37.27 contracts; and
- 37.28 (e) other provisions the commissioner finds necessary.

37.29 Contracts entered into by the commissioner pursuant to this subdivision shall not
37.30 exceed 75 percent of the cost of the project supported by the commissioner's grant. In
37.31 any biennium year, no organization shall receive more than \$70,000 in grants from the
37.32 commissioner.

37.33 Sec. 4. Minnesota Statutes 2006, section 17.102, subdivision 1, is amended to read:

38.1 Subdivision 1. **Establishment and use of label.** (a) The commissioner shall
 38.2 establish a "Minnesota grown" logo or labeling statement for use in identifying
 38.3 agricultural products that are grown, raised, processed, or manufactured in this state.
 38.4 The commissioner may develop labeling statements that apply to specific marketing or
 38.5 promotional needs. One version of a labeling statement must identify food products
 38.6 certified as organically grown in this state. The Minnesota grown logo or labeling
 38.7 statement may be used on ~~raw agricultural~~ products only if 80 percent or more of the
 38.8 agricultural product is produced in this state.

38.9 (b) The Minnesota grown logo or labeling statement may not be used without
 38.10 a license from the commissioner except that wholesalers and retailers may use the
 38.11 Minnesota grown logo and labeling statement for displaying and advertising products that
 38.12 qualify for use of the Minnesota grown logo or labeling statement.

38.13 Sec. 5. Minnesota Statutes 2006, section 17.102, subdivision 3, is amended to read:

38.14 Subd. 3. **License.** A person may not use the Minnesota grown logo or labeling
 38.15 without an annual license from the commissioner. The commissioner shall issue licenses
 38.16 for a fee of ~~\$5~~ \$20.

38.17 Sec. 6. Minnesota Statutes 2006, section 17.102, subdivision 4, is amended to read:

38.18 Subd. 4. **Minnesota grown account.** The Minnesota grown account is established
 38.19 as an account in the agricultural fund. License fee receipts and penalties collected under
 38.20 this section must be deposited in the agricultural fund and credited to the Minnesota grown
 38.21 account. The money in the account is continuously appropriated to the commissioner ~~to~~
 38.22 ~~implement and enforce this section and to promote the Minnesota grown logo and labeling~~
 38.23 for the direct costs of implementing the Minnesota grown program.

38.24 Sec. 7. Minnesota Statutes 2006, section 17.102, is amended by adding a subdivision
 38.25 to read:

38.26 Subd. 4a. **Funding sources.** The Minnesota grown account shall consist of
 38.27 license fees, penalties, advertising revenue, revenue from the development and sale of
 38.28 promotional materials, gifts, and appropriations.

38.29 Sec. 8. Minnesota Statutes 2006, section 17.102, is amended by adding a subdivision
 38.30 to read:

38.31 Subd. 4b. **Appropriations must be matched by private funds.** Appropriations
 38.32 from the Minnesota grown account may be expended only to the extent that they are

39.1 matched with contributions to the account from private sources on a basis of at least \$1
 39.2 of private contributions to each \$4 of state money. For the purposes of this subdivision,
 39.3 "private contributions" includes, but is not limited to, license fees, penalties, advertising
 39.4 revenue, revenue from the development and sale of promotional materials, and gifts.

39.5 Sec. 9. Minnesota Statutes 2006, section 17.117, subdivision 5a, is amended to read:

39.6 Subd. 5a. **Agricultural and environmental revolving accounts.** (a) There
 39.7 shall be established in the ~~agricultural~~ special revenue fund revolving accounts to
 39.8 receive appropriations, transfers of the balances from previous appropriations for the
 39.9 activities under this section, and money from other sources. All balances from previous
 39.10 appropriations for activities under this section and repayments of loans granted under this
 39.11 section, including principal and interest, must be deposited into the appropriate revolving
 39.12 account created in this subdivision or the account created in subdivision 13. Interest
 39.13 earned in an account accrues to that account.

39.14 (b) The money in the revolving accounts and the account created in subdivision 13 is
 39.15 appropriated to the commissioner for the purposes of this section.

39.16 Sec. 10. Minnesota Statutes 2006, section 17.117, subdivision 5b, is amended to read:

39.17 Subd. 5b. **Application fee.** The commissioner may impose a nonrefundable
 39.18 application fee of \$50 for each loan issued under the program. The fees must be credited
 39.19 to the agricultural best management practices administration account, which is hereby
 39.20 established in the ~~agricultural~~ special revenue fund. Interest earned in the account accrues
 39.21 to the account. Money in the account and interest earned in the accounts established
 39.22 in the agricultural fund under subdivision 5a are appropriated to the commissioner for
 39.23 administrative expenses of the program.

39.24 Sec. 11. Minnesota Statutes 2006, section 18B.33, subdivision 1, is amended to read:

39.25 Subdivision 1. **Requirement.** (a) A person may not apply a pesticide for hire
 39.26 without a commercial applicator license for the appropriate use categories or a structural
 39.27 pest control license ~~or aquatic pest control license.~~

39.28 ~~(b) A person with a commercial applicator license may not apply pesticides on~~
 39.29 ~~or into surface waters without an aquatic pest control license under section 18B.315;~~
 39.30 ~~except an aquatic pest control license is not required for licensed commercial applicators~~
 39.31 ~~applying pesticides for the purposes of:~~

39.32 ~~(1) pest control on cultivated wild rice;~~

39.33 ~~(2) mosquito and black fly control operations;~~

40.1 ~~(3) pest control on rights-of-way;~~

40.2 ~~(4) aerial pest control operations for emergent vegetation control;~~

40.3 ~~(5) aerial application of piscicides; and~~

40.4 ~~(6) pest control for silvicultural operations.~~

40.5 ~~(e)~~ (b) A commercial applicator licensee must have a valid license identification card
 40.6 when applying pesticides for hire and must display it upon demand by an authorized
 40.7 representative of the commissioner or a law enforcement officer. The commissioner shall
 40.8 prescribe the information required on the license identification card.

40.9 Sec. 12. Minnesota Statutes 2006, section 18B.34, subdivision 1, is amended to read:

40.10 Subdivision 1. **Requirement.** (a) Except for a licensed commercial applicator,
 40.11 certified private applicator, ~~a licensed aquatic pest control applicator,~~ or licensed structural
 40.12 pest control applicator, a person, including a government employee, may not use a
 40.13 restricted use pesticide in performance of official duties without having a noncommercial
 40.14 applicator license for an appropriate use category.

40.15 ~~(b) A licensed noncommercial applicator may not apply pesticides into or on surface~~
 40.16 ~~waters without an aquatic pest control license, except an aquatic pest control license is not~~
 40.17 ~~required for licensed noncommercial applicators applying pesticides for the purposes of:~~

40.18 ~~(1) mosquito and black fly control operations;~~

40.19 ~~(2) pest control on rights-of-way;~~

40.20 ~~(3) pest control operations for purple loosestrife control;~~

40.21 ~~(4) application of piscicides; and~~

40.22 ~~(5) pest control for silvicultural operations.~~

40.23 ~~(e)~~ (b) A licensee must have a valid license identification card when applying
 40.24 pesticides and must display it upon demand by an authorized representative of the
 40.25 commissioner or a law enforcement officer. The license identification card must contain
 40.26 information required by the commissioner.

40.27 Sec. 13. Minnesota Statutes 2006, section 18B.345, is amended to read:

40.28 **18B.345 PESTICIDE APPLICATION ON GOLF COURSES.**

40.29 (a) Application of a pesticide to the property of a golf course must be performed by:

40.30 (1) a structural pest control applicator; or

40.31 (2) a commercial or noncommercial pesticide applicator with appropriate use
 40.32 certification; ~~or,~~

40.33 ~~(3) an aquatic pest control applicator.~~

41.1 (b) Pesticides determined by the commissioner to be sanitizers and disinfectants are
41.2 exempt from the requirements in paragraph (a).

41.3 Sec. 14. Minnesota Statutes 2006, section 18C.305, is amended by adding a
41.4 subdivision to read:

41.5 Subd. 3. Exemption. A permit and safeguard is not required for agricultural
41.6 commodity producers who store, on their own property, for their own use, no more than
41.7 6,000 gallons of liquid commercial fertilizer.

41.8 Sec. 15. Minnesota Statutes 2006, section 18E.03, subdivision 4, is amended to read:

41.9 Subd. 4. **Fee.** (a) The response and reimbursement fee consists of the surcharges and
41.10 any adjustments made by the commissioner in this subdivision and shall be collected by
41.11 the commissioner. The amount of the response and reimbursement fee shall be determined
41.12 and imposed annually by the commissioner as required to satisfy the requirements in
41.13 subdivision 3. The commissioner shall adjust the amount of the surcharges imposed in
41.14 proportion to the amount of the surcharges listed in this subdivision. License application
41.15 categories under paragraph (d) must be charged in proportion to the amount of surcharges
41.16 imposed up to a maximum of 50 percent of the license fees set under chapters 18B and
41.17 18C.

41.18 (b) The commissioner shall impose a surcharge on pesticides registered under
41.19 chapter 18B to be collected as a surcharge on the registration application fee under
41.20 section 18B.26, subdivision 3, that is equal to 0.1 percent of sales of the pesticide in the
41.21 state and sales of pesticides for use in the state during the previous calendar year, except
41.22 the surcharge may not be imposed on pesticides that are sanitizers or disinfectants as
41.23 determined by the commissioner. No surcharge is required if the surcharge amount based
41.24 on percent of annual gross sales is less than \$10. The registrant shall determine when and
41.25 which pesticides are sold or used in this state. The registrant shall secure sufficient sales
41.26 information of pesticides distributed into this state from distributors and dealers, regardless
41.27 of distributor location, to make a determination. Sales of pesticides in this state and sales
41.28 of pesticides for use in this state by out-of-state distributors are not exempt and must be
41.29 included in the registrant's annual report, as required under section 18B.26, subdivision 3,
41.30 paragraph (c), and fees shall be paid by the registrant based upon those reported sales.
41.31 Sales of pesticides in the state for use outside of the state are exempt from the surcharge in
41.32 this paragraph if the registrant properly documents the sale location and the distributors.

42.1 (c) The commissioner shall impose a ten cents per ton surcharge on the inspection
 42.2 fee under section 18C.425, subdivision 6, for fertilizers, soil amendments, and plant
 42.3 amendments.

42.4 (d) The commissioner shall impose a surcharge on the license application of persons
 42.5 licensed under chapters 18B and 18C consisting of:

42.6 (1) a \$75 surcharge for each site where pesticides are stored or distributed, to
 42.7 be imposed as a surcharge on pesticide dealer application fees under section 18B.31,
 42.8 subdivision 5;

42.9 (2) a \$75 surcharge for each site where a fertilizer, plant amendment, or soil
 42.10 amendment is distributed, to be imposed on persons licensed under sections 18C.415
 42.11 and 18C.425;

42.12 (3) a \$50 surcharge to be imposed on a structural pest control applicator license
 42.13 application under section 18B.32, subdivision 6, for business license applications only;

42.14 (4) a \$20 surcharge to be imposed on commercial applicator license application fees
 42.15 under section 18B.33, subdivision 7; and

42.16 (5) a \$20 surcharge to be imposed on noncommercial applicator license application
 42.17 fees under section 18B.34, subdivision 5, except a surcharge may not be imposed on a
 42.18 noncommercial applicator that is a state agency, political subdivision of the state, the
 42.19 federal government, or an agency of the federal government; ~~and.~~

42.20 ~~(6) a \$20 surcharge to be imposed on aquatic pest control licenses under section~~
 42.21 ~~18B.315.~~

42.22 (e) A \$1,000 fee shall be imposed on each site where pesticides are stored and sold
 42.23 for use outside of the state unless:

42.24 (1) the distributor properly documents that it has less than \$2,000,000 per year in
 42.25 wholesale value of pesticides stored and transferred through the site; or

42.26 (2) the registrant pays the surcharge under paragraph (b) and the registration fee
 42.27 under section 18B.26, subdivision 3, for all of the pesticides stored at the site and sold for
 42.28 use outside of the state.

42.29 (f) Paragraphs (c) to (e) apply to sales, licenses issued, applications received for
 42.30 licenses, and inspection fees imposed on or after July 1, 1990.

42.31 Sec. 16. Minnesota Statutes 2006, section 28A.082, subdivision 1, is amended to read:

42.32 Subdivision 1. **Fees; application.** The fees for review of food handler facility floor
 42.33 plans under the Minnesota Food Code are based upon the square footage of the structure
 42.34 being newly constructed, remodeled, or converted. The fees for the review shall be:

43.1	square footage	review fee
43.2	0 - 4,999	\$ 156.25 <u>200.00</u>
43.3	5,000 - 24,999	\$ 218.75 <u>275.00</u>
43.4	25,000 plus.....	\$ 343.75 <u>425.00</u>

43.5 The applicant must submit the required fee, review application, plans, equipment
 43.6 specifications, materials lists, and other required information on forms supplied by the
 43.7 department at least 30 days prior to commencement of construction, remodeling, or
 43.8 conversion.

43.9 Sec. 17. **[28A.21] FOOD SAFETY AND DEFENSE TASK FORCE.**

43.10 **Subdivision 1. Establishment.** The Food Safety and Defense Task Force is
 43.11 established to advise the commissioner and the legislature on food issues and food safety.

43.12 **Subd. 2. Membership.** (a) The Food Safety and Defense Task Force consists of:

- 43.13 (1) the commissioner of agriculture or the commissioner's designee;
- 43.14 (2) the commissioner of health or the commissioner's designee;
- 43.15 (3) a representative of the United States Food and Drug Administration;
- 43.16 (4) a representative of the United States Department of Agriculture;
- 43.17 (5) a representative of the Agricultural Utilization Research Institute;
- 43.18 (6) one member from the University of Minnesota knowledgeable in food and food

43.19 safety issues; and

43.20 (7) nine members appointed by the governor who are interested in food and food
 43.21 safety, of whom:

- 43.22 (i) two persons are health or food professionals;
- 43.23 (ii) one person represents a statewide general farm organization;
- 43.24 (iii) one person represents a local food inspection agency; and
- 43.25 (iv) one person represents a food-oriented consumer group.

43.26 (b) Members shall serve without compensation. Members appointed by the governor
 43.27 shall serve four-year terms.

43.28 **Subd. 3. Organization.** (a) The task force shall meet monthly or as determined by
 43.29 the chair.

43.30 (b) The members of the task force shall annually elect a chair and other officers
 43.31 as the members deem necessary.

43.32 **Subd. 4. Staff.** The commissioner shall provide support staff, office space, and
 43.33 administrative services for the task force.

43.34 **Subd. 5. Duties.** The task force shall:

- 43.35 (1) coordinate educational efforts regarding food safety;

44.1 (2) provide advice and coordination to state agencies as requested by the agencies;

44.2 (3) serve as a source of information and referral for the public, news media, and

44.3 others concerned with food safety; and

44.4 (4) make recommendations to Congress, the legislature, and others about appropriate

44.5 action to improve food safety in the state.

44.6 Sec. 18. **[41A.10] NEXTGEN ENERGY.**

44.7 Subdivision 1. **Purpose; appropriation.** It is the goal of the state through the

44.8 Department of Agriculture to research and develop energy sources to displace fossil

44.9 fuels with renewable technology. The state shall invest \$9,000,000 each fiscal year

44.10 from 2010 to 2020 to devise and implement the next generation of biofuels. Of the

44.11 annual appropriation, \$6,000,000 is dedicated to financing and investment incentives and

44.12 \$3,000,000 is dedicated to direct payments to facilities producing biofuels.

44.13 Subd. 2. **NextGen Energy Board.** There is created a NextGen Energy Board

44.14 consisting of the commissioners of agriculture, commerce, the Pollution Control Agency,

44.15 and employment and economic development; two members of the senate appointed by

44.16 the majority leader; and two members of the house of representatives appointed by the

44.17 speaker of the house. A member may designate another to represent the member.

44.18 Subd. 3. **Duties.** The board shall research and report to the commissioner of

44.19 agriculture and to the legislature recommendations as to how the state can invest the

44.20 appropriations under subdivision 1 to most efficiently achieve energy independence.

44.21 The board shall:

44.22 (1) examine the future of fuels, such as synthetic gases, biobutanol, hydrogen,

44.23 methanol, diesel, and ethanol within Minnesota;

44.24 (2) develop equity grant programs to assist locally owned facilities;

44.25 (3) study the proper role of the state in creating financing and investing and

44.26 providing incentives;

44.27 (4) evaluate how state and federal programs, including the Farm Bill, can best work

44.28 together and leverage resources; and

44.29 (5) report to the legislature before February 1 each year with recommendations as

44.30 to appropriations and results of past actions and projects.

44.31 Subd. 4. **Commissioner's duties.** The commissioner of agriculture shall administer

44.32 this section.

44.33 Sec. 19. Minnesota Statutes 2006, section 41B.03, subdivision 1, is amended to read:

45.1 Subdivision 1. **Eligibility generally.** To be eligible for a program in sections
45.2 41B.01 to 41B.23:

45.3 (1) a borrower must be a resident of Minnesota or ~~a domestic family farm~~
45.4 ~~corporation or family farm partnership, as defined in an entity eligible to own farm land~~
45.5 under section 500.24, subdivision 2; and

45.6 (2) the borrower or one of the borrowers must be the principal operator of the
45.7 farm or, for a prospective homestead redemption borrower, must have at one time been
45.8 the principal operator of a farm.

45.9 Sec. 20. Minnesota Statutes 2006, section 41B.043, subdivision 2, is amended to read:

45.10 Subd. 2. **Specifications.** ~~No direct loan may exceed \$35,000 or \$125,000 for a loan~~
45.11 ~~participation.~~ Each ~~direct~~ loan ~~and~~ participation must be secured by a mortgage on real
45.12 property and such other security as the authority may require.

45.13 Sec. 21. Minnesota Statutes 2006, section 41B.043, subdivision 3, is amended to read:

45.14 Subd. 3. **Application and origination fee.** The authority may impose a reasonable
45.15 nonrefundable application fee for each application submitted for a ~~direct loan or~~
45.16 ~~participation and an origination fee for each direct loan~~ issued under the agricultural
45.17 improvement loan program. ~~The origination fee initially shall be set at 1.5 percent and~~ The
45.18 application fee ~~at~~ is initially \$50. The authority may review the fees annually and make
45.19 adjustments as necessary. The fees must be deposited in the state treasury and credited
45.20 to an account in the special revenue fund. Money in this account is appropriated to the
45.21 commissioner for administrative expenses of the agricultural improvement loan program.

45.22 Sec. 22. Minnesota Statutes 2006, section 41B.043, subdivision 4, is amended to read:

45.23 Subd. 4. **Interest rate.** The interest rate per annum on the agricultural improvement
45.24 ~~direct loan or~~ participation must be the rate of interest determined by the authority to be
45.25 necessary to provide for the timely payment of principal and interest when due on bonds
45.26 or other obligations of the authority issued under chapter 41B to provide financing for
45.27 ~~direct loans and~~ participations made under the agricultural improvement loan program,
45.28 and to provide for reasonable and necessary costs of issuing, carrying, administering,
45.29 and securing the bonds or notes and to pay the costs incurred and to be incurred by the
45.30 authority in the implementation of the agricultural improvement loan program.

45.31 Sec. 23. Minnesota Statutes 2006, section 41B.046, subdivision 4, is amended to read:

45.32 Subd. 4. **Eligibility.** To be eligible for this program a borrower must:

46.1 (1) ~~be a resident of Minnesota or a domestic family farm corporation as defined in~~
 46.2 ~~section 500.24, subdivision 2~~ meet the requirements of section 41B.03, subdivision 1;

46.3 (2) be a grower of the agricultural product which is to be processed by an agricultural
 46.4 product processing facility;

46.5 (3) demonstrate an ability to repay the loan; and

46.6 (4) meet any other requirements which the authority may impose by rule.

46.7 Sec. 24. Minnesota Statutes 2006, section 41B.047, is amended to read:

46.8 **41B.047 DISASTER RECOVERY LOAN PROGRAM.**

46.9 Subdivision 1. **Establishment.** The authority shall establish and implement a
 46.10 disaster recovery loan program to help farmers:

46.11 (1) clean up, repair, or replace farm structures and septic and water systems, as well
 46.12 as ~~replacement of~~ replace seed, other crop inputs, feed, and livestock, when damaged
 46.13 by high winds, hail, tornado, or flood; or

46.14 (2) purchase watering systems, irrigation systems, and other drought mitigation
 46.15 systems and practices when drought is the cause of the purchase.

46.16 Subd. 3. **Eligibility.** To be eligible for this program, a borrower must:

46.17 ~~(1) be a resident of this state or a domestic family farm corporation or family farm~~
 46.18 ~~partnership as defined in section 500.24, subdivision 2~~ meet the requirements of section
 46.19 41B.03, subdivision 1;

46.20 (2) certify that the damage or loss was sustained within a county that was the subject
 46.21 of a state or federal disaster declaration;

46.22 (3) demonstrate an ability to repay the loan;

46.23 (4) have a total net worth, including assets and liabilities of the borrower's spouse
 46.24 and dependents, of less than ~~\$400,000~~ \$660,000 in 2004 and an amount in subsequent
 46.25 years which is adjusted for inflation by multiplying that amount by the cumulative inflation
 46.26 rate as determined by the United States All-Items Consumer Price Index; and

46.27 (5) have received at least 50 percent of average annual gross income from farming
 46.28 for the past three years.

46.29 Subd. 4. **Loans.** (a) The authority may participate in a disaster recovery loan with
 46.30 an eligible lender to a farmer who is eligible under subdivision 3. Participation is limited
 46.31 to 45 percent of the principal amount of the loan or \$50,000, whichever is less. The
 46.32 interest rates and repayment terms of the authority's participation interest may differ from
 46.33 the interest rates and repayment terms of the lender's retained portion of the loan, but the
 46.34 authority's interest rate must not exceed four percent.

47.1 (b) Standards for loan amortization shall be set by the Rural Finance Authority
47.2 not to exceed ten years.

47.3 (c) Security for the disaster recovery loans must be a personal note executed by the
47.4 borrower and whatever other security is required by the eligible lender or the authority.

47.5 (d) The authority may impose a reasonable nonrefundable application fee for a
47.6 disaster recovery loan. The authority may review the fee annually and make adjustments
47.7 as necessary. The application fee is initially \$50. Application fees received by the
47.8 authority must be deposited in the ~~disaster recovery revolving fund~~ revolving loan account
47.9 established under section 41B.06.

47.10 (e) Disaster recovery loans under this program will be made using money in the
47.11 ~~disaster recovery revolving fund established under subdivision 2~~ revolving loan account
47.12 established under section 41B.06.

47.13 (f) Repayments of financial assistance under this section, including principal and
47.14 interest, must be deposited into the revolving loan account established under section
47.15 41B.06.

47.16 Sec. 25. Minnesota Statutes 2006, section 41B.055, is amended to read:

47.17 **41B.055 LIVESTOCK EQUIPMENT PILOT LOAN PROGRAM.**

47.18 Subdivision 1. **Establishment.** The authority must establish and implement
47.19 a livestock equipment pilot loan program to help finance the ~~first~~ purchase of
47.20 livestock-related equipment and make livestock facilities improvements.

47.21 Subd. 2. **Eligibility.** Notwithstanding section 41B.03, to be eligible for this program
47.22 a borrower must:

47.23 (1) be a resident of Minnesota or general partnership or a family farm corporation,
47.24 authorized farm corporation, family farm partnership, or authorized farm partnership as
47.25 defined in section 500.24, subdivision 2;

47.26 (2) be the principal operator of a livestock farm;

47.27 (3) have a total net worth, including assets and liabilities of the borrower's spouse
47.28 and dependents, no greater than the amount stipulated in section 41B.03, subdivision 3;

47.29 (4) demonstrate an ability to repay the loan; and

47.30 (5) hold an appropriate feedlot registration or be using the loan under this program
47.31 to meet registration requirements. ~~In addition to the requirements in clauses (1) to (5),~~
47.32 ~~preference must be given to applicants who have farmed less than ten years as evidenced~~
47.33 ~~by their filing of schedule F in their federal tax returns.~~

47.34 Subd. 3. **Loans.** (a) The authority may participate in a livestock equipment loan
47.35 equal to 90 percent of the purchased equipment value with an eligible lender to a farmer

48.1 who is eligible under subdivision 2. Participation is limited to 45 percent of the principal
 48.2 amount of the loan or \$40,000, whichever is less. The interest rates and repayment terms
 48.3 of the authority's participation interest may differ from the interest rates and repayment
 48.4 terms of the lender's retained portion of the loan, but the authority's interest rate must
 48.5 not exceed three percent. The authority may review the interest annually and make
 48.6 adjustments as necessary.

48.7 (b) Standards for loan amortization must be set by the Rural Finance Authority and
 48.8 must not exceed ~~seven~~ ten years.

48.9 (c) Security for a livestock equipment loan must be a personal note executed by the
 48.10 borrower and whatever other security is required by the eligible lender or the authority.

48.11 (d) Refinancing of existing debt is not an eligible purpose.

48.12 (e) The authority may impose a reasonable, nonrefundable application fee for
 48.13 a livestock equipment loan. The authority may review the fee annually and make
 48.14 adjustments as necessary. The initial application fee is \$50. Application fees received by
 48.15 the authority must be deposited in the revolving loan account established in section 41B.06.

48.16 (f) Loans under this program must be made using money in the revolving loan
 48.17 account established in section 41B.06.

48.18 Subd. 4. **Eligible expenditures.** Money may be used for loans for the acquisition of
 48.19 equipment for animal housing, confinement, animal feeding, milk production, and waste
 48.20 management, including the following, if related to animal husbandry:

48.21 (1) fences;

48.22 (2) watering facilities;

48.23 (3) feed storage and handling equipment;

48.24 (4) milking parlors;

48.25 (5) milking equipment;

48.26 (6) scales;

48.27 (7) milk storage and cooling facilities;

48.28 (8) manure pumping and storage facilities; ~~and~~

48.29 (9) capital investment in pasture;

48.30 (10) hoop barns;

48.31 (11) portable structures;

48.32 (12) hay and forage equipment; and

48.33 (13) related structural work for the installation of equipment.

48.34 Sec. 26. Minnesota Statutes 2006, section 41B.06, is amended to read:

48.35 **41B.06 RURAL FINANCE AUTHORITY REVOLVING LOAN ACCOUNT.**

49.1 There is established in the rural finance administration fund a Rural Finance
 49.2 Authority revolving loan account that is eligible to receive appropriations and the transfer
 49.3 of loan funds from other programs. All repayments of financial assistance granted from
 49.4 this account, including principal and interest, must be deposited into this account. Interest
 49.5 earned on money in the account accrues to the account, and the money in the account
 49.6 is appropriated to the commissioner of agriculture for purposes of the Rural Finance
 49.7 Authority livestock equipment, methane digester, disaster recovery, and value-added
 49.8 agricultural product loan programs, including costs incurred by the authority to establish
 49.9 and administer the programs.

49.10 Sec. 27. Minnesota Statutes 2006, section 41C.05, subdivision 2, is amended to read:

49.11 Subd. 2. **Eligibility; beginning farmers.** The authority shall provide in the
 49.12 agricultural development bond beginning farmer and agricultural business enterprise loan
 49.13 program that a mortgage or a contract on behalf of a beginning farmer may be provided if
 49.14 the borrower qualifies under authority rules and under federal tax law governing qualified
 49.15 small issue bonds and must:

49.16 (1) be a resident of Minnesota;

49.17 (2) have sufficient education, training, or experience in the type of farming for
 49.18 which the loan is desired;

49.19 (3) have a low or moderate net worth, as defined in section 41C.02, subdivision 12;

49.20 (4) certify that the agricultural land to be purchased will be used by the borrower
 49.21 for agricultural purposes;

49.22 (5) certify that farming will be the principal occupation of an individual borrower;

49.23 (6) agree to participate in a farm management program approved by the
 49.24 commissioner of agriculture for at least the first ~~five~~ three years of the loan, if an approved
 49.25 program is available within 45 miles from the borrower's residence. The commissioner
 49.26 may waive this requirement for any of the programs administered by the authority if the
 49.27 participant requests a waiver and provides justification; and

49.28 (7) agree to file an approved soil and water conservation plan with the Soil
 49.29 Conservation Service office in the county where the land is located.

49.30 Sec. 28. Minnesota Statutes 2006, section 84.025, subdivision 9, is amended to read:

49.31 Subd. 9. **Professional services support account.** The commissioner of natural
 49.32 resources may bill the various programs carried out by the commissioner for the costs of
 49.33 providing them with professional support services. Except as provided under section

50.1 89.421, receipts must be credited to a special account in the state treasury and are
50.2 appropriated to the commissioner to pay the costs for which the billings were made.

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

50.8 Sec. 29. Minnesota Statutes 2006, section 84.026, subdivision 1, is amended to read:

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

50.18 Sec. 30. Minnesota Statutes 2006, section 84.0855, subdivision 1, is amended to read:

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

50.28 Sec. 31. Minnesota Statutes 2006, section 84.0855, subdivision 2, is amended to read:

50.29 Subd. 2. **Receipts; appropriation.** Except as provided under section 89.421,
50.30 money received by the commissioner under this section or to buy supplies for the use of
50.31 volunteers, may be credited to one or more special accounts in the state treasury and is
50.32 appropriated to the commissioner for the purposes for which the money was received.
50.33 Money received from sales at the state fair shall be available for state fair related costs.

51.1 Money received from sales of intellectual property and software products or services shall
51.2 be available for development, maintenance, and support of software products and systems.

51.3 Sec. 32. Minnesota Statutes 2006, section 84.780, is amended to read:

51.4 **84.780 OFF-HIGHWAY VEHICLE DAMAGE ACCOUNT.**

51.5 (a) The off-highway vehicle damage account is created in the natural resources fund.

51.6 Money in the off-highway vehicle damage account is appropriated to the commissioner
51.7 of natural resources for the repair or restoration of property damaged by the operation of
51.8 off-highway vehicles in an ~~unpermitted~~ illegal area after August 1, 2003, and for the costs
51.9 of administration for this section. Before the commissioner may make a payment from
51.10 this account, the commissioner must determine whether the damage to the property was
51.11 caused by the ~~unpermitted~~ illegal use of off-highway vehicles, that the applicant has made
51.12 reasonable efforts to identify the responsible individual and obtain payment from the
51.13 individual, and that the applicant has made reasonable efforts to prevent reoccurrence.

51.14 ~~By June 30, 2008, the commissioner of finance must transfer the remaining balance in the~~
51.15 ~~account to the off-highway motorcycle account under section 84.794, the off-road vehicle~~
51.16 ~~account under section 84.803, and the all-terrain vehicle account under section 84.927.~~

51.17 ~~The amount transferred to each account must be proportionate to the amounts received in~~
51.18 ~~the damage account from the relevant off-highway vehicle accounts.~~

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

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

51.23 Sec. 33. **[84.9011] OFF-HIGHWAY VEHICLE SAFETY AND CONSERVATION**
51.24 **PROGRAM.**

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

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

51.32 Subd. 3. **Agreements.** (a) The commissioner shall enter into informal agreements
51.33 with off-highway vehicle clubs for volunteer services to maintain, make improvements to,
51.34 and monitor trails on state forest land and other public lands. The off-highway vehicle

52.1 clubs shall promote the operation of off-highway vehicles in a safe and responsible manner
 52.2 that complies with the laws and rules that relate to the operation of off-highway vehicles.

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

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

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

52.16 Sec. 34. Minnesota Statutes 2006, section 84.927, subdivision 2, is amended to read:

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

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

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

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

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

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

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

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

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

52.31 Sec. 35. Minnesota Statutes 2006, section 84D.13, subdivision 7, is amended to read:

52.32 Subd. 7. **Satisfaction of civil penalties.** A civil penalty is due and a watercraft
 52.33 license suspension is effective 30 days after issuance of the civil citation. A civil penalty

53.1 collected under this section is payable to the commissioner and must be credited to the
 53.2 ~~water recreation account~~ invasive species account.

53.3 Sec. 36. **[84D.15] INVASIVE SPECIES ACCOUNT.**

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

53.6 Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under
 53.7 section 86B.415, subdivision 7, and licenses for trailers with a gross vehicle weight of
 53.8 3,000 pounds or less and towed recreational vehicles under section 168.013, subdivisions
 53.9 1d and 1g, shall be deposited in the invasive species account. Each year, the commissioner
 53.10 of finance shall transfer from the game and fish fund to the invasive species account,
 53.11 the annual surcharge collected on nonresident fishing licenses under section 97A.475,
 53.12 subdivision 7, paragraph (b).

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

53.17 Sec. 37. Minnesota Statutes 2006, section 86B.415, subdivision 1, is amended to read:

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

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

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

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

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

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

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

53.31 Sec. 38. Minnesota Statutes 2006, section 86B.415, subdivision 2, is amended to read:

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

54.1 (1) for a watercraft more than 19 feet but less than 26 feet in length is \$45 plus a
 54.2 \$15 surcharge;

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

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

54.6 Sec. 39. Minnesota Statutes 2006, section 86B.415, subdivision 3, is amended to read:

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

54.9 Sec. 40. Minnesota Statutes 2006, section 86B.415, subdivision 4, is amended to read:

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

54.13 Sec. 41. Minnesota Statutes 2006, section 86B.415, subdivision 5, is amended to read:

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

54.16 Sec. 42. Minnesota Statutes 2006, section 86B.415, subdivision 7, is amended to read:

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

54.22 Sec. 43. Minnesota Statutes 2006, section 86B.706, subdivision 2, is amended to read:

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

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

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

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

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

55.1 ~~(5)~~ (4) the unrefunded gasoline tax attributable to watercraft use under section
55.2 296A.18; and

55.3 ~~(6)~~ (5) fees for permits issued to control or harvest aquatic plants other than wild
55.4 rice under section 103G.615, subdivision 2.

55.5 Sec. 44. Minnesota Statutes 2006, section 88.642, subdivision 1, is amended to read:

55.6 Subdivision 1. **Written consent.** No person shall cut, harvest, remove, transport, or
55.7 possess for decorative purposes or for sale more than three decorative trees, more than
55.8 ~~100~~ 25 pounds of decorative boughs, or more than ~~100~~ 25 pounds of any other decorative
55.9 materials without the written consent of the owner or authorized agent of the private or
55.10 public land on which the decorative materials were cut or harvested. The written consent
55.11 shall be on a form furnished or otherwise approved by the commissioner of natural
55.12 resources and shall contain the legal description of the land where the decorative materials
55.13 were cut or harvested, as well as the name of the legal owner of the land or the owner's
55.14 authorized agent. The written consent must be carried by every person cutting, harvesting,
55.15 removing, possessing, or transporting any decorative materials, or in any way aiding
55.16 therein, and must be exhibited to any officer at the officer's request at any time.

55.17 Sec. 45. Minnesota Statutes 2006, section 88.6435, subdivision 1, is amended to read:

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

55.27 Sec. 46. Minnesota Statutes 2006, section 89.22, subdivision 2, is amended to read:

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

56.1 **EFFECTIVE DATE.** This section is effective July 1, 2007, and applies to fees
 56.2 collected according to Minnesota Statutes, section 89.22, subdivision 1, after August
 56.3 1, 2006.

56.4 Sec. 47. **[89.421] FOREST RESOURCE ASSESSMENT PRODUCTS AND**
 56.5 **SERVICES ACCOUNT.**

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

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

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

56.17 Sec. 48. Minnesota Statutes 2006, section 97A.071, subdivision 2, is amended to read:

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

56.26 Sec. 49. Minnesota Statutes 2006, section 97A.075, is amended to read:

56.27 **97A.075 USE OF LICENSE REVENUES.**

56.28 **Subdivision 1. Deer, bear, and lifetime licenses.** (a) For purposes of this
 56.29 subdivision, "deer license" means a license issued under section 97A.475, subdivisions
 56.30 2, clauses (4), (5), (9), (11), (13), and (14), and 3, clauses (2), (3), and (7), and licenses
 56.31 issued under section 97B.301, subdivision 4.

56.32 (b) \$2 from each annual deer license and \$2 annually from the lifetime fish and
 56.33 wildlife trust fund, established in section 97A.4742, for each license issued under section

57.1 97A.473, subdivision 4, shall be credited to the deer management account. Money in
57.2 the account is appropriated to the commissioner and shall be used for deer habitat
57.3 improvement or deer management programs.

57.4 (c) \$1 from each annual deer license and each bear license and \$1 annually from
57.5 the lifetime fish and wildlife trust fund, established in section 97A.4742, for each license
57.6 issued under section 97A.473, subdivision 4, shall be credited to the deer and bear
57.7 management account. Money in the account is appropriated to the commissioner and shall
57.8 be used for deer and bear management programs, including a computerized licensing
57.9 system.

57.10 (d) Fifty cents from each deer license is credited to the emergency deer feeding
57.11 and wild cervidae health management account and is appropriated for emergency deer
57.12 feeding and wild cervidae health management. Money appropriated for emergency
57.13 deer feeding and wild cervidae health management is available until expended. When
57.14 the unencumbered balance in the appropriation for emergency deer feeding and wild
57.15 cervidae health management at the end of a fiscal year exceeds \$2,500,000 for the first
57.16 time, \$750,000 is canceled to the unappropriated balance of the game and fish fund.
57.17 The commissioner must inform the legislative chairs of the natural resources finance
57.18 committees every two years on how the money for emergency deer feeding and wild
57.19 cervidae health management has been spent.

57.20 Thereafter, when the unencumbered balance in the appropriation for emergency deer
57.21 feeding and wild cervidae health management exceeds \$2,500,000 at the end of a fiscal
57.22 year, the unencumbered balance in excess of \$2,500,000 is canceled and available for deer
57.23 and bear management programs and computerized licensing.

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

57.28 (1) development of wetlands and lakes in the state and designated waterfowl
57.29 management lakes for maximum migratory waterfowl production including habitat
57.30 evaluation, the construction of dikes, water control structures and impoundments, nest
57.31 cover, rough fish barriers, acquisition of sites and facilities necessary for development
57.32 and management of existing migratory waterfowl habitat and the designation of waters
57.33 under section 97A.101;

57.34 (2) management of migratory waterfowl;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

59.19 (4) trapping and transplantation of wild turkeys; and

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

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

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

59.26 (2) any permanent personnel costs.

59.27 Sec. 50. Minnesota Statutes 2006, section 97A.475, subdivision 7, is amended to read:

59.28 Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued
59.29 to nonresidents, are:

59.30 (1) to take fish by angling, \$34;

59.31 (2) to take fish by angling limited to seven consecutive days selected by the licensee,
59.32 \$24;

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

59.34 (4) to take fish by angling for a combined license for a family for one or both parents
59.35 and dependent children under the age of 16, \$46;

60.1 (5) to take fish by angling for a 24-hour period selected by the licensee, \$8.50; and
 60.2 (6) to take fish by angling for a combined license for a married couple, limited to
 60.3 14 consecutive days selected by one of the licensees, \$35.

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

60.7 Sec. 51. Minnesota Statutes 2006, section 97C.081, subdivision 3, is amended to read:

60.8 Subd. 3. **Contests requiring a permit.** (a) A person must have a permit from the
 60.9 commissioner to conduct a fishing contest that does not meet the criteria in subdivision 2.
 60.10 ~~Permits shall be issued without a fee.~~ The commissioner shall charge a fee for the permit
 60.11 that recovers the costs of issuing the permit and of monitoring the activities allowed by
 60.12 the permit. Receipts collected from this fee shall be credited to the game and fish fund.
 60.13 Notwithstanding section 16A.1283, the commissioner may, by written order published in
 60.14 the State Register, establish contest permit fees. The fees are not subject to the rulemaking
 60.15 provisions of chapter 14 and section 14.386 does not apply.

60.16 (b) If entry fees are over \$25 per person, or total prizes are valued at more than
 60.17 \$25,000, and if the applicant has either:

60.18 (1) not previously conducted a fishing contest requiring a permit under this
 60.19 subdivision; or

60.20 (2) ever failed to make required prize awards in a fishing contest conducted by
 60.21 the applicant, the commissioner may require the applicant to furnish the commissioner
 60.22 evidence of financial responsibility in the form of a surety bond or bank letter of credit in
 60.23 the amount of \$25,000.

60.24 Sec. 52. Minnesota Statutes 2006, section 168.013, subdivision 1d, is amended to read:

60.25 Subd. 1d. **Trailer.** (a) On trailers registered at a gross vehicle weight of greater
 60.26 than 3,000 pounds, the annual tax is based on total gross weight and is 30 percent of the
 60.27 Minnesota base rate prescribed in subdivision 1e, when the gross weight is 15,000 pounds
 60.28 or less, and when the gross weight of a trailer is more than 15,000 pounds, the tax for the
 60.29 first eight years of vehicle life is 100 percent of the tax imposed in the Minnesota base rate
 60.30 schedule, and during the ninth and succeeding years of vehicle life the tax is 75 percent
 60.31 of the Minnesota base rate prescribed by subdivision 1e.

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

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

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

61.8 (2) permanent registration is not desired, the biennial registration tax is \$10 for the
 61.9 first renewal if registration is renewed between and including July 1, 2001, and June 30,
 61.10 2003. These trailers must be issued permanent registration at the first renewal on or after
 61.11 July 1, 2003, and the registration tax is \$20.

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

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

61.20 Sec. 53. Minnesota Statutes 2006, section 168.013, subdivision 1g, is amended to read:

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

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

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

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

61.34 (e) A \$5 surcharge is placed on initial licensure and renewal of towed recreational
 61.35 vehicles under paragraph (c) and the money collected, less the amount needed to pay the

62.1 cost of collection of the surcharge, shall be credited to the invasive species account under
 62.2 section 84D.15. The amount necessary to pay the cost of collection of the surcharge is
 62.3 appropriated to the state registrar of motor vehicles.

62.4 Sec. 54. Minnesota Statutes 2006, section 168.013, subdivision 8, is amended to read:

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

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

62.14 Sec. 55. Minnesota Statutes 2006, section 296A.18, subdivision 4, is amended to read:

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

62.20 Sec. 56. Laws 2003, chapter 128, article 1, section 169, is amended to read:

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

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

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

62.29 (c) This new trail shall have at least two areas of access complete with appropriate
 62.30 parking for vehicles and trailers and enough room for loading and unloading all-terrain
 62.31 vehicles. Some existing trails, that are strictly all-terrain vehicle trails, and are not
 62.32 inventoried forest roads, may be incorporated into the design of this new all-terrain vehicle
 62.33 trail. This new trail may be of a continuous loop design and shall provide for spurs to other

63.1 all-terrain vehicle trails as long as those spurs do not count toward the 70 continuous miles
63.2 of this new all-terrain vehicle trail. Four rest areas shall be provided along the way.

63.3 **Sec. 57. REPEALER.**

63.4 Minnesota Statutes 2006, sections 17.109; 18B.315; 18C.425, subdivision 5;
63.5 41B.043, subdivision 1a; and 89A.11, are repealed.

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

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

63.8 Paragraph (b) of this section is effective July 1, 2008.