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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. 2410

April 10, 2007

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

A bill for an act

1.1 relating to state government; appropriating money for environmental, natural
1.2 resources, and energy purposes; establishing and modifying certain programs;
1.3 modifying rulemaking authority; providing for accounts, assessments, and fees;
1.4 amending Minnesota Statutes 2006, sections 84.025, subdivision 9; 84.026,
1.5 subdivision 1; 84.027, by adding a subdivision; 84.0855, subdivisions 1, 2;
1.6 84.780; 84.922, subdivisions 1a, 5; 84.927, subdivision 2; 84D.03, subdivision
1.7 1; 84D.12, subdivisions 1, 3; 84D.13, subdivision 7; 85.32, subdivision 1;
1.8 86B.415, subdivisions 1, 2, 3, 4, 5, 7; 86B.706, subdivision 2; 89A.11; 93.0015,
1.9 subdivision 3; 97A.045, by adding a subdivision; 97A.055, subdivision 4;
1.10 97A.065, by adding a subdivision; 97A.405, subdivision 2; 97A.411, subdivision
1.11 1; 97A.451, subdivision 3a; 97A.465, by adding subdivisions; 97A.473,
1.12 subdivisions 3, 5; 97A.475, subdivisions 3, 7, 11, 12, by adding a subdivision;
1.13 97B.601, subdivision 3; 97B.715, subdivision 1; 97B.801; 97C.081, subdivision
1.14 3; 97C.355, subdivision 2; 116C.779, subdivision 1; 216B.812, subdivisions 1,
1.15 2; 216C.051, subdivision 9; Laws 2003, chapter 128, article 1, section 169;
1.16 proposing coding for new law in Minnesota Statutes, chapters 84; 84D; 89; 103F;
1.17 116J; 216B; 325E; repealing Minnesota Statutes 2006, section 93.2236.

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

ARTICLE 1

ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS

Section 1. **SUMMARY OF APPROPRIATIONS.**

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

	<u>2008</u>		<u>2009</u>		<u>Total</u>
1.25 <u>General</u>	\$ 118,785,000	\$	124,623,000	\$	243,408,000
1.26 <u>State Government Special</u>					
1.27 <u>Revenue</u>	48,000		48,000		96,000
1.28 <u>Environmental</u>	61,725,000		61,922,000		123,647,000
1.29 <u>Natural Resources</u>	81,125,000		79,977,000		161,102,000

2.1	<u>Game and Fish</u>	<u>90,300,000</u>	<u>92,297,000</u>	<u>182,597,000</u>
2.2	<u>Remediation</u>	<u>11,116,000</u>	<u>11,186,000</u>	<u>22,302,000</u>
2.3	<u>Permanent School</u>	<u>200,000</u>	<u>200,000</u>	<u>400,000</u>
2.4	<u>Total</u>	<u>\$ 363,299,000</u>	<u>\$ 370,253,000</u>	<u>733,552,000</u>

2.5 **Sec. 2. ENVIRONMENT AND NATURAL RESOURCES APPROPRIATIONS.**

2.6 The sums shown in the columns marked "Appropriations" are appropriated to the
 2.7 agencies and for the purposes specified in this article. The appropriations are from the
 2.8 general fund, or another named fund, and are available for the fiscal years indicated
 2.9 for each purpose. The figures "2008" and "2009" used in this article mean that the
 2.10 appropriations listed under them are available for the fiscal year ending June 30, 2008, or
 2.11 June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is fiscal
 2.12 year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the fiscal
 2.13 year ending June 30, 2007, are effective the day following final enactment.

2.14		<u>APPROPRIATIONS</u>
2.15		<u>Available for the Year</u>
2.16		<u>Ending June 30</u>
2.17		<u>2008</u> <u>2009</u>

2.18 **Sec. 3. POLLUTION CONTROL AGENCY**

2.19 **Subdivision 1. Total Appropriation** **\$ 84,296,000** **\$ 84,710,000**

2.20 Appropriations by Fund

2.21		<u>2008</u>	<u>2009</u>
2.22	<u>General</u>	<u>11,507,000</u>	<u>11,654,000</u>
2.23	<u>State Government</u>		
2.24	<u>Special Revenue</u>	<u>48,000</u>	<u>48,000</u>
2.25	<u>Environmental</u>	<u>61,725,000</u>	<u>61,922,000</u>
2.26	<u>Remediation</u>	<u>11,016,000</u>	<u>11,086,000</u>

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

2.30 **Subd. 2. Water** **26,960,000** **26,937,000**

2.31 Appropriations by Fund

2.32	<u>General</u>	<u>7,563,000</u>	<u>7,610,000</u>
2.33	<u>State Government</u>		
2.34	<u>Special Revenue</u>	<u>48,000</u>	<u>48,000</u>
2.35	<u>Environmental</u>	<u>19,349,000</u>	<u>19,279,000</u>

3.1 \$2,348,000 the first year and \$2,348,000
3.2 the second year are for the clean water
3.3 partnership program. Any balance remaining
3.4 in the first year does not cancel and
3.5 is available for the second year. This
3.6 appropriation may be used for grants to
3.7 local units of government for the purpose
3.8 of restoring impaired waters listed under
3.9 section 303(d) of the federal Clean Water
3.10 Act in accordance with adopted total
3.11 maximum daily loads (TMDLs), including
3.12 implementation of approved clean water
3.13 partnership diagnostic study work plans that
3.14 will assist in restoration of impaired waters.

3.15 \$335,000 the first year and \$335,000 the
3.16 second year are for community technical
3.17 assistance and education, including grants
3.18 and technical assistance to communities for
3.19 local and basinwide water quality protection.

3.20 \$405,000 the first year and \$405,000 the
3.21 second year are for individual sewage
3.22 treatment system (ISTS) administration and
3.23 grants. Of this amount, \$86,000 each year
3.24 is for assistance to counties through grants
3.25 for ISTS program administration. Any
3.26 unexpended balance in the first year does not
3.27 cancel but is available in the second year.

3.28 \$480,000 the first year and \$480,000 the
3.29 second year are from the environmental
3.30 fund to address the need for continued
3.31 increased activity in the areas of new
3.32 technology review, technical assistance
3.33 for local governments, and enforcement
3.34 under Minnesota Statutes, sections 115.55
3.35 to 115.58. Of this amount, \$48,000 each

4.1 year is for administration of individual septic
4.2 tank fees, as provided in Minnesota Statutes,
4.3 section 115.551.

4.4 \$2,324,000 the first year and \$2,324,000 the
4.5 second year must be distributed as grants to
4.6 delegated counties to administer the county
4.7 feedlot program. Distribution of funds
4.8 must be as provided in Laws 2005, First
4.9 Special Session chapter 1, article 2, section
4.10 2, subdivision 2. The commissioner, in
4.11 consultation with the Minnesota Association
4.12 of County Feedlot Officers executive team,
4.13 may use up to five percent of the annual
4.14 appropriation for initiatives to enhance
4.15 existing delegated county feedlot programs,
4.16 information and education, or technical
4.17 assistance to reduce feedlot-related pollution
4.18 hazards. Any money remaining after the first
4.19 year is available for the second year.

4.20 \$1,035,000 the first year and \$1,035,000
4.21 the second year are from the environmental
4.22 fund to provide regulatory services to the
4.23 ethanol, mining, and other developing
4.24 economic sectors. Priority shall be for
4.25 permitting new and emerging bioenergy crop
4.26 utilization technologies. This is a onetime
4.27 appropriation.

4.28 By January 15, 2008, the commissioner
4.29 shall provide recommendations to the house
4.30 of representatives and senate divisions on
4.31 environmental finance on water and air fee
4.32 changes that will result in revenue to the
4.33 environmental fund to pay for regulatory
4.34 services to the ethanol, mining, and other
4.35 developing economic sectors.

5.1 Notwithstanding Minnesota Statutes, section
 5.2 16A.28, the appropriations encumbered
 5.3 under contract on or before June 30, 2009, for
 5.4 clean water partnership, individual sewage
 5.5 treatment systems (ISTS), Minnesota River,
 5.6 total maximum daily loads (TMDLs), and
 5.7 local and basinwide water quality protection
 5.8 grants in this subdivision are available until
 5.9 June 30, 2011.

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

5.11 This appropriation is from the environmental
 5.12 fund.

5.13 Up to \$150,000 the first year and \$150,000
 5.14 the second year may be transferred to the
 5.15 environmental fund for the small business
 5.16 environmental improvement loan program
 5.17 established in Minnesota Statutes, section
 5.18 116.993.

5.19 \$200,000 the first year and \$200,000 the
 5.20 second year are from the environmental fund
 5.21 for a monitoring program under Minnesota
 5.22 Statutes, section 116.454.

5.23 \$125,000 the first year and \$125,000 the
 5.24 second year are from the environmental fund
 5.25 for monitoring ambient air for hazardous
 5.26 pollutants in the metropolitan area.

5.27 \$1,140,000 the first year and \$1,140,000 from
 5.28 the environmental fund the second year are
 5.29 to provide regulatory services to the ethanol,
 5.30 mining, and other developing economic
 5.31 sectors. Priority shall be for permitting new
 5.32 and emerging bioenergy crop utilization
 5.33 technologies. Of this amount, \$300,000 the
 5.34 first year is to fully characterize emissions
 5.35 expected from biomass gasification facilities

6.1 across a range of feedstocks. This is a
6.2 onetime appropriation.

6.3 **Subd. 4. Land** 18,581,000 18,651,000

<u>Appropriations by Fund</u>		
<u>Environmental</u>	<u>7,565,000</u>	<u>7,565,000</u>
<u>Remediation</u>	<u>11,016,000</u>	<u>11,086,000</u>

6.7 All money for environmental response,
6.8 compensation, and compliance in the
6.9 remediation fund not otherwise appropriated
6.10 is appropriated to the commissioners of
6.11 the Pollution Control Agency and the
6.12 Department of Agriculture for purposes
6.13 of Minnesota Statutes, section 115B.20,
6.14 subdivision 2, clauses (1), (2), (3), (6), and
6.15 (7). At the beginning of each fiscal year, the
6.16 two commissioners shall jointly submit an
6.17 annual spending plan to the commissioner
6.18 of finance that maximizes the utilization
6.19 of resources and appropriately allocates
6.20 the money between the two agencies. This
6.21 appropriation is available until June 30, 2009.
6.22 \$3,616,000 the first year and \$3,616,000 the
6.23 second year are from the petroleum tank fund
6.24 to be transferred to the remediation fund for
6.25 purposes of the leaking underground storage
6.26 tank program to protect the land.
6.27 \$252,000 the first year and \$252,000 the
6.28 second year are from the remediation fund to
6.29 be transferred to the Department of Health for
6.30 private water supply monitoring and health
6.31 assessment costs in areas contaminated by
6.32 unpermitted mixed municipal solid waste
6.33 disposal facilities.
6.34 \$500,000 each year from the environmental
6.35 fund is for environmental health tracking and

7.1 biomonitoring. \$400,000 of this amount is
 7.2 for transfer to the Department of Health.

7.3 **Subd. 5. Multimedia** 5,175,000 5,222,000

7.4 Appropriations by Fund

7.5 General 2,309,000 2,356,000

7.6 Environmental 2,866,000 2,866,000

7.7 \$825,000 the first year and \$825,000 the
 7.8 second year are from the environmental
 7.9 fund to provide regulatory services to the
 7.10 ethanol, mining, and other developing
 7.11 economic sectors. Priority shall be for
 7.12 permitting new and emerging bioenergy crop
 7.13 utilization technologies. This is a onetime
 7.14 appropriation.

7.15 **Subd. 6. Environmental Assistance** 20,942,000 20,942,000

7.16 This appropriation is from the environmental
 7.17 fund.

7.18 \$14,000,000 each year is from the
 7.19 environmental fund for SCORE block grants
 7.20 to counties.

7.21 Any unencumbered grant and loan balances
 7.22 in the first year do not cancel but are available
 7.23 for grants and loans in the second year.

7.24 All money deposited in the environmental
 7.25 fund for the metropolitan solid waste
 7.26 landfill fee in accordance with Minnesota
 7.27 Statutes, section 473.843, and not otherwise
 7.28 appropriated, is appropriated for the purposes
 7.29 of Minnesota Statutes, section 473.844.

7.30 \$119,000 the first year and \$119,000 the
 7.31 second year are for environmental assistance
 7.32 grants or loans under Minnesota Statutes,
 7.33 section 115A.0716.

8.1 Notwithstanding Minnesota Statutes, section
 8.2 16A.28, the appropriations encumbered
 8.3 under contract on or before June 30,
 8.4 2009, for environmental assistance grants
 8.5 awarded under Minnesota Statutes, section
 8.6 115A.0716, and for technical and research
 8.7 assistance under Minnesota Statutes,
 8.8 section 115A.152, technical assistance
 8.9 under Minnesota Statutes, section 115A.52,
 8.10 and pollution prevention assistance under
 8.11 Minnesota Statutes, section 115D.04, are
 8.12 available until June 30, 2011.

8.13 **Subd. 7. Administrative Support** 1,635,000 1,688,000

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

8.19 **Sec. 4. NATURAL RESOURCES**

8.20 **Subdivision 1. Total Appropriation** **\$ 244,979,000** **\$ 250,946,000**

8.21 Appropriations by Fund

	<u>2008</u>	<u>2009</u>
8.22 <u>General</u>	<u>78,451,000</u>	<u>83,570,000</u>
8.23 <u>Natural Resources</u>	<u>75,928,000</u>	<u>74,779,000</u>
8.24 <u>Game and Fish</u>	<u>90,300,000</u>	<u>92,297,000</u>
8.25 <u>Remediation</u>	<u>100,000</u>	<u>100,000</u>
8.26 <u>Permanent School</u>	<u>200,000</u>	<u>200,000</u>

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

8.31 **Subd. 2. Land and Mineral Resources**
 8.32 **Management** 11,328,000 11,109,000

8.33 Appropriations by Fund

8.34 <u>General</u>	<u>6,214,000</u>	<u>8,963,000</u>
8.35 <u>Natural Resources</u>	<u>3,551,000</u>	<u>551,000</u>

9.1	<u>Game and Fish</u>	<u>1,363,000</u>	<u>1,395,000</u>
9.2	<u>Permanent School</u>	<u>200,000</u>	<u>200,000</u>

9.3 \$475,000 the first year and \$475,000 the
9.4 second year are for iron ore cooperative
9.5 research. Of this amount, \$200,000 the
9.6 first year is from the minerals management
9.7 account in the natural resources fund and
9.8 \$275,000 the first year is from the general
9.9 fund. \$237,500 the first year and \$237,500
9.10 the second year are available only as matched
9.11 by \$1 of nonstate money for each \$1 of state
9.12 money. The match may be cash or in-kind.

9.13 \$86,000 the first year and \$86,000 the
9.14 second year are for minerals cooperative
9.15 environmental research, of which \$43,000
9.16 the first year and \$43,000 the second year are
9.17 available only as matched by \$1 of nonstate
9.18 money for each \$1 of state money. The
9.19 match may be cash or in-kind.

9.20 \$2,530,000 the first year is from the minerals
9.21 management account in the natural resources
9.22 fund for use as provided in Minnesota
9.23 Statutes, section 93.2236, paragraph (c).

9.24 \$200,000 the first year and \$200,000
9.25 the second year are from the state forest
9.26 suspense account in the permanent school
9.27 fund to accelerate land exchanges, land
9.28 sales, and commercial leasing of school
9.29 trust lands. This appropriation is to be used
9.30 toward meeting the provisions of Minnesota
9.31 Statutes, section 92.121, to exchange school
9.32 trust lands or put alternatives in effect when
9.33 management practices have diminished
9.34 or prohibited revenue generation, and the
9.35 direction of Minnesota Statutes, section

10.1 127A.31, to secure maximum long-term
 10.2 economic return from the school trust lands
 10.3 consistent with fiduciary responsibilities and
 10.4 sound natural resources conservation and
 10.5 management principles.

10.6 \$971,000 the first year and \$701,000 the
 10.7 second year are to support the land records
 10.8 management system. Of this amount,
 10.9 \$326,000 the first year and \$326,000 the
 10.10 second year are from the game and fish fund
 10.11 and \$645,000 the first year and \$375,000 the
 10.12 second year are from the natural resources
 10.13 fund.

10.14 \$587,000 the first year and \$588,000 the
 10.15 second year are for land asset management.

10.16 **Subd. 3. Water Resources Management** 11,589,000 11,894,000

10.17	<u>Appropriations by Fund</u>		
10.18	<u>General</u>	<u>11,309,000</u>	<u>11,614,000</u>
10.19	<u>Natural Resources</u>	<u>280,000</u>	<u>280,000</u>

10.20 \$210,000 the first year and \$210,000 the
 10.21 second year are for grants associated with the
 10.22 implementation of the Red River mediation
 10.23 agreement.

10.24 \$65,000 the first year and \$65,000 the
 10.25 second year are for a grant to the Mississippi
 10.26 Headwaters Board for up to 50 percent of
 10.27 the cost of implementing the comprehensive
 10.28 plan for the upper Mississippi within areas
 10.29 under its jurisdiction.

10.30 \$5,000 the first year and \$5,000 the second
 10.31 year are for payment to the Leech Lake Band
 10.32 of Chippewa Indians to implement its portion
 10.33 of the comprehensive plan for the upper
 10.34 Mississippi.

11.1 \$125,000 the first year and \$125,000 the
 11.2 second year are for the construction of ring
 11.3 dikes under Minnesota Statutes, section
 11.4 103F.161. The ring dikes may be publicly
 11.5 or privately owned. If the appropriation in
 11.6 either year is insufficient, the appropriation
 11.7 in the other year is available for it.

11.8 **Subd. 4. Forest Management** 43,222,000 44,223,000

11.9	<u>Appropriations by Fund</u>		
11.10	<u>General</u>	<u>24,982,000</u>	<u>25,666,000</u>
11.11	<u>Natural Resources</u>	<u>17,983,000</u>	<u>18,293,000</u>
11.12	<u>Game and Fish</u>	<u>257,000</u>	<u>264,000</u>

11.13 \$7,217,000 the first year and \$7,217,000
 11.14 the second year are for prevention,
 11.15 presuppression, and suppression costs of
 11.16 emergency firefighting and other costs
 11.17 incurred under Minnesota Statutes, section
 11.18 88.12. If the appropriation for either
 11.19 year is insufficient to cover all costs of
 11.20 presuppression and suppression, the amount
 11.21 necessary to pay for these costs during
 11.22 the biennium is appropriated from the
 11.23 general fund. By November 15 of each
 11.24 year, the commissioner of natural resources
 11.25 shall submit a report to the chairs of the
 11.26 house of representatives Ways and Means
 11.27 Committee, the senate Finance Committee,
 11.28 the Environment, Natural Resources, and
 11.29 Energy Budget Division of the senate Finance
 11.30 Committee, and the house of representatives
 11.31 Environment and Natural Resources Finance
 11.32 Division, identifying all firefighting costs
 11.33 incurred and reimbursements received in
 11.34 the prior fiscal year. These appropriations
 11.35 may not be transferred. Any reimbursement
 11.36 of firefighting expenditures made to the

- 12.1 commissioner from any source other than
12.2 federal mobilizations must be credited to the
12.3 general fund.
- 12.4 \$18,033,000 the first year and \$18,393,000
12.5 the second year are from the forest
12.6 management investment account in the
12.7 natural resources fund for only the purposes
12.8 specified in Minnesota Statutes, section
12.9 89.039, subdivision 2.
- 12.10 Of this amount:
- 12.11 (1) \$750,000 each year is for additional staff
12.12 to enhance timber sales;
- 12.13 (2) \$1,000,000 each year is for forest
12.14 improvements;
- 12.15 (3) \$1,100,000 each year is for forest road
12.16 maintenance;
- 12.17 (4) \$600,000 each year is for the ecological
12.18 classification system on state forest lands;
- 12.19 (5) \$350,000 each year is for the prevention
12.20 of invasive species on state forest lands; and
- 12.21 (6) \$400,000 each year is for the re-inventory
12.22 of state forest lands.
- 12.23 Money for forest improvements and forest
12.24 road maintenance is onetime.
- 12.25 \$780,000 the first year and \$780,000 the
12.26 second year are for the Forest Resources
12.27 Council for implementation of the
12.28 Sustainable Forest Resources Act.
- 12.29 \$350,000 the first year and \$350,000 the
12.30 second year are for the FORIST Timber
12.31 Management Information System and for
12.32 increased forestry management. The amount

13.1 in the second year is also available in the first
13.2 year.

13.3 \$257,000 the first year and \$264,000 the
13.4 second year are from the game and fish
13.5 fund to implement Ecological Classification
13.6 Systems (ECS) standards on forested
13.7 landscapes. This appropriation is from
13.8 revenue deposited in the game and fish fund
13.9 under Minnesota Statutes, section 297A.94,
13.10 paragraph (e), clause (1).

13.11 \$1,500,000 the first year and \$1,500,000
13.12 the second year are to support additional
13.13 technical and cost-share assistance to
13.14 nonindustrial private forest (NIPF)
13.15 landowners.

13.16 \$500,000 the first year and \$500,000 the
13.17 second year are to address escalating
13.18 land asset management demands, such as
13.19 boundary disputes, access easements, and
13.20 sale, exchange, and acquisition of forest
13.21 lands.

13.22 **Subd. 5. Parks and Recreation Management** 34,959,000 36,011,000

13.23	<u>Appropriations by Fund</u>		
13.24	<u>General</u>	<u>20,778,000</u>	<u>21,375,000</u>
13.25	<u>Natural Resources</u>	<u>14,181,000</u>	<u>14,636,000</u>

13.26 \$640,000 the first year and \$640,000 the
13.27 second year are from the water recreation
13.28 account in the natural resources fund for state
13.29 park water access projects.

13.30 \$150,000 in the first year and \$150,000 in the
13.31 second year are for additional interpretative
13.32 services.

13.33 \$3,996,000 the first year and \$3,996,000 the
13.34 second year are from the natural resources

- 15.1 \$261,000 the first year and \$261,000 the
15.2 second year are from the water recreation
15.3 account in the natural resources fund for a
15.4 safe harbor program on Lake Superior.
- 15.5 \$742,000 the first year and \$760,000 the
15.6 second year are from the natural resources
15.7 fund for state trail operations. This
15.8 appropriation is from the revenue deposited
15.9 in the natural resources fund under Minnesota
15.10 Statutes, section 297A.94, paragraph (e),
15.11 clause (2).
- 15.12 \$655,000 the first year and \$655,000 the
15.13 second year are from the natural resources
15.14 fund for trail grants to local units of
15.15 government on land to be maintained for
15.16 at least 20 years for the purposes of the
15.17 grant. This appropriation is from the revenue
15.18 deposited in the natural resources fund
15.19 under Minnesota Statutes, section 297A.94,
15.20 paragraph (e), clause (4).
- 15.21 \$32,000 the first year and \$107,000 the
15.22 second year are from the game and fish
15.23 fund for expenditures on water access sites
15.24 according to the requirements of the federal
15.25 sport and fish restoration program.
- 15.26 \$400,000 each year is for operation and
15.27 maintenance of nonmotorized trails within
15.28 state forests.
- 15.29 \$75,000 each year is for additional wild and
15.30 scenic rivers program activities.
- 15.31 \$120,000 the first year is from the
15.32 water recreation account in the natural
15.33 resources fund to cooperate with local
15.34 units of government in marking routes and
15.35 designating river accesses and campsites

16.1 under Minnesota Statutes, section 85.32.

16.2 This is a onetime appropriation and available

16.3 until spent.

16.4 **Subd. 7. Fish and Wildlife Management**

66,743,000

68,145,000

16.5 Appropriations by Fund

16.6 General 2,661,000 2,741,000

16.7 Natural Resources 1,876,000 1,876,000

16.8 Game and Fish 62,206,000 63,528,000

16.9 \$410,000 the first year and \$418,000 the

16.10 second year are for resource population

16.11 surveys in the 1837 treaty area. Of this

16.12 amount, \$274,000 the first year and \$288,000

16.13 the second year are from the game and fish

16.14 fund.

16.15 \$1,790,000 the first year and \$1,790,000 the

16.16 second year are from the wildlife acquisition

16.17 surcharge account for only the purposes of

16.18 land costs as specified in Minnesota Statutes,

16.19 section 97A.071, subdivision 2a. This

16.20 appropriation is available until spent.

16.21 \$7,836,000 the first year and \$7,953,000

16.22 the second year are from the heritage

16.23 enhancement account in the game and

16.24 fish fund only for activities that improve,

16.25 enhance, or protect fish and wildlife resources

16.26 as specified in Minnesota Statutes, section

16.27 297A.94, paragraph (e), clause (1). Of this

16.28 amount, notwithstanding Minnesota Statutes,

16.29 section 297A.94, \$150,000 each year may

16.30 be used for expanding hunter and angler

16.31 recruitment and retention and public land

16.32 user facilities.

16.33 Notwithstanding Minnesota Statutes, section

16.34 84.943, \$13,000 the first year and \$13,000

16.35 the second year from the critical habitat

17.1 private sector matching account may be used
17.2 to publicize the critical habitat license plate
17.3 match program.

17.4 \$830,000 the first year and \$830,000 the
17.5 second year are from the trout and salmon
17.6 management account for only the purposes
17.7 specified in Minnesota Statutes, section
17.8 97A.075, subdivision 3.

17.9 \$1,353,000 the first year and \$1,353,000
17.10 the second year are from the deer habitat
17.11 improvement account for only the purposes
17.12 specified in Minnesota Statutes, section
17.13 97A.075, subdivision 1, paragraph (b).

17.14 \$715,000 the first year and \$715,000 the
17.15 second year are from the deer and bear
17.16 management account for only the purposes
17.17 specified in Minnesota Statutes, section
17.18 97A.075, subdivision 1, paragraph (c).

17.19 \$700,000 the first year and \$700,000 the
17.20 second year are from the waterfowl habitat
17.21 improvement account for only the purposes
17.22 specified in Minnesota Statutes, section
17.23 97A.075, subdivision 2.

17.24 \$875,000 the first year and \$875,000 the
17.25 second year are from the pheasant habitat
17.26 improvement account for only the purposes
17.27 specified in Minnesota Statutes, section
17.28 97A.075, subdivision 4.

17.29 \$172,000 the first year and \$172,000 the
17.30 second year are from the wild turkey
17.31 management account for only the purposes
17.32 specified in Minnesota Statutes, section
17.33 97A.075, subdivision 5. Of this amount,
17.34 \$8,000 the first year and \$8,000 the second
17.35 year are appropriated from the game and

- 18.1 fish fund for transfer to the wild turkey
18.2 management account for purposes specified
18.3 in Minnesota Statutes, section 97A.075,
18.4 subdivision 5.
- 18.5 \$108,000 the first year and \$108,000 the
18.6 second year are from the game and fish
18.7 fund for costs associated with administering
18.8 fishing contest permits.
- 18.9 \$575,000 the first year and \$575,000
18.10 the second year are from the game and
18.11 fish fund for accelerating programs and
18.12 efforts to preserve, restore, and enhance
18.13 grassland/wetland complexes on public
18.14 and private lands. This is a onetime
18.15 appropriation.
- 18.16 \$150,000 the first year and \$150,000 the
18.17 second year are from the game and fish fund
18.18 for the roadsides for wildlife program.
- 18.19 \$350,000 in the first year and \$350,000
18.20 in the second year are from the heritage
18.21 enhancement account in the game and
18.22 fish fund for grants to Let's Go Fishing of
18.23 Minnesota to promote opportunities for
18.24 fishing. The grants must be matched with
18.25 cash or in-kind contributions from nonstate
18.26 sources. This is a onetime appropriation.
- 18.27 \$132,000 in the first year and \$132,000 in
18.28 the second year are for bovine tuberculosis
18.29 surveillance and diagnosis in wild deer to
18.30 diminish the risk of disease transmission in
18.31 domestic livestock. \$66,000 each year of this
18.32 amount is permanent.
- 18.33 \$90,000 each year from the game and fish
18.34 fund is to staff the Budgetary Oversight
18.35 Committee.

19.1 By November 15, 2008, the commissioner,
 19.2 in consultation with the Budgetary Oversight
 19.3 Committee, established in Minnesota
 19.4 Statutes, section 97A.055, subdivision 4b,
 19.5 paragraph (c), shall report to the house of
 19.6 representatives and senate policy and finance
 19.7 committees and divisions with jurisdiction
 19.8 over natural resources on game and fish fund
 19.9 receipt and expenditure imbalances between
 19.10 hunting-related and fishing-related activities.

19.11 The report shall include, but is not limited to:

19.12 (1) a table showing the allocation of game
 19.13 and fish fund receipts and expenditures
 19.14 related to fishing and hunting activities for
 19.15 fiscal years 1989 to 2007 and projected
 19.16 receipts and expenditures for fiscal years
 19.17 2008 and 2009;

19.18 (2) recommendations for short-term changes
 19.19 to correct any imbalances; and

19.20 (3) recommendations for long-term
 19.21 changes that will ensure that fishing license
 19.22 revenue is adequate to cover fishing-related
 19.23 expenditures and hunting license revenue
 19.24 is adequate to cover hunting-related
 19.25 expenditures.

19.26 Notwithstanding Minnesota Statutes, section
 19.27 16A.28, the appropriations encumbered
 19.28 under contract on or before June 30, 2009, for
 19.29 aquatic restoration grants and wildlife habitat
 19.30 grants are available until June 30, 2010.

19.31 Subd. 8. **Ecological Services** 12,599,000 14,391,000

19.32	<u>Appropriations by Fund</u>		
19.33	<u>General</u>	<u>4,457,000</u>	<u>4,974,000</u>
19.34	<u>Natural Resources</u>	<u>4,260,000</u>	<u>5,466,000</u>
19.35	<u>Game and Fish</u>	<u>3,882,000</u>	<u>3,951,000</u>

20.1 \$1,194,000 the first year and \$1,227,000 the
20.2 second year are from the nongame wildlife
20.3 management account in the natural resources
20.4 fund for the purpose of nongame wildlife
20.5 management.

20.6 Notwithstanding Minnesota Statutes,
20.7 section 290.431, \$100,000 the first year
20.8 and \$100,000 the second year may be used
20.9 for nongame information, education, and
20.10 promotion.

20.11 \$477,000 the first year and \$477,000 the
20.12 second year are for the reinvest in Minnesota
20.13 programs of game and fish, critical habitat,
20.14 and wetlands established under Minnesota
20.15 Statutes, section 84.95, subdivision 2.

20.16 \$1,588,000 the first year and \$1,588,000
20.17 the second year are from the heritage
20.18 enhancement account in the game and
20.19 fish fund for only activities that improve,
20.20 enhance, or protect fish and wildlife resources
20.21 as specified in Minnesota Statutes, section
20.22 297A.94, paragraph (e), clause (1).

20.23 \$995,000 the first year and \$2,590,000
20.24 the second year are for law enforcement
20.25 and water access inspection to prevent the
20.26 spread of invasive species, management
20.27 of invasive plants in public waters, and
20.28 management of terrestrial invasive species
20.29 on state-administered lands. Of this amount,
20.30 \$697,000 the first year and \$1,872,000 the
20.31 second year are from the invasive species
20.32 account in the natural resources fund.

20.33 \$115,000 in the first year and \$116,000 in the
20.34 second year is for the Project Wild program.
20.35 Of this amount, \$35,000 in the first year

21.1 and \$36,000 in the second year are from the
 21.2 natural resources fund, and \$40,000 in the
 21.3 first year and \$40,000 in the second year are
 21.4 from the game and fish fund.

21.5 \$150,000 each year is from the all-terrain
 21.6 vehicle account in the natural resources fund
 21.7 for developing and maintaining all-terrain
 21.8 vehicle trails.

21.9 **Subd. 9. Enforcement** 31,206,000 31,760,000

	<u>Appropriations by Fund</u>		
21.10			
21.11	<u>General</u>	<u>3,571,000</u>	<u>3,662,000</u>
21.12	<u>Natural Resources</u>	<u>8,113,000</u>	<u>8,113,000</u>
21.13	<u>Game and Fish</u>	<u>19,422,000</u>	<u>19,885,000</u>
21.14	<u>Remediation</u>	<u>100,000</u>	<u>100,000</u>

21.15 \$1,082,000 the first year and \$1,082,000 the
 21.16 second year are from the water recreation
 21.17 account in the natural resources fund for
 21.18 grants to counties for boat and water safety.

21.19 \$100,000 the first year and \$100,000 the
 21.20 second year are from the remediation fund
 21.21 for solid waste enforcement activities under
 21.22 Minnesota Statutes, section 116.073.

21.23 \$315,000 the first year and \$315,000 the
 21.24 second year are from the snowmobile
 21.25 trails and enforcement account in the
 21.26 natural resources fund for grants to local
 21.27 law enforcement agencies for snowmobile
 21.28 enforcement activities.

21.29 \$1,164,000 the first year and \$1,164,000
 21.30 the second year are from the heritage
 21.31 enhancement account in the game and
 21.32 fish fund for only activities that improve,
 21.33 enhance, or protect fish and wildlife resources
 21.34 specified in Minnesota Statutes, section
 21.35 297A.94, paragraph (e), clause (1).

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

22.10 \$225,000 the first year and \$225,000
22.11 the second year are from the natural
22.12 resources fund for grants to county law
22.13 enforcement agencies for off-highway
22.14 vehicle enforcement and public education
22.15 activities based on off-highway vehicle use
22.16 in the county. Of this amount, \$213,000 each
22.17 year is from the all-terrain vehicle account;
22.18 \$11,000 each year is from the off-highway
22.19 motorcycle account; and \$1,000 each year
22.20 is from the off-road vehicle account. The
22.21 county enforcement agencies may use
22.22 money received under this appropriation
22.23 to make grants to other local enforcement
22.24 agencies within the county that have a high
22.25 concentration of off-highway vehicle use. Of
22.26 this appropriation, \$25,000 each year is for
22.27 administration of these grants.

22.28 \$15,000 the first year and \$5,000 the second
22.29 year are from the off-road vehicle account
22.30 in the natural resources fund to establish
22.31 the off-road vehicle environment and safety
22.32 education and training program under
22.33 Minnesota Statutes, section 84.8015.

22.34 \$500,000 the first year and \$500,000 the
22.35 second year are from the all-terrain vehicle

23.1 account for off-highway vehicle safety
 23.2 programs. Of this amount, \$50,000 the
 23.3 first year and \$250,000 the second year
 23.4 are for grants to qualifying off-highway
 23.5 vehicle organizations to assist in safety and
 23.6 environmental education and monitoring
 23.7 trails on public lands under new Minnesota
 23.8 Statutes, section 84.9011. Of this
 23.9 appropriation, \$25,000 each year is for
 23.10 administration of these grants.

23.11 **Subd. 10. Operations Support** 3,724,000 3,816,000

23.12	<u>Appropriations by Fund</u>		
23.13	<u>General</u>	<u>2,189,000</u>	<u>2,252,000</u>
23.14	<u>Natural Resources</u>	<u>484,000</u>	<u>484,000</u>
23.15	<u>Game and Fish</u>	<u>1,051,000</u>	<u>1,080,000</u>

23.16 \$270,000 the first year and \$270,000 the
 23.17 second year are from the natural resources
 23.18 fund for grants to be divided equally between
 23.19 the city of St. Paul for the Como Zoo and
 23.20 Conservatory and the city of Duluth Zoo.
 23.21 This appropriation is from the revenue
 23.22 deposited to the fund under Minnesota
 23.23 Statutes, section 297A.94, paragraph (e),
 23.24 clause (5).

23.25 **Sec. 5. MINNESOTA CONSERVATION**
 23.26 **CORPS** \$ 1,090,000 \$ 1,090,000

23.27	<u>Appropriations by Fund</u>		
23.28		<u>2008</u>	<u>2009</u>
23.29	<u>General</u>	<u>600,000</u>	<u>600,000</u>
23.30	<u>Natural Resources</u>	<u>490,000</u>	<u>490,000</u>

23.31 The Minnesota Conservation Corps may
 23.32 receive money appropriated from the
 23.33 natural resources fund under this section
 23.34 only as provided in an agreement with the
 23.35 commissioner of natural resources.

24.1	Sec. 6. <u>BOARD OF WATER AND SOIL</u>		
24.2	<u>RESOURCES</u>	<u>\$</u>	<u>16,286,000</u> <u>\$</u>
			<u>16,399,000</u>

24.3 \$4,102,000 the first year and \$4,102,000 the
 24.4 second year are for natural resources block
 24.5 grants to local governments.

24.6 The board may reduce the amount of the
 24.7 natural resources block grant to a county
 24.8 by an amount equal to any reduction in
 24.9 the county's general services allocation to
 24.10 a soil and water conservation district from
 24.11 the county's previous year allocation when
 24.12 the board determines that the reduction was
 24.13 disproportionate.

24.14 Grants must be matched with a combination
 24.15 of local cash or in-kind contributions. The
 24.16 base grant portion related to water planning
 24.17 must be matched by an amount that would be
 24.18 raised by a levy under Minnesota Statutes,
 24.19 section 103B.3369.

24.20 \$3,566,000 the first year and \$3,566,000 the
 24.21 second year are for grants to soil and water
 24.22 conservation districts for general purposes,
 24.23 nonpoint engineering, and implementation
 24.24 of the reinvest in Minnesota conservation
 24.25 reserve program. Upon approval of the
 24.26 board, expenditures may be made from these
 24.27 appropriations for supplies and services
 24.28 benefiting soil and water conservation
 24.29 districts.

24.30 \$3,285,000 the first year and \$3,285,000
 24.31 the second year are for grants to soil and
 24.32 water conservation districts for cost-sharing
 24.33 contracts for erosion control and water
 24.34 quality management. Of this amount, at least
 24.35 \$1,500,000 the first year and \$1,500,000 the

25.1 second year are for grants for cost-sharing
25.2 contracts for water quality management on
25.3 feedlots.

25.4 \$100,000 the first year and \$100,000 the
25.5 second year are for a grant to the Red
25.6 River Basin Commission to develop a Red
25.7 River basin plan and to coordinate water
25.8 management activities in the states and
25.9 provinces bordering the Red River. The
25.10 unencumbered balance in the first year does
25.11 not cancel but is available for the second
25.12 year.

25.13 \$140,000 the first year and \$140,000 the
25.14 second year are for a grant to Area II,
25.15 Minnesota River Basin Projects, Inc.,
25.16 for floodplain management, including
25.17 administration of programs. If the
25.18 appropriation in either year is insufficient, the
25.19 appropriation in the other year is available
25.20 for it.

25.21 \$500,000 the first year and \$500,000 the
25.22 second year are for additional staffing
25.23 to provide adequate state oversight and
25.24 technical support to local governments
25.25 administering the Wetland Conservation Act.

25.26 \$60,000 each year is for staff to monitor and
25.27 enforce wetland replacement and wetland
25.28 bank sites.

25.29 \$300,000 in the first year and \$300,000 the
25.30 second year are to provide assistance to local
25.31 drainage management officials and to update
25.32 the Minnesota Public Drainage Manual.

25.33 The Board of Water and Soil Resources
25.34 shall develop performance and operational
25.35 standards for local watershed entities,

26.1 including watershed districts, metropolitan
 26.2 watershed management organizations, soil
 26.3 and water conservation districts, counties,
 26.4 and special purpose water management
 26.5 entities. The board may withhold grants
 26.6 or other funding to local watershed entities
 26.7 that do not meet the minimum performance
 26.8 and operational standards. By January 15,
 26.9 2008, the board shall report to the house of
 26.10 representatives and senate policy and finance
 26.11 committees and divisions with jurisdiction
 26.12 over natural resources and agriculture on:
 26.13 (1) the performance and operational
 26.14 standards developed;
 26.15 (2) information on local watershed entities
 26.16 that are not meeting the standards; and
 26.17 (3) recommendations for further performance
 26.18 and operational standard development and
 26.19 enforcement, including draft rules.
 26.20 The appropriations for grants in this
 26.21 section are available until expended. If an
 26.22 appropriation for grants in either year is
 26.23 insufficient, the appropriation in the other
 26.24 year is available for it.

26.25	Sec. 7. <u>ZOOLOGICAL BOARD</u>	<u>\$</u>	<u>7,028,000</u>	<u>\$</u>	<u>7,238,000</u>
26.26	<u>\$137,000 the first year and \$138,000 the</u>				
26.27	<u>second year are from the natural resources</u>				
26.28	<u>fund from the revenue deposited under</u>				
26.29	<u>Minnesota Statutes, section 297A.94,</u>				
26.30	<u>paragraph (e), clause (5).</u>				
26.31	Sec. 8. <u>SCIENCE MUSEUM OF</u>				
26.32	<u>MINNESOTA</u>	<u>\$</u>	<u>1,250,000</u>	<u>\$</u>	<u>1,250,000</u>
26.33	Sec. 9. <u>METROPOLITAN COUNCIL</u>	<u>\$</u>	<u>8,370,000</u>	<u>\$</u>	<u>8,620,000</u>

27.1	<u>Appropriations by Fund</u>		
27.2		<u>2008</u>	<u>2009</u>
27.3	<u>General</u>	<u>3,800,000</u>	<u>4,050,000</u>
27.4	<u>Natural Resources</u>	<u>4,570,000</u>	<u>4,570,000</u>

27.5 \$3,800,000 the first year and \$4,050,000
 27.6 the second year are for metropolitan area
 27.7 regional parks maintenance and operations.
 27.8 \$4,570,000 the first year and \$4,570,000 the
 27.9 second year are from the natural resources
 27.10 fund for metropolitan area regional parks
 27.11 and trails maintenance and operations. This
 27.12 appropriation is from the revenue deposited
 27.13 in the natural resources fund under Minnesota
 27.14 Statutes, section 297A.94, paragraph (e),
 27.15 clause (3).

27.16 **Sec. 10. COMPENSATION INCREASES**

27.17 The appropriations in this article, and any
 27.18 statutory appropriations from which state
 27.19 employee compensation is paid from any
 27.20 fund, include an amount sufficient to fund
 27.21 compensation increases of at least 3.25
 27.22 percent of the 2007 compensation base for
 27.23 the first year, compounded at the rate of 3.25
 27.24 percent for the second year. This amount
 27.25 must be used for that purpose and no other.

27.26 Sec. 11. Minnesota Statutes 2006, section 84.025, subdivision 9, is amended to read:

27.27 Subd. 9. **Professional services support account.** The commissioner of natural
 27.28 resources may bill the various programs carried out by the commissioner for the costs of
 27.29 providing them with professional support services. Except as provided under section
 27.30 89.421, receipts must be credited to a special account in the state treasury and are
 27.31 appropriated to the commissioner to pay the costs for which the billings were made.

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

28.6 Sec. 12. Minnesota Statutes 2006, section 84.026, subdivision 1, is amended to read:

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

28.16 Sec. 13. Minnesota Statutes 2006, section 84.027, is amended by adding a subdivision
28.17 to read:

28.18 Subd. 13a. **Game and fish expedited permanent rules.** In addition to the authority
28.19 granted in subdivision 13, the commissioner of natural resources may adopt rules under
28.20 section 14.389 that are authorized under:

28.21 (1) chapters 97A, 97B, and 97C to describe zone or permit area boundaries, to
28.22 designate fish spawning beds or fish preserves, to select hunters or anglers for areas,
28.23 to provide for registration of game or fish, to prevent or control wildlife disease, or to
28.24 correct errors or omissions in rules that do not have a substantive effect on the intent or
28.25 application of the original rule; or

28.26 (2) section 84D.12 to designate prohibited invasive species, regulated invasive
28.27 species, and unregulated nonnative species.

28.28 Sec. 14. Minnesota Statutes 2006, section 84.0855, subdivision 1, is amended to read:

28.29 Subdivision 1. **Sales authorized; gift certificates.** The commissioner may
28.30 sell natural resources-related publications and maps; forest resource assessment
28.31 products; federal migratory waterfowl, junior duck, and other federal stamps; and other
28.32 nature-related merchandise, and may rent or sell items for the convenience of persons using
28.33 Department of Natural Resources facilities or services. The commissioner may sell gift

29.1 certificates for any items rented or sold. Notwithstanding section 16A.1285, a fee charged
 29.2 by the commissioner under this section may include a reasonable amount in excess of the
 29.3 actual cost to support Department of Natural Resources programs. The commissioner may
 29.4 advertise the availability of a program or item offered under this section.

29.5 Sec. 15. Minnesota Statutes 2006, section 84.0855, subdivision 2, is amended to read:

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

29.13 Sec. 16. Minnesota Statutes 2006, section 84.780, is amended to read:

29.14 **84.780 OFF-HIGHWAY VEHICLE DAMAGE ACCOUNT.**

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

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

29.33 (c) ~~This section expires July 1, 2008~~ Money in the account is available until
 29.34 expended.

30.1 Sec. 17. **[84.9011] OFF-HIGHWAY VEHICLE SAFETY AND CONSERVATION**
 30.2 **PROGRAM.**

30.3 Subdivision 1. **Creation.** The commissioner of natural resources shall establish
 30.4 a program to promote the safe and responsible operation of off-highway vehicles in a
 30.5 manner that does not harm the environment.

30.6 Subd. 2. **Agreements.** (a) The commissioner shall enter into informal agreements
 30.7 with organizations for volunteer services that promote the safe and responsible operation
 30.8 of off-highway vehicles in a manner that does not harm the environment to maintain,
 30.9 make improvements to, and monitor trails on state forest land and other public lands.
 30.10 The organizations shall promote the operation of off-highway vehicles in a safe and
 30.11 responsible manner that complies with the laws and rules that relate to the operation
 30.12 of off-highway vehicles.

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

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

30.18 (d) The commissioner shall establish standards and certify organizations and
 30.19 individuals participating as volunteers under this section.

30.20 Subd. 3. **Worker displacement prohibited.** The commissioner may not enter into
 30.21 any agreement that has the purpose of or results in the displacement of public employees
 30.22 by volunteers participating in the off-highway safety and conservation program under
 30.23 this section. The commissioner must certify to the appropriate bargaining agent that the
 30.24 work performed by a volunteer will not result in the displacement of currently employed
 30.25 workers or workers on seasonal layoff or layoff from a substantially equivalent position,
 30.26 including partial displacement such as reduction in hours of nonovertime work, wages, or
 30.27 other employment benefits.

30.28 Subd. 4. **Off-Highway Vehicle Safety Advisory Council.** (a) The commissioner
 30.29 of natural resources shall appoint an Off-Highway Vehicle Safety Advisory Council to
 30.30 advise the commissioner on:

30.31 (1) off-highway vehicle safety; and

30.32 (2) standards and certification for organizations and individuals participating as
 30.33 volunteers under this section.

30.34 Sec. 18. Minnesota Statutes 2006, section 84.922, subdivision 1a, is amended to read:

30.35 Subd. 1a. **Exemptions.** All-terrain vehicles exempt from registration are:

31.1 (1) vehicles owned and used by the United States, the state, another state, or a
31.2 political subdivision;

31.3 (2) vehicles registered in another state or country that have not been in this state
31.4 for more than 30 consecutive days; ~~and~~

31.5 (3) vehicles used exclusively in organized track racing events; and

31.6 (4) vehicles that are 25 years old or older and were originally produced as a separate
31.7 identifiable make by a manufacturer.

31.8 Sec. 19. Minnesota Statutes 2006, section 84.922, subdivision 5, is amended to read:

31.9 Subd. 5. **Fees for registration.** (a) The fee for a three-year registration of
31.10 an all-terrain vehicle under this section, other than those registered by a dealer or
31.11 manufacturer under paragraph (b) or (c), is:

31.12 (1) ~~for public use before January 1, 2005, \$23;~~

31.13 ~~(2) for public use on January 1, 2005, and after, \$30~~ \$45;

31.14 ~~(3) (2) for private use, \$6; and~~

31.15 ~~(4) (3) for a duplicate or transfer, \$4.~~

31.16 (b) The total registration fee for all-terrain vehicles owned by a dealer and operated
31.17 for demonstration or testing purposes is \$50 per year. Dealer registrations are not
31.18 transferable.

31.19 (c) The total registration fee for all-terrain vehicles owned by a manufacturer and
31.20 operated for research, testing, experimentation, or demonstration purposes is \$150 per
31.21 year. Manufacturer registrations are not transferable.

31.22 (d) The fees collected under this subdivision must be credited to the all-terrain
31.23 vehicle account.

31.24 Sec. 20. Minnesota Statutes 2006, section 84.927, subdivision 2, is amended to read:

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

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

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

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

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

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

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

32.1 (7) maintenance of minimum-maintenance forest roads designated under section
 32.2 89.71, subdivision 5, and county forest roads that are part of a designated trail system
 32.3 within state forest boundaries as established under section 89.021.

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

32.6 Sec. 21. Minnesota Statutes 2006, section 84D.03, subdivision 1, is amended to read:

32.7 Subdivision 1. **Infested waters; restricted activities.** (a) The commissioner shall
 32.8 designate a water of the state as an infested water if the commissioner determines that:

32.9 (1) the water contains a population of an aquatic invasive species that could spread
 32.10 to other waters if use of the water and related activities are not regulated to prevent this; or

32.11 (2) the water is highly likely to be infested by an aquatic invasive species because it
 32.12 is connected to a water that contains a population of an aquatic invasive species.

32.13 (b) When determining which invasive species comprise infested waters, the
 32.14 commissioner shall consider:

32.15 (1) the extent of a species distribution within the state;

32.16 (2) the likely means of spread for a species; and

32.17 (3) whether regulations specific to infested waters containing a specific species
 32.18 will effectively reduce that species' spread.

32.19 (c) The presence of common carp and curly-leaf pondweed shall not be the basis for
 32.20 designating a water as infested.

32.21 (d) The designation of infested waters by the commissioner shall be by written order
 32.22 published in the State Register. Designations are not subject to the rulemaking provisions
 32.23 of chapter 14 and section 14.386 does not apply.

32.24 Sec. 22. Minnesota Statutes 2006, section 84D.12, subdivision 1, is amended to read:

32.25 Subdivision 1. **Required rules.** The commissioner shall adopt rules:

32.26 (1) designating ~~infested waters~~; prohibited invasive species, regulated invasive
 32.27 species, and unregulated nonnative species of aquatic plants and wild animals;

32.28 (2) governing the application for and issuance of permits under this chapter, which
 32.29 rules may include a fee schedule; and

32.30 (3) governing notification under section 84D.08.

32.31 Sec. 23. Minnesota Statutes 2006, section 84D.12, subdivision 3, is amended to read:

32.32 Subd. 3. **Expedited rules.** The commissioner may adopt rules under section 84.027,
 32.33 subdivision 13, that designate:

- 33.1 (1) prohibited invasive species of aquatic plants and wild animals;
 33.2 (2) regulated invasive species of aquatic plants and wild animals; and
 33.3 (3) unregulated nonnative species of aquatic plants and wild animals; ~~and~~
 33.4 ~~(4) infested waters.~~

33.5 Sec. 24. Minnesota Statutes 2006, section 84D.13, subdivision 7, is amended to read:

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

33.10 Sec. 25. **[84D.15] INVASIVE SPECIES ACCOUNT.**

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

33.13 Subd. 2. **Receipts.** Money received from surcharges on watercraft licenses under
 33.14 section 86B.415, subdivision 7, shall be deposited in the invasive species account. Each
 33.15 year, the commissioner of finance shall transfer from the game and fish fund to the
 33.16 invasive species account, the annual surcharge collected on nonresident hunting licenses
 33.17 under section 97A.475, subdivision 3, paragraph (b), and nonresident fishing licenses
 33.18 under section 97A.475, subdivision 7, paragraph (b).

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

33.23 Sec. 26. Minnesota Statutes 2006, section 85.32, subdivision 1, is amended to read:

33.24 Subdivision 1. **Areas marked.** The commissioner of natural resources is authorized
 33.25 in cooperation with local units of government and private individuals and groups when
 33.26 feasible to mark canoe and boating routes on the Little Fork, Big Fork, Minnesota,
 33.27 St. Croix, Snake, Mississippi, Red Lake, Cannon, Straight, Des Moines, Crow Wing,
 33.28 St. Louis, Pine, Rum, Kettle, Cloquet, Root, Zumbro, Pomme de Terre within Swift
 33.29 County, Watonwan, Cottonwood, Whitewater, Chippewa from Benson in Swift County to
 33.30 Montevideo in Chippewa County, Long Prairie, Red River of the North, Sauk, Otter Tail,
 33.31 Redwood, North Fork of the Crow, South Fork of the Crow, and Crow Rivers which have
 33.32 historic and scenic values and to mark appropriately points of interest, portages, camp

34.1 sites, and all dams, rapids, waterfalls, whirlpools, and other serious hazards which are
 34.2 dangerous to canoe and watercraft travelers.

34.3 Sec. 27. Minnesota Statutes 2006, section 86B.415, subdivision 1, is amended to read:

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

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

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

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

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

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

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

34.17 Sec. 28. Minnesota Statutes 2006, section 86B.415, subdivision 2, is amended to read:

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

34.20 (1) for a watercraft more than 19 feet but less than 26 feet in length is \$45 plus a
 34.21 \$15 surcharge;

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

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

34.25 Sec. 29. Minnesota Statutes 2006, section 86B.415, subdivision 3, is amended to read:

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

34.28 Sec. 30. Minnesota Statutes 2006, section 86B.415, subdivision 4, is amended to read:

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

35.1 Sec. 31. Minnesota Statutes 2006, section 86B.415, subdivision 5, is amended to read:

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

35.4 Sec. 32. Minnesota Statutes 2006, section 86B.415, subdivision 7, is amended to read:

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

35.10 Sec. 33. Minnesota Statutes 2006, section 86B.706, subdivision 2, is amended to read:

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

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

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

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

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

35.19 ~~(5)~~ (4) the unrefunded gasoline tax attributable to watercraft use under section
35.20 296A.18; and

35.21 ~~(6)~~ (5) fees for permits issued to control or harvest aquatic plants other than wild
35.22 rice under section 103G.615, subdivision 2.

35.23 Sec. 34. **[89.421] FOREST RESOURCE ASSESSMENT PRODUCTS AND**
35.24 **SERVICES ACCOUNT.**

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

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

35.32 Subd. 3. **Use of money in account.** Money credited to the forest resource
35.33 assessment products and services account under subdivision 2 is annually appropriated to

36.1 the commissioner and shall be used to maintain the staff and facilities producing the aerial
 36.2 photography, remote sensing, and satellite imagery products and services.

36.3 Sec. 35. Minnesota Statutes 2006, section 89A.11, is amended to read:

36.4 **89A.11 REPEALER.**

36.5 Sections 89A.01; 89A.02; 89A.03; 89A.04; 89A.05; 89A.06; 89A.07; 89A.08;
 36.6 89A.09; 89A.10; and 89A.11 are repealed June 30, ~~2007~~ 2017.

36.7 Sec. 36. Minnesota Statutes 2006, section 93.0015, subdivision 3, is amended to read:

36.8 Subd. 3. **Expiration.** Notwithstanding section 15.059, subdivision 5, or other law to
 36.9 the contrary, the committee expires June 30, ~~2007~~ 2011.

36.10 Sec. 37. Minnesota Statutes 2006, section 97A.045, is amended by adding a
 36.11 subdivision to read:

36.12 Subd. 12. **Establishing fees.** Notwithstanding section 16A.1283, the commissioner
 36.13 may, by written order published in the State Register, establish fees providing for the use
 36.14 of state wildlife management area or aquatic management area lands for specific purposes,
 36.15 including dog trials, special events, and commercial uses. The fees are not subject to the
 36.16 rulemaking provisions of chapter 14 and section 14.386 does not apply.

36.17 Sec. 38. Minnesota Statutes 2006, section 97A.055, subdivision 4, is amended to read:

36.18 Subd. 4. **Game and fish annual reports.** (a) By December 15 each year,
 36.19 the commissioner shall submit to the legislative committees having jurisdiction over
 36.20 appropriations and the environment and natural resources reports on each of the following:

36.21 (1) the amount of revenue from the following and purposes for which expenditures
 36.22 were made:

36.23 (i) the small game license surcharge under section 97A.475, subdivision 4;

36.24 (ii) the Minnesota migratory waterfowl stamp under section 97A.475, subdivision
 36.25 5, clause (1);

36.26 (iii) the trout and salmon stamp under section 97A.475, subdivision 10;

36.27 (iv) the pheasant stamp under section 97A.475, subdivision 5, clause (2); ~~and~~

36.28 (v) the turkey stamp under section 97A.475, subdivision 5, clause (3); and

36.29 (vi) the deer license donation under section 97A.475, subdivision 3a;

36.30 (2) the amounts available under section 97A.075, subdivision 1, paragraphs (b) and
 36.31 (c), and the purposes for which these amounts were spent;

37.1 (3) money credited to the game and fish fund under this section and purposes for
37.2 which expenditures were made from the fund;

37.3 (4) outcome goals for the expenditures from the game and fish fund; and

37.4 (5) summary and comments of citizen oversight committee reviews under
37.5 subdivision 4b.

37.6 (b) The report must include the commissioner's recommendations, if any, for
37.7 changes in the laws relating to the stamps and surcharge referenced in paragraph (a).

37.8 Sec. 39. Minnesota Statutes 2006, section 97A.065, is amended by adding a
37.9 subdivision to read:

37.10 Subd. 6. **Deer license donation.** (a) The donation collected under section 97A.475,
37.11 subdivision 3a, shall be deposited in a special revenue account and is appropriated to the
37.12 commissioner for deer management, including assisting with the cost of processing deer
37.13 that are donated to charitable food assistance programs. Money appropriated for deer
37.14 management and assisting with the cost of processing deer is available until expended.

37.15 (b) A food handler holding a license under chapter 28A may be reimbursed by the
37.16 commissioner for the cost of processing a deer that is donated to a charitable organization
37.17 that is registered under chapter 309 and operates a food assistance program. A food
37.18 handler must apply annually to the commissioner of agriculture for a permit to process
37.19 deer under this subdivision and must receive written approval from the commissioner of
37.20 agriculture before processing a deer for donation.

37.21 (c) The commissioner may adopt rules to implement this subdivision, including
37.22 establishment of the reimbursement amount per deer, and may use the rulemaking process
37.23 under section 84.027, subdivision 13, paragraph (b).

37.24 Sec. 40. Minnesota Statutes 2006, section 97A.405, subdivision 2, is amended to read:

37.25 **Subd. 2. Personal possession.** (a) A person acting under a license or traveling from
37.26 an area where a licensed activity was performed must have in personal possession either:
37.27 (1) the proper license, if the license has been issued to and received by the person; or (2)
37.28 the proper license identification number or stamp validation, if the license has been sold to
37.29 the person by electronic means but the actual license has not been issued and received.

37.30 (b) If possession of a license or a license identification number is required, a person
37.31 must exhibit, as requested by a conservation officer or peace officer, either: (1) the proper
37.32 license if the license has been issued to and received by the person; or (2) the proper
37.33 license identification number or stamp validation and a valid state driver's license, state
37.34 identification card, or other form of identification provided by the commissioner, if the

38.1 license has been sold to the person by electronic means but the actual license has not
38.2 been issued and received.

38.3 (c) If the actual license has been issued and received, a receipt for license fees, a
38.4 copy of a license, or evidence showing the issuance of a license, including the license
38.5 identification number or stamp validation, does not entitle a licensee to exercise the rights
38.6 or privileges conferred by a license.

38.7 (d) A license ~~or stamp~~ issued electronically and not immediately provided to the
38.8 licensee shall be mailed to the licensee within 30 days of purchase of the license ~~or stamp~~
38.9 ~~validation, except for a pictorial turkey stamp or a pictorial trout and salmon stamp. A~~
38.10 ~~pictorial turkey stamp or a pictorial, migratory waterfowl, pheasant, or trout and salmon~~
38.11 stamp shall be ~~mailed~~ provided to the licensee after purchase of a ~~license or stamp~~
38.12 validation only if the licensee pays an additional \$2 fee.

38.13 Sec. 41. Minnesota Statutes 2006, section 97A.411, subdivision 1, is amended to read:

38.14 Subdivision 1. **License period.** (a) Except as provided in paragraphs (b), (c), ~~and~~
38.15 ~~(d), and (e)~~, a license is valid during the lawful time within the license year that the
38.16 licensed activity may be performed. A license year begins on the first day of March and
38.17 ends on the last day of February.

38.18 (b) A license issued under section 97A.475, subdivision 6, clause (5), 97A.475,
38.19 subdivision 7, clause (2), (3), (5), or (6), or 97A.475, subdivision 12, clause (2), is valid
38.20 for the full license period even if this period extends into the next license year, provided
38.21 that the license period selected by the licensee begins at the time of issuance.

38.22 (c) When the last day of February falls on a Saturday, an annual resident or
38.23 nonresident fish house or dark house license, including a rental fish house or dark house
38.24 license, obtained for the license year covering the last day of February, is valid through
38.25 Sunday, March 1 and the angling license of the fish house licensee is extended through
38.26 March 1.

38.27 (d) A lifetime license issued under section 97A.473 or 97A.474 is valid during the
38.28 lawful time within the license year that the licensed activity may be performed for the
38.29 lifetime of the licensee.

38.30 (e) A three-year fish house or dark house license is valid during the license year that
38.31 it is purchased and the two succeeding license years.

38.32 Sec. 42. Minnesota Statutes 2006, section 97A.451, subdivision 3a, is amended to read:

39.1 Subd. 3a. **Nonresidents under age ~~16~~ 18; small game.** (a) A nonresident under
 39.2 age ~~16~~ 18 may obtain a small game license at the resident fee under section 97A.475,
 39.3 subdivision 2, clause (2), if the nonresident:

39.4 (1) possesses a firearms safety certificate; or

39.5 (2) if age 13 or under, is accompanied by a parent or guardian when purchasing
 39.6 the license.

39.7 (b) A nonresident age 13 or under must be accompanied by a parent or guardian
 39.8 to take small game. A nonresident age 12 or under is not required to possess a firearms
 39.9 safety certificate under section 97B.020 to take small game.

39.10 Sec. 43. Minnesota Statutes 2006, section 97A.465, is amended by adding a
 39.11 subdivision to read:

39.12 Subd. 1a. **Spouses of residents on active military duty.** Notwithstanding section
 39.13 97A.405, subdivision 5, the spouse of a resident who is on active military duty may obtain
 39.14 resident hunting and fishing licenses.

39.15 Sec. 44. Minnesota Statutes 2006, section 97A.465, is amended by adding a
 39.16 subdivision to read:

39.17 Subd. 1b. **Residents discharged from active service.** (a) A resident who has served
 39.18 at any time during the preceding 24 months in federal active service, as defined in section
 39.19 190.05, subdivision 5c, outside the United States as a member of the National Guard, or as
 39.20 a reserve component or active duty member of the United States armed forces and has
 39.21 been discharged from active service may take small game and fish without a license if the
 39.22 resident possesses official military discharge papers. The resident must obtain the seals,
 39.23 tags, and coupons required of a licensee, which must be furnished without charge.

39.24 (b) The commissioner shall issue, without fee, a deer license to a resident who has
 39.25 served at any time during the proceeding 24 months in federal active service, as defined
 39.26 in section 190.05, subdivision 5c, outside the United States as a member of the National
 39.27 Guard, or as a reserve component or active duty member of the United States armed
 39.28 forces and has been discharged from active service. Eligibility under this paragraph is
 39.29 limited to one license per resident.

39.30 Sec. 45. Minnesota Statutes 2006, section 97A.473, subdivision 3, is amended to read:

39.31 Subd. 3. **Lifetime small game hunting license; fee.** (a) A resident lifetime small
 39.32 game hunting license authorizes a person to hunt and trap small game in the state. The
 39.33 license authorizes those hunting and trapping activities authorized by the annual resident

40.1 small game hunting ~~license and trapping licenses~~. The license does not include a turkey
40.2 stamp validation or any other hunting stamps required by law.

40.3 (b) The fees for a resident lifetime small game hunting license are:

40.4 (1) age 3 and under, \$217;

40.5 (2) age 4 to age 15, \$290;

40.6 (3) age 16 to age 50, \$363; and

40.7 (4) age 51 and over, \$213.

40.8 **EFFECTIVE DATE.** This section is effective August 1, 2007, and applies
40.9 retroactively to licenses issued after February 28, 2001.

40.10 Sec. 46. Minnesota Statutes 2006, section 97A.473, subdivision 5, is amended to read:

40.11 Subd. 5. **Lifetime sporting license; fee.** (a) A resident lifetime sporting license
40.12 authorizes a person to take fish by angling and hunt and trap small game in the state.

40.13 The license authorizes those activities authorized by the annual resident angling ~~and,~~

40.14 resident small game hunting, and resident trapping licenses. The license does not include

40.15 a trout and salmon stamp validation, a turkey stamp validation, or any other hunting

40.16 stamps required by law.

40.17 (b) The fees for a resident lifetime sporting license are:

40.18 (1) age 3 and under, \$357;

40.19 (2) age 4 to age 15, \$480;

40.20 (3) age 16 to age 50, \$613; and

40.21 (4) age 51 and over, \$413.

40.22 **EFFECTIVE DATE.** This section is August 1, 2007, and applies retroactively to
40.23 licenses issued after February 28, 2001.

40.24 Sec. 47. Minnesota Statutes 2006, section 97A.475, subdivision 3, is amended to read:

40.25 Subd. 3. **Nonresident hunting.** (a) Fees for the following licenses, to be issued
40.26 to nonresidents, are:

40.27 (1) for persons age 18 and older to take small game, \$73;

40.28 (2) for persons age 18 and older to take deer with firearms, \$135;

40.29 (3) for persons age 18 and older to take deer by archery, ~~the greater of:~~

40.30 ~~(i) an amount equal to the total amount of license fees and surcharges charged to a~~

40.31 ~~Minnesota resident to take deer by archery in the person's state or province of residence; or~~

40.32 ~~(ii) \$135;~~

40.33 (4) to take bear, \$195;

- 41.1 (5) to take turkey, \$73;
- 41.2 (6) to take raccoon; or bobcat; ~~fox, or coyote~~, \$155;
- 41.3 (7) multizone license to take antlered deer in more than one zone, \$270; ~~and~~
- 41.4 (8) to take Canada geese during a special season, \$4;
- 41.5 (9) for persons at least age 12 and under age 18 to take deer with firearms during the
- 41.6 regular firearms season in any open zone or time period, \$13; and
- 41.7 (10) for persons at least age 12 and under age 18 to take deer by archery, \$13.
- 41.8 (b) A \$5 surcharge shall be added to nonresident hunting licenses issued under
- 41.9 paragraph (a), clauses (1) to (7). An additional commission may not be assessed on this
- 41.10 surcharge.

41.11 Sec. 48. Minnesota Statutes 2006, section 97A.475, is amended by adding a

41.12 subdivision to read:

41.13 Subd. 3a. **Voluntary deer license donation.** A person may agree to add a donation

41.14 of \$1 or more to the fees for annual resident and nonresident licenses to take deer by

41.15 firearms or archery established under subdivisions 2, clauses (4), (5), (9), and (11), and 3,

41.16 clauses (2), (3), and (7). An additional commission may not be assessed on the donation

41.17 and the following statement must be included in the annual deer hunting regulations: "The

41.18 voluntary deer license donation is being paid by hunters for deer management, including

41.19 assisting with the costs of processing deer donated for charitable purposes."

41.20 Sec. 49. Minnesota Statutes 2006, section 97A.475, subdivision 7, is amended to read:

41.21 Subd. 7. **Nonresident fishing.** (a) Fees for the following licenses, to be issued

41.22 to nonresidents, are:

- 41.23 (1) to take fish by angling, ~~\$34~~ \$36;
- 41.24 (2) to take fish by angling limited to seven consecutive days selected by the licensee,
- 41.25 ~~\$24~~ \$26;
- 41.26 (3) to take fish by angling for a 72-hour period selected by the licensee, ~~\$20~~ \$22;
- 41.27 (4) to take fish by angling for a combined license for a family for one or both parents
- 41.28 and dependent children under the age of 16, ~~\$46~~ \$48;
- 41.29 (5) to take fish by angling for a 24-hour period selected by the licensee, \$8.50; and
- 41.30 (6) to take fish by angling for a combined license for a married couple, limited to 14
- 41.31 consecutive days selected by one of the licensees, ~~\$35~~ \$37.

41.32 (b) A \$2 surcharge shall be added to all nonresident fishing licenses, except licenses

41.33 issued under paragraph (a), clause (5). An additional commission may not be assessed

41.34 on this surcharge.

42.1 **EFFECTIVE DATE.** Paragraph (b) is effective March 1, 2008.

42.2 Sec. 50. Minnesota Statutes 2006, section 97A.475, subdivision 11, is amended to read:

42.3 Subd. 11. **Fish houses and dark houses; residents.** Fees for the following licenses
42.4 are:

42.5 (1) annual for a fish house or dark house that is not rented, \$11.50; ~~and~~

42.6 (2) annual for a fish house or dark house that is rented, \$26;

42.7 (3) three-year for a fish house or dark house that is not rented, \$34.50; and

42.8 (4) three-year for a fish house or dark house that is rented, \$78.

42.9 Sec. 51. Minnesota Statutes 2006, section 97A.475, subdivision 12, is amended to read:

42.10 Subd. 12. **Fish houses; nonresident.** Fees for fish house licenses for a nonresident
42.11 are:

42.12 (1) annual, \$33; ~~and~~

42.13 (2) seven consecutive days, \$19; and

42.14 (3) three-year, \$99.

42.15 Sec. 52. Minnesota Statutes 2006, section 97B.601, subdivision 3, is amended to read:

42.16 Subd. 3. **Nonresidents: raccoon; or bobcat, fox, coyote.** A nonresident may not
42.17 take ~~raccoon; or bobcat, fox, or coyote~~ by firearms without a separate license to take that
42.18 animal in addition to a small game license.

42.19 Sec. 53. Minnesota Statutes 2006, section 97B.715, subdivision 1, is amended to read:

42.20 Subdivision 1. **Stamp required.** (a) Except as provided in paragraph (b) or section
42.21 97A.405, subdivision 2, a person required to possess a small game license may not hunt
42.22 pheasants without:

42.23 (1) ~~a pheasant stamp in possession; and~~

42.24 (2) ~~a pheasant stamp validation on the small game license when issued electronically.~~

42.25 (b) The following persons are exempt from this subdivision:

42.26 (1) residents under age 18 or over age 65;

42.27 (2) persons hunting on licensed commercial shooting preserves; and

42.28 (3) resident disabled veterans with a license issued under section 97A.441,

42.29 subdivision 6a.

42.30 Sec. 54. Minnesota Statutes 2006, section 97B.801, is amended to read:

42.31 **97B.801 MINNESOTA MIGRATORY WATERFOWL STAMP REQUIRED.**

43.1 (a) Except as provided in this section or section 97A.405, subdivision 2, a person
43.2 required to possess a small game license may not take migratory waterfowl without:

43.3 ~~(1) a Minnesota migratory waterfowl stamp in possession; and~~

43.4 ~~(2) a migratory waterfowl stamp validation on the small game license when issued~~
43.5 ~~electronically.~~

43.6 (b) Residents under age 18 or over age 65; resident disabled veterans with a license
43.7 issued under section 97A.441, subdivision 6a; and persons hunting on their own property
43.8 are not required to possess a stamp ~~or a license~~ validation under this section.

43.9 Sec. 55. Minnesota Statutes 2006, section 97C.081, subdivision 3, is amended to read:

43.10 Subd. 3. **Contests requiring a permit.** (a) A person must have a permit from the
43.11 commissioner to conduct a fishing contest that does not meet the criteria in subdivision 2.
43.12 ~~Permits shall be issued without a fee.~~ The commissioner shall charge a fee for the permit
43.13 that recovers the costs of issuing the permit and monitoring the activities allowed by the
43.14 permit. Notwithstanding section 16A.1283, the commissioner may, by written order
43.15 published in the State Register, establish contest permit fees. The fees are not subject to
43.16 the rulemaking provisions of chapter 14 and section 14.386 does not apply.

43.17 (b) If entry fees are over \$25 per person, or total prizes are valued at more than
43.18 \$25,000, and if the applicant has either:

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

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

43.25 Sec. 56. Minnesota Statutes 2006, section 97C.355, subdivision 2, is amended to read:

43.26 Subd. 2. **License required.** A person may not take fish from a dark house or fish
43.27 house that is left unattended on the ice overnight unless the house is licensed and has a
43.28 license tag attached to the exterior in a readily visible location, except as provided in this
43.29 subdivision. The commissioner must issue a tag with a dark house or fish house license,
43.30 marked with a number to correspond with the license and the year of issue. A dark house
43.31 or fish house license is not required of a resident on boundary waters where the adjacent
43.32 state does not charge a fee for the same activity.

43.33 Sec. 57. [103F.518] REINVEST IN MINNESOTA CLEAN ENERGY PROGRAM.

44.1 Subdivision 1. **Establishment of program.** (a) The board, in consultation with the
44.2 technical committee established in subdivision 11, shall establish and administer a reinvest
44.3 in Minnesota (RIM) clean energy program that is in addition to the program under section
44.4 103F.515. Selection of land for the clean energy program must be based on its potential
44.5 benefits for bioenergy crop production, water quality, soil health, reduction of chemical
44.6 inputs, soil carbon storage, biodiversity, and wildlife habitat.

44.7 (b) For the purposes of this section, "diverse native prairie" means a prairie planted
44.8 from a mix of local Minnesota native prairie species. A selection from all available native
44.9 prairie species may be made so as to match species appropriate to local site conditions.

44.10 Subd. 2. **Eligible land.** Eligible land under this section must:

44.11 (1) be owned by the landowner, or a parent or other blood relative of the landowner,
44.12 for at least one year before the date of application;

44.13 (2) be at least five acres in size;

44.14 (3) not be currently set aside, enrolled, or diverted under another federal or state
44.15 government program; and

44.16 (4) have been in agricultural use, as defined in section 17.81, subdivision 4, or have
44.17 been set aside, enrolled, or diverted under another federal or state program for at least two
44.18 of the last five years before the date of application.

44.19 Subd. 3. **Designation of project areas.** The board shall develop a process to
44.20 designate defined project areas. The designation process shall prioritize projects that
44.21 include coordinated cooperation of a cellulosic biofuel facility or a bioenergy production
44.22 facility, target impaired waters, or support other state or local natural resource plans,
44.23 goals, or objectives.

44.24 Subd. 4. **Easements.** The board may acquire, or accept by gift or donation,
44.25 easements on eligible land. An easement may be permanent or of limited duration. An
44.26 easement of limited duration may not be acquired if it is for a period less than 20 years.
44.27 The negotiation and acquisition of easements authorized by this section are exempt from
44.28 the contractual provisions of chapters 16B and 16C.

44.29 Subd. 5. **Nature of property rights acquired.** (a) An easement must prohibit:

44.30 (1) agricultural crop production, unless approved by the board for energy production
44.31 purposes; and

44.32 (2) spraying with chemicals, except as necessary to comply with noxious weed
44.33 control laws, emergency pest control necessary to protect public health, or as needed
44.34 to establish a productive planting as determined by the technical committee under
44.35 subdivision 11.

44.36 (b) An easement is subject to the terms of the agreement provided in subdivision 6.

45.1 (c) Agricultural crop production and harvest are limited to native, perennial
45.2 bioenergy crops. Harvest shall occur outside of bird nesting season.

45.3 (d) An easement must allow repairs, improvements, and inspections necessary to
45.4 maintain public drainage systems provided the easement area is restored to the condition
45.5 required by the terms of the easement.

45.6 (e) An easement may allow nonnative perennial prairie or pasture established by
45.7 September 1, 2007, that meet the other objectives outlined in subdivision 7.

45.8 (f) An easement may allow grazing of livestock only if practiced under a plan,
45.9 approved by the board, that protects water quality, wildlife habitat, and biodiversity.

45.10 Subd. 6. **Agreements by landowner.** The board may enroll eligible land in the
45.11 reinvest in Minnesota clean energy program by signing an agreement in recordable form
45.12 with a landowner in which the landowner agrees:

45.13 (1) to convey to the state an easement that is not subject to any prior title, lien, or
45.14 encumbrance;

45.15 (2) to seed the land subject to the easement, as specified in the agreement, at
45.16 seeding rates determined by the board, or carry out other long-term capital improvements
45.17 approved by the board; and

45.18 (3) that the easement duration may be lengthened through mutual agreement with
45.19 the board.

45.20 Subd. 7. **Payments for easements.** The board must develop a tiered payment
45.21 system for easements partially based on the benefits of the bioenergy crop production for
45.22 water quality, soil health, reduction in chemical inputs, soil carbon storage, biodiversity,
45.23 and wildlife habitat using cash rent or a similar system as may be determined by the
45.24 board. The payment system must provide that the highest per-acre payment is for diverse
45.25 native prairie and perennials.

45.26 Subd. 8. **Easement renewal.** When an easement of limited duration expires, a
45.27 new easement and agreement for an additional period of not less than 20 years may be
45.28 acquired by agreement of the board and the landowner under the terms of this section.
45.29 The board may adjust payment rates as a result of renewing an agreement and easement
45.30 only after examining the condition of the established plantings, conservation practices,
45.31 and land values.

45.32 Subd. 9. **Correction of easement boundary lines.** To correct errors in legal
45.33 descriptions for easements that affect the ownership interest in the state and adjacent
45.34 landowners, the board may, in the name of the state, with the approval of the attorney
45.35 general, convey, without consideration, interests of the state necessary to correct legal

46.1 descriptions of boundaries. The conveyance must be by quitclaim deed or release in
46.2 a form approved by the attorney general.

46.3 Subd. 10. **Enforcement and damages.** (a) A landowner who violates the term of
46.4 an easement or agreement under this section, or induces, assists, or allows another to do
46.5 so, is liable to the state for treble damages if the trespass is willful, but liable for double
46.6 damages only if the trespass is not willful. The amount of damages is the amount needed
46.7 to make the state whole or the amount the landowner has gained due to the violation,
46.8 whichever is greater.

46.9 (b) Upon the request of the board, the attorney general may commence an action for
46.10 specific performances, injunctive relief, damages, including attorney fees, and any other
46.11 appropriate relief to enforce this section in district court in the county where all or part
46.12 of the violation is alleged to have been committed, or where the landowner resides or
46.13 has a principal place of business.

46.14 Subd. 11. **Technical committee.** To ensure that public benefits, including water
46.15 quality, soil health, reduction of chemical inputs, soil carbon storage, biodiversity, and
46.16 wildlife habitat are secured along with bioenergy crop production, the Board of Water and
46.17 Soil Resources shall appoint a technical committee consisting of one representative from
46.18 the Departments of Agriculture, Natural Resources, and Commerce and the Pollution
46.19 Control Agency; two farm organizations; one sustainable agriculture farmer organization;
46.20 three rural economic development organizations; three environmental organizations; and
46.21 three conservation or wildlife organizations. The board and technical committee shall
46.22 consult with private sector organizations and University of Minnesota researchers involved
46.23 in biomass establishment and bioenergy or biofuel conversion. The technical committee
46.24 is to develop program guidelines and standards, as appropriate to ensure that reinvest in
46.25 Minnesota clean energy program contracts provide public benefits commensurate with the
46.26 public investment. The technical committee shall review and make recommendations on
46.27 the guidelines and standards every five years.

46.28 **Sec. 58. [325E.387] REVIEW OF DECABROMODIPHENYL ETHER.**

46.29 Subdivision 1. **Commissioner duties.** The commissioner of the Pollution Control
46.30 Agency and the commissioners of health and public safety shall review uses of commercial
46.31 decabromodiphenyl ether, availability of technically feasible alternatives, and the public
46.32 health and the environmental effects posed by commercial decabromodiphenyl ether and
46.33 alternatives. The commissioners shall report their findings and recommendations to the
46.34 appropriate committees of the legislature no later than January 15, 2008.

47.1 Subd. 2. **Participation in interstate clearinghouse.** The commissioner of the
 47.2 Pollution Control Agency is authorized to participate in a regional or national multistate
 47.3 clearinghouse to assist in carrying out the requirements of this section. The clearinghouse
 47.4 is authorized to maintain information on behalf of Minnesota, including, but not limited to:

47.5 (1) a list of all products containing polybrominated diphenyl ethers; and

47.6 (2) information on all exemptions granted by the state.

47.7 Subd. 3. **State procurement.** By January 1, 2008, the commissioner of
 47.8 administration shall:

47.9 (1) give priority and preference to the purchase of equipment, supplies, and other
 47.10 products that do not contain polybrominated diphenyl ethers; and

47.11 (2) make available for purchase and use by all state agencies only equipment,
 47.12 supplies, and other products that do not contain polybrominated diphenyl ethers.

47.13 Sec. 59. Laws 2003, chapter 128, article 1, section 169, is amended to read:

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

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

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

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

47.29 Sec. 60. **VOLUNTARY TERMINATION OF TIMBER SALE PERMITS.**

47.30 (a) Notwithstanding Minnesota Statutes, sections 90.161, 90.173, and 90.211, or
 47.31 other law to the contrary, the commissioner of natural resources shall, in the case of
 47.32 nontrust land, terminate the permit for an eligible sale of timber without penalty according
 47.33 to this section and upon request of the permit holder. In the case of a permit relating
 47.34 to trust land, the commissioner shall terminate the permit for an eligible sale of timber

48.1 according to this section only if termination of the permit would secure the maximum
 48.2 long-term economic return from the land consistent with the fiduciary responsibilities
 48.3 imposed by law in regard to the trust lands.

48.4 (b) An "eligible sale" means a sale for timber:

48.5 (1) the permit for which was issued on or after July 1, 2004, but before January
 48.6 1, 2007;

48.7 (2) that contains aspen as the predominant timber species; and

48.8 (3) for which the aspen was sold for \$50 per cord or more.

48.9 (c) The maximum amount available for voluntary turn back under this section is
 48.10 10,000 cords of all species for each permittee.

48.11 (d) Upon termination of a permit under this section, the commissioner shall retain the
 48.12 15 percent down payment made by the permittee under Minnesota Statutes, section 90.14,
 48.13 and shall credit the amount to the permittee. In the case of a bonded sale, the permittee is
 48.14 released from the bond obligation, except that the permittee must pay 15 percent of the
 48.15 turn back amount, in cash, to the commissioner. The commissioner shall credit the amount
 48.16 paid to the permittee. Amounts credited to permittees under this paragraph may be used
 48.17 toward future timber purchases. A credit under this paragraph expires two years after the
 48.18 effective date of the permit termination.

48.19 (e) All permit terminations under this section must be completed by December 31,
 48.20 2007. The commissioner of natural resources must proceed expeditiously to reoffer for
 48.21 sale any timber subject of a turn back under this section.

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

48.23 **Sec. 61. REPEALER.**

48.24 Minnesota Statutes 2006, section 93.2236, is repealed effective July 1, 2008.

48.25 **ARTICLE 2**

48.26 **ENERGY APPROPRIATIONS**

48.27 **Section 1. SUMMARY OF APPROPRIATIONS.**

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

	<u>2008</u>		<u>2009</u>		<u>Total</u>
48.30					
48.31	<u>General</u>	\$	<u>9,280,000</u>	\$	<u>9,490,000</u>
48.32	<u>Telecommunications Access</u>				
48.33	<u>Minnesota Fund</u>		<u>60,000</u>	<u>-0-</u>	<u>60,000</u>
48.34	<u>Total</u>		<u>9,340,000</u>		<u>9,490,000</u>

49.1 **Sec. 2. ENERGY APPROPRIATIONS.**

49.2 The sums shown in the columns marked "Appropriations" are appropriated for the
 49.3 2008-2009 biennium only to the agencies and for the purposes specified in this article.
 49.4 The appropriations are from the general fund and are available only for the fiscal years
 49.5 indicated for each purpose. The figures "2008" and "2009" used in this article mean that
 49.6 the appropriations listed under them are available for the fiscal year ending June 30, 2008,
 49.7 or June 30, 2009, respectively. "The first year" is fiscal year 2008. "The second year" is
 49.8 fiscal year 2009. "The biennium" is fiscal years 2008 and 2009. Appropriations for the
 49.9 fiscal year ending June 30, 2007, are effective the day following final enactment.

49.10		<u>APPROPRIATIONS</u>	
49.11		<u>Available for the Year</u>	
49.12		<u>Ending June 30</u>	
49.13		<u>2008</u>	<u>2009</u>
49.14	Sec. 3. <u>DEPARTMENT OF COMMERCE.</u>	<u>\$ 3,985,000</u>	<u>\$ 4,041,000</u>

49.15	<u>Appropriations by Fund</u>		
49.16	<u>General</u>	<u>3,925,000</u>	<u>4,041,000</u>
49.17	<u>Access Minnesota</u>		
49.18	<u>Fund</u>	<u>60,000</u>	<u>-0-</u>

49.19 \$60,000 in the first year is appropriated from
 49.20 the telecommunications access Minnesota
 49.21 fund and transferred to the commissioner
 49.22 of human services to supplement the
 49.23 ongoing operational expenses of the
 49.24 Minnesota Commission Serving Deaf and
 49.25 Hard-of-Hearing People. This appropriation
 49.26 becomes part of base level funding for the
 49.27 commission for the biennium beginning July
 49.28 1, 2007.

49.29 As part of the requirements under Minnesota
 49.30 Statutes, section 216C.051, the Legislative
 49.31 Electrical Energy Task Force shall study
 49.32 environmental-friendly manufacturing and
 49.33 assembly processes to identify ones that
 49.34 could employ workers formerly employed at
 49.35 the St. Paul Ford manufacturing plant.

50.1 **Sec. 4. TRANSFER; RENEWABLE**
 50.2 **DEVELOPMENT GRANTS** **\$ 3,975,000 \$ 1,500,000**

50.3 The utility subject to Minnesota Statutes,
 50.4 section 116C.779, shall transfer \$3,975,000
 50.5 in fiscal year 2008 and \$1,500,000 in fiscal
 50.6 year 2009 to the Department of Commerce
 50.7 on a schedule to be determined by the
 50.8 commissioner of commerce. The funds shall
 50.9 be disbursed as grants to promote renewable
 50.10 energy projects and community energy
 50.11 outreach and assistance. Of the amounts
 50.12 identified:

50.13 (1) \$500,000 each year for capital grants for
 50.14 on-farm biogas recovery facilities; eligible
 50.15 projects will be selected in coordination
 50.16 with the Department of Agriculture and the
 50.17 Pollution Control Agency;

50.18 (2) \$500,000 each year to provide financial
 50.19 rebates to new solar electricity projects;

50.20 (3) \$500,000 each year for continued funding
 50.21 of community energy technical assistance
 50.22 and outreach on renewable energy and
 50.23 energy efficiency;

50.24 (4) \$475,000 in the first year for a grant to
 50.25 the Department of Natural Resources for
 50.26 terrestrial carbon sequestration activities;

50.27 (5) \$1,000,000 in the first year is for the
 50.28 purpose of preparing the hydrogen road map
 50.29 and making grants under Minnesota Statutes,
 50.30 section 216B.813; and

50.31 (6) \$1,000,000 in the first year is for deposit
 50.32 with the rural wind energy development
 50.33 revolving loan fund under Minnesota
 50.34 Statutes, section 116J.9861.

51.1 **Sec. 5. TRANSFER; RENEWABLE ENERGY**
 51.2 **RESEARCH** \$ **4,000,000** \$ **4,000,000**

51.3 The utility subject to Minnesota Statutes,
 51.4 section 116C.779, shall transfer \$4,000,000
 51.5 in fiscal year 2008 and \$4,000,000 in fiscal
 51.6 year 2009 to the Department of Commerce
 51.7 on a schedule to be determined by the
 51.8 commissioner of commerce. The funds shall
 51.9 be disbursed as grants to the initiative for
 51.10 renewable energy and the environment at the
 51.11 University of Minnesota to fund renewable
 51.12 energy research in Minnesota.

51.13 **Sec. 6. PUBLIC UTILITIES COMMISSION** \$ **5,355,000** \$ **5,449,000**

51.14 Sec. 7. Minnesota Statutes 2006, section 116C.779, subdivision 1, is amended to read:

51.15 Subdivision 1. **Renewable development account.** (a) The public utility that
 51.16 owns the ~~Prairie Island and Monticello~~ nuclear generating ~~plant~~ plants must transfer to
 51.17 a renewable development account \$16,000,000 annually each year ~~the~~ for each plant
 51.18 that is in operation, and \$7,500,000 each year ~~the~~ for each plant that is not in operation if
 51.19 ordered by the commission pursuant to paragraph (c). The fund transfer must be made
 51.20 if nuclear waste is stored in a dry cask at the independent spent-fuel storage facility at
 51.21 ~~Prairie Island~~ the nuclear generating plant for any part of a year. Funds in the account may
 51.22 be expended only for development of renewable energy sources. Preference must be given
 51.23 to development of renewable energy source projects located within the state.

51.24 (b) Expenditures from the account may only be made after approval by order of the
 51.25 Public Utilities Commission upon a petition by the public utility.

51.26 (c) After discontinuation of operation of the ~~Prairie Island~~ nuclear plant or the
 51.27 Monticello nuclear plant and each year spent nuclear fuel is stored in dry cask at the
 51.28 ~~Prairie Island~~ facility, the commission shall require the public utility to pay \$7,500,000
 51.29 for each facility for any year in which the commission finds, by the preponderance of the
 51.30 evidence, that the public utility did not make a good faith effort to remove the spent
 51.31 nuclear fuel stored at ~~Prairie Island~~ the facility to a permanent or interim storage site out
 51.32 of the state. This determination shall be made at least every two years.

51.33 Sec. 8. [116J.9861] RURAL WIND ENERGY DEVELOPMENT REVOLVING
 51.34 LOAN FUND.

52.1 Subdivision 1. **Establishment.** A rural wind energy development revolving loan
 52.2 fund is established as an account in the special revenue fund in the state treasury. The
 52.3 commissioner of finance shall credit to the account the amounts authorized under this
 52.4 section and appropriations and transfers to the account. Earnings, such as interest,
 52.5 dividends, and any other earnings arising from fund assets must be credited to the account.

52.6 Subd. 2. **Purpose.** The rural wind energy development revolving loan fund
 52.7 is created to provide financial assistance, through partnership with local owners and
 52.8 communities, in development of community wind energy projects as defined in sections
 52.9 216B.1612 and 216B.2426.

52.10 Subd. 3. **Expenditures.** Money in the fund is appropriated to the commissioner of
 52.11 commerce, and may be used to provide qualifying owners of community energy projects,
 52.12 as defined in sections 216B.1612 and 216B.2426, with loans to assist in the funding of
 52.13 wind studies and transmission interconnection studies. The loans shall be structured for
 52.14 repayment within six months of operations of the project.

52.15 Subd. 4. **Limitations.** A loan may not be approved for an amount in excess of
 52.16 \$100,000. This limit covers all money paid to complete the same project, whether paid to
 52.17 one or more qualifying owners and whether paid in one or more fiscal years.

52.18 Subd. 5. **Eligible projects.** Assistance to community wind energy projects must
 52.19 be evaluated on the existence of the following conditions:

52.20 (1) the project can demonstrate substantial benefits to qualifying owners;

52.21 (2) the project can demonstrate likelihood of development of the community wind
 52.22 energy project and the leveraging of private funds if assistance is provided; and

52.23 (3) the project can demonstrate that assistance is necessary for the development of
 52.24 the community wind energy project.

52.25 Sec. 9. Minnesota Statutes 2006, section 216B.812, subdivision 1, is amended to read:

52.26 Subdivision 1. **Early purchase and deployment of hydrogen, fuel cells, and**
 52.27 **related technologies by the state.** (a) The Department of Commerce and the Pollution
 52.28 Control Agency in conjunction with the Department of Administration shall identify
 52.29 opportunities for ~~demonstrating the use of~~ deploying hydrogen, fuel cells, and related
 52.30 technologies within state-owned facilities, vehicle fleets, and operations.

52.31 (b) The Department of Commerce and the Pollution Control Agency shall
 52.32 recommend to the Department of Administration, ~~when feasible,~~ the purchase and
 52.33 ~~demonstration~~ deployment of hydrogen, fuel cells, and related technologies, when

52.34 feasible, in ways that strategically contribute to realizing Minnesota's hydrogen economy
 53.1 goal as set forth in section 216B.8109, and which contribute to the following nonexclusive
 53.2 list of objectives:

53.3 (1) provide needed performance data to the marketplace;

53.4 (2) identify code and regulatory issues to be resolved;

53.5 (3) foster economic development and job creation in the state;

53.6 (4) raise public awareness of hydrogen, fuel cells, and related technologies; or

53.7 (5) reduce emissions of carbon dioxide and other pollutants.

53.8 (c) The Department of Commerce and the Pollution Control Agency shall also

53.9 recommend to the Department of Administration changes to the state's procurement

53.10 guidelines and contracts in order to facilitate the purchase and deployment of hydrogen,

53.11 fuel cells, and related technologies by all levels of government.

53.12 Sec. 10. Minnesota Statutes 2006, section 216B.812, subdivision 2, is amended to read:

53.13 Subd. 2. **Pilot projects.** (a) In consultation with appropriate representatives from

53.14 state agencies, local governments, universities, businesses, and other interested parties,

53.15 the Department of Commerce shall report back to the legislature by November 1, 2005,

53.16 and every two years thereafter, with a slate of proposed pilot projects that contribute to

53.17 realizing Minnesota's hydrogen economy goal as set forth in section 216B.8109. The

53.18 Department of Commerce must consider the following nonexclusive list of priorities in

53.19 developing the proposed slate of pilot projects:

53.20 (1) ~~demonstrate~~ deploy "bridge" technologies such as hybrid-electric, off-road, and

53.21 fleet vehicles running on hydrogen or fuels blended with hydrogen;

53.22 (2) ~~develop~~ lead to cost-competitive, on-site hydrogen production technologies;

53.23 (3) demonstrate nonvehicle applications for hydrogen;

53.24 (4) improve the cost and efficiency of hydrogen from renewable energy sources; and

53.25 (5) improve the cost and efficiency of hydrogen production using direct solar energy

53.26 without electricity generation as an intermediate step.

53.27 (b) For all demonstrations, individual system components of the technology ~~must~~

53.28 should, if feasible, meet commercial performance standards and systems modeling must

53.29 be completed to predict commercial performance, risk, and synergies. In addition, the

53.30 proposed pilots should meet as many of the following criteria as possible:

53.31 (1) advance energy security;

53.32 (2) capitalize on the state's native resources;

53.33 (3) result in economically competitive infrastructure being put in place;

- 53.34 (4) be located where it will link well with existing and related projects and be
 53.35 accessible to the public, now or in the future;
- 54.1 (5) demonstrate multiple, integrated aspects of hydrogen infrastructure;
- 54.2 (6) include an explicit public education and awareness component;
- 54.3 (7) be scalable to respond to changing circumstances and market demands;
- 54.4 (8) draw on firms and expertise within the state where possible;
- 54.5 (9) include an assessment of its economic, environmental, and social impact; and
- 54.6 (10) serve other needs beyond hydrogen development.

54.7 Sec. 11. **[216B.813] MINNESOTA RENEWABLE HYDROGEN INITIATIVE.**

54.8 Subdivision 1. **Road map.** The Department of Commerce shall coordinate and
 54.9 administer directly or by contract the Minnesota renewable hydrogen initiative. If the
 54.10 department decides to contract for its duties under this section, it must contract with a
 54.11 nonpartisan, nonprofit organization within the state to develop the road map. The initiative
 54.12 may be run as a public-private partnership representing business, academic, governmental,
 54.13 and nongovernmental organizations. The initiative must oversee the development and
 54.14 implementation of a hydrogen road map, including appropriate technology deployments,
 54.15 that achieve the hydrogen goal of section 216B.8109. The road map must be compatible
 54.16 with the United States Department of Energy's National Hydrogen Energy Roadmap
 54.17 and be based on an assessment of the state's opportunities in hydrogen, fuel cells, and
 54.18 related technologies, so as to capitalize on strengths. The road map should establish
 54.19 a vision, goals, general timeline, and measurable milestones for achieving the state's
 54.20 hydrogen goal. The road map should describe how hydrogen and fuel cells fit in
 54.21 Minnesota's overall energy system, and should help foster a consistent and predictable
 54.22 investment environment. The department must report to the legislature on the progress in
 54.23 implementing the road map by November 1 of each odd-numbered year.

54.24 Subd. 2. **Grants.** (a) The commissioner of commerce shall operate a competitive
 54.25 grant program for projects to assist the state in attaining its hydrogen energy goals. The
 54.26 commissioner of commerce shall assemble an advisory committee made up of industry,
 54.27 university, government, and nongovernment organizations to:

- 54.28 (1) help identify the most promising technology deployment projects for public
 54.29 investment;
- 54.30 (2) advise on the technical specifications for those projects; and
- 54.31 (3) make recommendations on project grants.

54.32 (b) The commissioner shall give preference to project concepts included in the
 54.33 department's most recent biennial report: Strategic Demonstration Projects to Accelerate

54.34 the Commercialization of Renewable Hydrogen and Related Technologies in Minnesota.
 54.35 Projects eligible for funding must combine one or more of the hydrogen production
 55.1 options listed in the department's report with an end use that has significant commercial
 55.2 potential, preferably high visibility, and relies on fuel cells or related technologies. Each
 55.3 funded technology deployment must include an explicit education and awareness-raising
 55.4 component, be compatible with the hydrogen deployment criteria defined in section
 55.5 216B.812, and receive 50 percent of its total cost from nonstate sources. The 50 percent
 55.6 requirement does not apply for recipients that are public institutions.

55.7 Sec. 12. Minnesota Statutes 2006, section 216C.051, subdivision 9, is amended to read:

55.8 Subd. 9. **Expiration.** This section is repealed June 30, ~~2007~~ 2012.

55.9 Sec. 13. **DEFINITIONS.**

55.10 For purposes of sections 13 to 15, the following definitions apply:

55.11 (1) "terrestrial carbon sequestration" means the long-term storage of carbon in soil
 55.12 and vegetation to prevent its collection in the atmosphere as carbon dioxide; and

55.13 (2) "geologic carbon sequestration" means injecting carbon dioxide into underground
 55.14 geologic formations where it can be stored for long periods of time to prevent its escape
 55.15 to the atmosphere.

55.16 Sec. 14. **TERRESTRIAL CARBON SEQUESTRATION ACTIVITIES.**

55.17 Subdivision 1. **Study; scope.** The Board of Regents of the University of Minnesota
 55.18 is requested to conduct a study assessing the potential capacity for carbon sequestration in
 55.19 Minnesota's terrestrial systems. The study must:

55.20 (1) conduct a statewide inventory and construct a database of lands across several
 55.21 land types, such as forests, agricultural lands, peatlands, and wetlands, that have the
 55.22 potential to sequester significant quantities of carbon and of lands that currently contain
 55.23 large stocks of carbon that are at risk of being emitted to the atmosphere as a result of
 55.24 changes in land use and climate;

55.25 (2) quantify the ability of various land use practices, such as the growth of different
 55.26 species of crops, grasses, and trees, to sequester carbon and their impacts on other
 55.27 ecological services of value, including air and water quality, biodiversity, and wildlife
 55.28 habitat;

55.29 (3) identify a network of benchmark monitoring sites to measure the impact of
 55.30 long-term, large-scale factors, such as changes in climate, carbon dioxide levels, and land

55.31 use, on the terrestrial carbon sequestration capacity of various land types, to improve
 55.32 understanding of carbon-terrestrial interactions and dynamics;

56.1 (4) identify long-term demonstration projects to measure the impact of deliberate
 56.2 sequestration practices, including the establishment of biofuel production systems, on
 56.3 forest, agricultural, wetland, and prairie ecosystems; and

56.4 (5) evaluate current state policies and programs that affect the levels of terrestrial
 56.5 sequestration on public and private lands and identify gaps and recommend policy changes
 56.6 to increase sequestration rates.

56.7 Subd. 2. **Coordination of terrestrial carbon sequestration activities.** Planning
 56.8 and implementation of the study described in subdivision 1 will be coordinated by
 56.9 the Minnesota Terrestrial Carbon Sequestration Initiative, a task force consisting of
 56.10 representatives from the University of Minnesota, the Department of Agriculture, the
 56.11 Board of Water and Soil Resources, the Department of Commerce, the Department
 56.12 of Natural Resources, and the Pollution Control Agency and agricultural, forestry,
 56.13 conservation, and business stakeholders.

56.14 Subd. 3. **Contracting.** The University of Minnesota may contract with another
 56.15 party to perform any of the tasks listed in subdivision 1.

56.16 Subd. 4. **Report.** The commissioner of natural resources must submit a report
 56.17 with the results of the study to the senate and house committees with jurisdiction over
 56.18 environmental and energy policies no later than February 1, 2008.

56.19 **Sec. 15. GEOLOGIC CARBON SEQUESTRATION ASSESSMENT.**

56.20 Subdivision 1. **Study; scope.** (a) The Minnesota Geological Survey shall conduct
 56.21 a study assessing the potential capacity for geologic carbon sequestration in the
 56.22 Midcontinent Rift system in Minnesota. The study must assess the potential of porous
 56.23 and permeable sandstone layers deeper than one kilometer below the surface that are
 56.24 capped by less permeable shale and must identify potential risks to carbon storage, such
 56.25 as areas of low permeability in injection zones, low storage capacity, and potential seal
 56.26 failure. The study must identify the most promising formations and geographic areas for
 56.27 physical analysis of carbon sequestration potential. The study must review geologic
 56.28 maps, published reports and surveys, and any relevant unpublished raw data with respect
 56.29 to attributes that are pertinent for the long-term sequestration of carbon in geologic
 56.30 formations, in particular, those that bear on formation injectivity, capacity, and seal
 56.31 effectiveness. The study must examine the following characteristics of key sedimentary
 56.32 units within the Midcontinent Rift system in Minnesota:

56.33 (1) likely depth, temperature, and pressure;

56.34 (2) physical properties, including the ability to contain and transmit fluids;

56.35 (3) the type of rocks present;

57.1 (4) structure and geometry, including folds and faults; and

57.2 (5) hydrogeology, including water chemistry and water flow.

57.3 (b) The commissioner of natural resources, in consultation with the Minnesota

57.4 Geological Survey, shall contract for a study to estimate the properties of the Midcontinent

57.5 Rift system in Minnesota, as described in paragraph (a), clauses (1) to (5), through the

57.6 use of computer models developed for similar geologic formations located outside of

57.7 Minnesota which have been studied in greater detail.

57.8 Subd. 2. **Consultation.** The Minnesota Geological Survey shall consult with the

57.9 Minnesota Mineral Coordinating Committee, established in Minnesota Statutes, section

57.10 93.0015, in planning and implementing the study design.

57.11 Subd. 3. **Report.** The commissioner of natural resources must submit a report

57.12 with the results of the study to the senate and house committees with jurisdiction over

57.13 environmental and energy policies no later than February 1, 2008.

93.2236 MINERALS MANAGEMENT ACCOUNT.

(a) The minerals management account is created as an account in the natural resources fund. Interest earned on money in the account accrues to the account. Money in the account may be spent or distributed only as provided in paragraphs (b) and (c).

(b) If the balance in the minerals management account exceeds \$3,000,000 on June 30, the amount exceeding \$3,000,000 must be distributed to the permanent school fund and the permanent university fund. The amount distributed to each fund must be in the same proportion as the total mineral lease revenue received in the previous biennium from school trust lands and university lands.

(c) Subject to appropriation by the legislature, money in the minerals management account may be spent by the commissioner of natural resources for mineral resource management and projects to enhance future mineral income and promote new mineral resource opportunities.