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State of Minnesota HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH SESSION

HOUSE FILE No. 2131

March 25, 2009

Authored by Hansen, Gunther, Kelliher, Solberg and Sertich The bill was read for the first time and referred to the Committee on Finance

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.

Table with 2 columns: 2010, 2011. Header: APPROPRIATIONS Available for the Year Ending June 30

1.17 Sec. 2. OUTDOOR HERITAGE

1.18 Subdivision 1. Total Appropriation \$ 69,522,000 \$ -0-

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	<u>Subd. 2. <b>Prairies</b></u>	<u>14,213,000</u>	<u>-0-</u>
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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.

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

2.14 \$1,617,000 in fiscal year 2010 is to the  
 2.15 commissioner of natural resources for an  
 2.16 agreement with the Southwest Initiative  
 2.17 Foundation to acquire land in Redwood  
 2.18 County to be added to the state outdoor  
 2.19 recreation system. A list of proposed fee  
 2.20 title acquisitions must be provided as part  
 2.21 of the required accomplishment plan. The  
 2.22 commissioner of natural resources must  
 2.23 agree to each proposed acquisition. No more  
 2.24 than five percent of this appropriation may  
 2.25 be spent on professional services directly  
 2.26 related to this appropriation's purposes.

2.27 (c) **Prairie Heritage Fund – Acquisition and**  
 2.28 **Restoration**

2.29 \$3,000,000 in fiscal year 2010 is to the  
 2.30 commissioner of natural resources for an  
 2.31 agreement with Pheasants Forever to acquire  
 2.32 and restore land to be added to the state  
 2.33 wildlife management area system. A list  
 2.34 of proposed fee title acquisitions and a list  
 2.35 of proposed restoration projects, describing

3.1 the types and locations of restorations,  
3.2 must be provided as part of the required  
3.3 accomplishment plan. The commissioner  
3.4 of natural resources must agree to each  
3.5 proposed acquisition.

3.6 **(d) Accelerated Prairie Grassland Wildlife**  
3.7 **Management Area Acquisition**

3.8 \$3,913,000 in fiscal year 2010 is to the  
3.9 commissioner of natural resources to  
3.10 acquire land for wildlife management areas  
3.11 with native prairie or grassland habitats.

3.12 A list of proposed fee title acquisitions  
3.13 must be provided as part of the required  
3.14 accomplishment plan.

3.15 **(e) Northern Tall Grass Prairie National**  
3.16 **Wildlife Refuge Protection**

3.17 \$1,583,000 in fiscal year 2010 is to the  
3.18 commissioner of natural resources for an  
3.19 agreement with the United States Fish  
3.20 and Wildlife Service to acquire land or  
3.21 permanent easements within the Northern  
3.22 Tall Grass Prairie Habitat Preservation Area  
3.23 in western Minnesota. The commissioner  
3.24 may advance funds to the United States Fish  
3.25 and Wildlife Service. A list of proposed fee  
3.26 title and permanent easement acquisitions  
3.27 must be provided as part of the required  
3.28 accomplishment plan.

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

3.30 \$500,000 in fiscal year 2010 is to the  
3.31 commissioner of natural resources for an  
3.32 agreement with the Minnesota Land Trust  
3.33 to acquire permanent easements protecting  
3.34 critical prairie and grassland habitats in the  
3.35 blufflands in southeastern Minnesota. A list

4.1 of proposed fee title and permanent easement  
 4.2 acquisitions must be provided as part of the  
 4.3 required accomplishment plan.

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

4.5 \$1,900,000 in fiscal year 2010 is to the  
 4.6 commissioner of natural resources for an  
 4.7 agreement with Anoka County to acquire  
 4.8 land at the confluence of the Rum River and  
 4.9 Cedar Creek in Anoka County. Acquired  
 4.10 land must remain open to hunting and  
 4.11 fishing, consistent with the capacity of the  
 4.12 land, during the open season, as determined  
 4.13 by the commissioner of natural resources.

4.14 This is the first of two planned appropriations  
 4.15 for this acquisition.

4.16 <b><u>Subd. 3. Forests</u></b>	<u>20,000,000</u>	<u>-0-</u>
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4.17 \$20,000,000 in fiscal year 2010 is to the  
 4.18 commissioner of natural resources to acquire  
 4.19 land or permanent working forest easements  
 4.20 on private forests in areas identified through  
 4.21 the state forest for the future program.

4.22 Priority must be given to acquiring land  
 4.23 or interests in private lands within existing  
 4.24 Minnesota state forest boundaries. Any  
 4.25 easements acquired must have a forest  
 4.26 management plan as described in Minnesota  
 4.27 Statutes, section 290C.02, subdivision 7.

4.28 A list of proposed fee title and easement  
 4.29 acquisitions must be provided as part of  
 4.30 the required accomplishment plan. The  
 4.31 appropriation is available for closings taking  
 4.32 place after April 30, 2010. This is the first of  
 4.33 two planned appropriations for this program.

4.34 <b><u>Subd. 4. Wetlands</u></b>	<u>20,836,000</u>	<u>-0-</u>
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5.1 **(a) Accelerated Wildlife Management Area**  
5.2 **Acquisition**

5.3 \$2,900,000 in fiscal year 2010 is to the  
5.4 commissioner of natural resources to  
5.5 acquire land for wildlife management areas.

5.6 A list of proposed fee title acquisitions  
5.7 must be provided as part of the required  
5.8 accomplishment plan.

5.9 **(b) Accelerated Shallow Lake Restorations and**  
5.10 **Enhancements**

5.11 \$2,528,000 in fiscal year 2010 is to the  
5.12 commissioner of natural resources for an  
5.13 agreement with Ducks Unlimited, Inc. to  
5.14 restore and enhance shallow lake habitats.

5.15 Up to \$400,000 of this appropriation may  
5.16 be used for permanent easements related to  
5.17 shallow lake restorations and enhancements.

5.18 A list of proposed easements and projects,  
5.19 describing the types and locations of  
5.20 easements, restorations, and enhancements,  
5.21 must be provided as part of the required  
5.22 accomplishment plan. The commissioner  
5.23 of natural resources must agree to each  
5.24 easement, restoration, and enhancement.

5.25 **(c) Accelerate the Waterfowl Production Area**  
5.26 **Program in Minnesota**

5.27 \$5,600,000 in fiscal year 2010 is to the  
5.28 commissioner of natural resources for  
5.29 an agreement with Pheasants Forever to  
5.30 acquire and restore wetland and related  
5.31 upland habitats, in cooperation with the  
5.32 United States Fish and Wildlife Service  
5.33 and Ducks Unlimited, Inc., to be managed  
5.34 as waterfowl production areas. A list of  
5.35 proposed acquisitions and a list of proposed  
5.36 projects, describing the types and locations

6.1 of restorations, must be provided as part of  
6.2 the required accomplishment plan.

6.3 **(d) Reinvest in Minnesota Wetlands Reserve**  
6.4 **Program Acquisition and Restoration**

6.5 \$9,058,000 in fiscal year 2010 is to the Board  
6.6 of Water and Soil Resources to acquire  
6.7 permanent easements and restore wetlands  
6.8 and associated uplands in cooperation with  
6.9 the United States Department of Agriculture  
6.10 Wetlands Reserve Program. A list of  
6.11 proposed acquisitions and a list of proposed  
6.12 projects, describing the types and locations  
6.13 of restorations, must be provided as part of  
6.14 the required accomplishment plan.

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

6.16 \$450,000 in fiscal year 2010 is to the  
6.17 commissioner of natural resources for an  
6.18 agreement with Ducks Unlimited, Inc. to  
6.19 protect habitat by acquiring land associated  
6.20 with shallow lakes. A list of proposed  
6.21 acquisitions must be provided as part of  
6.22 the required accomplishment plan. The  
6.23 commissioner of natural resources must  
6.24 agree to each proposed acquisition.

6.25 **Subd. 5. Fish, Game, and Wildlife Habitat**

13,903,000

-0-

6.26 **(a) Outdoor Heritage Conservation Partners**  
6.27 **Grant Program**

6.28 \$4,000,000 in fiscal year 2010 is to the  
6.29 commissioner of natural resources for  
6.30 an agreement with the National Fish and  
6.31 Wildlife Foundation to provide competitive,  
6.32 matching grants of up to \$400,000 to local,  
6.33 regional, state, and national organizations,  
6.34 including government, for enhancement,  
6.35 restoration, or protection of forests, wetlands,

7.1 prairies, and habitat for fish, game, or  
7.2 wildlife in Minnesota. The funds may be  
7.3 advanced in three equal sums, on or after  
7.4 November 1, 2009, February 1, 2010, and  
7.5 April 1, 2010. Grantees may protect land  
7.6 through acquisition of land or interests in  
7.7 land. Easements must be permanent. Land  
7.8 acquired in fee must be open to hunting  
7.9 and fishing during the open season unless  
7.10 otherwise provided by state law. The  
7.11 commissioner of natural resources must  
7.12 agree to each proposed acquisition of land or  
7.13 interest in land. The program shall require  
7.14 a match of at least \$1 nonstate funds to \$10  
7.15 state funds. Nonstate dollars match may be  
7.16 in-kind. The criteria for evaluating grant  
7.17 applications must include amount of habitat  
7.18 restored, enhanced, or protected; local  
7.19 support; degree of collaboration; urgency;  
7.20 multiple benefits; habitat benefits provided;  
7.21 consistency with sound conservation science;  
7.22 adjacency to protected lands; full funding of  
7.23 the project; supplementing existing funding;  
7.24 public access for hunting and fishing during  
7.25 the open season; sustainability; and use  
7.26 of native plant materials. All projects  
7.27 must conform to the Minnesota statewide  
7.28 conservation and preservation plan. Wildlife  
7.29 habitat projects must also conform to the  
7.30 state wildlife action plan. All restoration  
7.31 or enhancement projects must be on land  
7.32 permanently protected by conservation  
7.33 easement or public ownership. No more  
7.34 than four of the members of the Lessard  
7.35 Outdoor Heritage Council may be selected  
7.36 to sit on any advising panel developed by

8.1 the National Fish and Wildlife Foundation.  
8.2 The program must be open for application  
8.3 year-round and grants must be evaluated and  
8.4 granted at least every three months. Up to  
8.5 six percent of this appropriation is available  
8.6 for grant program management expenses,  
8.7 including indirect expenses related to this  
8.8 grant program, of the National Fish and  
8.9 Wildlife Foundation. The National Fish  
8.10 and Wildlife Foundation's administration  
8.11 and management must be consistent with  
8.12 Minnesota Statutes, sections 16B.97 and  
8.13 16B.98, and policies adopted thereunder by  
8.14 the Department of Administration, Office of  
8.15 Grants Management. Subdivision 10 applies  
8.16 to grants awarded under this paragraph. This  
8.17 appropriation is available until June 30,  
8.18 2013, at which time all grant projects must  
8.19 be completed and final products delivered,  
8.20 unless an earlier date is specified in the grant  
8.21 agreement. No less than 15 percent of the  
8.22 amount of each grant must be held back from  
8.23 reimbursement until the grant recipient has  
8.24 completed a grant accomplishment report in  
8.25 the form prescribed by and satisfactory to the  
8.26 Lessard Outdoor Heritage Council.

8.27 **(b) Aquatic Management Area Acquisition**  
8.28 \$5,748,000 in fiscal year 2010 is to the  
8.29 commissioner of natural resources to acquire  
8.30 land in fee title and easement to be added to  
8.31 the state aquatic management area system.  
8.32 Acquired land must remain open to hunting  
8.33 and fishing, consistent with the capacity  
8.34 of the land, during the open season, as  
8.35 determined by the commissioner of natural  
8.36 resources. A list of proposed fee title and



9.1 easement acquisitions must be provided as  
9.2 part of the required accomplishment plan.

9.3 **(c) Cold Water River and Stream Restoration,**  
9.4 **Protection, and Enhancement**

9.5 \$2,050,000 in fiscal year 2010 is to the  
9.6 commissioner of natural resources for  
9.7 an agreement with Trout Unlimited to  
9.8 restore, enhance, and protect cold water  
9.9 river and stream habitats in Minnesota. A  
9.10 list of proposed acquisitions and a list of  
9.11 proposed projects, describing the types and  
9.12 locations of restorations and enhancements,  
9.13 must be provided as part of the required  
9.14 accomplishment plan. The commissioner  
9.15 of natural resources must agree to each  
9.16 proposed acquisition, restoration, and  
9.17 enhancement.

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

9.19 \$1,000,000 in fiscal year 2010 is to the  
9.20 commissioner of natural resources for  
9.21 an agreement with Dakota County for  
9.22 acquisition of permanent easements. A list  
9.23 of proposed acquisitions must be provided as  
9.24 part of the required accomplishment plan.

9.25 **(e) Lake Rebecca Water Quality Improvement**  
9.26 **Project**

9.27 \$450,000 in fiscal year 2010 is to the  
9.28 commissioner of natural resources for an  
9.29 agreement with the Three Rivers Park  
9.30 District to improve the water quality in Lake  
9.31 Rebecca in Lake Rebecca Park Reserve  
9.32 in Hennepin County. A description of the  
9.33 activities to enhance fish habitat in Lake  
9.34 Rebecca must be provided as part of the  
9.35 required accomplishment plan.

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

10.2 \$655,000 in fiscal year 2010 is to the  
10.3 commissioner of natural resources for  
10.4 an agreement with the Shell Rock River  
10.5 Watershed District to construct fish barriers  
10.6 at three locations on Fountain Lake. Land  
10.7 acquisition necessary for fish barrier  
10.8 construction is permitted. A list of proposed  
10.9 projects, describing the types and locations  
10.10 of barriers, must be provided as part of  
10.11 the required accomplishment plan. The  
10.12 commissioner of natural resources must  
10.13 agree to each proposed barrier.

10.14 **Subd. 6. Administration and Other** 870,000 -0-

10.15 **(a) Contract Management**

10.16 \$175,000 in fiscal year 2010 is to the  
10.17 commissioner of natural resources for  
10.18 contract management, in fiscal years 2010  
10.19 and 2011, for duties assigned in this section.

10.20 **(b) Legislative Coordinating Commission**

10.21 \$695,000 in fiscal year 2010 is to the  
10.22 Legislative Coordinating Commission for  
10.23 administrative expenses of the Lessard  
10.24 Outdoor Heritage Council and for  
10.25 compensation and expense reimbursement  
10.26 of council members. Up to \$100,000 may  
10.27 be transferred to the game and fish fund as  
10.28 reimbursement for advances to the Lessard  
10.29 Outdoor Heritage Council made in fiscal  
10.30 year 2009.

10.31 **(c) Lessard Outdoor Heritage Council Site**  
10.32 **Visit Exception**

10.33 Travel to and from site visits by council  
10.34 members paid for under paragraph (b) are

11.1 not meetings of the council for the purpose  
11.2 of receiving information under Minnesota  
11.3 Statutes, section 97A.056, subdivision 5.

11.4 **Subd. 7. Availability of Appropriation**

11.5 Unless otherwise provided, the amounts in  
11.6 this section are available until June 30, 2011,  
11.7 when projects must be completed and final  
11.8 accomplishments reported. For acquisition  
11.9 of an interest in real property, the amounts in  
11.10 this section are available until June 30, 2012.  
11.11 If a project receives federal funds, the time  
11.12 period of the appropriation is extended to  
11.13 equal the availability of federal funding.

11.14 **Subd. 8. Cash Advances**

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

11.31 **Subd. 9. Accomplishment Plans**

11.32 It is a condition of acceptance of the  
11.33 appropriations made by this section that the  
11.34 agency or entity using the appropriation shall

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

12.14 **Subd. 10. Project Requirements**

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

12.20 (1) plant vegetation or sow seed only of  
12.21 native ecotypes to Minnesota and preferably  
12.22 of the local ecotype using a high diversity  
12.23 of species grown as close to the restoration  
12.24 site as possible, if the planting of vegetation  
12.25 or sowing of seed is a component of the  
12.26 accomplishment plan;

12.27 (2) provide that all easements:

12.28 (i) are permanent;

12.29 (ii) specify the parties to an easement in the  
12.30 easement;

12.31 (iii) specify all of the provisions of an  
12.32 agreement that are permanent;

12.33 (iv) are sent to the office of the Lessard  
12.34 Outdoor Heritage Council; and

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

14.1 recording fees, commissions, other similar  
14.2 costs, and donations. This information must  
14.3 be provided for all parties involved in the  
14.4 transaction. The recipient shall also report to  
14.5 the Lessard Outdoor Heritage Council any  
14.6 difference between the acquisition amount  
14.7 paid to the seller and the state-certified or  
14.8 state-reviewed appraisal. Acquisition data  
14.9 such as appraisals may remain private during  
14.10 negotiations but must ultimately be made  
14.11 public according to Minnesota Statutes,  
14.12 chapter 13;  
14.13 (6) provide that all restoration and  
14.14 enhancement projects are on land  
14.15 permanently protected by conservation  
14.16 easement or public ownership; and  
14.17 (7) give consideration to contracting with the  
14.18 Minnesota Conservation Corps for contract  
14.19 restoration and enhancement services.  
14.20 (b) The Lessard Outdoor Heritage Council  
14.21 may waive the application of paragraph (a),  
14.22 clause (5), for specific projects.  
14.23 **Subd. 11. Payment Conditions and Capital**  
14.24 **Equipment Expenditures**  
14.25 All agreements, grants, or contracts referred  
14.26 to in this section must be administered on  
14.27 a reimbursement basis unless otherwise  
14.28 provided in this section. Payments for  
14.29 reimbursement may not be made before  
14.30 November 1, 2009. Notwithstanding  
14.31 Minnesota Statutes, section 16A.41,  
14.32 expenditures directly related to each  
14.33 appropriation's purpose made on or after July  
14.34 1, 2009, are eligible for reimbursement unless  
14.35 otherwise provided in this section. Periodic

15.1 payment must be made upon receiving  
15.2 documentation that the deliverable items  
15.3 articulated in the approved accomplishment  
15.4 plan have been achieved, including partial  
15.5 achievements as evidenced by approved  
15.6 progress reports. Reasonable amounts may  
15.7 be advanced to projects to accommodate  
15.8 cash flow needs or to match federal share.  
15.9 The advances must be approved as part of  
15.10 the accomplishment plan. Capital equipment  
15.11 expenditures in excess of \$10,000 must be  
15.12 approved as part of the accomplishment plan.

15.13 **Subd. 12. Purchase of Recycled and Recyclable**  
15.14 **Materials**

15.15 A political subdivision, public or private  
15.16 corporation, or other entity that receives an  
15.17 appropriation in this section must use the  
15.18 appropriation in compliance with Minnesota  
15.19 Statutes, sections 16B.121, regarding  
15.20 purchase of recycled, repairable, and durable  
15.21 materials, and 16B.122, regarding purchase  
15.22 and use of paper stock and printing.

15.23 **Subd. 13. Accessibility**

15.24 Structural and nonstructural facilities must  
15.25 meet the design standards in the Americans  
15.26 with Disabilities Act (ADA) accessibility  
15.27 guidelines.

15.28 **Subd. 14. Land Acquisition Restrictions**

15.29 (a) An interest in real property, including but  
15.30 not limited to an easement or fee title, that  
15.31 is acquired with money appropriated under  
15.32 this section must be used in perpetuity or for  
15.33 the specific term of an easement interest for  
15.34 the purpose for which the appropriation was  
15.35 made.

16.1 (b) A recipient of funding who acquires  
16.2 an interest in real property subject to this  
16.3 subdivision may not alter the intended use of  
16.4 the interest in real property or convey any  
16.5 interest in the real property acquired with the  
16.6 appropriation without the prior review and  
16.7 approval of the Lessard Outdoor Heritage  
16.8 Council or its successor. The council shall  
16.9 establish procedures to review requests from  
16.10 recipients to alter the use of or convey an  
16.11 interest in real property. These procedures  
16.12 shall allow for the replacement of the interest  
16.13 in real property with another interest in real  
16.14 property meeting the following criteria:

16.15 (1) the interest is at least equal in fair market  
16.16 value, as certified by the commissioner  
16.17 of natural resources, to the interest being  
16.18 replaced; and

16.19 (2) the interest is in a reasonably equivalent  
16.20 location and has a reasonably equivalent  
16.21 useful conservation purpose compared to the  
16.22 interest being replaced.

16.23 (c) A recipient of funding who acquires an  
16.24 interest in real property under paragraph  
16.25 (a) must separately record a notice of  
16.26 funding restrictions in the appropriate local  
16.27 government office where the conveyance  
16.28 of the interest in real property is filed. The  
16.29 notice of funding agreement must contain:

16.30 (1) a legal description of the interest in real  
16.31 property covered by the funding agreement;  
16.32 (2) a reference to the underlying funding  
16.33 agreement;

16.34 (3) a reference to this section; and



17.1 (4) the following statement: "This interest  
17.2 in real property shall be administered in  
17.3 accordance with the terms, conditions, and  
17.4 purposes of the grant agreement controlling  
17.5 the acquisition of the property. The interest  
17.6 in real property, or any portion of the interest  
17.7 in real property, shall not be sold, transferred,  
17.8 pledged, or otherwise disposed of or further  
17.9 encumbered without obtaining the prior  
17.10 written approval of the Lessard Outdoor  
17.11 Heritage Council or its successor. If the  
17.12 holder of the interest in real property fails to  
17.13 comply with the terms and conditions of the  
17.14 grant agreement or work program, ownership  
17.15 of the interest in real property shall transfer  
17.16 to the state."

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

17.18 By December 1 each year, a recipient of  
17.19 money appropriated under this section that  
17.20 is used for the acquisition of an interest in  
17.21 real property, including but not limited to an  
17.22 easement or fee title, must submit annual  
17.23 reports on the status of the real property to  
17.24 the Lessard Outdoor Heritage Council or  
17.25 its successor in a form determined by the  
17.26 council. The responsibility for reporting  
17.27 under this section may be transferred by  
17.28 the recipient of the appropriation to another  
17.29 person or entity that holds the interest in the  
17.30 real property. To complete the transfer of  
17.31 reporting responsibility, the recipient of the  
17.32 appropriation must:

17.33 (1) inform the person to whom the  
17.34 responsibility is transferred of that person's  
17.35 reporting responsibility;

- 18.1 (2) inform the person to whom the  
18.2 responsibility is transferred of the property  
18.3 restrictions under subdivision 14; and
- 18.4 (3) provide written notice to the council  
18.5 of the transfer of reporting responsibility,  
18.6 including contact information for the person  
18.7 to whom the responsibility is transferred.
- 18.8 Before the transfer, the entity receiving  
18.9 the transfer of property must certify to the  
18.10 Lessard Outdoor Heritage Council, or its  
18.11 successor, acceptance of all obligations and  
18.12 responsibilities held by the prior owner.
- 18.13 After the transfer, the person or entity that  
18.14 holds the interest in the real property is  
18.15 responsible for reporting requirements under  
18.16 this section.