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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **3437**

February 25, 2008

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

March 3, 2008

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Governmental Operations, Reform, Technology and Elections

March 5, 2008

By motion, recalled and re-referred to the Committee on Local Government and Metropolitan Affairs

1.1 A bill for an act
1.2 relating to natural resources; providing a process for designating star lakes
1.3 or rivers; creating a Star Lake Board as a nonprofit corporation; allowing for
1.4 the placement of star lake or river signs on highways; appropriating money;
1.5 proposing coding for new law in Minnesota Statutes, chapters 103B; 173.

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

1.7 Section 1. [103B.701] STAR LAKES.

1.8 Subdivision 1. Definition. For the purposes of this section, the term "lake
1.9 association" means an organized association for the purpose of addressing issues on a
1.10 specific lake or river, a lake improvement district, or a lake conservation district.

1.11 Subd. 2. Application. (a) A lake association may apply to the Star Lake Board for
1.12 designation as a star lake or river. The applicant must include a copy of a comprehensive
1.13 management plan for the lake or river.

1.14 (b) After review of the application, the Star Lake Board shall determine whether
1.15 designation as a star lake or river will be granted. The designation as a star lake or river
1.16 becomes effective the day following designation by the board. The board shall publish the
1.17 decision on a star lake or river designation in the State Register, including the effective
1.18 date of the designation.

1.19 (c) The star lake or river designation is effective until the earlier of:

1.20 (1) five years after the date of designation; or

1.21 (2) when the board finds that the lake association is not fulfilling the requirements of
1.22 this section or of the comprehensive lake or river management plan submitted.

1.23 (d) Within six months before the expiration date of the designation as a star lake
1.24 or river, a lake association may apply to continue the star lake or river designation under
1.25 this section.

2.1 Subd. 3. **Eligibility.** A lake association applying for designation as a star lake
2.2 or river must:

2.3 (1) develop and update a comprehensive lake or river management plan as provided
2.4 in subdivision 4;

2.5 (2) maintain a membership or participation of at least 50 percent of the private
2.6 shoreland owners;

2.7 (3) participate in the Pollution Control Agency's citizen water quality monitoring
2.8 program under section 115.06, subdivision 4; and

2.9 (4) meet at least annually with staff from the Department of Natural Resources and
2.10 other appropriate state agencies in the development and monitoring of the comprehensive
2.11 lake or river management plan.

2.12 Subd. 4. **Comprehensive lake or river management plan.** (a) A comprehensive
2.13 lake or river management plan must contain a self-assessment of the current condition of
2.14 the lake or river and plans for addressing the following issues:

2.15 (1) increases in native vegetation in the littoral area of the lake or river;

2.16 (2) increases in native vegetation on the shoreline areas of the lake or river;

2.17 (3) prevention, reduction, or elimination of aquatic invasive species in the lake
2.18 or river;

2.19 (4) increasing or maintaining a healthy diverse fishery that is appropriate for the
2.20 lake or river;

2.21 (5) water pollution sources and methods to reduce pollution, including pollution
2.22 sources within the watershed of the lake or river;

2.23 (6) identified water impairment issues, when feasible;

2.24 (7) compliance with adopted shoreland zoning standards;

2.25 (8) how the lake association will interact with local government units on large
2.26 development proposals, zoning, and long-range planning issues that affect development
2.27 on the lake or river; and

2.28 (9) education opportunities for shoreland owners and other entities that conduct
2.29 activities affecting the quality of the lake or river.

2.30 (b) The comprehensive lake or river management plan shall be updated within five
2.31 years of adoption by the lake association.

2.32 Subd. 5. **State resources.** State agencies may consider star lake or river designation
2.33 in determining the allocation of financial and staff resources.

2.34 Sec. 2. **[103B.702] STAR LAKE BOARD.**

3.1 Subdivision 1. **Establishment.** (a) The Star Lake Board is established as a nonprofit
3.2 corporation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended.
3.3 The Star Lake Board shall promote and designate star lakes and rivers in Minnesota
3.4 under section 103B.701.

3.5 (b) The board must work with private and public entities to leverage the resources
3.6 available to achieve maximum results for Minnesota star lakes or rivers. The board may
3.7 assist lake associations with finding appropriate technical and financial assistance that is
3.8 available and make recommendations to state agencies regarding the manner in which
3.9 technical or financial assistance can be most effectively delivered. To the extent that
3.10 money is available, the board may provide direct financial assistance to meet specific
3.11 needs of lake associations, when financial assistance is not otherwise available, for:

3.12 (1) completing a comprehensive lake or river management plan when the lake
3.13 association does not have an existing management plan and the association is committed
3.14 to the goals of a plan, as specified in section 103B.701, subdivision 4; and

3.15 (2) addressing specific issues of the lake or river to achieve or maintain the goals
3.16 of the lake or river management plan for lake associations that have achieved a star lake
3.17 or river designation.

3.18 (c) The board shall consist of:

3.19 (1) one member designated by Minnesota Waters;

3.20 (2) one member designated by the North Central Lakes Collaborative;

3.21 (3) five members, randomly chosen by the other board members, who are from lake
3.22 associations representing designated star lakes or rivers, or until July 1, 2011, are in the
3.23 process of achieving star lake or river designation;

3.24 (4) one member from the Department of Natural Resources designated by the
3.25 commissioner of natural resources;

3.26 (5) one member from the Pollution Control Agency designated by the commissioner
3.27 of the Pollution Control Agency;

3.28 (6) one member from the Board of Water and Soil Resources designated by the
3.29 executive director of the Board of Water and Soil Resources;

3.30 (7) one member appointed by the chair of the senate Environment and Natural
3.31 Resources Policy Committee;

3.32 (8) one member appointed by the chair of the house of representatives Environment
3.33 and Natural Resources Policy Committee; and

3.34 (9) one member appointed by the governor.

3.35 (d) By December 1 of each even-numbered year, the board shall submit a report to
3.36 the legislature on the activities for which money has been or will be spent for the current

4.1 biennium, the applications for designation, and the star lakes or rivers designated by
4.2 the board.

4.3 Subd. 2. **Conflict of interest.** A board member may not participate in or vote on a
4.4 decision of the board relating to an organization in which the member has either a direct
4.5 or indirect personal financial interest. While serving on the Star Lake Board, a member
4.6 shall avoid any potential conflict of interest.

4.7 Subd. 3. **Staff.** The board shall hire staff to carry out the activities of the board.
4.8 Persons employed by the Star Lake Board are not state employees. Persons employed by
4.9 the board may participate in state retirement, deferred compensation, insurance, or other
4.10 plans that apply to state employees generally and are subject to regulation by the state
4.11 Campaign Finance and Public Disclosure Board.

4.12 Subd. 4. **Bylaws.** The board shall adopt bylaws necessary for the conduct of the
4.13 business of the board consistent with this section. The corporation must publish bylaws
4.14 and amendments to the bylaws in the State Register.

4.15 Subd. 5. **Place of business.** The board shall locate and maintain the board's place of
4.16 business within the state.

4.17 Subd. 6. **Chair.** The board shall annually elect from among its members a chair and
4.18 other officers necessary for the performance of its duties.

4.19 Subd. 7. **Meetings.** The board shall meet at least twice each year and may hold
4.20 additional meetings upon giving notice in accordance with the bylaws of the board. Board
4.21 meetings are subject to chapter 13D.

4.22 Subd. 8. **Funds.** The board may accept and use gifts, grants, or contributions from
4.23 any source. Unless otherwise restricted by the terms of a gift or bequest, the board may
4.24 sell, exchange, or otherwise dispose of and invest or reinvest the money, securities, or other
4.25 property given or bequested to it. The principal of these funds, the income from them, and
4.26 all other revenues received by the board from any nonstate source must be placed in the
4.27 depositories the board determines and is subject to expenditure for the board's purposes.

4.28 Subd. 9. **Accounts; audits.** The board may establish funds and accounts that it finds
4.29 convenient. The board shall provide for and pay the cost of an independent annual audit of
4.30 its official books and records by the legislative auditor subject to sections 3.971 and 3.972.
4.31 A copy of this audit shall be filed with the secretary of state.

4.32 **Sec. 3. [173.0855] STAR LAKE OR RIVER SIGNS.**

4.33 Subdivision 1. **Authority to erect.** (a) A county, statutory or home rule charter
4.34 city, or town of Minnesota that contains a star lake or river designated under section
4.35 103B.701 may request the Department of Transportation to erect star lake or river signs

5.1 under section 161.139. One sign may be erected at each approach to a lake or river within
5.2 the right-of-way of an interstate or other highway that passes over the lake or river in the
5.3 Department of Transportation's eight-county metropolitan district or near or over the
5.4 lake or river in greater Minnesota.

5.5 (b) An official lake or river sign on the right-of-way of an interstate or other highway
5.6 may be replaced with a star lake or river sign by the Department of Transportation under
5.7 section 161.139.

5.8 Subd. 2. **Sign standards.** The Department of Transportation shall design and
5.9 manufacture the star lake and river signs to specifications not contrary to other federal
5.10 and state highway sign standards.

5.11 Sec. 4. **APPROPRIATION.**

5.12 \$..... is appropriated in fiscal year 2009 from the general fund to the Star Lake
5.13 Board established in Minnesota Statutes, section 103B.701.