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HOUSE FILE No. 2131

FIRST COMMITTEE ENGROSSMENT

March 25, 2009

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

Referred by Chair to State Government Finance Division.

April 7, 2009

Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to state government; appropriating money for environment and natural
1.3 resources.

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

1.5 Section 1. **OUTDOOR HERITAGE APPROPRIATION.**

1.6 The sums shown in the columns marked "Appropriations" are appropriated to the
1.7 agencies and for the purposes specified in this act. The appropriations are from the
1.8 outdoor heritage fund and are available for the fiscal years indicated for each purpose. The
1.9 figures "2010" and "2011" used in this act mean that the appropriations listed under them
1.10 are available for the fiscal year ending June 30, 2010, or June 30, 2011, respectively. "The
1.11 first year" is fiscal year 2010. "The second year" is fiscal year 2011. "The biennium" is
1.12 fiscal years 2010 and 2011.

1.13		<u>APPROPRIATIONS</u>	
1.14		<u>Available for the Year</u>	
1.15		<u>Ending June 30</u>	
1.16		<u>2010</u>	<u>2011</u>

1.17 Sec. 2. **OUTDOOR HERITAGE**

1.18	<u>Subdivision 1. Total Appropriation</u>	<u>\$</u>	<u>69,522,000</u>	<u>\$</u>	<u>-0-</u>
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1.19 This appropriation is from the outdoor
1.20 heritage fund.

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

2.1 Subd. 2. **Prairies** 14,213,000 -0-

2.2 (a) **Accelerated Prairie and Grassland**
2.3 **Management**

2.4 \$1,700,000 in fiscal year 2010 is to the
2.5 commissioner of natural resources to
2.6 accelerate the restoration and enhancement
2.7 of native prairie vegetation on public
2.8 lands, including roadsides. A list of
2.9 proposed projects, describing the types and
2.10 locations of restorations and enhancements,
2.11 must be provided as part of the required
2.12 accomplishment plan. To the extent possible,
2.13 prairie restorations conducted with money
2.14 appropriated in this section must plant
2.15 vegetation or sow seed only of ecotypes
2.16 native to Minnesota, and preferably of the
2.17 local ecotype, using a high diversity of
2.18 species originating from as close to the
2.19 restoration site as possible, and protect
2.20 existing native prairies from genetic
2.21 contamination.

2.22 (b) **Green Corridor Legacy Program**

2.23 \$1,617,000 in fiscal year 2010 is to the
2.24 commissioner of natural resources for an
2.25 agreement with the Southwest Initiative
2.26 Foundation to acquire land in Redwood
2.27 County to be added to the state outdoor
2.28 recreation system. A list of proposed fee
2.29 title acquisitions must be provided as part
2.30 of the required accomplishment plan. The
2.31 commissioner of natural resources must
2.32 agree to each proposed acquisition. No more
2.33 than five percent of this appropriation may
2.34 be spent on professional services directly
2.35 related to this appropriation's purposes.

3.1 **(c) Prairie Heritage Fund – Acquisition and**
3.2 **Restoration**

3.3 \$3,000,000 in fiscal year 2010 is to the
3.4 commissioner of natural resources for
3.5 an agreement with Pheasants Forever to
3.6 acquire and restore land to be added to the
3.7 state wildlife management area system.

3.8 A list of proposed fee title acquisitions
3.9 and a list of proposed restoration projects,
3.10 describing the types and locations of
3.11 restorations, must be provided as part of
3.12 the required accomplishment plan. The
3.13 commissioner of natural resources must
3.14 agree to each proposed acquisition. To
3.15 the extent possible, prairie restorations
3.16 conducted with money appropriated in this
3.17 section must plant vegetation or sow seed
3.18 only of ecotypes native to Minnesota, and
3.19 preferably of the local ecotype, using a high
3.20 diversity of species originating from as
3.21 close to the restoration site as possible, and
3.22 protect existing native prairies from genetic
3.23 contamination.

3.24 **(d) Accelerated Prairie Grassland Wildlife**
3.25 **Management Area Acquisition**

3.26 \$3,913,000 in fiscal year 2010 is to the
3.27 commissioner of natural resources to
3.28 acquire land for wildlife management areas
3.29 with native prairie or grassland habitats.

3.30 A list of proposed fee title acquisitions
3.31 must be provided as part of the required
3.32 accomplishment plan.

3.33 **(e) Northern Tall Grass Prairie National**
3.34 **Wildlife Refuge Protection**

3.35 \$1,583,000 in fiscal year 2010 is to the
3.36 commissioner of natural resources for an

4.1 agreement with the United States Fish
 4.2 and Wildlife Service to acquire land or
 4.3 permanent easements within the Northern
 4.4 Tall Grass Prairie Habitat Preservation Area
 4.5 in western Minnesota. The commissioner
 4.6 may advance funds to the United States Fish
 4.7 and Wildlife Service. A list of proposed fee
 4.8 title and permanent easement acquisitions
 4.9 must be provided as part of the required
 4.10 accomplishment plan.

4.11 **(f) Bluffland Prairie Protection Initiative**

4.12 \$500,000 in fiscal year 2010 is to the
 4.13 commissioner of natural resources for an
 4.14 agreement with the Minnesota Land Trust
 4.15 to acquire permanent easements protecting
 4.16 critical prairie and grassland habitats in the
 4.17 blufflands in southeastern Minnesota. A list
 4.18 of proposed fee title and permanent easement
 4.19 acquisitions must be provided as part of the
 4.20 required accomplishment plan.

4.21 **(g) Rum River – Cedar Creek Initiative**

4.22 \$1,900,000 in fiscal year 2010 is to the
 4.23 commissioner of natural resources for an
 4.24 agreement with Anoka County to acquire
 4.25 land at the confluence of the Rum River and
 4.26 Cedar Creek in Anoka County. Acquired
 4.27 land must remain open to hunting and
 4.28 fishing, consistent with the capacity of the
 4.29 land, during the open season, as determined
 4.30 by the commissioner of natural resources.

4.31 This is the first of two planned appropriations
 4.32 for this acquisition.

4.33 **Subd. 3. Forests**

20,000,000

-0-

5.1 \$20,000,000 in fiscal year 2010 is to the
 5.2 commissioner of natural resources to acquire
 5.3 land or permanent working forest easements
 5.4 on private forests in areas identified through
 5.5 the state forest for the future program.

5.6 Priority must be given to acquiring land
 5.7 or interests in private lands within existing
 5.8 Minnesota state forest boundaries. Any
 5.9 easements acquired must have a forest
 5.10 management plan as described in Minnesota
 5.11 Statutes, section 290C.02, subdivision 7.

5.12 A list of proposed fee title and easement
 5.13 acquisitions must be provided as part of
 5.14 the required accomplishment plan. The
 5.15 appropriation is available for closings taking
 5.16 place after April 30, 2010. This is the first of
 5.17 two planned appropriations for this program.

5.18 **Subd. 4. Wetlands**

20,836,000

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5.19 **(a) Accelerated Wildlife Management Area**
 5.20 **Acquisition**

5.21 \$2,900,000 in fiscal year 2010 is to the
 5.22 commissioner of natural resources to
 5.23 acquire land for wildlife management areas.

5.24 A list of proposed fee title acquisitions
 5.25 must be provided as part of the required
 5.26 accomplishment plan.

5.27 **(b) Accelerated Shallow Lake Restorations and**
 5.28 **Enhancements**

5.29 \$2,528,000 in fiscal year 2010 is to the
 5.30 commissioner of natural resources for an
 5.31 agreement with Ducks Unlimited, Inc. to
 5.32 restore and enhance shallow lake habitats.

5.33 Up to \$400,000 of this appropriation may
 5.34 be used for permanent easements related to
 5.35 shallow lake restorations and enhancements.

5.36 A list of proposed easements and projects,

6.1 describing the types and locations of
6.2 easements, restorations, and enhancements,
6.3 must be provided as part of the required
6.4 accomplishment plan. The commissioner
6.5 of natural resources must agree to each
6.6 easement, restoration, and enhancement.

6.7 **(c) Accelerate the Waterfowl Production Area**
6.8 **Program in Minnesota**

6.9 \$5,600,000 in fiscal year 2010 is to the
6.10 commissioner of natural resources for
6.11 an agreement with Pheasants Forever to
6.12 acquire and restore wetland and related
6.13 upland habitats, in cooperation with the
6.14 United States Fish and Wildlife Service
6.15 and Ducks Unlimited, Inc., to be managed
6.16 as waterfowl production areas. A list of
6.17 proposed acquisitions and a list of proposed
6.18 projects, describing the types and locations
6.19 of restorations, must be provided as part of
6.20 the required accomplishment plan.

6.21 **(d) Reinvest in Minnesota Wetlands Reserve**
6.22 **Program Acquisition and Restoration**

6.23 \$9,058,000 in fiscal year 2010 is to the Board
6.24 of Water and Soil Resources to acquire
6.25 permanent easements and restore wetlands
6.26 and associated uplands in cooperation with
6.27 the United States Department of Agriculture
6.28 Wetlands Reserve Program. A list of
6.29 proposed acquisitions and a list of proposed
6.30 projects, describing the types and locations
6.31 of restorations, must be provided as part of
6.32 the required accomplishment plan.

6.33 **(e) Shallow Lake Critical Shoreland**

6.34 \$450,000 in fiscal year 2010 is to the
6.35 commissioner of natural resources for an

7.1 agreement with Ducks Unlimited, Inc. to
 7.2 protect habitat by acquiring land associated
 7.3 with shallow lakes. A list of proposed
 7.4 acquisitions must be provided as part of
 7.5 the required accomplishment plan. The
 7.6 commissioner of natural resources must
 7.7 agree to each proposed acquisition.

7.8 **Subd. 5. Fish, Game, and Wildlife Habitat** 13,903,000 -0-

7.9 **(a) Outdoor Heritage Conservation Partners**
 7.10 **Grant Program**

7.11 \$4,000,000 in fiscal year 2010 is to the
 7.12 commissioner of natural resources to
 7.13 provide competitive, matching grants of up to
 7.14 \$400,000 to local, regional, state, and national
 7.15 organizations, including government, for
 7.16 enhancement, restoration, or protection of
 7.17 forests, wetlands, prairies, and habitat for
 7.18 fish, game, or wildlife in Minnesota. Up
 7.19 to 2-1/2 percent of this appropriation may
 7.20 be used for administering the grant. The
 7.21 funds may be advanced in three equal sums,
 7.22 on or after November 1, 2009, February
 7.23 1, 2010, and April 1, 2010. Grantees may
 7.24 protect land through acquisition of land
 7.25 or interests in land. Easements must be
 7.26 permanent. Land acquired in fee must
 7.27 be open to hunting and fishing during the
 7.28 open season unless otherwise provided by
 7.29 state law. The commissioner of natural
 7.30 resources must agree to each proposed
 7.31 acquisition of land or interest in land.
 7.32 The program shall require a match of at
 7.33 least \$1 nonstate funds to \$10 state funds.
 7.34 Nonstate dollars match may be in-kind. The
 7.35 criteria for evaluating grant applications
 7.36 must include amount of habitat restored,

8.1 enhanced, or protected; local support; degree
8.2 of collaboration; urgency; multiple benefits;
8.3 habitat benefits provided; consistency with
8.4 sound conservation science; adjacency to
8.5 protected lands; full funding of the project;
8.6 supplementing existing funding; public
8.7 access for hunting and fishing during the
8.8 open season; sustainability; and use of native
8.9 plant materials. All projects must conform
8.10 to the Minnesota statewide conservation and
8.11 preservation plan. Wildlife habitat projects
8.12 must also conform to the state wildlife action
8.13 plan. All restoration or enhancement projects
8.14 must be on land permanently protected by
8.15 conservation easement or public ownership.
8.16 To the extent possible, prairie restorations
8.17 conducted with money appropriated in this
8.18 section must plant vegetation or sow seed
8.19 only of ecotypes native to Minnesota, and
8.20 preferably of the local ecotype, using a high
8.21 diversity of species originating from as
8.22 close to the restoration site as possible, and
8.23 protect existing native prairies from genetic
8.24 contamination. Subdivision 10 applies to
8.25 grants awarded under this paragraph. This
8.26 appropriation is available until June 30,
8.27 2013, at which time all grant projects must
8.28 be completed and final products delivered,
8.29 unless an earlier date is specified in the grant
8.30 agreement. No less than 15 percent of the
8.31 amount of each grant must be held back from
8.32 reimbursement until the grant recipient has
8.33 completed a grant accomplishment report in
8.34 the form prescribed by and satisfactory to the
8.35 Lessard Outdoor Heritage Council.

8.36 **(b) Aquatic Management Area Acquisition**

9.1 \$5,748,000 in fiscal year 2010 is to the
9.2 commissioner of natural resources to acquire
9.3 land in fee title and easement to be added to
9.4 the state aquatic management area system.

9.5 Acquired land must remain open to hunting
9.6 and fishing, consistent with the capacity
9.7 of the land, during the open season, as
9.8 determined by the commissioner of natural
9.9 resources. A list of proposed fee title and
9.10 easement acquisitions must be provided as
9.11 part of the required accomplishment plan.

9.12 **(c) Cold Water River and Stream Restoration,**
9.13 **Protection, and Enhancement**

9.14 \$2,050,000 in fiscal year 2010 is to the
9.15 commissioner of natural resources for
9.16 an agreement with Trout Unlimited to
9.17 restore, enhance, and protect cold water
9.18 river and stream habitats in Minnesota. A
9.19 list of proposed acquisitions and a list of
9.20 proposed projects, describing the types and
9.21 locations of restorations and enhancements,
9.22 must be provided as part of the required
9.23 accomplishment plan. The commissioner
9.24 of natural resources must agree to each
9.25 proposed acquisition, restoration, and
9.26 enhancement.

9.27 **(d) Dakota County Habitat Protection**

9.28 \$1,000,000 in fiscal year 2010 is to the
9.29 commissioner of natural resources for
9.30 an agreement with Dakota County for
9.31 acquisition of permanent easements. A list
9.32 of proposed acquisitions must be provided as
9.33 part of the required accomplishment plan.

9.34 **(e) Lake Rebecca Water Quality Improvement**
9.35 **Project**

10.1 \$450,000 in fiscal year 2010 is to the
 10.2 commissioner of natural resources for an
 10.3 agreement with the Three Rivers Park
 10.4 District to improve the water quality in Lake
 10.5 Rebecca in Lake Rebecca Park Reserve
 10.6 in Hennepin County. A description of the
 10.7 activities to enhance fish habitat in Lake
 10.8 Rebecca must be provided as part of the
 10.9 required accomplishment plan.

10.10 **(f) Fountain Lake Fish Barriers**

10.11 \$655,000 in fiscal year 2010 is to the
 10.12 commissioner of natural resources for
 10.13 an agreement with the Shell Rock River
 10.14 Watershed District to construct fish barriers
 10.15 at three locations on Fountain Lake. Land
 10.16 acquisition necessary for fish barrier
 10.17 construction is permitted. A list of proposed
 10.18 projects, describing the types and locations
 10.19 of barriers, must be provided as part of
 10.20 the required accomplishment plan. The
 10.21 commissioner of natural resources must
 10.22 agree to each proposed barrier.

10.23 **Subd. 6. Administration and Other**

870,000

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10.24 **(a) Contract Management**

10.25 \$175,000 in fiscal year 2010 is to the
 10.26 commissioner of natural resources for
 10.27 contract management, in fiscal years 2010
 10.28 and 2011, for duties assigned in this section.

10.29 **(b) Legislative Coordinating Commission**

10.30 \$695,000 in fiscal year 2010 is to the
 10.31 Legislative Coordinating Commission for
 10.32 administrative expenses of the Lessard
 10.33 Outdoor Heritage Council and for
 10.34 compensation and expense reimbursement

11.1 of council members. Up to \$100,000 may
11.2 be transferred to the game and fish fund as
11.3 reimbursement for advances to the Lessard
11.4 Outdoor Heritage Council made in fiscal
11.5 year 2009.

11.6 **Subd. 7. Availability of Appropriation**

11.7 Unless otherwise provided, the amounts in
11.8 this section are available until June 30, 2011,
11.9 when projects must be completed and final
11.10 accomplishments reported. For acquisition
11.11 of an interest in real property, the amounts in
11.12 this section are available until June 30, 2012.

11.13 If a project receives federal funds, the time
11.14 period of the appropriation is extended to
11.15 equal the availability of federal funding.

11.16 **Subd. 8. Cash Advances**

11.17 When the operations of the outdoor heritage
11.18 fund would be impeded by projected cash
11.19 deficiencies resulting from delays in the
11.20 receipt of dedicated income, and when the
11.21 deficiencies would be corrected within fiscal
11.22 year 2010, the commissioner of finance may
11.23 use fund-level cash reserves to meet cash
11.24 demands of the outdoor heritage fund. If
11.25 funds are transferred from the general fund to
11.26 meet cash flow needs, the cash flow transfers
11.27 must be returned to the general fund as soon
11.28 as sufficient cash balances are available
11.29 in the outdoor heritage fund. Any interest
11.30 earned on general fund cash flow transfers
11.31 accrues to the general fund and not to the
11.32 outdoor heritage fund.

11.33 **Subd. 9. Accomplishment Plans**

12.1 It is a condition of acceptance of the
12.2 appropriations made by this section that the
12.3 agency or entity using the appropriation shall
12.4 submit to the council an accomplishment
12.5 plan and periodic accomplishment reports in
12.6 the form determined by the Lessard Outdoor
12.7 Heritage Council. The accomplishment plan
12.8 must account for the use of the appropriation
12.9 and outcomes of the expenditure in measures
12.10 of wetlands, prairies, forests, and fish, game,
12.11 and wildlife habitat restored, protected, and
12.12 enhanced. The plan must include evaluation
12.13 of results. None of the money provided
12.14 in this section may be expended unless
12.15 the council has approved the pertinent
12.16 accomplishment plan.

12.17 **Subd. 10. Project Requirements**

12.18 (a) As a condition of accepting an
12.19 appropriation in this section, any agency or
12.20 entity receiving an appropriation must, for
12.21 any project funded in whole or in part with
12.22 funds from the appropriation:

12.23 (1) plant vegetation or sow seed only
12.24 of ecotypes native to Minnesota, and
12.25 preferably of the local ecotype, using a
12.26 high diversity of species originating from
12.27 as close to the restoration site as possible,
12.28 and protect existing native prairies from
12.29 genetic contamination, to the extent possible
12.30 if conducting prairie restorations is a
12.31 component of the accomplishment plan;

12.32 (2) provide that all easements:

12.33 (i) are permanent;

12.34 (ii) specify the parties to an easement in the
12.35 easement;

- 13.1 (iii) specify all of the provisions of an
13.2 agreement that are permanent;
- 13.3 (iv) are sent to the office of the Lessard
13.4 Outdoor Heritage Council; and
- 13.5 (v) include a long-term stewardship plan and
13.6 funding for monitoring and enforcing the
13.7 easement agreement;
- 13.8 (3) for all restorations, prepare an ecological
13.9 restoration and management plan that, to
13.10 the degree practicable, is consistent with the
13.11 highest quality conservation and ecological
13.12 goals for the restoration site. Consideration
13.13 should be given to soil, geology, topography,
13.14 and other relevant factors that would provide
13.15 the best chance for long-term success of the
13.16 restoration projects. The plan shall include
13.17 the proposed timetable for implementing
13.18 the restoration, including, but not limited
13.19 to, site preparation, establishment of
13.20 diverse plant species, maintenance, and
13.21 additional enhancement to establish the
13.22 restoration; identify long-term maintenance
13.23 and management needs of the restoration
13.24 and how the maintenance, management, and
13.25 enhancement will be financed; and use the
13.26 best available science to achieve the best
13.27 restoration;
- 13.28 (4) for new lands acquired, prepare a
13.29 restoration and management plan in
13.30 compliance with clause (3), including
13.31 identification of sufficient funding for
13.32 implementation;
- 13.33 (5) to ensure public accountability for the
13.34 use of public funds, provide to the Lessard
13.35 Outdoor Heritage Council documentation

14.1 of the selection process used to identify
14.2 parcels acquired and provide documentation
14.3 of all related transaction costs, including
14.4 but not limited to appraisals, legal fees,
14.5 recording fees, commissions, other similar
14.6 costs, and donations. This information must
14.7 be provided for all parties involved in the
14.8 transaction. The recipient shall also report to
14.9 the Lessard Outdoor Heritage Council any
14.10 difference between the acquisition amount
14.11 paid to the seller and the state-certified or
14.12 state-reviewed appraisal. Acquisition data
14.13 such as appraisals may remain private during
14.14 negotiations but must ultimately be made
14.15 public according to Minnesota Statutes,
14.16 chapter 13;
14.17 (6) provide that all restoration and
14.18 enhancement projects are on land
14.19 permanently protected by conservation
14.20 easement or public ownership;
14.21 (7) to the extent the appropriation is used to
14.22 acquire an interest in real property, provide
14.23 to the Lessard Outdoor Heritage Council and
14.24 the commissioner of finance an analysis of
14.25 increased operations and maintenance costs
14.26 likely to be incurred by public entities as
14.27 a result of the acquisition and of how these
14.28 costs may be paid for; and
14.29 (8) give consideration to contracting with the
14.30 Minnesota Conservation Corps for contract
14.31 restoration and enhancement services.
14.32 (b) The Lessard Outdoor Heritage Council
14.33 may waive the application of paragraph (a),
14.34 clause (5), for specific projects.

15.1 **Subd. 11. Payment Conditions and Capital**
15.2 **Equipment Expenditures**

15.3 All agreements, grants, or contracts referred
15.4 to in this section must be administered on
15.5 a reimbursement basis unless otherwise
15.6 provided in this section. Payments for
15.7 reimbursement may not be made before
15.8 November 1, 2009. Notwithstanding
15.9 Minnesota Statutes, section 16A.41,
15.10 expenditures directly related to each
15.11 appropriation's purpose made on or after July
15.12 1, 2009, are eligible for reimbursement unless
15.13 otherwise provided in this section. Periodic
15.14 payment must be made upon receiving
15.15 documentation that the deliverable items
15.16 articulated in the approved accomplishment
15.17 plan have been achieved, including partial
15.18 achievements as evidenced by approved
15.19 progress reports. Reasonable amounts may
15.20 be advanced to projects to accommodate
15.21 cash flow needs or to match federal share.
15.22 The advances must be approved as part of
15.23 the accomplishment plan. Capital equipment
15.24 expenditures in excess of \$10,000 must be
15.25 approved as part of the accomplishment plan.

15.26 **Subd. 12. Purchase of Recycled and Recyclable**
15.27 **Materials**

15.28 A political subdivision, public or private
15.29 corporation, or other entity that receives an
15.30 appropriation in this section must use the
15.31 appropriation in compliance with Minnesota
15.32 Statutes, sections 16B.121, regarding
15.33 purchase of recycled, repairable, and durable
15.34 materials, and 16B.122, regarding purchase
15.35 and use of paper stock and printing.

16.1 Subd. 13. **Accessibility**

16.2 Structural and nonstructural facilities must
16.3 meet the design standards in the Americans
16.4 with Disabilities Act (ADA) accessibility
16.5 guidelines.

16.6 Subd. 14. **Land Acquisition Restrictions**

16.7 (a) An interest in real property, including but
16.8 not limited to an easement or fee title, that
16.9 is acquired with money appropriated under
16.10 this section must be used in perpetuity or for
16.11 the specific term of an easement interest for
16.12 the purpose for which the appropriation was
16.13 made.

16.14 (b) A recipient of funding who acquires
16.15 an interest in real property subject to this
16.16 subdivision may not alter the intended use of
16.17 the interest in real property or convey any
16.18 interest in the real property acquired with the
16.19 appropriation without the prior review and
16.20 approval of the Lessard Outdoor Heritage
16.21 Council or its successor. The council shall
16.22 establish procedures to review requests from
16.23 recipients to alter the use of or convey an
16.24 interest in real property. These procedures
16.25 shall allow for the replacement of the interest
16.26 in real property with another interest in real
16.27 property meeting the following criteria:

16.28 (1) the interest is at least equal in fair market
16.29 value, as certified by the commissioner
16.30 of natural resources, to the interest being
16.31 replaced; and

16.32 (2) the interest is in a reasonably equivalent
16.33 location and has a reasonably equivalent

17.1 useful conservation purpose compared to the
17.2 interest being replaced.

17.3 (c) A recipient of funding who acquires an
17.4 interest in real property under paragraph

17.5 (a) must separately record a notice of
17.6 funding restrictions in the appropriate local
17.7 government office where the conveyance
17.8 of the interest in real property is filed. The
17.9 notice of funding agreement must contain:

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

17.12 (2) a reference to the underlying funding
17.13 agreement;

17.14 (3) a reference to this section; and

17.15 (4) the following statement: "This interest
17.16 in real property shall be administered in
17.17 accordance with the terms, conditions, and
17.18 purposes of the grant agreement controlling
17.19 the acquisition of the property. The interest
17.20 in real property, or any portion of the interest
17.21 in real property, shall not be sold, transferred,
17.22 pledged, or otherwise disposed of or further
17.23 encumbered without obtaining the prior
17.24 written approval of the Lessard Outdoor
17.25 Heritage Council or its successor. If the
17.26 holder of the interest in real property fails to
17.27 comply with the terms and conditions of the
17.28 grant agreement or work program, ownership
17.29 of the interest in real property shall transfer
17.30 to the state."

17.31 **Subd. 15. Real Property Interest Report**

17.32 By December 1 each year, a recipient of
17.33 money appropriated under this section that
17.34 is used for the acquisition of an interest in

18.1 real property, including but not limited to an
18.2 easement or fee title, must submit annual
18.3 reports on the status of the real property to
18.4 the Lessard Outdoor Heritage Council or
18.5 its successor in a form determined by the
18.6 council. The responsibility for reporting
18.7 under this section may be transferred by
18.8 the recipient of the appropriation to another
18.9 person or entity that holds the interest in the
18.10 real property. To complete the transfer of
18.11 reporting responsibility, the recipient of the
18.12 appropriation must:

18.13 (1) inform the person to whom the
18.14 responsibility is transferred of that person's
18.15 reporting responsibility;

18.16 (2) inform the person to whom the
18.17 responsibility is transferred of the property
18.18 restrictions under subdivision 14; and

18.19 (3) provide written notice to the council
18.20 of the transfer of reporting responsibility,
18.21 including contact information for the person
18.22 to whom the responsibility is transferred.

18.23 Before the transfer, the entity receiving
18.24 the transfer of property must certify to the
18.25 Lessard Outdoor Heritage Council, or its
18.26 successor, acceptance of all obligations and
18.27 responsibilities held by the prior owner.

18.28 After the transfer, the person or entity that
18.29 holds the interest in the real property is
18.30 responsible for reporting requirements under
18.31 this section.

18.32 **Subd. 16. Reports to Finance**

18.33 All reports submitted to the Lessard Outdoor
18.34 Heritage Council by recipients of money
18.35 appropriated under this section must also

- 19.1 submit the reports to the commissioner of
19.2 finance. The commissioner must maintain
19.3 a Web site with a searchable data base
19.4 providing the public with information on
19.5 expenditures from the outdoor heritage fund.
19.6 To the extent practical the commissioner
19.7 must use systems developed to track
19.8 expenditure of federal money under the
19.9 American Recovery and Reinvestment Act to
19.10 track expenditures from the outdoor heritage
19.11 fund.