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HOUSE FILE No. 1237

FIRST COMMITTEE ENGROSSMENT

March 2, 2009

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The bill was read for the first time and referred to the Committee on Environment Policy and Oversight

March 16, 2009

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Public Safety Policy and Oversight

March 19, 2009

Committee Recommendation and Adoption of Report:

To Pass as Amended and re-referred to the Committee on Civil Justice

March 25, 2009

Committee Recommendation and Adoption of Report:

To Pass and Read Second Time

March 26, 2009

By motion, re-referred to the Committee on Finance

Referred by Chair to Environment and Natural Resources Finance Division.

April 22, 2009

Returned to the Committee on Finance as Amended.

1.1 A bill for an act
1.2 relating to natural resources; modifying wild rice season and harvest authority;
1.3 modifying certain definitions; modifying state park permit requirements;
1.4 modifying authority to establish secondary units; eliminating liquor service at
1.5 John A. Latsch State Park; providing for establishment of boater waysides;
1.6 modifying watercraft and off-highway motorcycle operation requirements;
1.7 expanding snowmobile grant-in-aid program; modifying state trails; modifying
1.8 Water Law; providing for appeals and enforcement of certain civil penalties;
1.9 providing for taking wild animals to protect public safety; modifying Board
1.10 of Water and Soil Resources membership; modifying local water program;
1.11 modifying Reinvest in Minnesota Resources Law; modifying certain easement
1.12 authority; providing for notice of changes to public waters inventory; modifying
1.13 critical habitat plate eligibility; modifying cost-share program; amending
1.14 Minnesota Statutes 2008, sections 84.105; 84.66, subdivision 2; 84.793,
1.15 subdivision 1; 84.83, subdivision 3; 84.92, subdivision 8; 85.015, subdivisions
1.16 13, 14; 85.053, subdivision 3; 85.054, by adding subdivisions; 86A.05, by
1.17 adding a subdivision; 86A.08, subdivision 1; 86A.09, subdivision 1; 86B.311,
1.18 by adding a subdivision; 97A.321; 103B.101, subdivisions 1, 2; 103B.3355;
1.19 103B.3369, subdivision 5; 103C.501, subdivisions 2, 4, 5, 6; 103F.505;
1.20 103F.511, subdivisions 5, 8a, by adding a subdivision; 103F.515, subdivisions 1,
1.21 2, 4, 5, 6; 103F.521, subdivision 1; 103F.525; 103F.526; 103F.531; 103F.535,
1.22 subdivision 5; 103G.201; 168.1296, subdivision 1; proposing coding for new law
1.23 in Minnesota Statutes, chapter 97B; repealing Minnesota Statutes 2008, sections
1.24 85.0505, subdivision 2; 103B.101, subdivision 11; 103F.511, subdivision
1.25 4; 103F.521, subdivision 2; Minnesota Rules, parts 8400.3130; 8400.3160;
1.26 8400.3200; 8400.3230; 8400.3330; 8400.3360; 8400.3390; 8400.3500;
1.27 8400.3530, subparts 1, 2, 2a; 8400.3560.

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

1.29 Section 1. Minnesota Statutes 2008, section 84.105, is amended to read:

1.30 **84.105 WILD RICE SEASON.**

1.31 Ripe wild rice may be harvested from ~~July~~ August 15 to September 30.

1.32 Sec. 2. Minnesota Statutes 2008, section 84.66, subdivision 2, is amended to read:

2.1 Subd. 2. **Definitions.** For the purpose of this section, the following terms have
2.2 the meanings given:

2.3 (1) "forest land" has the meaning given under section 89.001, subdivision 4;

2.4 (2) "forest resources" has the meaning given under section 89.001, subdivision 8;

2.5 (3) "guidelines" has the meaning given under section 89A.01, subdivision 8;

2.6 (4) "riparian land" has the meaning given under section 103F.511, subdivision ~~8a~~
2.7 8b; and

2.8 (5) "working forest land" means land that provides a broad range of goods and
2.9 services, including forest products, recreation, fish and wildlife habitat, clean air and
2.10 water, and carbon sequestration.

2.11 Sec. 3. Minnesota Statutes 2008, section 84.793, subdivision 1, is amended to read:

2.12 Subdivision 1. **Prohibitions on youthful operators.** (a) After January 1, 1995, a
2.13 person less than 16 years of age operating an off-highway motorcycle on public lands
2.14 or waters must possess a valid off-highway motorcycle safety certificate issued by the
2.15 commissioner.

2.16 (b) Except for operation on public road rights-of-way that is permitted under section
2.17 84.795, subdivision 1, a driver's license issued by the state or another state is required to
2.18 operate an off-highway motorcycle along or on a public road right-of-way.

2.19 (c) A person under 12 years of age may not:

2.20 (1) make a direct crossing of a public road right-of-way;

2.21 (2) operate an off-highway motorcycle on a public road right-of-way in the state; or

2.22 (3) operate an off-highway motorcycle on public lands or waters unless accompanied
2.23 ~~on another off-highway motorcycle~~ by a person 18 years of age or older or participating in
2.24 an event for which the commissioner has issued a special use permit.

2.25 (d) Except for public road rights-of-way of interstate highways, a person less than 16
2.26 years of age may make a direct crossing of a public road right-of-way of a trunk, county
2.27 state-aid, or county highway only if that person is accompanied ~~on another off-highway~~
2.28 ~~motorcycle~~ by a person 18 years of age or older who holds a valid driver's license.

2.29 (e) A person less than 16 years of age may operate an off-highway motorcycle on
2.30 public road rights-of-way in accordance with section 84.795, subdivision 1, paragraph

2.31 (a), only if that person is accompanied ~~on another off-highway motorcycle~~ by a person 18
2.32 years of age or older who holds a valid driver's license.

2.33 Sec. 4. Minnesota Statutes 2008, section 84.83, subdivision 3, is amended to read:

3.1 Subd. 3. **Purposes for the account.** The money deposited in the account and
3.2 interest earned on that money may be expended only as appropriated by law for the
3.3 following purposes:

3.4 (1) for a grant-in-aid program to counties and municipalities for construction and
3.5 maintenance of snowmobile trails, including maintenance of trails on lands and waters of
3.6 Voyageurs National Park; on Lake of the Woods; on Rainy Lake, ~~and~~; on the following
3.7 lakes in St. Louis County: Burntside, Crane, Little Long, Mud, Pelican, Shagawa, and
3.8 Vermilion; and on the following lakes in Cook County: Devil Track and Hungry Jack;

3.9 (2) for acquisition, development, and maintenance of state recreational snowmobile
3.10 trails;

3.11 (3) for snowmobile safety programs; and

3.12 (4) for the administration and enforcement of sections 84.81 to 84.91 and
3.13 appropriated grants to local law enforcement agencies.

3.14 Sec. 5. Minnesota Statutes 2008, section 84.92, subdivision 8, is amended to read:

3.15 Subd. 8. **All-terrain vehicle or vehicle.** "All-terrain vehicle" or "vehicle" means a
3.16 motorized flotation-tired vehicle of not less than three low pressure tires, but not more
3.17 than six tires, that is limited in engine displacement of less than ~~800~~ 900 cubic centimeters
3.18 and includes a class 1 all-terrain vehicle and class 2 all-terrain vehicle.

3.19 Sec. 6. Minnesota Statutes 2008, section 85.015, subdivision 13, is amended to read:

3.20 Subd. 13. **Arrowhead Region Trails, in Cook, Lake, St. Louis, Pine, Carlton,**
3.21 **Koochiching, and Itasca Counties.** (a)(1) The Taconite Trail shall originate at Ely in St.
3.22 Louis County and extend southwesterly to Tower in St. Louis County, thence westerly to
3.23 McCarthy Beach State Park in St. Louis County, thence southwesterly to Grand Rapids in
3.24 Itasca County and there terminate;

3.25 (2) The ~~Northshore~~ C. J. Ramstad Memorial Trail shall originate in Duluth in
3.26 St. Louis County and extend northeasterly to Two Harbors in Lake County, thence
3.27 northeasterly to Grand Marais in Cook County, thence northeasterly to the international
3.28 boundary in the vicinity of the north shore of Lake Superior, and there terminate;

3.29 (3) The Grand Marais to International Falls Trail shall originate in Grand Marais
3.30 in Cook County and extend northwesterly, outside of the Boundary Waters Canoe Area,
3.31 to Ely in St. Louis County, thence southwesterly along the route of the Taconite Trail to
3.32 Tower in St. Louis County, thence northwesterly through the Pelican Lake area in St.
3.33 Louis County to International Falls in Koochiching County, and there terminate;

4.1 (4) The Minnesota-Wisconsin Boundary Trail shall originate in Duluth in St. Louis
 4.2 County and extend southerly to St. Croix State Forest in Pine County.

4.3 (b) The trails shall be developed primarily for riding and hiking.

4.4 (c) In addition to the authority granted in subdivision 1, lands and interests in lands
 4.5 for the Arrowhead Region trails may be acquired by eminent domain. Before acquiring
 4.6 any land or interest in land by eminent domain the commissioner of administration shall
 4.7 obtain the approval of the governor. The governor shall consult with the Legislative
 4.8 Advisory Commission before granting approval. Recommendations of the Legislative
 4.9 Advisory Commission shall be advisory only. Failure or refusal of the commission to
 4.10 make a recommendation shall be deemed a negative recommendation.

4.11 Sec. 7. Minnesota Statutes 2008, section 85.015, subdivision 14, is amended to read:

4.12 Subd. 14. **Willard Munger Trail System, Chisago, Ramsey, Pine, St. Louis,**
 4.13 **Carlton, and Washington Counties.** (a) The trail shall consist of six segments. One
 4.14 segment shall be known as the Gateway Trail and shall originate at the State Capitol
 4.15 and extend northerly and northeasterly to William O'Brien State Park, thence northerly
 4.16 to Taylors Falls in Chisago County. ~~One segment shall be known as the Boundary Trail~~
 4.17 ~~and shall originate in Chisago County and extend into Duluth in St. Louis County.~~ One
 4.18 segment shall be known as the Browns Creek Trail and shall originate at Duluth Junction
 4.19 and extend into Stillwater in Washington County. One segment shall be known as the
 4.20 Munger Trail and shall originate at Hinckley in Pine County and extend through Moose
 4.21 Lake in Carlton County to Duluth in St. Louis County. One segment shall be known
 4.22 as the Alex Laveau Trail and shall originate in Carlton County at Carlton and extend
 4.23 through Wrenshall to the Minnesota-Wisconsin border. One segment shall be established
 4.24 that extends the trail to include the cities of Proctor, Duluth, and Hermantown in St.
 4.25 Louis County.

4.26 (b) The Gateway and Browns Creek Trails shall be developed primarily for hiking
 4.27 and nonmotorized riding and the remaining trails shall be developed primarily for riding
 4.28 and hiking.

4.29 (c) In addition to the authority granted in subdivision 1, lands and interests in lands
 4.30 for the Gateway and Browns Creek Trails may be acquired by eminent domain.

4.31 Sec. 8. Minnesota Statutes 2008, section 85.053, subdivision 3, is amended to read:

4.32 Subd. 3. ~~Second-vehicle~~ **Multiple-vehicle permits.** The commissioner shall
 4.33 prescribe and issue ~~second-vehicle~~ multiple-vehicle state park permits for persons who
 4.34 own more than one motor vehicle and who request ~~a second~~ the permit for ~~the second~~

5.1 ~~vehicle~~ additional vehicles on a form prescribed by the commissioner. ~~The commissioner~~
5.2 ~~may issue an applicant only one second vehicle permit.~~

5.3 Sec. 9. Minnesota Statutes 2008, section 85.054, is amended by adding a subdivision
5.4 to read:

5.5 Subd. 15. **John A. Latsch State Park.** A state park permit is not required and a fee
5.6 may not be charged for motor vehicle entry or parking at the parking lot located adjacent
5.7 to John Latsch Road and Trunk Highway 61 at John A. Latsch State Park.

5.8 Sec. 10. Minnesota Statutes 2008, section 85.054, is amended by adding a subdivision
5.9 to read:

5.10 Subd. 16. **Greenleaf Lake State Recreation Area.** A state park permit is not
5.11 required and a fee may not be charged for motor vehicle entry or parking at Greenleaf
5.12 Lake State Recreation Area.

5.13 Sec. 11. Minnesota Statutes 2008, section 85.054, is amended by adding a subdivision
5.14 to read:

5.15 Subd. 17. **School-sanctioned activities.** A state park permit is not required and a
5.16 fee may not be charged for vehicles transporting K-12 students engaged in school district
5.17 sanctioned activities at state parks.

5.18 Sec. 12. Minnesota Statutes 2008, section 86A.05, is amended by adding a subdivision
5.19 to read:

5.20 Subd. 15. **State boater wayside.** (a) Boater waysides may be established to provide
5.21 for public use.

5.22 (b) No unit shall be authorized as a state boater wayside unless its proposed location
5.23 substantially satisfies the following criteria:

5.24 (1) contains resources that are desirable for use by boaters;

5.25 (2) is accessible by persons traveling by boat, canoe, or kayak; and

5.26 (3) may be near, associated with, or located within a unit of the outdoor recreation
5.27 system under this section.

5.28 (c) State boater waysides shall be administered by the commissioner of natural
5.29 resources in a manner that is consistent with the purpose of this subdivision. Facilities
5.30 for sanitation, picnicking, overnight mooring, camping, fishing, and swimming may be
5.31 provided when the commissioner determines that these activities are justifiable and
5.32 compatible with the resources and the natural environment.

6.1 Sec. 13. Minnesota Statutes 2008, section 86A.08, subdivision 1, is amended to read:

6.2 Subdivision 1. **Secondary authorization; when permitted.** A unit of the outdoor
6.3 recreation system may be authorized wholly or partially within the boundaries of another
6.4 unit only when the authorization is consistent with the purposes and objectives of the
6.5 respective units, ~~and only in the instances permitted below:~~

6.6 ~~(a) The following units may be authorized wholly or partially within a state park:
6.7 historic site, scientific and natural area, wilderness area, wild, scenic, and recreational
6.8 river, trail, rest area, aquatic management area, and water access site.~~

6.9 ~~(b) The following units may be authorized wholly or partially within a state
6.10 recreation area: historic site, scientific and natural area, wild, scenic, and recreational river,
6.11 trail, rest area, aquatic management area, wildlife management area, and water access site.~~

6.12 ~~(c) The following units may be authorized wholly or partially within a state forest:
6.13 state park, state recreation area, historic site, wildlife management area, scientific and
6.14 natural area, wilderness area, wild, scenic, and recreational river, trail, rest area, aquatic
6.15 management area, and water access site.~~

6.16 ~~(d) The following units may be authorized wholly or partially within a state historic
6.17 site: wild, scenic, and recreational river, trail, rest area, aquatic management area, and
6.18 water access site.~~

6.19 ~~(e) The following units may be authorized wholly or partially within a state wildlife
6.20 management area: state water access site and aquatic management area.~~

6.21 ~~(f) The following units may be authorized wholly or partially within a state wild,
6.22 scenic, or recreational river: state park, historic site, scientific and natural area, wilderness
6.23 area, trail, rest area, aquatic management area, and water access site.~~

6.24 ~~(g) The following units may be authorized wholly or partially within a state rest
6.25 area: historic site, trail, wild, scenic, and recreational river, aquatic management area,
6.26 and water access site.~~

6.27 ~~(h) The following units may be authorized wholly or partially within an aquatic
6.28 management area: historic site, scientific and natural area, wild, scenic, and recreational
6.29 river, and water access site.~~

6.30 Sec. 14. Minnesota Statutes 2008, section 86A.09, subdivision 1, is amended to read:

6.31 Subdivision 1. **Master plan required.** No construction of new facilities or other
6.32 development of an authorized unit, other than repairs and maintenance, shall commence
6.33 until the managing agency has prepared and submitted to the commissioner of natural
6.34 resources and the commissioner has reviewed, pursuant to this section, a master plan for
6.35 administration of the unit in conformity with this section. No master plan is required for

7.1 wildlife management areas that do not have resident managers, for water access sites, for
7.2 aquatic management areas, ~~or~~ or for rest areas, or for boater waysides.

7.3 Sec. 15. Minnesota Statutes 2008, section 86B.311, is amended by adding a subdivision
7.4 to read:

7.5 Subd. 6. **Law enforcement watercraft displaying emergency lights.** When
7.6 approaching and passing a law enforcement watercraft with its emergency lights
7.7 activated, the operator of a watercraft must safely move the watercraft away from the law
7.8 enforcement watercraft and maintain a slow-no wake speed while within 150 feet of
7.9 the law enforcement watercraft.

7.10 Sec. 16. Minnesota Statutes 2008, section 97A.321, is amended to read:

7.11 **97A.321 DOGS PURSUING OR KILLING BIG GAME.**

7.12 Subdivision 1. **Owner responsibility; penalty amount.** The owner of a dog that
7.13 pursues but does not kill a big game animal is subject to a civil penalty of \$100 for each
7.14 violation. The owner of a dog that kills a big game animal is subject to a civil penalty of
7.15 \$500 for each violation.

7.16 Subd. 2. **Appeals.** Civil penalties under this section may be appealed according to
7.17 procedures in section 116.072, subdivision 6, if the person requests a hearing by notifying
7.18 the commissioner in writing within 15 days after receipt of the citation. If a hearing
7.19 is not requested within the 15-day period, the civil penalty becomes a final order not
7.20 subject to further review.

7.21 Subd. 3. **Enforcement.** Civil penalties under this section may be enforced according
7.22 to section 116.072, subdivisions 9 and 10.

7.23 Subd. 4. **Payment of penalty.** Penalty amounts shall be remitted to the
7.24 commissioner within 30 days of issuance of the penalty notice and shall be deposited in
7.25 the game and fish fund.

7.26 Sec. 17. **[97B.657] TAKING WILD ANIMALS TO PROTECT PUBLIC SAFETY.**

7.27 A licensed peace officer may, at any time, take any protected wild animal that is
7.28 posing an immediate threat to public safety. A peace officer who destroys a protected wild
7.29 animal under this section must protect all evidence and report the taking to a conservation
7.30 officer as soon as practicable, but no later than 48 hours after the animal is destroyed.

7.31 Sec. 18. Minnesota Statutes 2008, section 103B.101, subdivision 1, is amended to read:

8.1 Subdivision 1. **Membership.** The Board of Water and Soil Resources is composed
8.2 of ~~12~~ 15 appointed members knowledgeable of water and soil problems and conditions
8.3 within the state and five ex officio members.

8.4 Sec. 19. Minnesota Statutes 2008, section 103B.101, subdivision 2, is amended to read:

8.5 Subd. 2. **Voting members.** (a) The members are:

8.6 (1) three county commissioners;

8.7 (2) three soil and water conservation district supervisors;

8.8 (3) three watershed district or watershed management organization representatives;

8.9 (4) three citizens who are not employed by, or the appointed or elected officials of,

8.10 a governmental office, board, or agency;

8.11 (5) one township officer;

8.12 (6) two elected city officials, one of whom must be from a city located in the
8.13 metropolitan area, as defined under section 473.121, subdivision 2;

8.14 ~~(5)~~ (7) the commissioner of agriculture;

8.15 ~~(6)~~ (8) the commissioner of health;

8.16 ~~(7)~~ (9) the commissioner of natural resources;

8.17 ~~(8)~~ (10) the commissioner of the Pollution Control Agency; and

8.18 ~~(9)~~ (11) the director of the University of Minnesota Extension Service.

8.19 (b) Members in paragraph (a), clauses (1) to ~~(4)~~ (6), must be distributed across
8.20 the state with at least ~~three~~ four members but not more than ~~five~~ six members from the
8.21 metropolitan area, as defined by section 473.121, subdivision 2; and one from each of the
8.22 current soil and water conservation administrative regions.

8.23 (c) Members in paragraph (a), clauses (1) to ~~(4)~~ (6), are appointed by the governor.

8.24 In making the appointments, the governor may consider persons recommended by

8.25 the Association of Minnesota Counties, the Minnesota Association of Townships, the

8.26 League of Minnesota Cities, the Minnesota Association of Soil and Water Conservation

8.27 Districts, and the Minnesota Association of Watershed Districts. The list submitted by an
8.28 association must contain at least three nominees for each position to be filled.

8.29 (d) The membership terms, compensation, removal of members and filling of
8.30 vacancies on the board for members in paragraph (a), clauses (1) to ~~(4)~~ (6), are as provided
8.31 in section 15.0575.

8.32 Sec. 20. Minnesota Statutes 2008, section 103B.3355, is amended to read:

8.33 **103B.3355 WETLAND FUNCTIONS FOR DETERMINING PUBLIC**
8.34 **VALUES.**

9.1 (a) The public values of wetlands must be determined based upon the functions of
9.2 wetlands for:

9.3 (1) water quality, including filtering of pollutants to surface and groundwater,
9.4 utilization of nutrients that would otherwise pollute public waters, trapping of sediments,
9.5 shoreline protection, and utilization of the wetland as a recharge area for groundwater;

9.6 (2) floodwater and stormwater retention, including the potential for flooding in
9.7 the watershed, the value of property subject to flooding, and the reduction in potential
9.8 flooding by the wetland;

9.9 (3) public recreation and education, including hunting and fishing areas, wildlife
9.10 viewing areas, and nature areas;

9.11 (4) commercial uses, including wild rice and cranberry growing and harvesting
9.12 and aquaculture;

9.13 (5) fish, wildlife, native plant habitats;

9.14 (6) low-flow augmentation; ~~and~~

9.15 (7) carbon sequestration; and

9.16 (8) other public uses.

9.17 (b) The Board of Water and Soil Resources, in consultation with the commissioners
9.18 of natural resources and agriculture and local government units, shall adopt rules
9.19 establishing:

9.20 (1) scientific methodologies for determining the functions of wetlands; and

9.21 (2) criteria for determining the resulting public values of wetlands.

9.22 (c) The methodologies and criteria established under this section or other
9.23 methodologies and criteria that include the functions in paragraph (a) and are approved
9.24 by the board, in consultation with the commissioners of natural resources and agriculture
9.25 and local government units, must be used to determine the functions and resulting public
9.26 values of wetlands in the state. The functions listed in paragraph (a) are not listed in
9.27 order of priority.

9.28 (d) Public value criteria established or approved by the board under this section do
9.29 not apply in areas subject to local comprehensive wetland protection and management
9.30 plans established under section 103G.2243.

9.31 (e) The Board of Water and Soil Resources, in consultation with the commissioners
9.32 of natural resources and agriculture and local government units, may identify regions of
9.33 the state where preservation, enhancement, restoration, and establishment of wetlands
9.34 would have high public value. The board, in consultation with the commissioners, may
9.35 identify high priority wetland regions using available information relating to the factors

10.1 listed in paragraph (a). The board shall notify local units of government with water
10.2 planning authority of these high priority regions.

10.3 **EFFECTIVE DATE.** This section is effective August 1, 2009, and applies to
10.4 rulemaking that begins after that date.

10.5 Sec. 21. Minnesota Statutes 2008, section 103B.3369, subdivision 5, is amended to
10.6 read:

10.7 Subd. 5. **Financial assistance.** A base grant may be awarded to a county that ~~levies~~
10.8 provides a match utilizing a water implementation tax or other local source. A water
10.9 implementation tax that a county intends to use as a match to the base grant must be levied
10.10 ~~at a rate, which shall be~~ determined by the board. The minimum amount of the water
10.11 implementation tax shall be a tax rate times the adjusted net tax capacity of the county for
10.12 the preceding year. The rate shall be the rate, rounded to the nearest .001 of a percent,
10.13 that, when applied to the adjusted net tax capacity for all counties, raises the amount of
10.14 \$1,500,000. The base grant will be in an amount equal to \$37,500 less the amount raised
10.15 by ~~that levy~~ the local match. If the amount necessary to implement the local water plan for
10.16 the county is less than \$37,500, the amount of the base grant shall be the amount that,
10.17 when added to the ~~levy~~ match amount, equals the amount required to implement the plan.
10.18 For counties where the tax rate generates an amount equal to or greater than \$18,750, the
10.19 base grant shall be in an amount equal to \$18,750.

10.20 Sec. 22. Minnesota Statutes 2008, section 103C.501, subdivision 2, is amended to read:

10.21 Subd. 2. **Request by district board.** ~~(a)~~ A district board requesting funds of the
10.22 state board must submit an application in a form prescribed by the board containing:

- 10.23 (1) a comprehensive plan;
10.24 (2) an annual work plan; and
10.25 (3) an application for cost-sharing funds.

10.26 ~~(b) The comprehensive and annual work plans must be completed as provided in~~
10.27 ~~section 103C.331, subdivision 11. After review of the district's comprehensive plan, the~~
10.28 ~~state board must approve the comprehensive plan with necessary amendments or reject~~
10.29 ~~the plan.~~

10.30 Sec. 23. Minnesota Statutes 2008, section 103C.501, subdivision 4, is amended to read:

10.31 Subd. 4. **Cost-sharing funds.** (a) The state board shall allocate at least 70 percent
10.32 of cost-sharing funds to areas with high priority erosion, sedimentation, or water quality
10.33 problems or water quantity problems due to altered hydrology. The areas must be

11.1 selected based on the statewide priorities established by the state board. The allocated
11.2 funds must be used for conservation practices for high priority problems identified in the
11.3 comprehensive and annual work plans of the districts.

11.4 (b) The remaining cost-sharing funds may be allocated to districts as follows:

11.5 (1) for technical and administrative assistance, not more than 20 percent of the
11.6 funds; and

11.7 (2) for conservation practices for lower priority erosion, sedimentation, or water
11.8 quality problems.

11.9 Sec. 24. Minnesota Statutes 2008, section 103C.501, subdivision 5, is amended to read:

11.10 Subd. 5. **Contracts by districts.** (a) A district board may contract on a cost-share
11.11 basis to furnish financial aid to a land occupier or to a state agency for permanent systems
11.12 for erosion or sedimentation control or water quality ~~improvement~~ improvement or water quantity
11.13 improvements that are consistent with the district's comprehensive and annual work plans.

11.14 (b) The duration of the contract must, at a minimum, be the time required to
11.15 complete the planned systems. A contract must specify that the land occupier is liable for
11.16 monetary damages and penalties in an amount up to 150 percent of the financial assistance
11.17 received from the district, for failure to complete the systems or practices in a timely
11.18 manner or maintain the systems or practices as specified in the contract.

11.19 (c) A contract may provide for cooperation or funding with federal agencies. A land
11.20 occupier or state agency may provide the cost-sharing portion of the contract through
11.21 services in kind.

11.22 (d) The state board or the district board may not furnish any financial aid for
11.23 practices designed only to increase land productivity.

11.24 (e) When a district board determines that long-term maintenance of a system or
11.25 practice is desirable, the board may require that maintenance be made a covenant upon
11.26 the land for the effective life of the practice. A covenant under this subdivision shall be
11.27 construed in the same manner as a conservation restriction under section 84.65.

11.28 Sec. 25. Minnesota Statutes 2008, section 103C.501, subdivision 6, is amended to read:

11.29 Subd. 6. **Policies and rules.** (a) The state board may adopt rules and shall adopt
11.30 ~~rules~~ policies prescribing:

11.31 (1) procedures and criteria for allocating funds for cost-sharing contracts;

11.32 (2) standards and guidelines for cost-sharing contracts;

11.33 (3) the scope and content of district comprehensive plans, plan amendments, and
11.34 annual work plans;

12.1 (4) standards and methods necessary to plan and implement a priority cost-sharing
12.2 program, including guidelines to identify high priority erosion, sedimentation, and water
12.3 quality problems and water quantity problems due to altered hydrology;

12.4 (5) the share of the cost of conservation practices to be paid from cost-sharing
12.5 funds; and

12.6 (6) requirements for districts to document their efforts to identify and contact land
12.7 occupiers with high priority ~~erosion~~ problems.

12.8 (b) The rules may provide that cost-sharing may be used for ~~farmstead~~ windbreaks
12.9 and shelterbelts for the purposes of energy conservation and snow protection.

12.10 Sec. 26. Minnesota Statutes 2008, section 103F.505, is amended to read:

12.11 **103F.505 PURPOSE AND POLICY.**

12.12 It is the purpose of sections 103F.505 to 103F.531 to ~~keep~~ restore certain marginal
12.13 agricultural land ~~out of crop production~~ and protect environmentally sensitive areas to
12.14 protect enhance soil and water quality, minimize damage to flood-prone areas, sequester
12.15 carbon, and support native plant, fish, and wildlife ~~habitat~~ habitats. It is state policy to
12.16 encourage the restoration of wetlands and riparian lands and promote the retirement of
12.17 marginal, highly erodible land, particularly land adjacent to public waters, drainage
12.18 systems, wetlands, and locally designated priority waters, ~~from crop production and to~~
12.19 ~~reestablish a cover of perennial vegetation.~~

12.20 Sec. 27. Minnesota Statutes 2008, section 103F.511, subdivision 5, is amended to read:

12.21 Subd. 5. **Drained wetland.** "Drained wetland" means a former natural wetland that
12.22 has been altered by draining, dredging, filling, leveling, or other manipulation sufficient
12.23 to render the land suitable for agricultural crop production. ~~The alteration must have~~
12.24 ~~occurred before December 23, 1985, and must be a legal alteration as determined by the~~
12.25 ~~commissioner of natural resources.~~

12.26 Sec. 28. Minnesota Statutes 2008, section 103F.511, is amended by adding a
12.27 subdivision to read:

12.28 Subd. 8a. **Reinvest in Minnesota reserve program.** "Reinvest in Minnesota
12.29 reserve program" means the program established under section 103F.515.

12.30 Sec. 29. Minnesota Statutes 2008, section 103F.511, subdivision 8a, is amended to read:

13.1 Subd. ~~8a~~ **8b. Riparian land.** "Riparian land" means lands adjacent to public
13.2 waters, drainage systems, wetlands, or locally designated priority waters ~~identified in a~~
13.3 ~~comprehensive local water plan, as defined in section 103B.3363, subdivision 3.~~

13.4 Sec. 30. Minnesota Statutes 2008, section 103F.515, subdivision 1, is amended to read:

13.5 Subdivision 1. **Establishment of program.** The board, in consultation with the
13.6 commissioner of agriculture and the commissioner of natural resources, shall establish
13.7 and administer ~~a conservation~~ the reinvest in Minnesota reserve program. The board
13.8 shall implement sections 103F.505 to 103F.531. Selection of land for the ~~conservation~~
13.9 reinvest in Minnesota reserve program must be based on its enhancement potential for
13.10 fish ~~and~~, wildlife production, and native plant habitats, reducing erosion, and protecting
13.11 water quality.

13.12 Sec. 31. Minnesota Statutes 2008, section 103F.515, subdivision 2, is amended to read:

13.13 Subd. 2. **Eligible land.** (a) Land may be placed in the ~~conservation~~ reinvest in
13.14 Minnesota reserve program if the land meets the requirements of paragraphs (b) and (c).

13.15 (b) Land is eligible if the land:

13.16 (1) is marginal agricultural land;

13.17 (2) is adjacent to marginal agricultural land and is either beneficial to resource
13.18 protection or necessary for efficient recording of the land description;

13.19 (3) consists of a drained wetland;

13.20 (4) is land that with a windbreak or water quality improvement practice would be
13.21 beneficial to resource protection;

13.22 (5) is land in a sensitive groundwater area;

13.23 (6) is riparian land;

13.24 (7) is cropland or noncropland adjacent to restored wetlands to the extent of up to
13.25 four acres of cropland or one acre of noncropland for each acre of wetland restored;

13.26 (8) is a woodlot on agricultural land;

13.27 (9) is abandoned building site on agricultural land, provided that funds are not used
13.28 for compensation of the value of the buildings; or

13.29 (10) is land ~~on a hillside~~ used for pasture that is marginal in nature.

13.30 (c) Eligible land under paragraph (a) must:

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

14.1 (2) be at least five acres in size, except for a drained wetland area, riparian area,
 14.2 windbreak, woodlot, wellhead protection area, or abandoned building site, or be a whole
 14.3 field ~~as defined by the United States Agricultural Stabilization and Conservation Services;~~

14.4 (3) not be set aside, enrolled or diverted under another federal or state government
 14.5 program unless enrollment in the conservation reinvest in Minnesota reserve program
 14.6 would provide additional conservation benefits or a longer term of enrollment than under
 14.7 the current federal or state program; and

14.8 (4) have been in agricultural crop production for at least two of the last five
 14.9 years before the date of application, ~~except drained wetlands, riparian lands, woodlots,~~
 14.10 ~~abandoned building sites,~~ environmentally sensitive areas, wellhead protection area, or
 14.11 ~~land on a hillside~~ used for pasture.

14.12 ~~(d) In selecting drained wetlands for enrollment in the program, the highest priority~~
 14.13 ~~must be given to wetlands with a cropping history during the period 1976 to 1985.~~

14.14 (d) Land is eligible if the land is a wellhead protection area as defined under
 14.15 section 103I.005, subdivision 24, and has a wellhead protection plan approved by the
 14.16 commissioner of health.

14.17 (e) In selecting land for enrollment in the program, highest priority must be given to
 14.18 permanent easements that are consistent with the purposes stated in section 103F.505.

14.19 Sec. 32. Minnesota Statutes 2008, section 103F.515, subdivision 4, is amended to read:

14.20 Subd. 4. **Nature of property rights acquired.** (a) A conservation easement must
 14.21 prohibit:

14.22 (1) alteration of wildlife habitat and other natural features, unless specifically
 14.23 approved by the board;

14.24 (2) agricultural crop production and livestock grazing, unless specifically approved
 14.25 by the board for ~~wildlife~~ conservation management purposes; and

14.26 ~~(3) grazing of livestock except, for agreements entered before the effective date of~~
 14.27 ~~Laws 1990, chapter 391, grazing of livestock may be allowed only if approved by the~~
 14.28 ~~board after consultation with the commissioner of natural resources, in the case of severe~~
 14.29 ~~drought, or a local emergency declared under section 12.29; and~~

14.30 ~~(4)~~ (3) spraying with chemicals or mowing, except:

14.31 (i) as necessary to comply with noxious weed control laws ~~or~~;

14.32 (ii) for emergency control of pests necessary to protect public health; or

14.33 (iii) as approved by the board for conservation management purposes.

14.34 (b) A conservation easement is subject to the terms of the agreement provided in
 14.35 subdivision 5.

15.1 (c) A conservation easement must allow repairs, improvements, and inspections
15.2 necessary to maintain public drainage systems provided the easement area is restored to
15.3 the condition required by the terms of the conservation easement.

15.4 (d) Notwithstanding paragraph (a), the board must permit the harvest of native
15.5 grasses for use in seed production or bioenergy on wellhead protection lands eligible
15.6 under subdivision 2, paragraph (d).

15.7 Sec. 33. Minnesota Statutes 2008, section 103F.515, subdivision 5, is amended to read:

15.8 Subd. 5. **Agreements by landowner.** The board may enroll eligible land in the
15.9 ~~conservation~~ reinvest in Minnesota reserve program by signing an agreement in recordable
15.10 form with a landowner in which the landowner agrees:

15.11 (1) to convey to the state a conservation easement that is not subject to any prior
15.12 title, lien, or encumbrance;

15.13 (2) to seed the land subject to the conservation easement, as specified in the
15.14 agreement, to establish and maintain perennial cover of either a grass-legume mixture or
15.15 native grasses for the term of the easement, at seeding rates determined by the board; or
15.16 to plant trees or carry out other long-term capital improvements approved by the board
15.17 for soil and water conservation or wildlife management;

15.18 (3) to convey to the state a permanent easement for the wetland restoration;

15.19 (4) that other land supporting natural vegetation owned or leased as part of the
15.20 same farm operation at the time of application, if it supports natural vegetation ~~or~~ and
15.21 has not been used in agricultural crop production, will not be converted to agricultural
15.22 crop production or pasture; and

15.23 (5) that the easement duration may be lengthened through mutual agreement with
15.24 the board in consultation with the commissioners of agriculture and natural resources
15.25 if they determine that the changes effectuate the purpose of the program or facilitate
15.26 its administration.

15.27 Sec. 34. Minnesota Statutes 2008, section 103F.515, subdivision 6, is amended to read:

15.28 Subd. 6. **Payments for conservation easements and establishment of cover**
15.29 **conservation practices.** (a) The board ~~must make the following~~ shall establish rates
15.30 for payments to the landowner for the conservation easement and ~~agreement~~ related
15.31 practices. The board shall consider market factors, including the township average
15.32 equalized estimated market value of property as established by the commissioner of
15.33 revenue at the time of easement application.

15.34 ~~(1) to establish the perennial cover or other improvements required by the agreement;~~

16.1 ~~(i) except as provided in items (ii) and (iii), up to 75 percent of the total eligible cost~~
16.2 ~~not to exceed \$125 per acre for limited duration easements and 100 percent of the total~~
16.3 ~~eligible cost not to exceed \$150 per acre for perpetual easements;~~

16.4 ~~(ii) for native species restoration, 75 percent of the total eligible cost not to exceed~~
16.5 ~~\$200 per acre for limited duration easements and 100 percent of the total eligible cost not~~
16.6 ~~to exceed \$300 per acre for perpetual easements; and~~

16.7 ~~(iii) 100 percent of the total eligible cost of wetland restoration not to exceed \$600~~
16.8 ~~per acre;~~

16.9 ~~(2) for the cost of planting trees required by the agreement, up to 75 percent of the~~
16.10 ~~total eligible cost not to exceed \$250 per acre for limited duration easements, and 100~~
16.11 ~~percent of the total eligible cost not to exceed \$400 per acre for perpetual easements;~~

16.12 ~~(3) for a permanent easement, 70 percent of the township average equalized~~
16.13 ~~estimated market value of agricultural property as established by the commissioner of~~
16.14 ~~revenue at the time of easement application;~~

16.15 ~~(4) for an easement of limited duration, 90 percent of the present value of the~~
16.16 ~~average of the accepted bids for the federal conservation reserve program, as contained in~~
16.17 ~~Public Law 99-198, in the relevant geographic area and on bids accepted at the time of~~
16.18 ~~easement application; or~~

16.19 ~~(5) an alternative payment system for easements based on cash rent or a similar~~
16.20 ~~system as may be determined by the board.~~

16.21 ~~(b) For hillside pasture conservation easements, the payments to the landowner in~~
16.22 ~~paragraph (a) for the conservation easement and agreement must be reduced to reflect the~~
16.23 ~~value of similar property.~~

16.24 ~~(e) (b)~~ The board may establish a payment system for flowage easements acquired
16.25 under this section.

16.26 ~~(d) (c)~~ For wetland restoration projects involving more than one conservation
16.27 easement, state payments for restoration costs may exceed the limits set forth in this section
16.28 by the board for an individual easement provided the total payment for the restoration
16.29 project does not exceed the amount payable for the total number of acres involved.

16.30 ~~(e) (d)~~ The board may use available nonstate funds to exceed the payment limits
16.31 in this section.

16.32 Sec. 35. Minnesota Statutes 2008, section 103F.521, subdivision 1, is amended to read:

16.33 Subdivision 1. **Cooperation.** In implementing sections 103F.505 to 103F.531, the
16.34 board must share information and cooperate with the Department of Agriculture, the
16.35 Department of Natural Resources, the Pollution Control Agency, the United States Fish

17.1 and Wildlife Service, ~~the Agricultural Stabilization and Conservation Service and Soil~~
17.2 ~~Conservation Service~~ of the United States Department of Agriculture, the Minnesota
17.3 Extension Service, the University of Minnesota, county boards, soil and water conservation
17.4 districts, watershed districts, and interested private organizations and individuals.

17.5 Sec. 36. Minnesota Statutes 2008, section 103F.525, is amended to read:

17.6 **103F.525 SUPPLEMENTAL PAYMENTS ON FEDERAL AND STATE**
17.7 **CONSERVATION PROGRAMS.**

17.8 The board may supplement payments made under federal land retirement programs
17.9 to the extent of available appropriations ~~other than bond proceeds~~. The supplemental
17.10 payments must be used to establish perennial cover on land enrolled or increase payments
17.11 for land enrollment in programs approved by the board, ~~including the federal conservation~~
17.12 ~~reserve program and federal and state water bank program~~.

17.13 Sec. 37. Minnesota Statutes 2008, section 103F.526, is amended to read:

17.14 **103F.526 FOOD PLOTS IN WINDBREAKS.**

17.15 The board, ~~in cooperation with the commissioner of natural resources~~, may authorize
17.16 wildlife food plots on land ~~with windbreaks~~ enrolled in a conservation easement under
17.17 section 103F.515.

17.18 Sec. 38. Minnesota Statutes 2008, section 103F.531, is amended to read:

17.19 **103F.531 RULEMAKING.**

17.20 The board may adopt rules or policy to implement sections 103F.505 to 103F.531.
17.21 ~~The rules must include standards for tree planting so that planting does not conflict with~~
17.22 ~~existing electrical lines, telephone lines, rights-of-way, or drainage ditches.~~

17.23 Sec. 39. Minnesota Statutes 2008, section 103F.535, subdivision 5, is amended to read:

17.24 Subd. 5. **Release and alteration of conservation easements.** Conservation
17.25 easements ~~existing under this section, as of April 30, 1992~~, may be altered, released,
17.26 or terminated by the board of ~~Water and Soil Resources~~ after consultation with the
17.27 commissioners of agriculture and natural resources. The board may alter, release, or
17.28 terminate a conservation easement only if the board determines that the public interest and
17.29 general welfare are better served by the alteration, release, or termination.

18.1 Sec. 40. Minnesota Statutes 2008, section 103G.201, is amended to read:

18.2 **103G.201 PUBLIC WATERS INVENTORY.**

18.3 (a) The commissioner shall ~~prepare~~ maintain a public waters inventory map of each
18.4 county that shows the waters of this state that are designated as public waters under the
18.5 public waters inventory and classification procedures prescribed under Laws 1979, chapter
18.6 199, and shall provide access to a copy of the maps and lists. ~~The~~ As county public waters
18.7 inventory map for each county must be filed with maps and lists are revised according to
18.8 this section, the commissioner shall send a notification or a copy of the maps and lists
18.9 to the auditor of the each affected county.

18.10 (b) The commissioner is authorized to revise the list of public waters established
18.11 under Laws 1979, chapter 199, to reclassify those types 3, 4, and 5 wetlands previously
18.12 identified as public waters wetlands under Laws 1979, chapter 199, as public waters or as
18.13 wetlands under section 103G.005, subdivision 19. The commissioner may only reclassify
18.14 public waters wetlands as public waters if:

18.15 (1) they are assigned a shoreland management classification by the commissioner
18.16 under sections 103F.201 to 103F.221;

18.17 (2) they are classified as lacustrine wetlands or deepwater habitats according to
18.18 Classification of Wetlands and Deepwater Habitats of the United States (Cowardin,
18.19 et al., 1979 edition); or

18.20 (3) the state or federal government has become titleholder to any of the beds or
18.21 shores of the public waters wetlands, subsequent to the preparation of the public waters
18.22 inventory map filed with the auditor of the county, pursuant to paragraph (a), and the
18.23 responsible state or federal agency declares that the water is necessary for the purposes
18.24 of the public ownership.

18.25 (c) The commissioner must provide notice of the reclassification to the local
18.26 government unit, the county board, the watershed district, if one exists for the area, and
18.27 the soil and water conservation district. Within 60 days of receiving notice from the
18.28 commissioner, a party required to receive the notice may provide a resolution stating
18.29 objections to the reclassification. If the commissioner receives an objection from a party
18.30 required to receive the notice, the reclassification is not effective. If the commissioner does
18.31 not receive an objection from a party required to receive the notice, the reclassification
18.32 of a wetland under paragraph (b) is effective 60 days after the notice is received by all
18.33 of the parties.

18.34 (d) The commissioner shall give priority to the reclassification of public waters
18.35 wetlands that are or have the potential to be affected by public works projects.

19.1 (e) The commissioner may revise the public waters inventory map and list of each
19.2 county:

19.3 (1) to reflect the changes authorized in paragraph (b); and

19.4 (2) as needed, to:

19.5 (i) correct errors in the original inventory;

19.6 (ii) add or subtract trout stream tributaries within sections that contain a designated
19.7 trout stream following written notice to the landowner;

19.8 (iii) add depleted quarries, and sand and gravel pits, when the body of water exceeds
19.9 50 acres and the shoreland has been zoned for residential development; and

19.10 (iv) add or subtract public waters that have been created or eliminated as a
19.11 requirement of a permit authorized by the commissioner under section 103G.245.

19.12 Sec. 41. Minnesota Statutes 2008, section 168.1296, subdivision 1, is amended to read:

19.13 Subdivision 1. **General requirements and procedures.** (a) The commissioner shall
19.14 issue critical habitat plates to an applicant who:

19.15 (1) is a registered owner of a passenger automobile, one-ton pickup truck or
19.16 recreational vehicle;

19.17 (2) pays a fee of \$10 to cover the costs of handling and manufacturing the plates;

19.18 (3) pays the registration tax required under section 168.013;

19.19 (4) pays the fees required under this chapter;

19.20 (5) contributes a minimum of \$30 annually to the Minnesota critical habitat private
19.21 sector matching account established in section 84.943; and

19.22 (6) complies with this chapter and rules governing registration of motor vehicles
19.23 and licensing of drivers.

19.24 (b) The critical habitat plate application must indicate that the annual contribution
19.25 specified under paragraph (a), clause (5), is a minimum contribution to receive the plate
19.26 and that the applicant may make an additional contribution to the account.

19.27 (c) Owners of one-ton pickup trucks or recreational vehicles under paragraph (a),
19.28 clause (1), ~~are~~ may be eligible only for special critical habitat license plates ~~for which the~~
19.29 ~~designs are selected under subdivision 2,~~ on or after January 1, ~~2006~~ 2012.

19.30 (d) Special critical habitat license plates, ~~the designs for which are selected under~~
19.31 ~~subdivision 2, on or after January 1, 2006,~~ may be personalized according to section
19.32 168.12, subdivision 2a, on or after January 1, 2012.

19.33 Sec. 42. **WILD RICE HARVEST AUTHORITY.**

20.1 Notwithstanding Minnesota Statutes, section 84.15, subdivision 1, until December
20.2 31, 2009, the commissioner of natural resources may, by posting, restrict or prohibit the
20.3 harvesting of wild rice on public waters based on the stage of ripeness of the wild rice
20.4 stands in the waters.

20.5 Sec. 43. **SIGNS.**

20.6 The commissioner of natural resources shall adopt a suitable marking design to
20.7 mark the C. J. Ramstad Memorial Trail and shall erect the appropriate signs after the
20.8 commissioner has been assured of the availability of funds from nonstate sources sufficient
20.9 to pay all costs related to designing, erecting, and maintaining the signs.

20.10 Sec. 44. **REVISOR'S INSTRUCTION.**

20.11 The revisor of statutes shall change the term "conservation reserve program" to
20.12 "reinvest in Minnesota reserve program" wherever it appears in Minnesota Statutes,
20.13 sections 84.95, subdivision 2; 92.70, subdivision 1; and 103H.105.

20.14 Sec. 45. **REPEALER.**

20.15 (a) Minnesota Statutes 2008, sections 85.0505, subdivision 2; 103B.101, subdivision
20.16 11; 103F.511, subdivision 4; and 103F.521, subdivision 2, are repealed.

20.17 (b) Minnesota Rules, parts 8400.3130; 8400.3160; 8400.3200; 8400.3230;
20.18 8400.3330; 8400.3360; 8400.3390; 8400.3500; 8400.3530, subparts 1, 2, and 2a; and
20.19 8400.3560, are repealed.