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State of Minnesota  
**HOUSE OF REPRESENTATIVES**

**EIGHTY-FIFTH  
SESSION**

**HOUSE FILE No. 3168**

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The bill was read for the first time and referred to the Committee on Environment and Natural Resources

1.1 A bill for an act  
1.2 relating to natural resources; establishing a conservation easement management  
1.3 account; requiring a contribution to the account and a purpose statement for  
1.4 future conservation easements; proposing coding for new law in Minnesota  
1.5 Statutes, chapter 84C.

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

1.7 Section 1. **[84C.021] CONSERVATION EASEMENT PURPOSE STATEMENT.**

1.8 A conservation easement executed on or after July 1, 2008, must include a statement  
1.9 of the conservation purposes of the easement, including the conservation attributes  
1.10 associated with the real property and the benefit to the general public intended to be served  
1.11 by the restriction on uses of the real property subject to the conservation easement.

1.12 Sec. 2. **[84C.06] CONSERVATION EASEMENT MANAGEMENT ACCOUNT.**

1.13 Subdivision 1. **Account established.** A conservation easement management  
1.14 account is established in the special revenue fund. The commissioner of finance shall  
1.15 credit to the conservation easement management account the amounts from conservation  
1.16 easement holders required under subdivision 3.

1.17 Subd. 2. **Contribution determination.** (a) The responsible entity as defined  
1.18 in paragraph (c) shall determine the contribution amount a conservation easement  
1.19 holder shall contribute. The contribution must be an amount, with an average draw  
1.20 of five percent, adequate to cover the costs of managing, monitoring, and enforcing  
1.21 the conservation easement. The contribution must be calculated using an analysis of  
1.22 the annual management and monitoring expense, as well as an assumption of periodic  
1.23 enforcement action based on the purpose, complexity, and risk factors of the easement.

2.1 The contribution amount shall be at least \$10,000. The responsible entity shall annually  
2.2 adjust the minimum contribution amount for inflation.

2.3 (b) Upon the request of a conservation easement holder, the responsible entity  
2.4 must waive the requirement of the holder to contribute to the conservation easement  
2.5 management account if the holder demonstrates:

2.6 (1) a history of providing long-term conservation easement management,  
2.7 monitoring, and enforcement;

2.8 (2) the ability to fund long-term conservation easement management, monitoring,  
2.9 and enforcement for the easement, such as administering an account similar to the account  
2.10 established in this section; and

2.11 (3) that funds have or will be set aside on behalf of the easement for the purpose of  
2.12 conservation easement management, monitoring, and enforcement.

2.13 (c) For the purposes of this subdivision, "responsible entity" means the Board  
2.14 of Water and Soil Resources for conservation easements under its authority or the  
2.15 commissioner of natural resources for all other conservation easements.

2.16 Subd. 3. **Contribution required.** (a) A holder of a conservation easement  
2.17 that is executed on or after July 1, 2008, and purchased in whole or in part by funds  
2.18 appropriated by the legislature shall contribute the amount determined in subdivision 2  
2.19 or an amount determined by the legislature to the conservation easement management  
2.20 account established in subdivision 1 within 30 days of purchasing the easement.

2.21 (b) The Legislative-Citizen Commission on Minnesota Resources shall provide  
2.22 recommendations to the legislature on the contribution amount required for conservation  
2.23 easements purchased in whole or in part with funds from the environment and natural  
2.24 resources trust fund.

2.25 Subd. 4. **Expenditures.** Money appropriated from the conservation easement  
2.26 management account must only be spent on the management, monitoring, and enforcement  
2.27 of conservation easements to ensure that the purposes for conservation easements, as  
2.28 outlined in statements prepared according to section 84C.021, are met. Money from  
2.29 the conservation easement management account must not be expended to acquire  
2.30 conservation easements. The commissioner of natural resources, the Board of Water and  
2.31 Soil Resources, and the Legislative-Citizen Commission on Minnesota Resources shall  
2.32 provide annual funding recommendations to the legislature for the use of the funds.

2.33 **Sec. 3. EFFECTIVE DATE.**

2.34 Sections 1 and 2 are effective July 1, 2008.